# WP 4 | CASE STUDY Report: Participatory Budgeting

**Theme [ssh.2013.3.2-1][Social Innovation- Empowering People, changing societies]**

**Project Full Title: "Transformative Social Innovation Theory project"**

**Grant Agreement n. 613169**

# transformative social innovation theory

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## Foreword: the TRANSIT Research Project

**TRANSIT** (**TRAN**sformative **S**ocial **I**nnovation **T**heory) is an ambitious research project that will develop a theory of transformative social innovation which is about empowerment and change in society. It is co-funded by the European Union under the Seventh Framework Programme and runs for four years, from January 2014 until December 2017. TRANSIT aims to involve and encourage feedback from social entrepreneurs and innovators, policy makers and academics to develop a theory with practical relevance. The theory has three pillars: It will be based on, and grounded in, insights from other theories such as transition theory, social movement theory and institutional theory. Secondly, it will be based on in-depth empirical research, and finally it will be tested through cross-comparative research. The research project studies whether and how social innovation can bring about societal transformation and empowerment.

As part of the second phase of the in-depth empirical work, TRANSIT-researchers have studied 8 selected transnational networks and 2 local cases for each network (see Table on next page for an overview). This document reports on the case-study of the transnational **International Observatory of Participatory Democracy – Participatory Budgeting** and on two local cases: Participatory Budgeting in Porto Alegre, Brazil, and Participatory Budgeting in the Indische Buurt in Amsterdam in the Netherlands.

This case-study report was guided by three empirical research questions based upon a framework for Transformative Social Innovation Theory of the TRANSIT-project (see Figure 0-1[1]). The three questions concern:

1. **Emergence of Social Innovation**: How does social innovation emerge? How do social innovation initiatives, social innovation networks relate and develop through space and time?
2. **Transformative social innovation dynamics**: How do social innovations interact with/ contribute to transformative change in a social context?
3. **Agency in Transformative social innovation**: Where lies the agency in transformative social innovation processes? How are actors, social innovation initiatives and/or social innovation networks dis/empowered in transformative social innovation processes?

**Figure 0-1: Cognitive Map for second phase of in-depth empirical work for TRANSIT project** *(Source: Wittmayer et al. 2015)*



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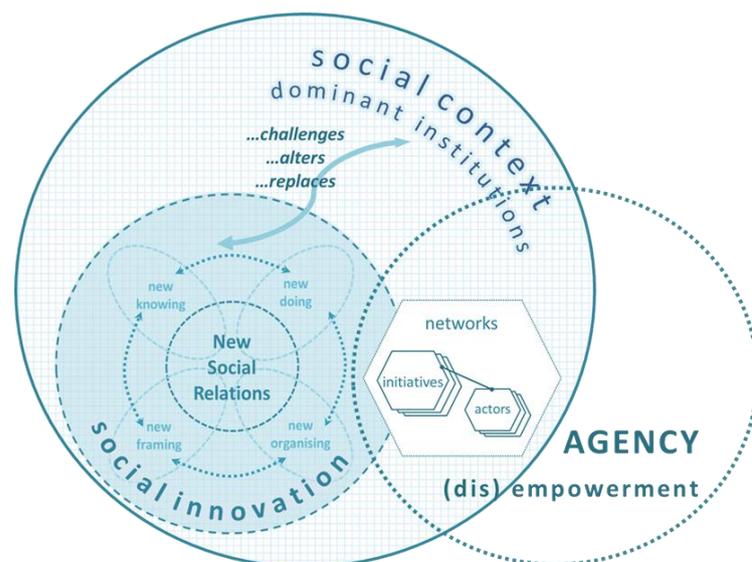
[1] For more information about this preliminary conceptual framework and underlying working definitions, see Haxeltine et al. 2015: http://bit.ly/1Z15KqS and Wittmayer et al. 2015: http://bit.ly/1IX7ND7

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| | Transnational Networks under study in TRANSIT project | Case Study Coordinator | Local Case 1 | Local Case 2 |
|---|---|---|---|---|
| 1 | **Slow Food** www.slowfood.com | UDC | ES – Vitoria (Basque country) slowfoodaraba.es \| UDC | DE – Freiburg \| BOKU |
| 2 | **Via Campesina** www.viacampesina.org | UNQ | ARG - MOCASE, Santiago del Estero \| UNQ | HU – Magosz \| ESSRG |
| 3 | **International Co-operative Alliance (Housing)** icahousing.coop | UNQ | ARG - Hogar Obrero \| UNQ | DE – Freiburg (Vauban) \| BOKU |
| 4 | **Int. Observatory for Participatory Democracy (Participatory budgeting)** www.oidp.net | UFRJ | BRA – Porto Alegre \| UFRJ | NL – Amsterdam \| DRIFT |
| 5 | **Shareable Network (Sharing Cities)** www.shareable.net | IHS | ES – Sharing City Barcelona \| IHS | NL – Sharing City Nijmegen \| AAU |
| 6 | **Living Labs** www.openlivinglabs.eu | IHS | NL- Eindhoven Living Lab \| IHS | UK - Manchester Living Lab \| SPRU |
| 7 | **Basic Income** www.basicincome.org | UM | DE - Netzwerk Grundeinkommen \| UM | NL – Dutch Network for Basic Income \| ULB |
| 8 | **Seed Freedom Movement** Network bricolage (5 networks) | ESSRG | HU – Maghaz \| ESSRG | UK - Seedy Sunday Brighton \| SPRU |

Table 0-1. Overview of Transnational Networks under Study in Phase 2 of the TRANSIT research project

## Position of this Report in the TRANSIT project:

This basic case-study report is part of the 2nd empirical phase of TRANSIT, and will be used as:

- Input for a cross-comparative analysis of all 20 networks and 40 local cases (of both phase 1 and phase 2 of the in-depth empirical work), resulting in a TRANSIT-deliverable that is published on the TRANSIT-website
- Basis for a short summary of each network and local case, which is published on the TRANSIT-website
- Possibly, a final version of the case-study report, published on the TRANSIT-website
- Basis for a essays/ blogs/ policy briefs to be published via the TRANSIT website
- Basis for academic papers to be submitted and published in scientific journals

## More information on the TRANSIT-project:

www.transitsocialinnovation.eu

www.facebook.com/transitsocialinnovation

Twitter: @TransitSI

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## 1  Introduction

This report focuses on the Observatório Internacional de Democracia Participativa (*International Observatory of Participatory Democracy* - OIDP), a global network of cities, associations, organizations and research centers. These are interested in learning and exchanging impressions about and applying participatory democracy on a local scale within municipal governments. The network started in 2001 and currently has participants in 71 countries: 341 local governments as associate members and 274 universities and research centers as collaborating members. The central network office is located in Barcelona, Spain.

Next to the network, the report also covers two local initiatives associated with the OIDP, namely Participatory Budgeting in Porto Alegre, Brazil and Participatory Budgeting in the Indische Buurt, Amsterdam, The Netherlands. The first local initiative is located in the city of Porto Alegre, in the state of Rio Grande do Sul, Brazil. It started in 1989 and is a recurrent yearly process of deliberation and decision-making between the local population and the local government with regards to the municipal spending for the coming year. The final product of each year's process is the city's investment plan created by its citizens with the local government. The second local initiative is located in the Indische Buurt, Amsterdam, The Netherlands. It started in 2010 and aims for more budget transparency and accountability on the local level as well as for strengthening participatory democracy by increasing the awareness, knowledge and influence of citizens in the neighbourhood about and on the municipal budget. It emerged out of two distinct initiatives: a citizen-initiated stream focusing on budget monitoring and a municipality-initiated stream focusing on a neighbourhood budget instrument. In the meanwhile, the two streams converged into a co-creation process between the local administration and citizens to prioritize policy and to collaboratively write an area plan.

The transnational network is an exemplary initiative for scaling social innovation experiences in participatory democracy and has close ties with the oldest participatory budgeting initiative, the Participatory Budgeting in Porto Alegre. This report covers the development of OIDP by distinguishing two phases (2001-2011 and 2012-2015). In these phases, the largest and most important changes within the network took place. The network was created as a "*project within the framework of the Decentralized Cooperation Projects of the European´s Union URB-AL Programme*" (2013). URB-AL is defined by the official URB-AL website as "*a regional cooperation programme involving sub-national governments of the EU and Latin America*".

For the initiative in Porto Alegre, the report covers the whole period since its inception in 1989, also distinguishing two phases (1989-2005 and 2005-2015) to cover the most important changes. In Porto Alegre, the participatory budgeting emerged at a very peculiar time. During the 80s, the country experienced a transition from a military dictatorship to a democratic state with huge social mobilization asking for social and political changes. Next to other leftist political action, the experimentation with participatory budgeting made the city of Porto Alegre a prominent actor in those massive changes occurring all over Brazil. The experience with participatory budgeting in Porto Alegre was the basis for this social innovation to scale and spread to other places (see Figure 4.5 - Spatial Map of participatory budgeting).

The local initiative in the Indische Buurt in Amsterdam emerged in a context of an economic crisis and government budget cuts accompanied by discourses, trends and practices that questioned the relation between government and citizens, such as 'active citizenship', 'participation society', 'Big Society', 'area-focused working' or participatory democracy. Participatory budgeting became a tool through which to address and newly define the relation between citizens and their representatives and through which citizens gain influence on local policy making. The report covers the initiative as of its start-up period in 2010.

The two local manifestations are quite distinct. Firstly, the Dutch initiative is situated in a neighbourhood, while the Brazilian initiative covers the whole city. Secondly, the affiliation to the OIDP is different. While Porto Alegre is an associate member of OIDP (as a municipality),

represented by its municipal government, in the Dutch case it is a community foundation located in the neighbourhood which is a collaborating member. Thirdly, participatory budgeting has a much longer history in Porto Alegre than it has in Amsterdam (26 years as compared to 5 years). Fourthly, in Amsterdam it is two initiatives (one from the local government and one from citizens) which together form the participatory budgeting, while in Porto Alegre, this is one coherent, and currently highly institutionalized process.

While we focus in this report on participatory budgeting as an emblematic approach to participatory democracy, it is not the only one, there are also others. However, participatory budgeting is an important aspect of participatory democracy and also a long-standing practice allowing to trace the emergence and changes in social innovation. As such, it seems perfectly suitable to inform the building of a theory on transformative social innovation, which is the overall aim of the TRANSIT project.

## 1.1  Literature review

Both, the academic and non-academic literature on Participatory Budgeting (PB) is vast and varied. With regard to non-academic sources, OIDP holds an annual competition regarding: "*Best practices in citizens' participation award*", which is the basis for a case database on the process of participatory democracy and participatory budgeting. Enthusiasts can access the best practice descriptions and outcomes via the OIDP website[2]. Likewise, there is an online resources library organized by a website[3] concerned with Participatory Budgeting, which accounts for cases, reports and a diverse range of articles.

Furthermore, the material available by academic authors is mostly intended for an academic audience, such as the articles published in political science, sociology, economics or urban studies journals. Generally, academic contributions include (a mixture of):

- Socio-political analysis mostly considering local arrangements and political changes that emerged from PB initiatives (Saez, 2015; De Sousa, 2011; Borba and Ribeiro, 2012; Nuñez, 2010; Moir and Leyshon, 2013);

- Analysis and recommendations with regard to PB participatory decision-making and its outcomes (Wu and Wang, 2012; Gomez et al., 2013);

- Description and (historical) comparison and analysis of PB initiatives and their differences worldwide, mostly from a management and policy perspective (Melgar, 2014; Allegretti and Allulli, 2012; Bassoli, 2012; Centner, 2012; Sintomer et al., 2008);

- Elaborations, mostly from a fiscal economics perspective, on welfare mechanisms to escape the poverty trap (Timmons and Garfias, 2015; Marquetti, 2012);

- Interpretations of state, private sector and civic society relationship in the PB processes and its implications for the PB process (Novy and Leubolt, Bernhard, 2005; Rubin and Baierle, 2014);

- Analyses of current and past citizen engagement and strategies for improvement (Sintomer et al., 2012; Hauschild and Oberrather, 2012; Polletta, 2013).

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[2] http://www.oipd.net/

[3] http://www.participatorybudgeting.org/resources/articles/

Next to the academic articles, there are also publications aimed at making the academic debate more accessible to a broader public or political activists. Most of these types of publications are available on-line and for free and cover more than one medium. The boundaries between academic debate, journalistic reflections and political activism are fluid and many authors mentioned above are also engaged in the popularization of the concept. The OIDP network itself collects and disseminates news items about participatory democracy in its newsletter, promotes an annual conference for knowledge exchange and has different working groups which involve academic and non-academic researchers. Other interest groups make use of the entire spectrum of social media to amplify the social movement on Participatory Budgeting, including facebook groups both in national and transnational alliances.

## 1.2  Case demarcation

This report includes:

1. Transnational network: the International Observatory of Participatory Democracy (OIDP)
2. Local manifestation in Brazil – The Participatory Budgeting Process in the  Municipality of Porto Alegre
3. Local manifestation in the Netherlands: The Participatory Budgeting Process in the Indische Buurt, a neighbourhood of Amsterdam.

An important actor linking the OIDP and the local manifestation in Brazil is the Observatory of the City of Porto Alegre (ObservaPOA), which is configured as an intermediate body between these two.  It is part of the OIDP, but based in the Municipality of Porto Alegre. As such, it is described in chapter 3, as part of the description of the international network (OIDP) and in chapter 4, as part of the description of the local manifestation in Brazil. Figure 1 shows the case demarcation.

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**Figure 1: Case demarcation – the OIDP Network (1) and its local manifestations (2 and 3) described and analyzed in this report**
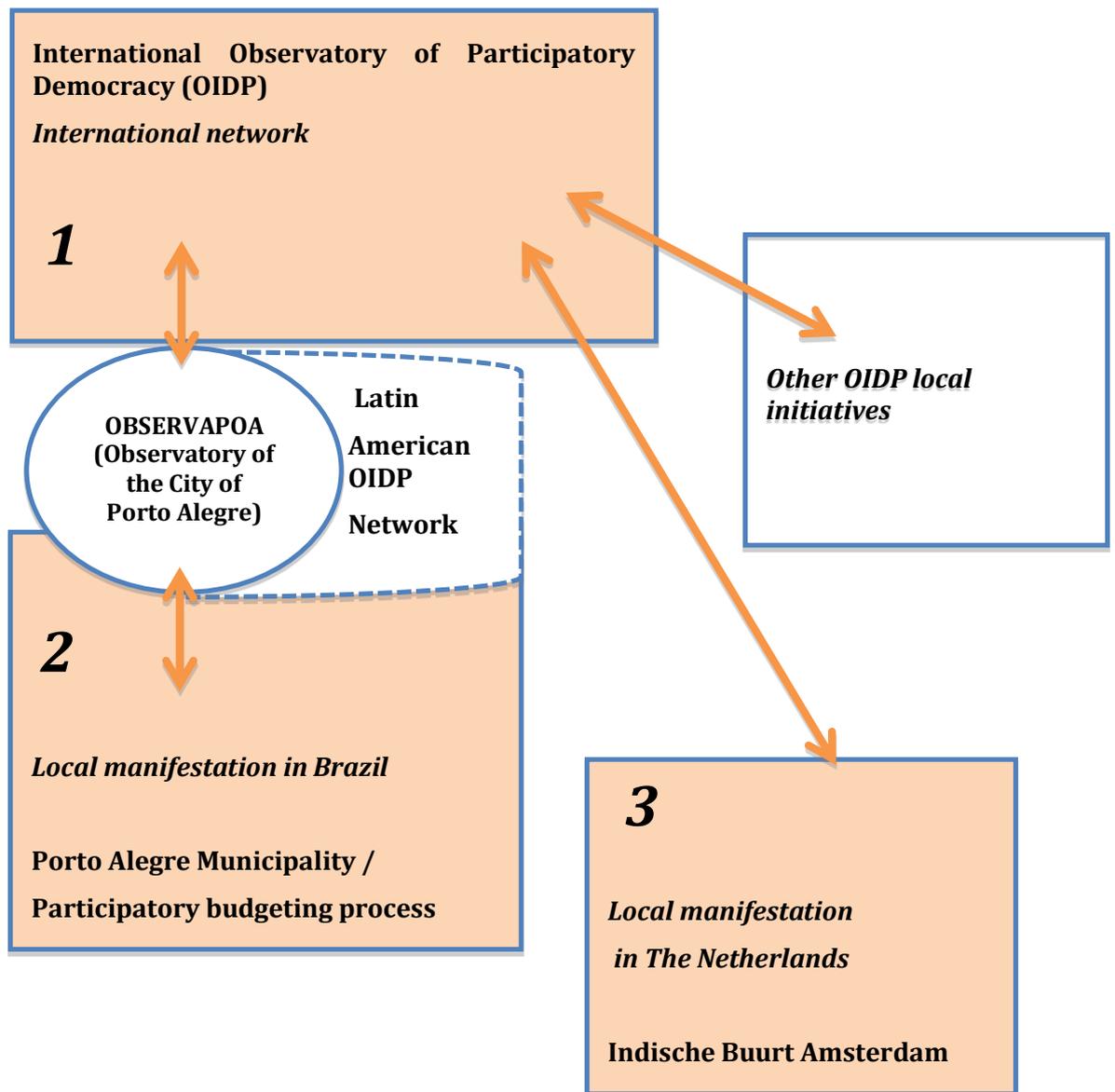


## 1.3 Overview and structure of the report

This introduction is followed by section 2 on methodological considerations, including our choices of research methods and our research relations in the field. Sections 3 to 5 report our findings on the transnational network(ing) OIDP (section 3), the Porto Alegre Participatory Budgeting (section 4), and the Participatory Budgeting in the Indische Buurt, Amsterdam (section 5). Within these sections we outline 1) the emergence of the social innovation network or initiative (Emergence of social innovation), 2) the ways it interacts with and contributes to transfomative changes in its social context (Transformative Social Innovation dynamics) and 3) how actors are dis-/empowered therein (Transformative Social Innovation Agency). In the final section 6, we synthesise our insights along the same categories.

# 2  Methodology

*Authors: Rita Afonso, Julia Wittmayer and Carla Cipolla*

In this chapter we describe the methodology and approaches used for all three case studies, the international network and the two local manifestations. Two different teams have done the research. A Brazilian team from UFRJ covering the international network and the participatory budgeting initiative in Porto Alegre and a Dutch team from DRIFT covering the participatory budgeting initiative in the Indische Buurt in Amsterdam. This chapter compiles the approaches and methods used by both teams – for each of the questions we make explicit to which of the two teams we refer.

## 2.1  Researcher relations to the case

### Brazilian team

The three researchers involved in the study of the network and the local manifestion in Brazil had previous knowledge of the local case because of its relevance in the national sphere. However, they did not have any contact with the involved people, nor had they engaged in any research with regard to the international network before.

The researchers established the first contact through virtual meetings by skype with the ObservaPOA´s team in Porto Alegre and all other contacts came from this initial interaction. All actors were very friendly and open to share information with the researchers. They are used to interact with researchers and other city´s government and to share their experience, as Porto Alegres´s PB (POA's PB) is a worldwide known initiative. It means that apparently they are open and willing to spread SI ideas. All interviewees of the international network and POA´s PB participants showed enormous willingness to participate and clarify questions and issues raised by the researcher. Some people from Porto Alegre work closely with and participate in the international network. Therefore, some interviews were arranged to serve both the description of the international network as well as the description of the local initiative of Porto Alegre. This relationship will be explained further in this report.

The Brazilian team searched for interviewees from within the international network and the process of PB in POA – officers from the city hall and active participants – as well as external actors – critical researcher and other actors from outside the process. Within these cases, we also looked for diversity in terms of levels of engagement, ranging from office members (city hall) and active members, to those who had been closely involved in the past but had phased out or lowered their engagement after a while. Normativity was countered by looking for critical narratives to know and understand the unfavourable points of the POA´s PB. We held two interviews in Porto Alegre with people that viewed the local initiative critically.

Some of the interviwees seemed interested in the results of the research, even though some of them do not read English-language publications. Considering that, the researchers explore different ways to deliver the results in an understandable format. It was noticed that some did not show particular interest in the results, maybe because they are so used to receive researchers and other interested people in the municipality of Porto Alegre.

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## Dutch team

Both researchers involved in the Dutch case study were new to the topic of participatory budgeting, while both have experience in research focusing on government-citizen-interaction in neighbourhoods. As such, we were familiar with some of the discourse and background of Dutch neighbourhood development while we were open, curious and constructively critical about the phenomenon – participatory budgeting – under study and its potential influence on the relations between governments and citizens. As there has not been a lot of opportunity to interact with the actors of the initiative (e.g. in terms of participant observation or more action-oriented forms of research), the 'risk' of 'going native' was not as pertinent as in other research that we have been involved with.

To the majority of our interview invites, we added a sentence to indicate that we strive to set up the research in a way that makes it interesting for both parties and invited the interviewee's ideas (if any) in this regard. This was to indicate that we were open to discuss different forms that the research relationship could take. We did this especially with actors that can be considered key informants with regard to their knowledge and involvement in the development of the participatory budgeting in Amsterdam. We agreed with two interviewees to further discuss the theoretical and philosophical foundations for the neighbourhood budget instrument approach, and with two others to provide them with results (e.g. publications) or to invite them to relevant presentations or meetings. Some interviewees did not provide any specifications in this regard. With the other interviewees, the research team agreed to share the final case study reports and other possible outcomes of the project.

## 2.2 Methods

### 2.2.1 Overall methodology

The research questions were developed by the Dutch team on the basis of the TRANSIT methodological guidelines and were reviewed by the Brazilian team. Some changes were made in order to consider specific characteristics of the Brazilian context.

In both countries, the methodological guidelines were closely followed, including the TRANSIT concepts. In writing up the case study, the overall template and most of the sub-questions were followed, while also omitting some of them for the sake of keeping the report succinct. One example is the section on TSI Agency of the Dutch initiative, where we focused on certain questions (especially those with regard to mapping actors and analysing the four main TRANSIT dis/empowerment themes: social learning, monitoring, resourcing and governance), while omitting others such as those focusing on 'autonomy'.

The main data gathering methods were document review, interviews and participant observation. In Brazil the participant observation covered the extent that was aimed for in the methodological guidelines, while this was much less in the Dutch case. Due to the age of the social innovation initiative under study in Netherland (first developments in 2010), research in public archives was not done. This would however be interesting for a follow-study that puts the initiative into the context of broader developments in the neighbourhood, e.g. as related to participatory interaction between local government and citizens.

Once gathered, we coded all our data according to a coding scheme that was oriented along the main concepts to be covered in this report. We clustered all relevant codes per concept and/or sub question and analysed these for patterns and irregularities. The outcome was written up in this report.

## 2.2.2 Interviews

The interview guide was used in conducting interviews in all two local manifestations and the transnational network. Overall, the interviews differed slightly due to the different role, position and background of the interviewees in relation to the participatory budgeting cases or the transnational network. The difference can be found in terms of the overall time spent on the interview, the amount of time spent on each of the three main questions, as well as the character and degree of spontaneous open questions that arose during the interview. No main research questions were added or omitted in the overall sample, while individual interviews might have had specific foci and not all interviews included all sub-questions of the three main research questions.

Most interviews consisted of 1-2 hour semi-structured interviews and were conducted either by one researcher, two researchers or one researcher and a research assistant. Some followed the interview guide more closely and others were less structured and more conversational. Interviewees were selected based on their role in the case study, as well as in response to referrals from interviewees. See Table 2-1 for an overview of the amount of interviews; see List of interviews in Annex 7.2 for a more detailed list of interviewees (positions, dates, duration of interview, interviewer and relevance for case). The interviews were held in English, Dutch or Portuguese. For the report, the researchers translated direct quotes into English. For the Dutch case we also included the Dutch original quote.

All interviews were recorded with consent by the interviewees and typed out in interview summaries, which were partly literally transcribed. These summaries included direct quotes and were used as a basis for coding. During the interview, the interviewees were told that the interview data would be treated confidentially and that they would be quoted anonymously in the case study report, or, if they would be quoted by name, researchers would first ask permission to do so. All references to interviewees are used with the consent of the interviewees: this means that they have seen a final draft version of the report and consented to how we referred to them (full name, function only, anonymous) as well as the quotes that we cite.

**Table 2-1: Overview of interviewees**

|  | Interview period | # of interviews | Interview hours | Type of interviewees |
|---|---|---|---|---|
| **Transnational Network** | 08/2015 – 09/2015 | 03 | About 5 hours | 3 officials |
| **PB Porto Alegre** | 08/2015 | 08 | About 10 hours | 3 officials, 3 community leaders, 2 external actors |
| **PB Amsterdam** | 09/2015 – 12/2015 | 10 | About 10 hours | 4 civil servants, 4 organzing actors of budget monitoring, 2 inhabitants and participants of PB |

ObservaPOA arranged interviews for both the transitional network and the local initiative in Porto Alegre. For the local manifestation 1, a researcher in Porto Alegre arranged some

interviews with local community leaders. As the interviews were conducted, other actors were suggested by interviewees and were contacted and interviewed by the research team. In the Dutch case, the interviewees were selected based on a first review of secondary literature and then the researchers inquired with interviewees whom else they should talk to. While we think that our interviews cover many of the initiating and facilitating actors for both budget monitoring (4 interviewees) and neighbourhood budget (4 interviewees), we think that there are some shortcomings in terms of the amount of actors we spoke who participated in the role of citizen in the processes (2 interviewees).

## 2.2.3   Participant observation

In relation to the transnational network, the participant observation was conducted in the Latin-American office in Porto Alegre, ObservaPOA, and by accompanying a field research trip conducted by ObservaPOA, which totalized 4 hours. In the case of the Brazilian local initiative, the participant observation was done in several events in different spaces, adding up to a total of 11 hours. In the Dutch case we have done participant observation on two occasions. See for an overview of the participant observation activities Table 2-2 (summary) or for a more detailed overview see List of meetings and events attended in Annex 7.3.

**Table 2-2: Overview of participant observations (PO's) conducted at each of the sites**

|  | PO period | # of PO's | Hours of PO | Type of PO occasions |
|---|---|---|---|---|
| **Transnational Network** | August 2015 | 2 | 4 hours | 1 local office observation, 1 research visit in an assembly |
| **PB Porto Alegre** | August 2015 | 3 | 11 hours | 1 visit to Regional Management Centre, 2 full assemblies |
| **PB Amsterdam** | November 2015 | 2 | 5 hours | 2 meetings organized by the local municipality |

Participatory budgeting in the Dutch case is done in line with the municipal budgeting period. However, at the time that we started the fieldwork the current iteration just came to an end, which meant that there was no opportunity to take part in the actual process. The researchers however managed to take part in a session during which civil servants presented and discussed how they compiled the input from the latest participatory budgeting round into the Area Plan (to be accorded by the District Board Committee). The Area Plan is a policy tool that outlines the priorities and actions to be taken within the area of the Indische Buurt.

## 2.2.4   Document reviews

For the OIDP network, we reviewed a considerable amount of primary literature. This included: (1) all the "Letters" issued at the end of OIDP Conferences, which are held yearly (since 2001). The "Letters" are statements of the  OIDP members about key issues regarding the theory and practices of participatory democracy; (2) the analysis of the reports of the participatory democracy projects awarded with the "OIDP Distinction of Best Practices in Participatory Democracy", which included also the description of the other projects submitted (since 2006).

These two sources (the "Letters" and the "Reports" were analysed together and in a comparative way, to understand the relations between theory and practices of the OIDP network; (3) publications from OIDP Workgroups and the issues developed in these groups; (4) Work Plans issued by the OIDP members' in the internal meetings to guide the work of the OIDP Technical Secretariat; (5) other publications issued by OIDP's members, like manuals and presentations about the OIDP. Secondary literature included papers related to participatory democracy (also in a historic perspective), about the results of the network activities and about the development of decentralized cooperation between EU and Latin America (related to the Urb-Al Program). Many online documents (in websites) were accessed about other networks and institutions, which are related to the activities of the OIDP network.

For the Brazilian local initiative, we reviewed a considerate amout of secondary and primary literature related to the birth of the PB´s process and its development over time. This case is covered by a vast amount of literature due to the fact that it was the first initiative of its kind worldwide. The set of works that was consulted is vast and ranges from social science to the financial field. To cover a large scope of the actors involved in the co-production of thought, research, debate, publication and activism on Participatory Budgeting, the following on-line sources (and some more) were consulted for the TRANSIT case study analysis: the OIDP website, the Participatory Budgeting project website and the academic database Portal de Periódicos CAPES[4].

For the Dutch case, we reviewed a fair amount of secondary literature related to overall developments of (different forms of) participatory budgeting in the Netherlands and to the actual participatory budgeting in the Indische Buurt in Amsterdam. With regard to the latter, this included brochures issued by some of the key actors (such as the district as well as the initiating NGO) and publications in professional journals and newspapers. For an overview of the documents please see Section 5.6.

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[4] http://www.periodicos.capes.gov.br/

# 3 Transnational network(ing): OIDP – Observatório Internacional de Democracia Participativa (*International Observatory of Participatory Democracy*)

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The main issue of this TRANSIT report is "participatory budgeting".

The two local manifestation of presented in this report are described in terms of the participatory budgeting processes they are promoting. Both are members of the Network, which name indicate "participatory democracy"as its main issue.

The analysis of the projects developed by members reveals that the participatory budgeting, which includes all the variations defined by the specific characteristics of each locality, is the most diffused and recognized modality of participatory democracy.

Therefore, in this report, the analysis of network brings a contribution on how a participatory democracy practice operates between a local level (as practiced in the local manifestations considered) and the network level. It includes a specific descrition about the SI- Network, the, also considered in this report as a social innovation.

This report about covers two aspects of the  as a social innovation:

(a) the **network level;**
(b) the **participatory democracy**, **as defined and practiced by  Network members.**

## 3.1  Emergence of

### 3.1.1   The network level

**About the SI- network**

 Network defines itself as a "space open to all cities in the world and all associations, organizations and research centres interested in learning about, exchanging impressions and applying experiences of **participatory democracy** on a **local scale** with the aim of deepening the roots of democracy in **municipal governments**" (website – About us, 2015).

The transformative social innovation (TSI) theory under development in the TRANSIT project (Haxeltine et al.,  2015) defines TSI as "**a change in social relations, involving new ways of doing, organizing, framing and/or knowing, which alters and/or replaces dominant institutions/structures in a specific social context**"(p. 29).

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The network is socially innovative under this definition, because it contributes to promote participatory democracy processes mainly through the production of knowledge to support these processes at a local level (municipalities). This main aim is attained by promoting a change in social relations between different actors at a local level and international level. This is done by fostering synergies between public administration, civil society and knowledge centres at a local level (in the municipalities or specific geographic areas) and at the international level in a way to promote the diffusion of participatory policies and their inclusion in the international agenda (, 2007a).

One of the documents, that describes and evaluates the network operation over 10 years (, 2011) states that, from 2001 to 2011, grew to become a network of 547 towns and cities in 52 countries. It encompassed 310 Local Governments and 237 Universities, research centres and associations. This same document describes the network as "the most widespread network of participatory democracy" and the "worldwide centre of reference for the production of knowledge (the R&D of Participatory Democracy)". These are considered the key features that enable the network to contribute to "the enrichment of the public policies of municipal governments" (, 2011). Today, the includes 341 local governments and 274 universities, research centers and associations in 71 countries ( Members, 2015).

## **About the relation between SI-Network and SI-Initiative**

is organized around two kinds of memberships. Local or regional governments are registered as **associate members**. Universities, research centres and associations are welcomed as **collaborating members**, which indicates that they support the associate members in their actual or future processes on participatory democracy.

One of the SI-Initiatives under analysis in this report is the Participatory budgeting in Porto Alegre. Porto Alegre is an associate member of the . Simultaneously, Porto Alegre hosts also the ObservaPOA (Observatory of the City of Porto Alegre) which is part of as a regional office for Latin America. The Municipality of Porto Alegre is an **associate member** of the .

Other SI-Initiatve under analysis in this report is Budgetmonitoring and Citizenbudgeting in the Indische Buurt, Amsterdam. Makkassarplein community, one of the four active communities in the Indische Buurt, 'subscribed' to the online community of the international network , and the Makkassarplein community is listed as a member at the website as a **collaborating member**.

ObservaPOA, the Observatory of the City of Porto Alegre, is the regional office of in Latin-America. It is based and financed by the Municipality of Porto Alegre. In this report, a local Observatory of called ObservaPOA will be cited when it is required to describe the operation on a local level (Porto Alegre) or a regional level (Latin America).

As detailed in the next pages (see timeline), together with associate and collaborating members, the was composed by a set of 10 Local Observatories of Participatory Democracy (OLDP) established in cities in Latin America and Europe, whose main aim was to produce local knowledge about participatory democracy processes in the cities considered, also to be exchanged and discussed at the network level.

The Local Observatories were in operation only from 2004-2007 and developed as a main action - in their knowledge generation process - a methodology to evaluate participation from a wide variety of political, social, economic and regional perspectives.

ObservaPOA was funded as one of these observatories, and the only one that is still active and has a key role in the , as an active member in operation today. The aims of the ObservaPOA are stated as the following: "The Observatory of the City of Porto Alegre (ObservaPOA) provides a broad

base of georeferenced information to the city of Porto Alegre contributing to the consolidation of citizen participation in city management. The georeferencing information by regions and districts play a pedagogical and political key role in strengthening the identity of the site and promoting a sense of community in people and families" ObservaPOA website, 2015), (see Hackeloeer et al, 2014 about "georeference").

It is also stated: "The ObservaPOA also provides indicators that are able to qualify participatory management processes (Participatory Budgeting, Municipal Councils and Local Solidarity Governance) from three perspectives: (1) social - impact on improving the quality of life and living of the people; (2) management - impact on efficiency, transparency and decentralization of municipal management; (3) political - impact on democratic development and citizenship, the expansion of social capital and recovery of local identity"(from ObservaPOA website, 2015).

These statements describe what is considered to be a model of an OLDP - Local Observatory of Participatory Democracy, as conceived by . The next pages will describe how ObservaPOA is effectively operating within this conceptual model.

**About the emergence of SI-Network**

The Network was created in 2001 as a "project within the framework of the Decentralized Cooperation Projects of the European´s Union URB-AL Programme" (, 2011). URB-AL is defined by the official URB-AL website as "a regional cooperation programme involving sub-national governments of the EU and Latin America. The programme was initially created to develop networks between local authorities and, on the basis of exchange of experiences on different urban policies, to contribute to the wider goal of promoting social cohesion in Latin America". It is also stated that from 1994 – 2007 "URB-AL played a leading role in strengthening the relations between the EU and Latin America by encouraging direct exchange of experiences between local development representatives and experts of both regions" (from URB-AL website, 2015).  The URB-AL program was organized in thematic networks, and  was developed under the thematic network n. 3 named "democracy in the city".

Below, the historical development of the  is presented in a timeline. This includes its regional office, the ObservaPOA (Observatory of the City of Porto Alegre) that it is directly related to the Participatory Budgeting process in POA (the local manifestation under consideration in this report). The overall description of the  development over time, from 2001 to 2015, is considered here as composed by two main phases.

Phase 1 ran from 2001 to 2011 and it covers the first 10 years of  operation: it is the phase during which the European Commission fully financed the  operation and finishes with a renew of strategy (in the 10th year of its operation). Phase 2 started in 2012 and it is the phase during which the  started to apply its renewed strategy and includes the end of the financial support from the EU (2013, with the end of the URB-AL III Program).

 **Network timeline**

Table 2. 's timeline.

| Year / period | Important activities/changes/ milestones in transnational networking | Importance in the development of , description | Who |
|---|---|---|---|

# transformative social innovation theory

## PHASE 1 (2001-2011)

| 2001 | is created in the 1st Conference | Establishment of Network | partners and European Commission |
|------|----------------------------------|--------------------------|----------------------------------|
| **2004** | Local Observatories of Participatory Democracy are developed in 10 cities in Latin America and Europe ( Project, 2015) | As a partnership with the European Commission's URB-AL Decentralised Cooperation Programme, the Local observatories aimed to develop a methodology to evaluate participation from a wide variety of political, social, economic and regional perspectives. | URB-AL Decentralised Cooperation Programme and local governments and research centres (10 cities) |
| | UCLG –United Cities and Local Governments network is created in Paris, 2004. It was a major step in the *international municipal movement* (founded in Gent, Belgium in 1913) as it succeeded in uniting the major local and regional government associations from across the globe (UCLG, 2014) | It will become an increasingly important partner for . UCGL defines itself as a "global network of networks" (UCLG Website, 2015) | UCLG is the direct inheritor of the International municipal movement, uniting the main associations of local and regional governments from all corners of the world, into one organization (UCLG Website, 2015; UCLG, 2015b) |
| **2006** | OIDP  begins to work in collaboration with the United Cities and Local Governments – UCLG Network | OIDP contributes to the production of knowledge and the development of public policies and citizen participatory democracy in the UCLG Network | OIDP technical secretariat, coordination committee and presidency |
| | ObservaPOA is created at the intersection of the OIDP initiative of local observatories and collaboration with UCGL | The launch of the Observatory of the City of Porto Alegre (ObservaPOA) brings reputation to OIDP. Since 2003, Porto Alegre were actively involved in the URB-AL Network 9 (local financing and participative budget) and was the first coordinator. And involved in the Urb-AL Network 3 (democracy in the city) and 10 (fight against urban poverty). OIDP was developed under the thematic network n. 3 named "democracy in the city" (ObservaPOA, 2005) | Municipality of Porto Alegre |

# **tran**sformative **s**ocial **i**nnovation **t**heory

| | | | |
|---|---|---|---|
| | 1st distinction "Best Practice in Citizen Participation" award (one of the most important initiatives of the OIDP) | As part of submission, local governments must apply a case that is stored in a database of good practices and it's available to anyone on the OIDP website. Other than that, the award recognizes the best appliance of participatory democracy worldwide, stimulating those practices. | OIDP technical secretary and directory and staff of annual conference. |
| **2007** | End of Local Observatories of Participatory Democracy Program | The financial support from the EU to the Local Observatories ended and they were closed (however, the support from EU continued for the Network operation). | URB-AL, OIDP and Local Observatories |
| | Brazilian Network of Participatory Budgeting is funded (Rede OP Brasil Website, 2015) | It operates in a very similar way to OIDP. | It gathers (in 2015) 44 Brazilian municipalities. Porto Alegre is a member. |
| **2011** | OIDP members perceived the need to review the network strategy: it reinforces its original objective of becoming a space of knowledge production and exchange of useful experiences for cities. | intends to innovate and recommend concrete policies to public administrations from around the world, specially to local governments to move towards participatory democracy ( Website – About us, 2015). | OIDP active members |

**PHASE 2 (2012-2015)**

| | | | |
|---|---|---|---|
| **2012** | Application of the renewed strategy, defined in 2011. | The exchange of experiences becomes the main work basis. The Distinction of Best Practices of Participatory Democracy and the Conferences are affirmed as key actions of to promote knowledge exchange.  Conferences since the beginning of Network, have issued documents (called "Letters", produced by members) with policy recommendations. Therefore, it is not clear what changed in the so-called renewed strategy. | active members |
| | Regional Office for Latin America is | A renewed decentralisation effort started within the OIDP. After the end | Regional Office in Latin America is coordinated by ObservaPOA |

| | | | |
|---|---|---|---|
| | created, office in Africa under development as a focal point, to be consolidated as a regional office also. | of the LOPD (Local Observatories), Network were not able to operate directly at a local level (only through associated members, i.e., the municipalities) | and cooperates with the Observatory of the Metropolis (an observatory for urban development issues in Brazil) and departments at the Federal University of Rio Grande do Sul (UFRGS). The focus point in Africa is coordinated by the NGO ENDA-Ecopop (Environment and Development in the Third World) |
| **2013** | End of URB-AL III Program | End of the financial support from European Union. This results also (progressively) in a revision on the Funding model. | Network, as a whole. |
| **2014** | Expansion, local "antennas" | in 2014, the Technical Secretariat worked to consolidate these two offices and to open another regional office in Northern Europe, Asia and one in North America. | OIDP Technical secretariat |
| **2015** | OIDP participates in the development of an International Research Partnership on Participation and Democracy (*Participedia –* www.participedia.net) ( News, 2015) | The OIDP will play "an important role in this project by focusing contributions on the search of case studies and institutional contacts" ( News, 2015)  is a source of information for the project (together with other researchers and research bodies). | The partnership gathers eight Canadian universities and seventeen additional universities and nongovernmental organizations representing every continent on the globe |

The two phases of  (phase 1 from 2001-2011 and phase 2 from 2012-2015) have distinctive characteristics that are described here in relation to the transformative social innovation (TSI) theory under development in TRANSIT project (Haxeltine et al., 2015), particularly referring to the relational co-productive approach to social innovation which understands that SI initiatives are active across four dimensions -new framings, new doings, new organizing and new knowing - and establish new social relations which challenge, alter or replace the social context in which it operates.  A visual representation is used to describe the TSI dynamics of the  in the phases 1 and 2 considering all these theoretical elements (figures 2 e 3).

### 3.1.2  Phase 1 (2001-2011)

Figure 2 presents the phase 1 (2001-2011) of the  network.  The distinctive characteristics of the network in this first phase as a social innovation (as defined in TRANSIT) are:

**Doing**: the definition of the operational model of  and its local observatories;

# **tran**sformative **s**ocial **i**nnovation **t**heory

**Knowing**: the definition of the knowledge generation model of  network and its local observatories;

**Framing**: the identity of the  was set up;

**Organizing**: the definition of the organizational model of the  and the external financial support from URB-AL program from European Commission.

**Figure 2: A visual representation is used to describe the  as a social innovation in phase 1**

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**More distinctive characteristic phase 1:**
the definition of the knowledge generation model of OIDP and its observatories

OIDP Conferences  (gather all members 1 x year)

OIDP Work Groups (progressively set up as an activity between conferences)
it gather members around an issue defined in the OIDP conference and it works for 12 months, until the next conference, where a new issue is defined)

OIDP "Best Practice in Citizen Participation"
recognize innovative experiences in the field of PB, susceptible to scale. It is presented in an on-line MAP. Definition of the "Parameters to identificate good practices.

Qualitative indicators and Methodological tools – "the toolbox to evaluate participative practices", which is the result of the two years of work of the 10 local observatories

**More distinctive characteristic phase 1**: the definition of the operational model of OIDP and its observatories. The operation of the observatories.

OIDP Website and OIDP resources
main gate to all resources and to enable knowledge exchange processes

2004 – 2007 OIDP operates through "Local Observatories of Participatory Democracy" (observatories in 10 cities of Europe and Latin America to know and to evaluate the quality of the development of the participatory democracy, and with that generating conditions to orientate the experiences carried out).

**1**

**2001-2011**

*knowing*          *doing*

*framing*          *organising*

OIDP "is an open space to all of the world's cities, entities, organizations and research centers that want to learn about, exchange or apply experiences relating to participatory democracy on a local level".

"To build a common space to share the Participatory Democracy experiences"

"To promote the co-operation between local governments"

"To advance in the practical implementation of the Participatory Democracy experiences"

**More distinctive characteristic of the phase** 1 (the other characteristics are kept in the next phases):
"To foster the creation of mechanisms and evaluation systems of the participatory experiences at local level that allow to measure and evaluate the development degree and also the quality level of participatory experiences"

**More distinctive characteristic of the phase 1:**
Financial support from European Union in an strategy to foster social cohesion in Latin America (URB-AL)

**OIDP Presidency** (which host the OIDP conference), **Technical Secretariat** (only one person in the Barcelona City Council) and **Coordinating Committee** (most active, committed associate and collaborating members of the network)

OIDP receives **two kinds of members**. Local or regional governments are registered as **associate members**. On the other side universities, research centres and associations are welcomed as **collaborating members**.

Joining the OIDP does not involve paying **membership** fees. Instead, each member undertakes to finance their own activities and pay any travel expenses incurred. There as a set of duties to be performed.

**ACTORS**

From 2001 to 2011 OIDP grow to become a network of 547 towns and cities in 52 countries. 310 Local Governments and 237 Universities, research centres and associations were involved in 2011.

ObservaPOA (Observatory of the City of Porto Alegre) was opened in 2006 as part of the OIDP financed by the URB-AL.

From 2004-2007 OIDP was composed also by network of 10 OLDP (Local Observatories of Participatory Democracy: Barcelona, Provincia of Barcelona (Cataluña, Spain), Buenos Aires (Argentina), Cuenca (Equador), Donostia (País Vasco, Spain), El Bosque (Chile), La Paz (Bolivia), Porto Alegre and São Paulo (Brazil), Saint Denis (France).

UCGL – the Global Network of Cities, Local and Regional Governments is an important partner for the OIDP.

# **tran**sformative **s**ocial **i**nnovation **t**heory

## 3.1.2.1  Doing: the definition of the operational model of

The  network operational model was defined in two main elements.

The  website, as a gate to all resources and to keep knowledge exchange flowing (http:www..net).

The  was defined to include in its operational model the "Local Observatories on Participatory Democracy" (OLDP or LOPD) which are defined as "a meeting place, an area of interaction where different parties can reflect, debate, consult and make proposals on the challenges of participation. The underlying principle of these spaces is not to become technocratic structures or passive documentation centres, but to be active, inclusive platforms"( Project, 2015).

The Observatories are conceived to gather local players around PD issues, which includes public administration; civil society (whether organised or not) and knowledge centres (research institutions, universities, foundations, etc.).

As state in the  website "An OLDP network was created within the framework of the OIDP, linked from the start to the European Commission's URB-AL Decentralised Cooperation Programme. Its origins date from October 2004 as a result of OIDP members' interest in evaluating the quality of participatory experiences at the municipal level and incorporating components of citizen participation in evaluation processes so that citizens can play a more active role in municipal government. The overall objective of the project was to create an OLDP network that would develop a methodology to evaluate participation from a wide variety of political, social, economic and regional perspectives. Ten OLDP were set up in ten European and Latin American cities. They chose and developed their own goals and methodologies, depending on the needs and characteristics of their social realities, but always within areas of joint action" (, 2007c).

Ten OLDP operated from 2004 to 2007:  Barcelona, *Provincia* of Barcelona (Cataluña, Spain), Buenos Aires (Argentina), Cuenca (Equador), Donostia (País Vasco, Spain), El Bosque (Chile), La Paz (Bolivia), Porto Alegre and São Paulo (Brazil), Saint Denis (France). The financial support from URB-Al program was the main drive of their operation.

After the end of financial support in 2007, only ObservaPOA, based on Porto Alegre remained and are active until now (2015).

## 3.1.2.2  Organizing: the definition of the organizational model (and support from European Commission)

The  organizational model and regiment was set up in the first  conference which was held in Barcelona in 2001.  Since 2006 it collaborates with the United Cities and Local Governments – UCLG Network on which contributes to the "Social Inclusion and Participatory Democracy" committee bringing knowledge about participatory democratic processes.

 is organized around two kinds of memberships. Local or regional governments are registered as **associate members**. Universities, research centres and associations are welcomed as **collaborating members**, which indicates that they support the associate members in their actual or future processes on participatory democracy.

The  coordination roles includes:

**Presidency**: "is held by the city which, after submitting its candidacy, is elected to host the annual conference by consensus of the **Internal Annual Assembly** of associate members of the network (…) and perform a one-year mandate";

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**Technical Secretariat**: "is held by a city or local government for a renewable period of 3 years. As with the Presidency, the decision to appoint a candidate city to hold this post is reached by consensus at the annual assembly. Barcelona City Council has held the office of IOPD Technical Secretariat since the network was created"

**Coordinating Committee**: "This committee is made up of the most active, committed associate and collaborating members of the network. It meets several times a year and takes advantage of the framework of the annual conference and other events to follow up projects and initiatives and to contribute proposals and suggestions for the improvement and development of the "( Structure, 2015).

 does not require membership fees. Instead, each member undertakes to finance their own activities and pay any travel expenses incurred. Members are presented in the  website, signed in a Google map (georeferenced system).  Membership is continuously opened to new members (an entry in the  website invite potencial members to apply at any time).

One of the more distinctive characteristics of the first phase, in organizational terms, is the support from European Commission in the framework of the URB-AL Program which financed the  network operation and the OLDP (Local Observatories), as a specific project (but only from 2004-2007).

### 3.1.2.3  Knowing: the knowledge generation model of

The analysis of the operational model of  confirms that since its beginnings there was a focus on the production of knowledge about participatory democracy, to be collaboratively co-produced by its members. This is the  most distinctive characteristic. The knowledge generation model of was defined based on the following initiatives.

### Conferences

The conference is the main knowledge generation process in the . The conferences are organized every year since 2001 (the first one resulted in the foundation of the  Network) and gather all members.  In the conference sessions, speakers present experiences and reflections on participatory democracy issues.

Following the principle of alternating conference sites, the conference is hosted by a city on a different continent each year. They are organized by  Presidency, which is held for one year. The following cities have held the Presidency since 2001 (it corrisponds tot he locations where conferences were held): Barcelona (Spain), Quezaltenango (Guatemala), Lille (France), Buenos Aires (Argentina), San Sebastián-Donostia (Basque Country-Spain), Nanterre (France), La Paz (Bolivia), Reggio Emilia (Italy), Mexico City (Mexico), Lleida ( Catalonia - Spain), Porto Alegre (Brazil), Cascais (Portugal), Canoas (Brazil) and Madrid (Spain) (, 2015).

Each conference also includes a deliberative process. It hosts the  **Internal annual assembly** on which members: define the network program for the next 12 months; elect the Presidency of (among associated members); deliberate about strategic decisions (for example, it was in the 6th Conference, in Recife, in 2006, that the  members decided to collaborate with UCGL Network); define key issues to be discussed in the **work groups** throughout the year (for example, in the 15th IOPD Conference (March 2015) two new working groups were approved: "Youth Participatory Budgeting" and "National Participatory Budgeting Networks").

The Annual Conference is organized by one of the associate members (a municipality/local government) which is in charge of the Presidency of the . Each conference also generates a

document, which describe the strategic decisions for the operation in the next 12 months and also present policy recommendations for the diffusion of participatory democracy practices.

### Work groups

"The working groups are an OIDP collaborative mechanism to work between conferences, proposed and approved at the Annual Internal Sessions. Reflection focuses on ways of promoting tools that strengthen democracy and give added impetus to the active participation of citizens in debates, designs, decisions and the implementation of public policies. All interested members may participate in the work groups and contribute to them. Each group is coordinated by a city, which, with the support of the Technical Secretariat, is responsible for issuing framework documents on work to be carried out, collecting contributions from members and making the work group as dynamic as possible" ( Work groups, 2015).

### Distinction of Best Practices of Participatory Democracy

The Distinction seeks: "to recognize innovative experiences in the field of participatory democracy, coordinated by local governments, which may be susceptible to reply. Local government's members of the can be submitted to this distinction, which is awarded annually as part of the Conference of the . An international jury is responsible for assessing applications and decides the winner" ( Distinction, 2015).

It started on 2006, when the 1st Distinction was wined by municipality of Cotacachi (Equator) with the initiative "Processes and mechanisms for the inclusion of indigenous women in local management. Participatory Budget" ( Distinction, 2015).

The best practices identified are presented in the website, marked on a Google map (georeferenced system).

The process of evaluating local participatory democratic practices opened up the discussion on how to define *Parameters* to evaluate good practices and its qualities, and those that are susceptible to scale. This is related to one of the distinctive characteristics of the phase 1 of , the idea that the network should have qualitative indicators and methodological tools to monitor, assess and empower PD practices. This issue is detailed in the next paragraphs.

### Qualitative indicators and Methodological tools.

as a project subsidized by the decentralized cooperation program between Europe and Latin America set up ten Local Observatories of Participatory Democracy (OLDPs). Observatories have as one of its aims the creation of indicators for assessing the quality of participatory experiences in cities, always with the aim to support and promote the role of citizens in the government of cities ( Report, 2006).

The Work Group "Common elements to the definition of the subject matter of the OLDP: areas, indicators and index" coordinated by the city of Donostia - San Sebastian - has developed its tasks during the years 2005 and 2006. During this process the work group have identified the need to go beyond the initial target, as participants share the idea that the task to be performed by OLDP as a space for interaction and for evaluation of participation at the local level were more complex than the simple application of a set of indicators ( Report, 2006).

As a result of this reflection the work group identified the need for more complete and more comprehensive process than a simple set of indicators assessment. As a result, a "toolbox" were developed (, 2006), which incorporate various evaluation criteria, indicators or possible aspects

to be evaluated in each criterion and different methodologies for conducting the assessment of the most appropriate way according to the characteristics and objectives of each case.

### 3.1.2.4  Framing: the  identity

The objectives of the  are defined in 2007 (, 2007b) as the following:

"To build a common space to share the Participatory Democracy experiences that lead towards achieving higher levels of equality empowered citizenship, greater legitimization of and trust on public authorities, and greater efficiency in public policy.

To promote the co-operation between local governments to face up to the hegemonic pressures of globalization through the creation of new institutions and the construction of new dialogue spaces, exchange and solidarity.

To advance in the practical implementation of the Participatory Democracy experiences, considering that participation is a privileged instrument to strengthen the democracy and to stimulate the practice of the citizenship protagonist on the discussion, drawing and implementation of public politics.

To foster the creation of mechanisms and evaluation systems of the participatory experiences at local level that allow to measure and evaluate the development degree and also the quality level of participatory experiences to give opinion on them aiming to a higher level of citizen's protagonism in the government of the towns".

Another document in the same year present one more objective, not listed above (, 2007a):

"Delve into the concept of participatory democracy through reflection, analysis and promotion of coordinated research projects and technical support between collaborating members and the active partners of ".

### 3.1.2.5  New social relations in phase 1

By analysing the dimensions of doing, framing, organizing and knowing, it is possible to conclude that  established – in its first phase - new social relations between different actors at a global scale, between its associated and collaborating members.

Particularly in what regards associated members – the municipalities –local practices are supported by the interaction with other municipalities which confirms the importance of these pratices at a global level.

At a local scale, the constitution of the OLDP's – Local Observatories of Participatory Democracy, creates a new relation between local actors, which includes local institutions but also different sectors of the same municipal administration (and its officials), in a new framework to develop participatory experiences.  In both cases, global and local, the emergence of  fostered new social relations towards a common aim.

Among all  associated and collaborating members, the municipalities that opened an OLDP, 4 (four) in Europe (distributed in Spain and France) and 6 (six) in Latin America (Argentina, Ecuador, Chile, Bolivia and Brazil) were those that more closely were impacted by the  operation at a local level.  Our analysis followed one of them, the ODLP in Porto Alegre, the ObservaPOA that is detailed in the section 3.3 Agency in (T)SI, in this report.

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The interaction between   and other networks also was considered important and the collaboration with UCLG - United Cities and Local Governments was established in 2006.  UCLG aims to support "international cooperation between cities and their associations" and to facilitate "programmes, networks and partnerships to build the capacities of local governments" (UCLG, 2015a). In this terms UCLG aim in this collaboration was to support the  network, considering also that UCLG considers itself as a "global network of networks".  brought to UCLG the knowledge about participatory democracy. Progressively this collaboration was intensified, and the the role of UCLG becomes more important (in the phase 2).

European Commission performed a leading role in the  foundation, through the URB-AL program in its strategy to foster social cohesion in Latin America.

## 3.1.3   Phase 2 (2012-2015)

Figure 3-2 presents the phase 2 (2012-2015) of the  network.  The distinctive characteristics of the network in this first phase as a social innovation (as defined in TRANSIT) are:

**Doing**:  seeks to recreate itself through a set of strategies,

**Knowing**: production of knowledge ( Conferences,  Work groups and the  Distinction of "Best practices on PD") remain active; the monitoring and evaluation of the participatory experiences at local level are kept active only by ObservaPOA.

**Framing**: become an innovative center for knowledge production; it is based on the **exchange of experiences,** that is considered the  "main working base";

**Organizing**:  is run only by associate members, which provides funding for the network operation. It is highly decentralized, with associate members alterning the presidency of  in a yearly basis.

**Figure 3: A visual representation is used to describe as a social innovation in the phase 2**

# **tran**sformative **s**ocial **i**nnovation **t**heory

**More distinctive characteristic phase 2**: only OBSERVAPOA (the Observatory of the City of Porto Alegre) fully operates in the original OIDP plan (a network of local observatories or local *antennas,)* monitor PB processes locally and produces knowledge and share in the network). Tentative to re-activate the Observatories structure.

OIDP Website and OIDP resources
Focus in the Improvement of the web platform, so that its members can contribute to the collective production of knowledge

Reactivate the Local Observatories for Participatory Democracy. They will operate as local antennas to offer to OIDP members the "the best and most complete knowledge produced in each of the regions of the world."

Diversifying the composition of the network members in order to reach out all the regions in the world, descentralizing the structure. Establishing synergies with other international organizations and the academic world

An important OIDP workgroup was set named "Drafting of a new regulation for the OIDP" This group was active between Canoas Conference (June 2014) and Madrid (March 2015) and drafted new internal rules of the organization.

**More distinctive characteristic phase 2**: Qualiative indicators and methodological tools are developed only by ObservaPOA on its local context (PB process in POA), as the other observatories were closed. The OIDP focal point in Africa is not involved in this kind of work.

OIDP Conferences  (gather all members 1 x year)

OIDP Work Groups

OIDP "Best Practice in Citizen Participation"

*knowing*     **2**     *doing*

*framing*     **2012-2015**     *organising*

**More distinctive characteristic of the phase 2: the focus on knowledge generation:**
From 2011 on, the main aim was "for the OIDP to become an innovative centre for knowledge production",  "a space for the **production of knowledge** and the exchange of useful experiences for the towns and cities", the **exchange of experiences** is the OIDP "main working base"

 "Promote a "reflection in matters of participatory democracy at a worldwide level"

"innovate and to recommend
specific policies to public administrations, preferably local" regarding PB

**More distinctive characteristic of the phase 2:**
OIDP as a very light organization, financed almost totally by resources from Municipalities (Local governments). The technical secretariat is composed by one person which main duty is to keep information flowing and the online platform. The overall OIDP operation  is based on  a community of committed members, which alters their roles.

OIDP keeps the same operational structure, with  **OIDP Presidency. Technical Secretariat**  and **Coordinating Committee** . Membership composed by two kind of members: **Associate members and collaborating  members** and no membership fees.

**OIDP Latin America** operated by ObservaPOA (local observatory in the city of Porto Alegre) as a regional office in Latin America. Important partner for OIDP operation.  It is constituted also a "focal point" for OIDP in Africa (Dakar)

The **International Observatory for Participatory Democracy Platform for Africa** was launched in Dakar on December 2012 as a local focal point for OIDP.

## ACTORS

In 2015: a network of a network of 641 towns and cities in 71 countries. 341 Local Governments and 274 Universities, research centres and associations

ObservaPOA (Observatory of the City of Porto Alegre) It is the only observatory that remains after the end of the original project financed by URB-AL (EU)

UCGL (Global Network of Cities, Local and Regional Governments) and ObservaPOA are key partners for OIDP operation today (2015).

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# **tran**sformative **s**ocial **i**nnovation **t**heory

### 3.1.3.1  Doing:  seeks to recreate itself through a set of strategies

This phase 2,  seeks to recreate itself through a set of strategies.

The strategy defined on 2011 was reaffirmed at the Annual Internal Meeting at che  Conference in Canoas (2014): "At the extraordinary meeting of members, held in November 2011, also in Porto Alegre, it was decided that, in order for the IOPD to become an innovative centre for knowledge production, it needed to work collaboratively from within a decentralised structure. It was also agreed that this decentralised structure should take the form of regional offices or antennas which, in turn, would become "experts" within their territory and would provide members of the network with the best and most complete knowledge produced in each of the regions of the world" (, 2014a).

Following this strategy, in June 2012, the regional office for Latin America was set up in Porto Alegre and in December that same year, the African platform of the IOPD was created, based in Dakar. In 2014, the Technical Secretariat worked to consolidate these two offices (, 2014a)

 set also as a focus to reactivate the LOPD - Local Observatories for Participatory Democracy (only one Observatory remains (ObservaPOA) from 10 LOPD). This is described on the website, in the section "about us" ( website – About us, 2015), therefore it is considered as part of ways of doing (to have local and regional units).

Strategies include also to diversify the composition of the network's members: "In 2011, it was decided that the concentration of network members in certain territories was an issue that needed to be addressed. In order to mitigate this situation, in 2012 the Technical Secretariat set about trying to extend and consolidate its contacts in Africa. With this objective now achieved - and with a view to continuing the process of decentralising the network structure, this year the Technical Secretariat will be putting its efforts, though not exclusively, into opening up and strengthening contacts in non-Mediterranean Europe, Asia and North America" (, 2014a)

Establishing relationships with other international organizations and seeking synergies with them and to stablish also synergies with other international organizations and the academic world.

An important work group was set named "Drafting of a new regulation for the OIDP". This group has been active between the Canoas Conference (June 2014) and the Madrid conference (March 2015) and is drafting new internal rules of the organization, more in line with the new phase of the  development: "to define more clearly the objectives, rights and duties of members, governing bodies, decision making, and working methodology of the " (, 2014b)

# transformative social innovation theory

**Figure 3-3: Annual Internal meeting of Network members, in the 14th Conference in Canoas (Brazil). 2014. Source: Internal meeting Report.**



### 3.1.3.2 Knowing: production of knowledge, monitoring and evaluation of PD initiatives at a local level

The activities related to the production of knowledge ( Conferences, Work groups and the Distinction of "Best practices on Participatory Democracy") remain active in the phase 2.

The monitoring and evaluation of the participatory experiences at local level are kept active only by ObservaPOA (Observatory of the City of Porto Alegre). The focal point in Africa is not involved in this kind of work.

There were no important developments, at Network level, after the publication in 2006 of the "toolkit", the Practical Guide for Evaluating Participatory Processes" (, 2006) in the first phase.

Qualitative indicators and methodological tools are developed by ObservaPOA in its local context and related to Participatory Budgeting process in Porto Alegre. It is a department in the Municipality of Porto Alegre, exclusively dedicated to analyze and provide access to data (as for example statistics and research results) to actors involved in participatory budgeting processes in Porto Alegre.

### 3.1.3.3 Framing: become an innovative center for knowledge production

The website, signs a clear distinction between the phase 1 (2001 to 2011) and the phase 2 (from 2011 on) in terms of how frames itself: "In November 2011 the IOPD decided to recover and place emphasis on its original goal of becoming a space for the production of knowledge and the exchange of useful experiences for the towns and cities that make up the network. Therefore the

assumed the challenge of serving as a reflection in matters of participatory democracy at a worldwide level, in order to innovate and to recommend specific policies to public administrations, preferably local, throughout the world and to make the exchange of experiences its main working base" ( website – About us, 2015).

### 3.1.3.4 Organizing:  is run and self-financed by associate members

, in the phase 2, keeps the same operational structure, with  Presidency. Technical Secretariat and Coordinating Committee. Membership composed by two kinds of members: **associate members and collaborating members** and no membership fees.

After the end of the URB-AL financial support in 2013,  is financed by resources from Municipalities (Local governments).  is run only by associate members, which provides funding for the network operation. It is highly decentralized, with associate members alterning the presidency in a yearly basis. The yearly  Conference is financed by the associate member who held the presidency in the current year.

The technical secretariat consists of only one person whose main duty is to keep information flowing and the online platform. The technical secretariat is financed by a partnership between the Municipality of Barcelona and by UCLG (United Cities and Local Governments).

The fact that the Technical Secretariat is performed by only 1 (one) person expresses clearly the strategy to perform a decentralized cooperation process.  He is an officer from the Municipality of Barcelona, that is the headquarters for the technical secretariat of the ), which allow us to affirm that some of these actions are effectively performed by this officer, and others are performed by other members based on the support he is able to provide.  Specifically, the officer perform mainly the activities related to communication (updating the website, promoting  through social networking, improving communication processes between members and support to main processes of knowledge between members)

 **Latin America** coordinated by ObservaPOA (local observatory in the city of Porto Alegre) is constituted as a regional office in Latin America and is closely related with other municipalities in the region.  Other partners are the Observatory of the Metropolis (a Brazilian Observatory that gathers universities and governmental and non-governmental institutions that develop research activities about Brazilian cities) and the Federal University of Rio Grande do Sul (departments of Sociology and Political science).

Together with UCGL (Global Network of Cities, Local and Regional Governments), the Municipalities of Barcelona and of Porto Alegre are the key partners for  operation today (2015).

The **International Observatory for Participatory Democracy Platform for Africa** was launched in Dakar on December 2012 as a local focal point for . It is coordinated by ENDA and Ecopop. ENDA (Environment and Development in the Third World) was created 25 years ago, and works for an "effective South-South solidarity and operates on a true associative commitment of each member (…) is is based "primarily a self-organization of grassroots groups" (Inter-Réseaux, 2015). It was founded in 1972 a Dakar as a joint program of the United Nations Environment Programme, the African Institute for Economic Development and Planning and the Swedish Organization for International Development (About ENDA Website, 2015).  Ecopop was created in ENDA to develop an alternative approach to urban development (ENDA-Ecopop)

### 3.1.3.5 New social relations in phase 2

In its second phase (2012-2015) Network continues to gather associate and collaborating members around the production of knowledge about participatory democracy and the number of associate members increased, from 310 Local Governments in 2011 to 341 in 2015.

In this phase the collaboration on activities between the Municipalities of Barcelona and Porto Alegre intensify with the hosting hosting the technical secretariat and Porto Alegre the ObservaPOA (which coordinates the Latin America),. The UCLG Network has also a more active role by supporting, also financially, the technical secretariat in Barcelona.

Therefore, in synthesis, today rely on UCLG, the Municipality of Barcelona and the Municipality of Porto Alegre. Barcelona and UCLG provide the support to what could be called "the center" or the "fixed structure" on which operates, which is only one person seated in an office in the Municipality of Barcelona. Porto Alegre finance the ObservaPOA, which is the regional office for the America Latina. Beyond that, all the network is kept alive by active participation of its interested members, that alters themselves in the Presidency and in the coordinating committee, composed by committed members. This is the main distinctive characteristic of the second phase of the in terms of the social relations. After the end of the URB-AL financial support, the did not finished, demonstrating that other motivations were strong enough to keep the network operating.

## 3.1.4 Participatory democracy as defined and practiced by members

**About the social innovation: *otro mundo es posible y éste empieza en las ciudades*/ another world is possible and this begins in the cities**

As described by Poletta (2013) "Direct forms of democracy go back to ancient Athens, New England town meetings, the Society of Friends, and European anarcho-syndicalism. In the United States, experiments with consensus decision-making featured in the abolitionist, women's suffrage, and pacifist movements. But it was in the 1960s that they moved into the public consciousness. In 1962, the new left group, Students for a Democratic Society (SDS) called for a "participatory democracy" in which decisions were made by the people affected by them (…). It also continues in the participatory budgeting process for which the Brazilian city of Porto Alegre has become famous. For many people Porto Alegre is associated with the image of a participatory democratic utopia, a city where ordinary citizens, many poor and illiterate, make the decisions that affect their lives in a kind of never ending deliberative workshop" (p. 42-43). It includes also, more recent initiatives, as for example the citizen platform Barcelona en Comú (Barcelona in Common) launched in June 2014: "Citizens have the right to make decisions about the things that affect them" (Guanyem Barcelona,, 2015). Together with the Occupy Wall Street (OWS) in 2011 and the Occupy Movement, all these initiatives have highlighted the power of electronic communication technologies to enable faster communication by citizen movements in what become a worldwide phenomena.

In the realm of participatory democracy there are those who argue for refocusing the term on community-based activities within the domain of civil society, supporting a separation from the formal political realm. In this report, and in the case of the Network specifically, all the theories and practices on participatory democracy are focused in the Municipalties:

(…) We find that democracy has its maximum expression in the daily life of the local authority; in thousands of municipalities throughout the world. It is precisely on these municipalities, where we need to apply innovative policies, by getting inspired by experiences of radical participatory

democracy (…) The municipalities, are the entities that, due to their proximity and contact with the reality, are the only ones enabled to radically change the differences in our society" ( Conference, 2001)

The first conference was crucial to define the characteristics of the Network, and more specificaly their approach to the participatory democracy. This conference, held in 2001, has produced the Letter of Barcelona, which express the main basis on how they consider participatory democracy as a transformative social innovation, i.e., "**a change in social relations, involving new ways of doing, organizing, framing and/or knowing, which alters and/or replaces dominant institutions/structures in a specific social context**"(p. 29).

Therefore, for members, there is a possibility to adopt new ways of doing, organizing, framing and doing to alter the way the representative democracy in their municipality operates, towards more participatory ones (as detailed in the next paragraphs). This implies (as enounced by members) a change in the social relations between the citizens (those that lives in the territory over which a municipality has jurisdiction) and the local administration, generating more involved forms of citizen participation and greater political representation (than representative democracy).

Specifically, "Participatory processes should lead necessarily to achieve higher levels of equality, the empowerment of citizens, to greater legitimacy and confidence in public powers, and greater efficiency in public administration" ( Conference, 2003;  Conference, 2004)

Therefore, from this specific point of view, the characteristics of the participatory democracy that Network is fostering is expressed in what they defined as "***basic principles of participatory democracy***" which were summarized in the following:

- Innovation: in the articulation with new forms of local government, citizen involvement and development of popular sovereignty.

- Use of appropriate techniques: adapted to the territory and defined by the same participating community and taking into consideration the historical, cultural and social history of the territory in a way to ensure a smooth adjustment process.

- Responsiveness: to ensure the transmission of the principles of the process to the citizens through an ongoing relationship with the groups, social agents and, in turn, guarantee the return of public opinion towards local authorities.

- Accessibility: to facilitate the participation of all groups, applying specially and transversely gender policies and ensuring participation in the process to other social groups, whether or not structured.

- Co-governability and responsibility: as basic and indispensable actions of participatory democracy principles

The application of these principles and the different instruments of citizen participation have to be adapted to the territory, considering the different historical, social and cultural realities and how these define the specific methodologies to be used, which are customized for each specific community. ( Conference, 2001).

The importance of being a network of municipalities, in the consolidation of participatory democracy practices is also highlighted:

It is valued positively the participation of cities from different continents and with different economic status, and the importance of their interactions is recognized. It is

possible to observe the potential that can be found on the Observatory () as an element of relationship and cooperation between different cities. An example is when communities working to build civic and democratic processes are threatened by violence: the network of municipalities linked to the Observatory can and should work for democratic construction of these cities. The challenge now is to continue growing number of cities built on this network and grow in the experience of implementation of participatory democracy ( Conference, 2001).

It was not found an example on which the network had operated in this specific way, i.e., to support democractic processes threatened by violence.  However, the network has very clear actions to provide global support to local initiatives: the  Distinction to Best Practices on Participatory Democracy and the LODP – Local Observatories of Participatory Democracy, which are detailed in the next sessions of this report.

The importance of the ICT technologies was recognized by  members in 2001, in the very beginning of the :

> We have had the opportunity to meet and reflect on different experiences in the field of new information and communication technologies, experiences that relate the technological developments with citizen participation; it was possible to identify the huge possibilities and risks if they are not used as tools, and, anyway, we need to focus on its universal use ( Conference, 2001)

### 3.1.4.1  Overview of the participatory democracy practices in the

The definition of participatory democracy of the  is better understood by considering the practices of its members (in this report, both local manifestations are  members). They are useful to undertand how the specific approach of  is related to local practices.

However to enlarge the analysis, the PD practices described in the table below are the initiatives which has been awarded in the editions of the prize " Distinction to Best Practices on Participatory Democracy".  It is not a requirement to be an  member to apply, although there are awarded members.  Considering that all the practices awarded with the  Distinction expresses the PD as defined by , it is possible to observe its specific characteristics, that are presented in the table below, referred to each initiative.

The analysis of the best practices awarded with the  Distinction (by members and non-members) revealed that the more decisive characteristic is that  focus on Participatory democracy process to face social and economic ***inequalities,*** which are also described in spatial terms (for ex. the differences between different neighbourhoods, or the specific demands faced by shantytowns, or the differences between urban and rural areas). A set of different strategies were set up to each Municipality to face such challenges. Winners also place its focus in how to improve participatory democracy practices by promoting ***inclusiveness*** (for ex, to include women in the participatory budgeting processes) and by the use of ICT technologies (to improve participation of those that are not interested in such processes).  The use of new technologies is a recurrent issue in documents.

Five out of nine winners are focused on participatory budgeting, as the main process or as a support to an another initiative in the same Municipality.

The table below presents an analysis of the initiatives awarded with the  Distinction over time.

# **tran**sformative **s**ocial **i**nnovation **t**heory

**Table1. Participatory democracy practices awarded with the  Distinction over time**

| Year | Name of the initiative | Description | Main issue(s) and comments |
|------|------------------------|-------------|----------------------------|
| **2006** | 1st Distinction: Processes and mechanisms for the inclusion of indigenous women in local management. Participatory Budget. Cotacachi (Ecuador)<br><br>(Source: Website, retrieved on 15 Sept 2015) | In 2000 the Participatory Budget (Presupuesto Participativo - PP) was established, thus opening up discussion of the entire municipal budget to the community,<br><br> Therefore, the aim of this specific process is to promote and expand the participation by indigenous women and people living in rural areas.  Specific venues have been established which facilitate the expression and articulation of women's demands and points of view. Thanks to this, women actively intervene in the stages of the participatory budget process, in particular in identification (internal discussion), debate (analysis with municipal technicians and other groups) and prioritisation of works and projects (with separate tables for each theme or topic). Women put this dif- ferentiated treatment to use and meet at independent working tables where they can build internal consensuses which are then presented in the main forum with men. | ***Inclusiviness*** in a participatory democracy process (gender issue) |
| 2007 | 2nd Distinction:. Digital Participatory Budgeting, Belo Horizonte - DPB (Brazil)<br><br><br>(Source: Website, retrieved on 15 Sept 2015) | Belo Horizonte's PB, between 1993 and 2006 was participated by over 300 thousand people. One of the challenges is to increase the involvement of the population in this decision-making process. In 2006, the first DPB was set up. This new participation modality, consisted in voting on-line to choose  the public works to be done via PB. It was open to all citizens over 16 years of age with a voting address in Belo Horizonte. The objective was to publicise PB among the actors that do not usually get involved in these processes, i.e., the middle class and young people, and also to have a bearing on the promotion of the digital inclusion, using the resources internet has to offer.  The website has received 192.299 visits and 951 e-mails. | ***The use of ICT technologies*** to improve participatory democracy practices.<br><br>(particularly of the social group called "medium class" and the young people) |
| 2008 | 3rd Distinction: The Umbrella Program: a model of risk management, Recife (Brazil) | In 2001, the city of Recife started the Participatory Budgeting Process of debate and definition, whereby citizen prioritize the public works and services to be covered by the annual investiment plan of the municipal budget.  The Umbrella Program intends to attenuate risk factors by increasing attention to the spontaneous shantytown settlements, usually under risk by intensive rains and consequent sliding of slopes.  The Program | Participatory democracy process to face social and economic ***inequalities.*** |

| | | | |
|---|---|---|---|
| | (Source: Webiste retrieved on 10 Sept 2015) | interacts with PB through the prioritization of structural work to guarantee risk reduction and improve habitability. This is reflected in the PB investment plans between 2001 and 2008, drawn up in accordance with the priorities decided upon at the thematic plenary sessions. | |
| 2009 | 4th Distinction: Community Neighborhood Improvement Program. Mexico City. (Mexico)<br><br>(Source: Website, retrieved on 15 Sept 2015) | "One of the basic functions of the government of Mexico city is to transform the living conditions in the city where half of the population lives on three minimum income wages, in conditions of poverty and marginalization.  If Government tries to change these living conditions it would be necessary to expand everybody's social rights, not in the way of consessions or as clientelism, but as universal rights".  The program is a participatory process to improve public areas in towns, neighbourhoods and colonies in Mexico city. The fundamental characteristic of this program is that it promotes projects whose authority lies in people, in civil society and its organizations.  The government facilitates and promotes the rights of the citizens to join and organize themselves in such a way that they can develop projects to benefit their neighbourhoods.  The Municipality launch calls for projects and provide support to the implementation of the projects approved. | Participatory democracy process to face social and economic **inequalities.** |
| 2010 | 5th Distinction:. Participatory Budgeting. Rosario (Argentina)<br><br>(Source: Website, retrieved on 15 Sept 2015) | Participatory Council" in which projects are drawn up in a participatory way between citizens and technicians. It is considered that this process "implies a personal and relational transformation in which discussions based on complaints or reclamations are turned into proposals for projects". It is also stated: "When work is done on project logistics, this results in a clash between the knowledge of the residents, in terms of their living conditions and what they want to change, and the technical know-how of the managerial team. The achievement of a consensus leads to the emergence of projects that have a realistic possibility of being implemented and that respond to the hartfelt needs of the citizens. The practice of co-management in the formulation of these projects also simplifies control of their subsequent implementation" The PB in Rosario includes a particular focus on gender issues.  Other particularity is the Youth Participatory Budget (13-18 yo), launched as a pilot experience within the framework of Rosario's PB. | A case of participatory democracy practice, with specific features based on the characteristics of the local context where it emerges.<br><br>**Inclusiviness** in a participatory democracy process (gender issue) |

| | | | |
|---|---|---|---|
| 2012 | 6th Distinction:. Neighborhood Plans. Madrid (Spain)<br><br>(Source: Website, retrieved on 15 Sept 2015) | "In Madrid there is a high concentration of economic activity in the central districts and a high immigrant population concentration in the districts of the south". The Madrid City Council and the Regional Federation of Residential Associations of Madrid decided to introduce participatory initiatives to deal with the needs of the city's most disadvantaged districts and neighbourhoods. Territorial rebalancing became a central axis for both the resident's movement and local government. The Neighboorhood Plan consists in the inclusion of citizens in the identification of the problems affecting each district and to guarantee their incorporation in the decision making processes with regard to the destination of municipal public investiment. Special Investment Plans | Participatory democracy process to face social and economic *inequalities.* |
| 2013 | 7th Distinction:. Neighborhoods and areas of priority intervention. Lisbon (Portugal)<br><br>(Source: Website, retrieved on 15 Sept 2015) | The initiative is described as a participatory budgeting and a participatory planning process.  It starts by identifying priority demands by the analysis of statistical data, which are georeferenced (see Hackeloeer et al, 2014 about georeference) in the territory, This generates a map, which allow to identify the neighbourhoods which are requiring priority interventions. The map was confirmed through a public consultation.  Based on this map, a work group was set up to coordinate the activities required to answer the identified needs (specific programs, projects, etc).  A call is open to select the projects to be developed and financed by the Municipality under the priorities identified. | ***The use of ICT technologies*** to improve participatory democracy practices.<br><br>Participatory democracy process to face social and economic *inequalities.*<br><br>This case is particularly related to the initial proposal of  to operate based on a network of OLDPs – Local Observatories of Participatory Democracy, which aim is to monitore and support participatory democracy processes including statistical data (see next sessions in this report). |
| 2014 | 8th Distinction: Participatory Budgeting, Rural Public Services. Chengdu (China)<br><br>(Source: Website, retrieved on 15 Sept 2015) | "30 years of rapid economic development in China has brought about prosperity as well as enlarged disparity, among which is the dramatic cleavage between rural and urban. Since late 2008, the Chengdu Municipality has allocated budget for village level public services projects, and entitle local villagers the right to decide, monitor, evaluate the project funds. Unlike other rural investment in China, public services budget does not allocate through each level of government tiers and through many different bureaus, the budgets is directly entitled to villages, villagers are required and encouraged to participate directly in local public money decision making, monitoring and evaluation. (…) Furthermore, the participatory budgeting practices in Chengdu appear as a powerful modernization instrument of Chinese rural communes | Participatory democracy process to face social and economic *inequalities.*<br><br>This is the first participant from Asia to be awarded by Distinction ( has been prevalently led by Latin countries) |

| | | | |
|---|---|---|---|
| | | inherited from the revolution, as traditional rural community solidarity has been undermined as more and more public services has been provided directly through government. The participatory budgeting seems to be a way to build a new balance between individual rights and collective cohesion and tradition by increasing their value as commons and indivisible social and economic spaces.<br><br>One major innovation is that villagers can either select projects or use part or the totality of the PB resources to secure a medium term loan. Usually remote and poor villages tend to commit their resources to apply for large loans for infrastructure such as roads, which is the most intended projects by villagers. Some play on both sides: annual projects with part of the resources, and 8 years loan for a heavy investment such as roads or a major irrigation system on the other." | |
| 2015 | 9th Distinction: Open City Council. Quart de Poblet (Spain)<br><br>(Source: Website, retrieved on 15 Sept 2015) | The Municipality seeks to take advantage of the ICT for greater participation and cooperation among citizens. The Municipality is investigating the possibilities to have a web platform for Open Government, where public data are re-usable by third parties (Open Data). This is linked to a future Local Observatory. There are also research activities developed by the Municipality, which are based on citizen participation: the ObservaQuart, a quantitative research study with 2,014 citizens to determine the degree of acceptance of municipal services area, and a qualitative research project, in which the public has indicated which are the "most interesting" data to be open (in the framework of defining Quart de Poble as an open city). | ***The use of ICT technologies*** to improve participatory democracy practices.<br><br>It starts to consider ***new concepts*** such as open source governance, open source politics, and open politics.<br><br>This case is particularly related to the initial proposal of to operate based on a network of OLDPs – Local Observatories of Participatory Democracy (see next sessions in this report) |

Important to mention that in each edition of Distinction of Best Practices of Participatory Democracy, which is running since 2006, in average, more than 20 practices of Participatory Democracy are submitted each year. All these Municipalities, when submitting, consider the importance of the Distinction to bring reputation to their initiative and local governance.

### 3.1.4.2 Participatory democracy as defined by Network

Each conference issues a final declaration that is described in a document called "Letter". The "Letters" are the result of the activities and discussions held by members (and members' internal meeting) in conferences and usually includes: (1) an analysis of specific social context, socio-economic situations, challenges or game changers that influence their aims, i.e., to promote participatory democracy practices in the Municipalities; (2) guidelines for action, which each

members may apply to promote PD in local contexts, considering the characteristics of the social context analysed.

"The Letter of Barcelona" was the first one and presents the principles of participatory democracy as defined by  members (described in the previous paragraphs). It is important to remember that network is mainly a network of Municipalities and that all analysis and statements are referred to this specific point-of-view.

*The description of the Letters and how they have changed over time, including the description of the social context on which they have been produced, is presented in the section "1.2 TSI Dynamics, item 1.2.1 About the interaction with the social context" in this report about Network. It is possible to observe how  members, along the years and accordingly with their diagnosis about the current social context, were focused in refining their visions and strategies about Participatory Democracy.*

From the analysis of the Letters, it was possible to identify the key issues about Participatory Democracy, as stated by :

- It is affirmed the value of the Municipalities ("the municipalities, are the only entities that, due to their proximity and contact with the reality, are the only ones enabled to radically change the differences in our society") in facing the negative aspects of the neoliberal policies and globalization, considered as authoritarian processes which take place due to the hegemony of the financial capital (Letter of Barcelona,  Conference, 2001);

- It is affirmed the need to integrate the efforts in the development of PD processes at a local level (in the cities), with the overall transformation of nation states towards participatory democracy, in a way to overcome the limits of these local initiatives (Letter of Recife,  Conference, 2006);

- Participatory democracy is considered a way to increase knowledge of the mechanisms and opportunities of Representative Democracy and contributes to the reinforcement of elective institutions (Letter of Reggio Emilia,  Conference, 2009);

- A persistent concern over the years about how to increase **trust** in the elective insittutions, also in a future prospect (considering how to increase the participation of young people in participatory democracy), (Letter of San Sebastian/Donostia, 2005; Letter of Reggio Emilia,  Conference 2009; Letter of Cascais,  Conference, 2013);

- In participatory democracy, "the context is the element that determines good actions, there are no preconceived or easily transferable "recipes", just the necessary work of interpretation of the setting in which any action is to be taken". "Special emphasis must be placed on the social, cultural, territorial and technological context in which the participation process takes place" (Letter of Reggio Emilia,  Conference, 2009);

- "In this period of strong individualisation and the segmentation of needs it is necessary to pass from policies, which centre on individual wellbeing, to those that centre on the participation" (Letter of Reggio Emilia, 2009); the processes of participation can play an important role in fostering an "identity, a sense of belonging that goes beyond the family or group" (Letter of San Sebastian/Donostia,  Conference, 2005);

- The drafting of public policies of general interest should include "perspectives that are attentive to intergenerational dialogue, sexual diversities and the origin, age of each participant". Respect for the "specific languages" of those that participate must be guaranteed, along with "respect for conflict as a permanent element of growth and the mobilisation of the subjects involved" (Letter of Reggio Emilia,  Conference, 2009);

- It is necessary to radicalize democracy, i.e. it is "necessary to encourage a culture of participation, reinforce direct democracy, strengthen existing ones and creating new participatory tools". It is "crucial to consolidate the State's presence in this new world that emerges from street demonstrations, which is a manifestation of a new, a horizontal structure, networked, where all are protagonists, a fragmented action, multifaceted, with hundreds of causes that mobilize a crowd" (Letter of Canoas, Conference, 2014).

- The synergies between social innovations and participatory democracy are recognized and affirmed. It is the recognition that citizens are active and able to construct alternative solutions to find a way out of any crisis "by means of consolidation; from the bottom up, at a local and popular level; from the citizens". It includes community banks or local currencies, for example. "The legal instruments of participatory democracy must guarantee the right to participation and those experiences that are successful must be institutionalised and bureaucratisation avoided" (Letter of Mexico City, 2010). "People should not just be passive subjects of rights but rather actors involved in the mapping out of possible futures. Governments should be active agents who further collective approaches for the better exercise of these rights and should not restrict themselves to providing formal protection for them" (Letter of San Sebastian/Donostia, Conference, 2005).

- It is is necessary to avoid populism and "to say words without actually applies what have been said". Participatory democracy should not be used only to manage secondary processes or as a communication tool, but should effectively be brought to decision making level (Letter of Lilly, Conference, 2003).

### 3.1.4.3 Participatory democracy as defined by  as a social innovation

Considering that TRANSIT defines TSI as "**a change in social relations, involving new ways of doing, organizing, framing and/or knowing, which alters and/or replaces dominant institutions/structures in a specific social context**"(p. 29),  a visual representation is used to describe the TSI dynamics of the participatory democracy, as defined by the .

This representation is based in what have been analysed in the previous paragraphs:

1. the definition and principles of participatory democracy as defined by  Members (Letter of Barcelona -  Conference, 2001);

2. the analysis of the initiatives recognized as best practices of participatory democracy by members ( distinctions) and the criteria used to select and award these initiatives (the criteria are presented in the section "theory of change" in this report);

3. the analysis of different documents produced by the  members over the years, particularly the "Letters".

# **tran**sformative **s**ocial **i**nnovation **t**heory

**Figure 1: Participatory Democracy as defined by  as a social innovation**

Use of appropriate techniques: adapted to the territory and defined by the same participating community and taking into consideration the historical, cultural and social history of the territory in a way to ensure a smooth adjustment process.

Responsiveness: to ensure the transmission of the principles of the process to the citizens through an ongoing relationship with the groups, social agents and, in turn, guarantee the return of public opinion towards local authorities.

Return of information: Local governments should report on the various phases of the participative process and inform the involved citizenry regularly about any decisions made during the course of the process"

Planning and articulation of participative practices in the local government: This means the planned establishment of a series of rationally ordered and interrelated steps to obtain certain desired results within the intervention limits of a local government. Participation is not improvised. It is planned. Different social agents (administrative, associated network, private sector, unions, etc.) should be involved in all of the phases of a participative process, i.e. diagnostic, planning, implementation and evaluation. At the outset of a participative effort, other existing processes in the municipality must be taken into account.

Educational process: A best practice in citizen participation cannot be limited to a single participative moment. Instead, it requires a process that must be educational. It must improve and deepen the democratic and participative culture of all the actors involved. This, in turn, leads to a change of roles among these actors based on respect, flexibility, listening, transparency, dialogue, self-criticism, constructive criticism, etc.

The synergies between social innovations and PD are recognized and affirmed. It is the recognition that citizens are able to construct alternative solutions. The legal instruments of PD must guarantee the right to participation and those experiences that are successful must be institutionalised and bureaucratisation avoided

Evaluation: A best practice should involve the establishment of a fiscal system to account for the measures taken and to control the effects produced by those measures in relation to the declared objectives. The goal of this evaluation is to observe any deviations and, if necessary, redefine future objectives and measures. constructive criticism, etc.

Instilling a sense of legitimacy and confidence in public powers: fomenting actions that increase transparent decision-making and, thereby, bring about improvements in governance.

Impact and transformation of the surroundings: A best practice should, by definition, lead to the successful fulfilment of the established objectives. This implies the existence of an impact, an observable and positively evaluated change in the surroundings that is directly attributable to the initiative.

Extend the use of new technologies (ICTs) to promote transparency, openness of data, accountability and citizen's collaboration and participation.

*knowing*          *doing*

**Participatory Democracy (in OIDP)**

*framing*          *organising*

The municipalities, are the only entities that, due to their proximity and contact with the reality, are the only ones enabled to radically change the differences in our society.

Accessibility: to facilitate the participation of all groups, applying specially and transversely gender policies and ensuring participation in the process to other social groups, whether or not structured.

Create more effectiveness in public management, and improving the results of public policies. Engendering citizenship, extending citizens' rights, granting new freedoms and responsibilities for democratic activity. Change from policies, which centre on individual wellbeing, to those that centre on participation

Defined responsibilities: This means transparently and intelligibly establishing who is responsible for each of the competencies and functions within the organization and the process in order to guarantee accountability and the effective execution of the initiative.

Participatory democracy is considered a way to increase knowledge of the mechanisms and opportunities of Representative Democracy and contributes to the reinforcement of elective institutions.  It is necessary to increase trust in elective institutions. It is "crucial to consolidate the State's presence (in this new world that emerges from street demonstrations)

Shared responsibility of the various participants: Any best practice should include political Political leadership of the government team: This is understood as the capacity to promote an initiative through fomenting the participation, cohesion and motivation of all the involved parties. In this sense, any participative process should be based on solid political leadership.

People should not just be passive subjects of rights but rather actors involved in the mapping out of possible futures. Governments should be active agents who further collective approaches for the better exercise of these rights and should not be restricted to providing formal protection for them

Co-governability and responsibility: as basic and indispensable actions of PD principles.

Achieving greater levels of equality by including all of the parties involved and, thereby, strengthening their capacities and creating a more just society.

Innovation in the articulation with new forms of local government, citizen involvement and development of popular sovereignty. An "innovative" experience in PD is understood as one that introduces an improvement through non-habitual mechanisms or processes.

# transformative social innovation theory

## 3.2  TSI dynamics

### 3.2.1  About the interaction with the social context

**The relation between participatory democracy and social contexts over time, as defined by**

In terms of participatory democracy,  members are always monitoring the overall social context and analysing how it enables or challenges the development of PD. This is done in all Conferences and the results of these analysis are presented in the "Letters" issued at the end of each conference.

Key challenges were identified: (a) the neoliberal policies and the market-economy that aim to reduce the role of the state; (b) and the globalization which causes an attack to the citizenship (forced emigration, structural unemployment, expansion of poverty in cities and territorial insecurity in urban areas). The concentration of power in supranational spheres, such as the IMF, the WTO and the United Nations is considered to weak the sovereignty of the state and of democracy itself.  In parallel, there is a new citizenship that emerge, a "horizontal structure, networked, on which all are protagonists, a fragmented action, multifaceted, with hundreds of causes that mobilize a crowd" ( Conference, 2014).

The table below presents a description of all Letters, issued at the end of each  Conference, specifically focused on the description of the social context, as considered by the network members over time. It includes the visions and strategies that were defined to consolidate PD practices, in the face of the social context identified.

It is important to remember that  network is mainly a network of Municipalities and that all analysis and statements are referred to this specific point-of-view.

**Table 2. Participatory democracy as seen by  over time, describing social context and visions and strategies for PD consolidation in local contexts (municipalities)**

| Year | Social context (as identified by members) | Participatory democracy (visions and strategies) |
|---|---|---|
| **2001**<br><br>1st  Conference: principles of the participatory democracy<br><br>The Letter of Barcelona | "There is an evidence regarding the negative aspects of the neoliberal policies applied in this globalized world. Policies that have highlighted the huge divisions in today's world, the large social and political exclusions, the huge distance between North and South, the loss of the values and, over all, the empire of the market economy." | "In contrast, the municipalities, are the only entities that, due to their proximity and contact with the reality, are the only ones enabled to radically change the differences in our society".<br><br>The principles of participatory democracy are listed (mentioned in the first paragraphs of this  report). |
| **2002**<br><br>2nd  Conference | (no statements, specifically about the social context) | "A specific characteristic of our participatory policies is the need to build a development strategy with a human face, which is based more on changing the |

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| | | |
|---|---|---|
| Letter of Quezaltenango | | attitudes of the rulers and the ruled, generating mutual respect and trust, than the mere execution of works or services. Undoubtedly a clear example of this change are the experiences of participatory budgets, regardless of the percentages subject to popular deliberation or the methodology used, represent a clear example of jointly built citizenship from social inclusion and democratic deepening. |
| **2003**<br><br>3th  Conference<br><br>The Letter of Lille | "In the north, the government and local organizations, and the political apparatus, legitimized by a system of representative democracy, seem *dry*, become empty of content, lose the trust of the public.<br><br>In the south, central and local authorities are often still undergoing transformation, particularly in those countries committed to decentralization. Often, due to a lack of public services, people have had to self-organize to collectively meet their basic needs (education, trash collection, health ...).<br><br>Both groups are directed towards participatory democracy through two processes in the opposite direction but tend towards the same goal, the same point of balance; better coordination, better synergy between government and civil society, "to return to put man at the center while preserving the planet's resources." | "Participatory processes should lead necessarily to achieve higher levels of equality, the empowerment of citizens, to greater legitimacy and confidence in public powers, and greater efficiency in public administration."<br><br>"Some dangers or pitfalls to avoid:<br><br>• Populism: assess and express emotions, it is not enough to build a politician (...)should be time to overcome the emotional stage, to move from individual interest to the collective interest.<br><br>• Discuss about "crumbs": the DP must not be reserved only for less *transcendent* discussions, it is necessary to take the DP to decision making.<br><br>• Inform and communicate is not enough: the DP is supposed to go further.<br><br>• Discuss without consequences, to say words without actually applies what have been said: if the government does not meet the expectations of the population there is a risk of disappointment, the breakdown of the society, the withdrawal of the individuals, of the corporations, or of the communities. |
| **2004**<br><br>4th  Conference<br><br>The Letter of Buenos Aires | (no specific analysis of the social context) | The Letter of Buenos Aires lists decisions of an  internal meeting. There is almost no specific contribution to the common understanding of the perspectives and challenges of Participatory Democracy. |
| **2005**<br><br>5th Conference: "Learning to | Globalisation is giving rise to substantial changes in the means of production and distribution, in the forms and content of relationships between people and countries, in trade | There is a need to fight against the centrifugal trend that expels extensive population groups from decision-making spheres, whether due to a lack of identification with the community or |

participate and building citizenship"

Letter of San Sebastian/Donostia

exchanges and in the consumption and use of territories and natural resources.

abstention arising from discontent or lack of trust. Here the processes of participation can play an important role in fostering this identity, this sense of belonging that goes beyond the family or group.

Nevertheless, it will be difficult for social change to take place without individual transformations. These processes of participation, the involvement of people in collective issues, are also educational processes, in which we learn new ways of relating to others and working together in daily life, turning learning into teaching and both into personal and collective transformation.

We see democracy as a regulatory framework, as somewhere in which to share powers and capacities, with enormous potential to create, recreate and transform. However, we also see it as a renewed aspiration, as a goal to be attained, based on the conviction that there is a lot to be done and that another world is possible.

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**2006**

6th Conference: "Participatory Strategic Planning for the democratic construction of cities"

The Letter of Recife

"The systematic attack on the rights of citizenship caused by globalization (forced emigration, structural unemployment, expansion of poverty in cities and territorial insecurity in urban areas) demands from us a global coordination to confront this authoritarian process, due to the hegemony of finance capital"

The conference is held in Latin America, which is considered important, expressing the moment PD is facing in this continent: "In recent years the continent has observed advances that favour the popular struggle. The victory in several central governments by political forces that represent the struggle of social movements (...) opens up a new perspective for the planning and participatory urban development, which are able to include in a strategic and concerted way, millions of citizens".

To face these challenges, and considering the Latin American political context, there is the need to integrate local efforts in the development of PD processes at a local level (in the cities), with the transformation of nation states towards participatory democracy, in a way to overcome the limits of these local initiatives.

In this, participatory democracy as a social value and political management tool, appears as an aspiration to build fairer societies.

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**2007**

7th Conference: "The Challenges of Expanding Citizen Participation in the

(it was not possible to find out if a "Letter" was produced as a result of this conference that was held in the city of Nanterre)

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| Processes of Participatory Democracy" | | |
|---|---|---|
| **2008**<br><br>8th  Conference: "Interculturality and Citizen Participation: Models of inclusion and coexistence among people"<br><br>Letter  of La Paz | (no specific analysis of the social context) | "Far from being a problem, cultural diversity is an asset that allows to collect the contributions of different views about development, the management of the public space and the participatory formulation of municipal budgets. It presents therefore a lively demand for inclusion, based on the generation of equal opportunities for all members of each community" |
| **2009**<br><br>9th  Conference: "youth, citizenship and participatory democracy"<br><br>Letter  of Reggio Emilia | "In this phase of the crisis of the institutions of political representation, setting up participatory opportunities for young people (…) generates trust and allows for the political status of young people to be reinforced.<br><br>In this period of strong individualisation and the segmentation of needs, young people may encounter difficulties in being able to tell the difference between references and shared social norms. | Through participating young people develop a sense of belonging to the territory in which they live.<br><br>It is necessary to pass from youth policies, which centre on individual wellbeing, to those that centre on the participation of young people in the growth and development of the community in which they live.<br><br>The school must develop from being merely a place of cultural transmission, highly evaluative and based exclusively on disciplinary intelligence, to become a place of cultural production,<br><br>The drafting of public policies of general interest (must be) attentive to intergenerational dialogue, sexual diversities and the origin, age of each one.<br><br>Institutions will promote the participatory processes addressed to young people and support processes of participation that are created and managed by young people themselves.<br><br>When defining actions of participation taken by the new generations, special emphasis must be placed on the social, cultural, territorial and technological context in which the participation process takes place. The context is the element that determines good actions: there are no preconceived or easily transferable "recipes", just the necessary work of interpretation of the setting in which any action is to be taken.<br><br>Participatory democracy, insofar as it increases knowledge of the mechanisms and opportunities of Representative Democracy, |

as well as the trust of those get to play a role, also contributes to the reinforcement of elective institutions.

## 2010

10th Conference: "Global Crisis, Participatory Democracy and Local Alternatives"

Letter
of Mexico City

The world is currently undergoing a profound, multidimensional crisis; one that not only affects the economic and financial dimension but has also extended to include a crisis of values. Strictly speaking this could be termed the first great global crisis, insofar as it not only affects those countries on the periphery, but also the developed nations themselves.

That this structural crisis has intensified impoverishment, unemployment and precariousness, and has increased inequality and the deterioration of living conditions, principally those of women, children and young people, with particularly harsh effects in the local sphere.

"Given the magnitude of the challenge that we are facing, a vast process is taking place, at a local level, to seek and construct alternative solutions that are aimed at achieving a way out of the crisis by means of consolidation; from the bottom up, at a local and popular level, from the citizens; which will serve to cushion the immense social inequalities and extend and strengthen our democratic freedoms. That these solutions, such as community banks or local currencies, various examples of which have been brought to our attention, are being set up on bases that stress solidarity, freedom and peace, aimed at building a new political culture based on equality, diversity, selfmanagement and horizontality in terms of access to the fundamental rights of social equality."

There is a need to reinforce public participatory policies, from the bottom up, promoting the use of local currencies and community banks as an alternatives to a new economy and bolstering policies in questions of urban agriculture.

That while acknowledging the inherent complexities of working with young people, there is a need to promote participatory mechanisms that involve them and encourage association. That there is also a need to move towards levels of citizens co-management, empowering people for the good of the community, and to break free of the dominant monoculturalism, an essential step for the acknowledgement of new forms of community management. The legal instruments of participatory democracy must guarantee the right to participation and those experiences that are successful must be institutionalised and bureaucratisation avoided.

## 2011

11th Conference: "New Technologies and Citizen Participation. Civil society and communication tools"

(it was not possible to find out if a "Letter" was produced as a result of this conference that was held in the city of Lleida)

Key issues discussed in the conference: Participation: Impact of new technologies in the modernization of public administration, citizen participation and democracy, addressing issues such as eGovernment, networked local administrations and full accessibility of citizens to the local administration by electronic means.

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Networks: Social networks, virtual platforms, their relationship with the local administrations and their usefulness as channels of participation and expression of attitudes and civic engagement.

Transparency: Transparency, participation and collaboration of the networks in the design of public policies, dealt with the application of ICT in governance and democratic forms of participation (from secondary sources)

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**2012**

12<sup>th</sup> Conference: "Democracy in the city and large urban transformations"

Letter of Porto Alegre

"The American crisis has spread to the most of the other continents and currently is of such magnitude that threatens the future of the eurozone and of human survival in Africa, as well as weakening confidence and social cohesion in thousands of communities. Financial capital (...) is reorganized again as a creditor for governments in crisis.

This situation is no different in the cities, in permanent social and environmental crisis, where the urbanization foster a model of social exclusion and enter into a vicious circle which includes land speculation and land management subordinated to the accumulation of profits rather than improving the quality of life of its inhabitants. Now more than ever, the great urban transformations have become an active part of this perverse game.

On the other hand, the global crisis raises creative energies in dozens of countries streets. In fact, the Arab Spring, Occupy and Indignados not only topple governments, but also demands the return of public space to reinvent it"

Create mechanisms to ensure the suitability of the works on megaprojects* with planning for the short, medium and long term of the cities, respecting the rhythms and local livelihoods.

(*) Megaproject is an extremely large-scale investment project. It is referred, for example, to the megaprojects developed by the Brazilian Government for the WorldCup. There was a intensive discussion in Brazil about the impact for the cities concerned, in a long term.

Given the urgency of the citizen, horizontal networking and participation - virtual or presencial-, encourage governments to develop policies that integrate education, culture and technology, enabling creative processes

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## 2013

13th Conference:
"Citizenry for
Sustainability"

Letter
of Cascais

Traditional representative democracy appears to be incapable of dealing with the new challenges facing society. Representative democracy is losing its energy and is no longer a mobilising force

There is a concentration of powers, beyond the sphere or control of elected governments. The concentration of power in supranational spheres, such as the IMF, the WTO and the United Nations and the absolute power exercised by the top international banks.

The universalisation of democracy's principles and procedures has gone hand in hand with the crisis of political representativeness that has arisen in numerous countries with this form of government.
Discontents express it through massive public demonstrations, high levels of electoral abstention and an endemic lack of trust in public institutions.

Democratizing planning: the design of public policies for a territory must count on the active commitment of the citizens that live or work there

Democratizing democracy: it is possible to ensure the emergence of a new democracy that is based on the primacy of participation, representation and citizenship. We refer to democracy with a renewed spirit, capable of rebuilding trust both between governments and the governed and among the governed themselves. We commit ourselves to setting in motion mechanisms of co-decision making with regard to public resources, such as the Participatory Budget.

Democratizing the economy: The creation and distribution of wealth must not be based on financial and speculative systems, insofar as these systems have amply shown what they are capable of. We seek an economy that is more democratic and that 4 favours very diverse forms for the production and acquisition of goods and services; we seek an economy that is based on the primacy of trust and on the citizens

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## 2014

14th Conference:
"The Radicalization
of Democracy and the
Citizen Protagonism"

Letter
of Canoas

Over the past five years, demonstrations took to the streets of Brazil, Iceland, Tunisia, Egypt, Spain, England, the United States, Chile, Colombia and Turkey, gathering millions of outraged. These journeys can not be assessed to the same standards of the demonstrations that preceded them. They represent something new, a horizontal structure, networking, where all are protagonists, a fragmented action, multifaceted, with hundreds of causes that mobilize a crowd.

It is crucial the State's presence in this new world that emerges from street demonstrations, as opposed neoliberal theories proposing the reduction of their role.

In this context of crisis of representative democracy, the role of networks, organizations and governments is to promote and in different countries, actions, initiatives and tools to broaden participatory democracy. For this reason, the members at a General Meeting renewed its commitment to continue working to promote a more participatory democracy in the world through a network cooperation strategy and using the new communication tools and information.

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| | | |
|---|---|---|
| **2015**<br><br>15th Conference: "Open Government: Transparency and Citizens' Participation"<br><br>Letter of Madrid | The evolution experienced by modern societies, citizens are aware of their rights and want to exercise them fully, as well as their obligations. Therefore public managers must take the necessary measures to ensure that the right of participation and access to information is real and effective, with greater transparency in the management, with ICTs as an indispensable element. | "Increase transparency in the planning and public administration, increase the volume of information about the activities of managers in the management of public resources. Local governments have collected information on behalf of citizens and they have the right to request and obtain this information. It is therefore necessary to facilitate access to information.<br><br>Extend the use of new technologies (ICTs) to promote transparency, openness of data, accountability and citizen's collaboration and participation. The opportunities offered by new technologies for the exchange of information and to get the opinion of citizens is unquestionable. Therefore, online spaces were created not only for service provision, but also as platforms for gathering the opinions and evaluation of citizens about the actions of their governments, and as a channel to enhance the quality of public services and the efficiency of decision making process. |

**Social context for the SI- Network**

**Trend: emergence of ICT and its relation with participatory democracy.**

The OIDP (International Observatory of Participatory Democracy), as stated by its name, is focused on participatory democracy processes. The diffusion of ICT opened up the possibility to intensify knowledge exchange processes about participatory democracy processes, but also to effectively practice it as for example in the case of the digital participation or e-governance. As mentioned by Poletta (2013): "the internet looms large in accounting for the new enthusiasm for participatory decision making. In brief, new digital technologies have made it much, much easier to form, join, and coordinate groups (…) Campaigns, whether on behalf of a television show or a political cause, were organized by a few people or even by one person" (p.42-43).

Therefore, the emergence of  is related to the entrance of ICT in the dynamics of the participatory democracy processes. The network operation was only possible by the ICT and the website is, still now, the main portal to all resources.  As mentioned before, the  centre rely today in a technical secretariat composed by one person. Although the ICT, in the OIDP itself, is used as a communication tool between members and to give visibility to the best practices of participatory democracy in the website. However the ICT is influencing also at a local level, in the participatory democracy practices in the municipalities (associate members).  For example, the municipality of Porto Alegre broadcasts on-line the Assemblies undertaken in the Participatory Budgeting process, and citizens can follow these assemblies on-line. This also forms the main aim behind ObservaPOA operation, that is to monitor socio-economic indicators in a way to give visibility to them (using new technologies) to support actors involved in the decision-making processes in the Participatory Budgeting in Porto Alegre.  In terms of new technologies, ObservaPOA aims to *georeference* (Hackeloeerthe et al, 2014, see also in the Wikipedia the article "georeference") in the territory of the city of Porto Alegre the demands for public investment and the current works

(in-progress) (Interviewee 2, Interviewee 3) and show it online in a website, in a way that it is publically accessible both to citizens and the public administration.

In this direction, members recognizes that there is a broader movement enabled also by ICT and that the network must give an answer: "Over the past five years, demonstrations took to the streets of Brazil, Iceland, Tunisia, Egypt, Spain, England, the United States, Chile, Colombia and Turkey, gathering millions of outraged. These journeys cannot be assessed by the same standards of the demonstrations that preceded them. They represent something new, a horizontal structure, networked, on which all are protagonists, a fragmented action, multifaceted, with hundreds of causes that mobilize a crowd, which is an expression of thousands of individuals" ( Conference, 2014). In this case, members stated that "It is crucial to reinforce the State's presence in this new world that emerges from street demonstrations, to oppose neoliberal theories proposing the reduction of their role" ( Conference, 2014).

### Social context: between EU and Latin America

The  was developed in the framework of the URB-AL programme. "URB-AL began in 1995 with the purpose of favouring exchange of experiences and good practices between local governments and communities of the EU and Latin America, by means of an instrument of decentralised horizontal co-operation. The Programme, developed in two phases, fully responds to the political priorities of co-operation between EU and Latin America, contained in several European Commission (EC) communications (EC 1995, 1999, 2000)" (Otero, 2007, p 64.).

It is important to understand the respective social contexts, in EU and in Latin American, on which the Urb-Al program emerged in 1995. Otero (2007) that is extensively cited below, provided an interesting analysis:

"It is well-known that the URB-AL Programme pursued general and specific objectives consistent with the needs and problems from which local governments had been suffering since the mid-nineties. Medium-sized and small EU cities were facing a challenge because of the increasing weight the problems of great urban areas had been acquiring, areas that concentrated an increasing use of public resources. They are stable populations, but with a need to consolidate participatory processes and above all with a need to affirm their cultures or, in other cases, to expand social services or generate productive activities that would provide a response to the demand for employment. Finally, some of these European cities have been losing their stability to the extent that they had been affected by a migratory flow, particularly crucial within the last few years.

From the Latin American perspective in general it is necessary to keep in mind that in the mid-nineties people were still living in the aftermath of a contradictory period, of political and social tensions, some of them not exempt from violent confrontations. Moreover, it was difficult to provide a response to the expectations of the democratisation process, in the midst of a pro-longed economic crisis that began in the early eighties, with debt problems and the challenges posed by indispensable economic reforms to adapt to the rapid and transcendent changes set off by globalization. As democratic processes in the region advanced, it became increasingly evident that responsibilities regarding matters connected with the quality of life should fall to the authorities closest to the population receiving the services or government interventions.

Consequently, addressing areas such as health, education, citizen security, the environment, gender issues, senior citizens, persons with different capacities, youth, attention to vulnerable groups, inter alia, as well as matters of productivity and entrepreneurial competitiveness, equity and income distribution, among many aspects, became a concern also of local governments, both because of the very strength of the growing democratic process and because of the demand of the

civil society that favoured the possibility of "social controllership" in actors that were closer than national authorities.

Within this cumulus of contradictions, there was a surge of non-governmental organizations (NGOs) as an expression of the vertebrated civil society, which in many cases promoted transparency in the handling of State issues and the civil society's capacity to supervise or audit the performance of basic services of local governments in Latin America, particularly in countries where the decentralisation process was manifested in greater depth, were precisely these problems of how to deal with those subjects, without sufficient experience, without any background information on their nature and without officials prepared for those delicate tasks. The real needs of local governments to face the new demands went from budget structuring, including public funds for the performance of services that were previously provided by the central government, to how to confront problems of community development related to a large diversity of areas.

Conclusively, the proposal to initiate the process of relating cities and of exchanging experiences that URB-AL encouraged provided an opportunity to find a solution to brand new problems, mainly regarding the exchange of experiences through the execution of common projects" (p.67)

In fact,  has municipalities as associated members and its participation in the  is managed by a body of officials from these municipalities, which constitute the frontline in the relation between public administration and citizens in the development and management of participatory democracy processes.  It is the case of the operation of the  in Porto Alegre, for example, which is done in the ObservaPOA that operates as part of the Governance Secretariat in the Municipality of Porto Alegre. One of its key activities is to execute the participatory budgeting process in POA, also by promoting the interaction between the public administration and the communities and organizations involved. This is done together with the Municipal Strategic Planning and Budget Secretariat, which manage the financial resources.  ObservaPOA, in this process, aims to support the participatory budgeting by providing data to both citizens and public administration about the process and its results.  The Governance Secretariat is also where all URB-AL financed activites were developed in the Porto Alegre Municipality, and was involved since its begginings in the development of .


## 3.2.2   Relation with external actors

**Relation between Government and external actors in participatory democracy practices, as defined by**

 members have defined some principles for the relation between Municipalities and external actors in participatory democracy practices.

They are described in the Letter of San Sebatian/Donostia ( Conference, 2005) which, as many other documents issued by  members, are presented as guidelines to be followed.  It was not possible to verify how these principles are effectively embedded in the practices of  members (Municipalities as associated members).  However, the principles are listed below, because they were developed by members themselves.

It includes: "In inter-governmental relationships:  (1) To promote the involvement of other levels of government in participatory processes with the mediation of the local authority; (2) To create areas of inter-governmental coordination to meet the needs of citizens; (3) To promote a local agreement about the division of resources, clarification of competencies and facilitation of relationships.

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In relationships with economic agents: (1) To increase awareness among and involve the economic agents in a territory (...); (2) To promote the social economy through public action as a local development strategy; (3) To lay down ethical participation and sustainability criteria in public contracts; (4) To promote the democratisation of economic agent organisations (business associations).

In relationships with the associationism fabric: (1) To foster the participation of associations right from the start of processes, furthering trust and joint responsibility through formal and informal communication channels; (2) To promote the democratisation of the associations; (3) To provide the associations and processes with resources: education and training, adequate time and places to meet, funding.

In relationships with the non-organised citizenry: (1) To adjust the internal organisation of governments taking into consideration the needs of the citizen: bureaucratic simplification, improved communication, one-stop attention, etc.; (2) To promote participatory processes especially geared towards the participation of citizens at an individual level: new technology, participatory budgets, open assemblies, etc.; (3) To reinforce the "proximity" facilities and professionals in government (employees/community mediators, civic centres, state schools)" ( Conference, 2005 Letter of San Sebastian- Donostia)


**Relation with external actors in the SI- Network**
**(and in the regional office for Latin America at ObservaPOA)**

In the phase 1, in the beginning the , it was financed by resources by European Union. Later on, the UCLG – United Cities and Local Governments network together with the Municipality of Barcelona begin to have a prominent role in , particularly supporting (also financially) the technical secretariat, which operates in the Municipality of Barcelona.

United Cities and Local Governments (UCLG) "represents and defends the interests of local governments on the world stage, regardless of the size of the communities they serve". Headquartered in Barcelona, the organisation's stated mission is: To be the united voice and world advocate of democratic local self-government, promoting its values, objectives and interests, through cooperation between local governments, and within the wider international community. (from UCGL Website, 2015).

The Municipality of Porto Alegre also have a key role in the , as it finances the only local observatory that remains active from the network of Local Observatories that was set up in the beginnings of the  Network: the ObservaPOA.  This Observatory also operates as a regional office for  in Latin America. Main partners of the ObservaPOA are the Observatory of the Metropolis (an observatory for urban development issues in Brazil) and departments at the Federal University of Rio Grande do Sul (UFRGS).

There is also a focus point in Africa is coordinated by the NGO ENDA-Ecopop.( Environment and Development in the Third World). ENDA (Environment and Development in the Third World) was created 25 years ago, and works for an "effective South-South solidarity and operates on a true associative commitment of each member (...) is is based "primarily a self-organization of grassroots groups" (Inter-Réseaux, 2015). It was founded in 1972 a Dakar as a joint program of the United Nations Environment Programme, the African Institute for Economic Development and Planning and the Swedish Organization for International Development (About ENDA Website, 2015).  Ecopop was created in ENDA to develop an alternative approach to urban development (ENDA-Ecopop).

It is important to remember, as mentioned in earlier paragraphs, that the way  Network operates, stimulates the continuous collaboration between those called collaborating members

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(Universities, research centres and associations) and the associated members (Municipalities) to the promotion of participatory democracy.

**Figura 4. actors map.**
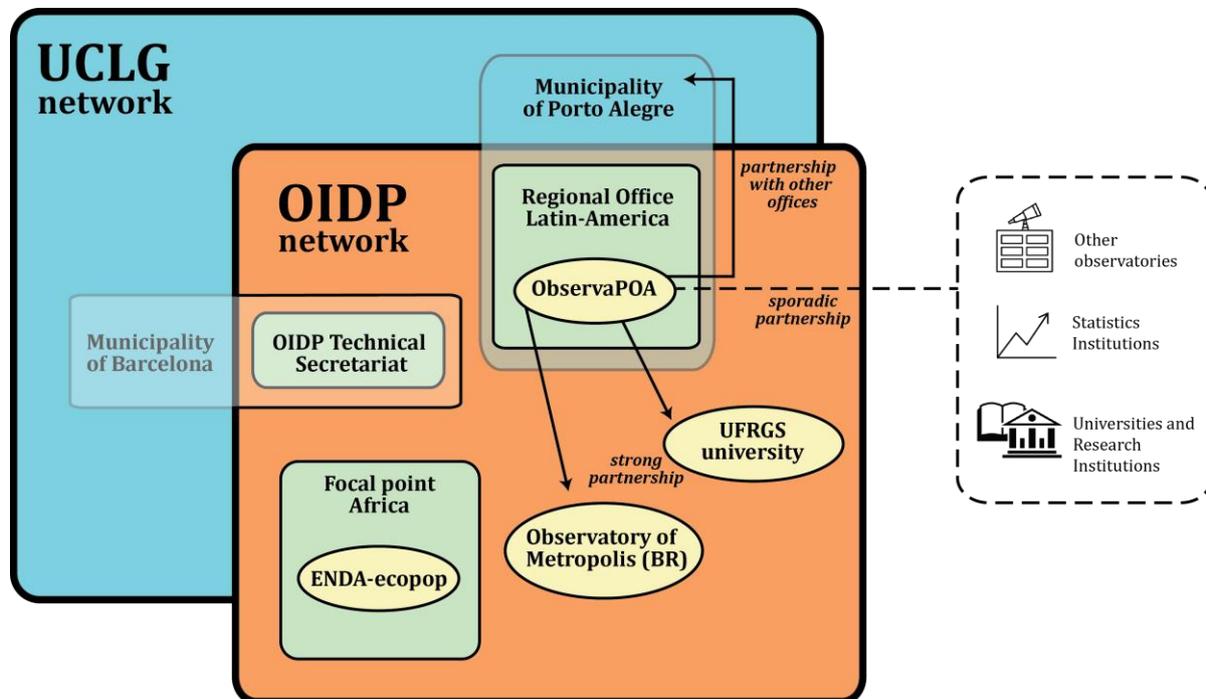


## ObservaPOA and its relations with external actors

It is important to describe the partners of ObservaPOA in the Municipality of Porto Alegre, as it is can be considered as an example of a local observatory, as it was conceived in the beginning of the . All partners of ObservaPOA are listed below:

Universities in the region of Porto Alegre, all with research groups related to participative democracy:

- UFRGS –Federal University of Rio Grande do Sul - ~ http://www.ufrgs.br/
- Pontifical Catholic University – PUC_RS, ~ http://www.pucrs.br/portal/
- UNISINOS ~ http://www.unisinos.br/
- ULBRA ~ http://www.ulbra.br/

Institutions related to Statistics and other Observatories:

- DIEESE (Inter-Union Department of Statistics and Socio-Economic Studies) is a creation of the Brazilian trade union movement. It was founded in 1955 to develop research on which the workers' demands could be based) ~ http://www.dieese.org.br/materialinstitucional/aboutUs.html ;
- FEE (The Economics and Statistics Foundation (FEE) is a research institution, linked to the Department of Planning, Mobility and Regional Development Rio State Government's Grande

do Sul. The FEE is a major source of statistical data on the Rio Grande do Sul) ~ http://www.fee.rs.gov.br/sobre-a-fee/ ;

- IBGE (The Brazilian Institute of Geography and Statistics - IBGE is the main provider of data and information about the Country. Such information meets the demands of several types of segments of civil society, as well as the bodies at the federal, state and municipal level)- www.ibge.gov.br

- Jogos Limpos (Clean Games) project, with Ethos Institute:  the project will seek agreements with companies, between government transparency commitments and provide tools for collective actions of surveillance, monitoring and social control over the investments for the World Cup 2014 for the Olympics and Paralympics in 2016 - http://www.jogoslimpos.org.br/;

- Observatory of the Metropolis. ~ The Observatory of the metropolises is a group que operates as a network, gathering together individual and institutional Researchers from BOTH public and private universities. The team constituted in the Observatory Has Been working for 17 years, Involving 97 main Researchers and 59 Institutions, in a systematic and articulate mannered, on the metropolitan challenges presented in national development, taking the reference the understanding of the changes in the relations Among the society, the economy, State and the territories encompassed by the large Brazilian urban agglomerations ~ http://www.observatoriodasmetropoles.net/

- Internal to the Municipality of Porto Alegre, other partnerships were established:

- Observatory of Culture, it is an initiative of the Municipal Department of Porto Alegre culture, with a mission to be a center of reference for decision-making in cultural policy and promotion of the importance of culture and the arts for social and economic development, through production, study and dissemination of information ~ http://culturadesenvolvimentopoa.blogspot.com.br/p/apresentacao.html;

- Transparency and Access to Information Platform, promote access to information for citizens, in clear and objective language, about the origins and applications of municipal resources of the city of Porto Alegre ~ http://www2.portoalegre.rs.gov.br/transparencia/

- Procempa. It was founded on 9 September 1977. Originally conceived as the municipal government data processing organ, has gradually become a modern Information and Communication Technology company, providing solutions compatible with the forefront of international ICT trade ~ http://www.procempa.com.br/default.php?p_secao=54

- Observatory of Labour of Porto Alegre, was created the Municipal Department of Labour and Employment - SMTE and partnership established with the Inter-Union Department of Statistics and Socioeconomic Studies - DIEESE, AIMS to produce knowledge about the local job market as subsidies for the formulation of public policy employment, work and income, the Observatory has built a set of indicators, studies and information - from different databases and dialogue with leaders, managers and local managers ~ http://geo.dieese.org.br/poa/apresenta.php .

- Sustainable Cities Program.  It is a realization of the Network Our São Paulo, the Brazilian Social Network for Fair and Sustainable Cities and the Ethos Institute, the program offers a platform that acts as an agenda for sustainability and addressing the different areas of public administration in 12 themes. Each of them are associated indicators, exemplary cases and national and international benchmarks of excellence. Accordingly with them: "we are facing the opportunity to create a new pattern of relationship between citizens and politics,

candidates taking concrete commitments and citizens following the results of these commitments". ~ http://www.cidadessustentaveis.org.br/institucional .

Among partners there is no prevalence of citizens' associations. Most of them are government-based institutions or universities, exception done to the Sustainable Cities Program, which is developed by the network Our São Paulo (which gathers more than 700 civil society organizations within the network, and defines itself as absolutely "non-partisan and inter-religious, has no president or board, constituted and expands horizontally" ~ http://www.nossasaopaulo.org.br/institucional ).

The low number of citizens' associations among ObservaPOA partners seems to be motivated by the aims the ObservaPOA itself, which was defined as a "neutral" mediator (accordingly with Interviewee 3) between citizens and public administration, providing data to support the decision-making process in participatory democracy processes (such as the participatory budgeting), which includes the development of researches (in partnership with local universities). Consequently, the partners are mostly data providers or monitoring institutions.

The participation of organized civil society in the ObservaPOA was not excluded. The Steering Committee of the ObservaPOA is composed by representatives of government and society and is composed of nine members: three representatives of the municipal government, three media producers and three members of the organized civil society. However, it is possible to consider if the increased participation of citizens' associations as partners would be able to increase the potencial of ObservaPOA in monitoring PD processes (specifically participatory budgeting) in Porto Alegre.

Previously, participatory budgeting processes in Porto Alegre were monitored by an NGO (NGO Cidade), an external actor from the public administration. Now this role is perfomed by ObservaPOA, which is part of the public administration and is using the above mentioned approach.

## 3.2.3   Transformative ambition, potential and impact.

### 3.2.3.1  Transformative ambitions and transformative potential

The letters issued at each   conferences are composed by statements which express the **transformative ambitions** (and also visions) of the  members. Also the conference themes express the issues that are under discussion in the network. It is possible to observe how the transformative ambitions of the network evolved over the years, observing these Letters: the first one, held in Barcelona in 2001 and one of the last ones, held in Canoas – Brazil, in 2014.

The first  conference in 2001 produced the "Letter of Barcelona".  It states as an **ambition**: "The real purpose of the meeting is to manifest the statement that these new forms of democracy, that we call participatory, serve to create a new society.  (…) We find that democracy has its maximum expression in the daily life of the local authority; in thousands of municipalities throughout the world. It is precisely on these municipalities, where we need to apply innovative policies, by getting inspired by experiences of radical participatory democracy (…). In the face of the globalization and neoliberal policies: "The municipalities, in contrast, are the only entities that may not solve the problem, but given its proximity and contact with reality, they are the only ones able to radically change the differences of the current society". {translation from Spanish}  ( conference, 2001)

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14 years latter, the 14th conference has generated the Letter of Canoas. It expresses the following **transformative ambition**: "Considering the moment we are facing, where on the one hand we observe that a new citizenship is flourishing, and on another hand there is a growing disenchantment with politics, the best answer is to radicalize democracy. The world needs more, not less, democracy. So it is the duty of our generation to awaken the citizen's call to action, that is within each individual. It needs to encourage a culture of participation, deepen direct democracy, strengthening existing and creating new participatory tools" {translation from Portuguese} ( Conference, 2014).

Some statements declare the **transformative ambition** of the  Network in front of contemporary issues: "The presence of the State in this new world that emerges from the street demonstrations is essential, and this in opposition to neoliberal theories proposing the reduction of its role. Over the past five years, demonstrations (…) represent something new, a horizontal structure, networked, on which all are protagonists, a fragmented action, multifaceted, with hundreds of causes that mobilize a crowd, which is an expression of thousands of individuals. We believe that we are living the birth of a new movement founded on participatory democracy and constituting a new citizenship on a global scale, the sum of thousands of wills and intelligences that multiply, interact and share" {translation from Portuguese} ( Conference, 2014). In this, the **transformative ambition** of the  is: "In this context, on which there is a crisis of representative democracy, the role of networks, organizations and governments is to promote and encourage, in different countries, actions, initiatives and tools to spread participatory democracy. For this reason, the  members at the General Meeting renewed its commitment to keep working to promote a more participative democracy in the world through a strategy based on a cooperation network and using the new tools for communication and information." {translation from Portuguese} ( Conference, 2014).

The broader **transformative ambition of**  is to reinforce the presence of the State and the representative democracy, from one side by increasing local participatory governance, and from another, by reinforcing the value of localities and its local cultures, but also considering the potencial of the new tools for communication and information to enable a new citizenship (and participatory democracy practices) in a global scale.

As seen in the previous sessions,  configures itself as a network dedicated to generate knowledge about participatory democracy practices. Its specific **transformative ambition** is that each Municipality (represented in the  activities by civil servants and officials from Municipalities) and associations from civil society will bring this knowledge at a local level, to apply and propagate these principles, to improve existing participatory democracy practices or to develop new ones. Other **transformative ambition** is to create a larger network of local observatories that are able to monitor and evaluate PD practices at a local level, incorporating citizens in its evaluation processes. In this,  Network has the ambition to act more closely to the local governments. Today, only ObservaPOA in Porto Alegre is a local observatory that performs this role, connected with .

Regarding the **transformative potential** of the  itself: "We have noted the potential that can be found on the  as an element of relationship and cooperation between the different cities. An example is when communities working to build civic and democratic processes are threatened by violence: the network of municipalities linked to the Observatory can and should work for democratic construction of these cities (…) The challenge now is to increase the number of cities connected to this network (…) always with the intention that the several territorial processes, and the same development of the , are not isolated experiences but are continuous activities and processes, and the expression of a clear political will". {translation from Spanish} ( conference, 2001)

The Letter of Barcelona also considers the **transformative potential** of the ICTs: "We have had the opportunity to meet and reflect on different experiences in the field of new ICT, experiences that relate technological developments to citizen participation, and we have considered the wide

field of possibilities and risks if such instruments are not developed as tools, and yet, it has to take into account the need to reach universal use" {translation from Spanish} ( Conference, 2001).  It is recognized that development of the new ICT tools are greatly increasing the transformative potencial of the  and of the participatory democracy practices.


### 3.2.3.2  Transformative impact

The analysis of the **transformative impact** is related to the level considered (network and its local manifestations).

In the Network level,  is accomplishing its aims by effectively generating knowledge, registered in the Letters, issued at the end of each  conference as a statement of all members, based on the lessions learned and shared among the year in the work groups and the discusssions during the conferences. The same fact that the network is still active today, after the end of the URB-AL financial support, indicates that  is being effective and useful for municipalities, which are the actors that finance the  today.  The **transformative impact** in this knowledge generation process is expressed in what the officers bring from  Network to their municipalities, in terms of their formation as the agents for the development, promotion and support of participatory democracy processes at a local level. The same for members of associations, universities and research centers.

 This was observed in one of interviews: "What do we receive and exchange? (…) Studies, surveys ... It's an exchange relation. This is the main aim. (…) We have a central conference that discuss participatory democracy and the cool thing is that, each year, it takes place in a different continent. Last year was here in Canoas (RS), and this enable people in the surrounding areas, here in Brazil, to come and have easy access to this information. This year was in Madrid, next year will be in Africa and this is cool because you can learn and include these perspectives" (Interviewee 2).  It was observed also that officials seems to develop also a sense of community among  Network, and mutual support, it was declared in more than one interview: "there is no (financial) resources exchange, nor them to us, nor we to them, it's a very open, frank and transparent exchange" (Interviewee 2).

Other **transformative impact** at a local level (municipalities) is to get its local practice of participatory democracy, awarded with the  Distinction to the Best Practices of Participatory Democracy.  Each year, in average 20 cases are submitted to the award.  It indicates how this formal recognition is important, as it provides international reputation, visibility and dissemination of these examples. Also if the participatory case submitted is not awarded, it remains visible in the  website, which becomes a source for the observation of what is happening all over the world in terms of participatory democracy practices.  It is also a historical record, as the  is collecting these practices since 2006.

It is possible to observe that  manifests also the **transformative impact** of the URB-AL program itself, as an example of a decentralised co-operation effort impelled by the European Union.  operates still today in this model, being related to the original Urb-Al model, to "propitiate the exchange of experiences and good practices among local governments and communities of the European Union and Latin America" (Otero, 2007). Otero (2007) considers that "the results are very satisfactory and a reasonable level of efficacy and efficiency has been obtained regarding resources allocated. Compared to traditional co-operation schemes, where assistance-type actions prevail, the Programme is a good example of the qualitative leap signified by the new decentralised co-operation approach. The latter offers more direct and participatory co-operation alternatives, through the exchange of experiences and institutional support for strengthening local and municipal en- tities, considered to be new guidelines of local development. URB-AL responds fully to the concept of decentralised co-operation because it is

based on the mobilisation of a target group of local actors, it is instrumented by means of transfers and exchange of experience activities, actions are proposed by the actors themselves and all activities are carried out according to the principle of co-financing by the beneficiaries" (p. 67).

The  served as a model to other participatory democracy networks.  It is possible to confirm that have a pioneering role and served as a model for at least one network dedicated to participatory democracy and budgeting.  For example, the Brazilian Network of Participatory Budgeting (Rede OP Brasil website, 2015) operates similarly to the  Network.

### 3.2.4   Unintended effects

Although   keeps its focus on the production of knowledge about participatory democracy practices and the analysis of their documents does not indicate unintended effects in this main aim, it is important to go deeper, and observe possible unintended effects at a local level, that in terms of the  means to analyse the ObservaPOA (which is the only observatory that remains active from the network of local observatories and which operates today as a regional office for the ).

One of the interviewees, considers that ObservaPOA reproduces dominant ways of doing, framing, knowing and organizing:

> *"the mechanisms (...) are not reduced, they are improving, these mechanisms of domination. This was a criticism I made to observe POA because they were doing much in calculating population (statistically) and very little calculation of its own situation, let's say, did not present the calculation about how public investment were distributed, but they were very concerned to present the calculations on how many people, how many women work ... it is a calculation that allows you to have a control ... You will control that population, you will measure, monitor, watch, put cameras. Which is a logic that also is being widespread"* (Interviewee 7).

> *"About the current discourse (of the ObservaPOA)? I have not followed it recently. But what they say is that they continue, that the Participatory Budgeting continues, they are doing the works and (...) that is no longer needed to have accountability, because now the accountability is all the Participatory Budgeting, and therefore It is enough to read the financial report provided by the City Hall, that however only two people read: one of them is who prepare it, the other one is a guy (...) that started to study these reports. That is, you know, the full transparency is invisible, right?  Therefore all their discourse is not valid.... because in no way people would agree that all the investment in the city was 99% concentrated in making these avenues that were done for the World Cup"* (Interviewee 7, the last comment is referred to the investments in infrastructural works undertaken by the city of Porto Alegre – and other Brazilian cities - to host the World Cup in 2014).

In contrast, ObservaPOA team stress their role in disseminating and in provide the statistical information in a format that make it as clear as possible: "we have a huge demand to format the statistical data in a friendlier way" (Interviewee 3).  Therefore, the ObservaPOA team includes an Art teacher, for example. It was stated also that "we organize workshops, about the contents of the site *Porto Alegre Under Analysis* and our publications" (...) "Workshops about our tools and the usefulness of indicators (...) you need to know how many children from zero to three years you have in the region, to know if you really need to have a new day care center in the region, in a way to not waste public money and to be easier to plan. This is to converge the demands, from the public manager and from the population, because both have its own demands (...)  another

level of education is provided for students, in the universities, to teach how to use the indicators" (Interviewee 3).

About to be an institute based and financed by the government:

> *"there is an advantage to work in ObservaPOA, as here we have a steering committee, on which participate universities, and other entities, (…)here, if I have to publish a given data on our website that is bad for government, we publish. Therefore, our indicators (…) have a table under each indicator which has the management and (it is possible to see if it) has evolved or not evolved (…) and compare it with others (…). There's nothing to say, if the indicator is bad is bad, we will work to improve"* (Interviewee 3)

## 3.3  Agency in (T)SI

### 3.3.1  About visions, strategies and theories of change of the SI-Network

#### 3.3.1.1  Vision

**Participatory democracy as seen by  members**

is a network that considers itself as an enabler for participatory democracy practices in the Municipalities, mainly by generating knowledge and preparing civil servants and/or officers from Municipalities to be the frontline between goverments and the demands of civil society. members effectively have defined a vision of the characteristics of the participatory democracy they aim to attain and how local goverments can contribute on that.

The paragraphs below are a compilation of some statements mentioned before in this report, specially selected to describe the Vision of the  Network  (see 1.1.4.2 Participatory democracy as defined by  Network, for specific quotes). The statements are analysed considering also the characteristics of the participatory democracy practices awarded with the  Distinction (see 1.1.4.1 Overview of the participatory democracy practices in the ).

For  Network, the municipalities, are the entities that, due to their proximity and contact with the reality, are the only ones enabled to radically change our society.  Therefore,  is a network composed by Municipalities as its main actors.

Participatory democracy is considered a way to increase knowledge of the mechanisms and opportunities of Representative Democracy and contributes to the reinforcement of elective institutions.  For  members, it is necessary to increase trust in elective institutions. The word "trust" is mentioned in many  documents. It is also considered that people should not just be passive subjects of rights but rather actors involved in the mapping out of possible futures. Governments should be active agents who further collective approaches for the better exercise of these rights and should not be restricted to providing formal protection for them.  In fact, in the initiatives awarded with  Distinction, one of the criteria is the transparency, and the continuous involvement of all actors (from government and civil society) in all phases of the PD process (from planning, to monitoring and evaluation).

There is also a need to promote change from policies which centre on individual wellbeing, to those that centre on participation. Participatory democracy should also promote effectiveness in public management, and improve the results of public policies. This is the focus of many PD initiatives awarded with  Distinction, some of them are targeted to improve ongoing participatory democracy practices (for example, to increase participation of citizens by the use of ICT).

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The synergies between social innovations and PD are recognized and affirmed by members. It is recognized that citizens are able to build on alternative solutions. It includes, for example, community banks or local currencies. The legal instruments of PD must guarantee the right to participation and those experiences that are successful must be institutionalised and bureaucratisation avoided. In the practices awarded with Distinction, it was not found a case on which existing initiatives, already self-organized by civil society (such as community banks, etc), was directly incorporated in a participatory democracy practice promoted by a Municipality. However, the awarded initiatives include in its development a close relation with existing civil society associations.

Innovation in participatory democracy is defined in the articulation between new forms of local government, citizen involvement and development of popular sovereignty. An "innovative" experience in PD is understood as one that introduces an improvement through non-habitual mechanisms or processes. It is the case of the participatory democracy practices awarded with Distinction, which are considered valuable because introduced new practices in the specific local context considered. The practices awarded also express the lastest developments and ideas in participatory democracy practices (as for example, the initative awarded in 2015 is doing the first steps to practice an "open government").

One of the main focus in has been in how to improve participatory democracy practices by promoting *inclusiveness* (for ex, to include women in the participatory budgeting processes) and by the use of ICT technologies (to improve participation of those that are not interested in such processes). The use of new technologies is a recurrent issue in .

However the more decisive characteristic is that focus on Participatory democracy process to face social and economic *inequalities,* which are also described in spacial terms (for ex. the differences between different neighbourhoods, or the specific demands faced by shantytowns, or the differences between urban and rural areas). A set of different strategies were set up in each Municipality to face such challenges.

## Network vision

As mentioned before, and can be synthetized here, Network aims to be the larger network about participatory democracy on Municipalities, with the support of a myriad of actors: research centers, universities and associations, to produce knowledge about PD able to support local action in the Municipalities. In this direction, it is important to diversify and enlarge the network geographical presence and also to reconstitute the network of OLDP – Local Observatories of Participatory Democracy, which are expected to continuously evaluate participatory democracy at a local level (, 2007a). The Local Observatories would reinforce the production of knowledge in the , with data collected and processed directly from the dynamics of the PD at a local level, in the Municipalities on which these Observatories operate.

### 3.3.1.2  Strategy

## To participatory democracy as stated by

The documents of Network express in few words the strategy to be adopted by Municipalities to develop participatory democracy processes: "Participation is not improvised. It is planned" .This means "the planned establishment of a series of rationally ordered and interrelated steps to obtain certain desired results within the intervention limits of a local government". (, 2006).

And this include recommendations on how to plan a participatory democracy practice:

# transformative social innovation theory

- Use of appropriate techniques: adapted to the territory and defined by the same participating community and taking into consideration the historical, cultural and social history of the territory in a way to ensure a smooth adjustment process ( Conference, 2001)

- Extend the use of new technologies (ICTs) to promote transparency, openness of data, accountability and citizen's collaboration and participation ( Conference, 2015)

- Accessibility: facilitate the participation of all groups, applying specially and transversely gender policies and ensuring participation in the process to other social groups, whether or not structured" ( Conference, 2001)

- "Different social agents (administrative, associated network, private sector, unions, etc.) should be involved in all of the phases of a participative process, i.e. diagnostic, planning, implementation and evaluation. At the outset of a participative effort, other existing processes in the municipality must be taken into account, articulated and coordinated in order to produce a coherent intervention and make maximum use of the time and resources of the various participants in the process" (, 2006)

- "Shared responsibility of the various participants: Any best practice should include political leadership of the government team: This is understood as the capacity to promote an initiative through fomenting the participation, cohesion and motivation of all the involved parties. In this sense, any participative process should be based on solid political leadership". (, 2006)

- "Defined responsibilities: This means transparently and intelligibly establishing who is responsible for each of the competencies and functions within the organization and the process in order to guarantee accountability and the effective execution of the initiative. i) Educational process: A best practice in citizen participation cannot be limited to a single participative moment. Instead, it requires a process that must be educational. It must improve and deepen the democratic and participative culture of all the actors involved. This, in turn, leads to a change of roles among these actors based on respect, flexibility, listening, transparency, dialogue, self-criticism, constructive criticism, etc" (, 2006)

- "Impact and transformation of the surroundings: A best practice should, by definition, lead to the successful fulfilment of the established objectives. This implies the existence of an impact, an observable and positively evaluated change in the surroundings that is directly attributable to the initiative" (, 2006).

- "Evaluation: A best practice should involve the establishment of a fiscal system to account for the measures taken and to control the effects produced by those measures in relation to the declared objectives. The goal of this evaluation is to observe any deviations and, if necessary, redefine future objectives and measures" (, 2006)

- "Return of information: Local governments should report on the various phases of the participative process and inform the involved citizenry regularly about any decisions made during the course of the process" (, 2006).

**Operational Strategy**

Each internal meeting, which gather members, defines a Work plan, as a strategy to be performed by the Technical Secretariat throughout the year. These documents are the main source of information about visions and strategies. It is considered here the strategies defined in the last Technical Secretariat Work Plan for 2014-2015, issued in the Conference of Canoas.

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This work plan should guide the action of the Technical Secretariat of  and the organization in general. This document part of the analysis of the annual report 2013 – 2014.  Some key priorities are:

- Expand and diversify members: "In 2011, it was decided that the concentration of network members in certain territories was an issue that needed to be addressed (…)this year the Technical Secretariat will be putting its efforts, though not exclusively, into opening up and strengthening contacts in non-Mediterranean Europe, Asia and North America"

- Regional offices: "it was decided that, in order for the  to become an innovative centre for knowledge production, it needed to work collaboratively from within a decentralised structure. It was also agreed that this decentralised structure should take the form of regional offices or antennas which, in turn, would become "experts" within their territory and would provide members of the network with the best and most complete knowledge produced in each of the regions of the world"

- Improving the website: "the Technical Secretariat will be mobilising cities to encourage them to exchange what they themselves produce via the new website".

- Improving Communication: "Technical Secretariat will be stepping up communication via newsletters, e-mails and others channels, thanks to the new possibilities offered by the new website"

- Stimulating the use of social networks: "The Technical Secretariat will continue to work on the positioning of the  as a reference in the field of participatory democracy through social networks"  (, 2014a)

Other priorities are: to work to improve  Network funding, to support the activities of the members organized in the Thematic Working Groups, the management of the IX OIDP Distinction to the best practices of Participatory Democracy and support the organization of the  Conferences.

Among the key priorities listed above, it was reinforced the need to create regional offices or antennas (, 2014a). This priority was set to continue the strategy that was defined in the Annual Conference of 2011 (held in Porto Alegre). Following this strategy in June 2012, the regional office for Latin America was set up in Porto Alegre and in December that same year, the African platform of the  was created, based in Dakar. The Technical Secretariat is working in the current work plan to consolidate these two offices (, 2014)

In addiction,  Network indicates also as a strategy the intention to reactivate the LOPD - Local Observatories for Participatory Democracy (only one Observatory remains (ObservaPOA) from 10 LOPD). This is described in the website, in the session "about us" ( Website – About us, 2015).

### 3.3.1.3  Theory of change

**For  Network**

 developed an operating model based on the articulation between the local public administrations (as associated members), the organized civil society and centres of knowledge production such as universities and other institutions (as collaborating members).  operates as a common "space" on which these entities can reciprocally:

- Learn: entities develop a continuous and collaborative learning process about participatory democracy (generating knowledge);

- Practice (at a local level) the participatory democracy: by learning and exchange experiences, the associate members (supported by collaborating members) are best equipped to implement participatory processes in their local contexts.

Therefore, Network defines itself as a supportive "space" and as an enabler for participatory democracy practices. This is indicated in its objectives:

- "to build a common space to share the Participatory Democracy experiences;

- to advance in the practical implementation of the Participatory Democracy experiences;

- to foster the creation of mechanisms and evaluation systems of the participatory experiences at local level that allow to measure and evaluate the development degree and also the quality level of participatory experiences to give opinion on them aiming to a higher level of citizen's protagonism in the government of the towns" (, 2007b).

The third objective, is clearly related to the OLDP – Local Observatories of Participatory Democracy. As mentioned before, the Local Observatories were closed, exception done to ObservaPOA in Porto Alegre. Documents of Network (OIDP, 2014), consider the importance to reactivate the Local Observatories. ObservaPOA is working guided by the third objective listed above (Interviewee 3).

Network, as an enabler for participatory democracy practices in the Municipalities, is a space that prepare civil servants and/or officers from Municipalities (that are those that take part in the Conferences, for example, and are those who participate in the Network representing their Municipalities) to be the frontline between goverments and the demands of civil society, to implement participatory democracy practices. Therefore, the participation on Network is an educational process for them.

## **Contribution of participatory democracy (as defined by ) to societal change**

In synthesis, defines itself as an enabler for participatory democracy, as mentioned in the previous paragraphs. In this direction, it is important to understand the characteristics of the social change (the participatory democracy) aim to foster in the Municipalities

It is possible to understand that through the analysis of what members decided to consider being an excellent participatory democracy practice. The criteria they use to recognize this excellence is described in the criteria used to evaluate who apply to the Distinction of Best Practices of Participatory Democracy (, 2010). The criteria are presented below:

"Initiatives whose main objective is one of the following:

- Achieving greater levels of equality by including all of the parties involved and, thereby, strengthening their capacities and creating a more just society.

- Engendering citizenship, extending citizens' rights, granting new freedoms and responsibilities for democratic activity.

- Instilling a sense of legitimacy and confidence in public powers: fomenting actions that increase transparent decision-making and, thereby, bring about improvements in governance.

- Creating more effectiveness in public management, and improving the results of public policies".

- Introduction of "an improvement through non-habitual mechanisms or processes. Examples of this might include the involvement of population sectors that are traditionally non-participatory or at risk of [social exclusion, the creation of participative culture within a given city, the promotion of transversal actions, or new uses of ITCs, etc" (, 2010).

Important to remember what was mentioned before in this report, i.e., in each edition of Distinction of Best Practices of Participatory Democracy, which is running since 2006, in average, more than 20 practices of Participatory Democracy are submitted. All these Municipalities, when submitting, consider that their initiatives are meeting these criteria, or should meet.


## 3.3.2 About agency and (dis) empowerment.

The agency of the persons involved in the  can be considered in the different levels they are related to Network:

- For associate members (officials that works in the Municipalities affiliated to )

- For collaborating members (associations, universities).

- For citizens (involved in participatory democracy practices in Municipalities associated to )


**For associate members (officials in the municipalities)**

Two keywords express what is keeping the network running:  (a kind of) **activism** and **reputation**.

**Activism** (a kind of) is the way by which people involved in the  expresses their agency, actively, to make  Network running (in a moment on which there is not a key funding source, after the end of the Urb-al program). This is particularly referred to the associate members of the  (the Municipalities), and referred to the officials or civil servants, i.e., those that work in the municipalities affiliated to .  The analysis of the "Letters" issued on  Conferences and interviews, indicate that participants from municipalities (which are those that take part in these conferences) are embedded by a sense of transformation of their local contexts through participatory democracy practices.

Today, these officials or civil servants are the main drivers of the network. It was affirmed that the  is a "network of people" (Interviwee 1) and that the  is composed by a set of active and committed people (officials).  This was formalized in the  organizational structure in the *coordinating committee* defined as "made up of the most active, committed associate and collaborating members of the network. It meets several times a year and takes advantage of the framework of the annual conference and other events to follow up projects and initiatives and to contribute proposals and suggestions for the improvement and development of the " ( Structure, 2015).  This seems to come out from a personal involvement in the participatory democracy processes at a local level, in which civil servants or officials from municipalities get closer to the population and feel useful and find meaningful, at a personal level, to support citizens in having their demands attended and to support other officials to manage participatory democracy processes (Interviewee 3). It reflects the way they orient their personal agency to these participatory processes at a local level.

The involvement of officials in  is so crucial for its operation, that it was affirmed that one key problem for the network operation is the elections in the municipalities (associate members): the new administration may change the role and duties of the officials, and this may prevent them to

participate in the  activities (and to participate in the  community of colleagues and friends) (Interviewee 1, 2015).

At the same time,  empower the officials at a local level (in the municipality) by providing **reputation** to their work.  For the entire Municipality, the local organization of  conferences (alternately organized by different associate members each year) highlight its participatory democracy processes (and civil servants/officials involved).  For one year the city becomes the "world capital of participatory democracy" (Canoas, 2014). This is also true, when the city has an Observatory, as the ObservaPOA(the only remaining example of the network of the Local Observatories for Participatory Democracy created in the beginnings of the ). Officials involved in both cases (as a city hosting the  conference or those working at the ObservaPOA) feel empowered by the connection with the , as an international network, as they attract international visitors and interest to their work.

In the case of the officials in the Municipality of Porto Alegre, the work in ObservaPOA is empowered by the connection with the , but it would be possible also to consider that the  itself, as a whole, is still more empowered by the connection with (the participatory budgeting process) in Porto Alegre, the most renowned case of participatory democracy.

### For collaborating members (associations, universities)

For other members, and we consider here specifically the universities, the  provides **reputation** to their research activities in participatory democracy. University members are invited to be speakers in  conferences, for ex., therefore it mutually empowers each other (researchers with the recognition by  network and the network with the knowledge produced in the universities). Collaborating members are also involved in the *coordinating committee* defined as "made up of the most active, committed" members, therefore they are also important for the  operation. For associations,  is mainly a source of information about participatory democracy practices, but some associations have an active role in  (as observed in the discussions in  workgroups).

ObservaPOA activities are supported by universities, and this mutually empower the action of officials (that get supported by knowledge produced in the universities) and the researchers and students in the university (that have close contact with the Municipality and have access to empirical data and also statistical information selected and organized by ObservaPOA). Disempowerment in their respective agencies can take place if any of these parts select and or exclude information (for unilateral reasons, for example, political motivations).

### For citizens

 direct actions in relation to the (dis)empowerment of citizens in participatory democracy processes take place through the activities of the Local Observatories, originally conceived in the beginnings of the   Network.  Among the aims of these observatories were to improve participatory democracy practices in its localities (see section "theory of change" in this report which are the criteria to evaluate the best practices on PD) and specifically, "evaluating the quality of participatory experiences at the municipal level and incorporating components of citizen participation in evaluation processes so that citizens can play a more active role in municipal government" (, 2007a).

This was conceived to be done in an operating model based on the articulation between the local public administration, the civil society and centres of knowledge production (such as universities and other institutions). The ObservaPOA (a local observatory connected to ) operates in this model. Citizens may feel empowered by the activities of the ObservaPOA, namely, to "disseminate knowledge about the city by building a broad base of georeferenced information" and "evaluating

participatory management in terms of social capital and empowerment the local human capital" (ObservaPOA, 2005). However, citizens may also feel disempowered, if ObservaPOA is considered as a controlling body which is "very concerned to present the calculations on how many people, how many women work ... it is a calculation that allows you to have a control ... You will control that population, you will measure, monitor, watch, put cameras" (Interviewee 7).

## 3.3.3   About internal and external governance

### 3.3.3.1  Internal governance

The  Network is organized around two kinds of memberships. Local or regional governments are registered as associate members. Universities, research centres and associations are welcomed as collaborating members, which indicates that they support the associate members in their actual or future processes on participatory democracy.

The  coordination roles includes:

- the Presidency: "is held by the city which, after submitting its candidacy, is elected to host the annual  conference by consensus of the Internal Annual Assembly of associate members of the network (…) and perform a one-year mandate";

- Technical Secretariat: "is held by a city or local government for a renewable period of 3 years. As with the Presidency, the decision to appoint a candidate city to hold this post is reached by consensus at the annual assembly. Barcelona City Council has held the office of IOPD Technical Secretariat since the network was created"

- and the Coordinating Committee: "This committee is made up of the most active, committed associate and collaborating members of the network. It meets several times a year and takes advantage of the framework of the annual conference and other events to follow up projects and initiatives and to contribute proposals and suggestions for the improvement and development of the "( Structure, 2015).

 is organized around Annual Conferences on which members can meet and decide the activities to be held in the next year. Each Annual Conference have an *internal members meeting*.  These meetings gather members around the following (usual) schedule:

- "Presentation of the Technical Secretariat Management Report for the period.

- Presentation of  Regional Offices' Activity Report.

- Definition of the Annual Technical Secretariat Work Plan.

- Election of the Presidency.

- Definition of the  Regional Offices activities for the next year.

- Definition of the themes for the Working Groups (WG)

- IOPD Rules updating

- Scheduled IOPD activities for 2012

- Other issues. Questions and discussion"(, 2013).

A particular work group was set, named "Drafting of a new regulation for the OIDP" This group has been active between Canoas Conference (June 2014) and Madrid (March 2015) and are drafting new internal rules of the organization, more in line with the new phase of the development: "to define more clearly the objectives, rights and duties of members, governing bodies, decision making, and working methodology of the " (, 2014b)

### 3.3.3.2  External governance.

It is considered a priority to establish relationships with other international organizations and seeking synergies with them and also with other international organizations and the academic world: "Diversifying the composition of the network's members to reach as much as possible to all the cities and regions in the world" ( Website – About us, 2015).  The aim is to link them to  as members (associate or collaborating).

## 3.3.4   About monitoring

The  Network does not have any explicit procedure to evaluate its impact, as a network. The participation in the  Conferences (in number of participants and importance of the issues discussed) and the adhesion and active participation of members in the  Work Group activities (throughout the year) are implicit mechanisms to evaluate the network performance. The success of the  is usually expressed (in the website and documents) by the expansion of the number of members (associate and collaborating members).

However, more important is that the  Network itself can be considered as a monitoring unit for participatory democracy practices at a global level.  It is considered also to be part of its mission to produce knowledge about participatory democracy issues. Today, this monitoring activity is done through the  Distinction of Best Practices of Participatory Democracy, which "seeks to recognize innovative experiences in the field of participatory democracy, coordinated by local governments, which may be susceptible to reply. Local government's members of the  can be submitted to this distinction, which is awarded annually as part of the Conference of the . An international jury is responsible for assessing applications and decides the winner" ( Distinction, 2015). The cases are accessible in a specific session in the  website, in the section "case-studies" ( Case Studies, 2015).

The  was defined to include in its operational model the "Local Observatories on Participatory Democracy" (OLDP or LOPD) which are defined as "a meeting place, an area of interaction where different parties can reflect, debate, consult and make proposals on the challenges of participation. The underlying principle of these spaces is not to become technocratic structures or passive documentation centres, but to be active, inclusive platforms" ( Project, 2015).

The Observatories are conceived to gather local players around PD issues, which includes public administration; civil society (whether organised or not) and knowledge centres (research institutions, universities, foundations, etc.).

As stated in the  website "An OLDP network was created within the framework of the OIDP, linked from the start to the European Commission's URB-AL Decentralised Cooperation Programme. Its origins date from October 2004 **as a result of OIDP members' interest in evaluating the quality of participatory experiences at the municipal level and incorporating components of citizen participation in evaluation processes so that citizens can play a more active role in municipal government**. The overall objective of the project was to create an OLDP network that would develop a methodology to evaluate participation from a wide variety of political,

social, economic and regional perspectives. Ten OLDP were set up in ten European and Latin American cities. They chose and developed their own goals and methodologies, depending on the needs and characteristics of their social realities, but always within areas of joint action" (, 2007a).

Ten OLDP operated from 2004 to 2007: Barcelona, *Provincia* of Barcelona (Cataluña, Spain), Buenos Aires (Argentina), Cuenca (Equador), Donostia (País Vasco, Spain), El Bosque (Chile), La Paz (Bolivia), Porto Alegre and São Paulo (Brazil), Saint Denis (France). The financial support from URB-Al program was the main drive of their operation.

After the end of financial support from URB-AL in 2007 for the Local Observatories, only ObservaPOA, based in Porto Alegre remained and is active until now (2015).

As a result from the OLDPs (Local Observatories) activities between 2004 to 2007 a document was issued, presenting a set of criteria and methodologies to evaluate participatory democracy practices (, Report 2006). This document states that the evaluation of the impact of a participatory democracy initiative is a participatory process itself, to be designed together with the initiative, and presents some ways by which this can be done.

There was produced a report (, 2007a) on which the results of the OLDPs (Local Observatories) operation between 2004-2007 were described, indicating how the OLDPs improved PD practices at a local level and how they have included the criteria and methodologies in their local practices.

### 3.3.5   About resourcing

" does not require membership fees. Instead, each member undertakes to finance their own activities and pay any travel expenses incurred" ( Website – How to Join, 2015). Members are presented in the  website, signed in a Google map (georeferenced system).  Membership is continuously opened to new members (an entry in the  website invite potential members to apply at any time).

One of the more distinctive characteristics of the first phase of  (2001-2011), in organizational terms, was the support from European Commission in the framework of the URB-AL Program, which guaranteed the network operation.

In the second phase (2012-2015)  technical secretariat is held by the Municipality of Barcelona, with the support of UCLG –United Cities and Local Government Network.  , for UCLG is considered as a partner, to develop the issue of "participatory democracy" in their network. UCLG is financed by membership fees, an option that OIDP excludes.

However, it is not considered a satisfactory situation and the Network is looking for funding. Crowdfunding was considered as an option: "The Technical Secretariat has been meeting with companies from the crowdfunding sector to examine this financing option. The conclusion has been reached that there is a problem with the legal precept of the , and that micro-financing campaigns are not suitable for financing bureaucratic structures. This option could be considered for specific projects: for example, to fund the  Distinction (translation of documents, prizes, travel costs of representatives travelling to the winning city), several research projects, publications or other similar projects" (, 2014a)

## 3.3.6   About (social) learning

As mentioned before in this report, there are three explicitly organized process through which Network members acquire and share information, knowledge and experiences: the Conferences, the Work Groups and the Distinction "Distinction of Best Practices of Participatory Democracy"

### 3.3.6.1   Conferences

The conferences are the main knowledge generation processes in the . The conferences are organized every year since 2001 (the first one resulted in the foundation of the Network) and gather all members. In the conference sessions, speakers present experiences and reflections on participatory democracy issues.

Following the principle of alternating conference sites, the conference is hosted by a city on a different continent each year. They are organized by Presidency, which is held for one year. The following cities have held the Presidency since 2001 (it corrisponds tot he locations where conferences were held): Barcelona (Spain), Quezaltenango (Guatemala), Lille (France), Buenos Aires (Argentina), San Sebastián-Donostia (Basque Country-Spain), Nanterre (France), La Paz (Bolivia), Reggio Emilia (Italy), Mexico City (Mexico), Lleida ( Catalonia - Spain), Porto Alegre (Brazil), Cascais (Portugal), Canoas (Brazil) and Madrid (Spain) ( Structure, 2015).

Each conference also includes a deliberative process. It hosts the Internal annual assembly on which members: define the network program for the next 12 months; elect the Presidency of (among associated members); deliberate about strategic decisions (for example, it was in the 6th Conference, in Recife, in 2006, that the members decided to collaborate with the UCGL Network); define key issues to be discussed in the work groups throughout the year (for example, in the 15th IOPD Conference (March 2015) two new working groups were approved: "Youth Participatory Budgeting" and "National Participatory Budgeting Networks").

The Annual Conference is organized by one of the associate members (a municipality/local government) which is in charge of the Presidency of the . Each conference also generates a document, which describe the strategic decisions for the operation in the next 12 months and also present policy recommendations for the diffusion of participatory democracy practices.

### 3.3.6.2   Work groups.

"The working groups are an OIDP collaborative mechanism to work between conferences, proposed and approved at the Annual Internal Sessions. Reflection focuses on ways of promoting tools that strengthen democracy and give added impetus to the active participation of citizens in debates, designs, decisions and the implementation of public policies. All interested members may participate in the work groups and contribute to them. Each group is coordinated by a city, which, with the support of the Technical Secretariat, is responsible for issuing framework documents on work to be carried out, collecting contributions from members and making the work group as dynamic as possible" ( Work Groups, 2015a).

### 3.3.6.3   Distinction "Best Practices of Participatory Democracy"

The Distinction of Best Practices of Participatory Democracy seeks: "to recognize innovative experiences in the field of participatory democracy, coordinated by local governments, which may be susceptible to reply. Local government's members of the can be submitted to this

distinction, which is awarded annually as part of the Conference of the . An international jury is responsible for assessing applications and decides the winner" ( Distinction, 2015).

It started on 2006, when the 1st Distinction was wined by municipality of Cotacachi (Equator) with the initiative "Processes and mechanisms for the inclusion of indigenous women in local management. Participatory Budget" ( Distinction, 2015).

The best practices identified are presented in the  website, signed in a Google map (georeferenced system).

The eligibility criteria to be considered to those who want to apply to the award can be assessed here: Eligibility Criteria for  Distinction (, 2006).

The process of evaluating local participatory democratic practices opened up the discussion on how to define *Parameters* to evaluate good practices and its qualities, and those that are susceptible to scale.  This is related to one of the distinctive characteristics of the phase 1 of , the idea that the network should have qualitative indicators and methodological tools to monitor, assess and empower PD practices.  This issue is detailed in the next paragraphs.

### 3.3.6.4  Local Observatories of Participatory Democracy: quantitative, qualitative indicators and methodological tools

 as a project subsidized by the decentralized cooperation program between Europe and Latin America set up ten Local Observatories of Participatory Democracy (OLDPs) that were active from 2004 to 2007. Observatories have as one of its aims the creation of indicators for assessing the quality of participatory experiences in cities, always with the aim to support and promote the role of citizens in the government of cities (, 2007a)

The Work Group "Common elements to the definition of the subject matter of the OLDP: areas, indicators and index" coordinated by the city of Donostia - San Sebastian - has developed its tasks during the years 2005 and 2006 ( Report, 2006).  The work group have identified the need to go beyond the initial target, as participants shares the idea that the task to be performed by OLDP as a space for interaction and for evaluation of participation at the local level were more complex than the simple application of a set of indicators (, 2007a).

### 3.3.6.5  Regional office for Latin America

The ObservaPOA is the regional office for the OIDP in Latin America, therefore it is particularly in charge to boost the production of knowledge between Latin-American members of .  It aims to boost the  operation (production and exchange of knowledge) related to Latin American issues.

The ObservaPOA, as a regional office for  has a interaction with the Brazilian Network of Participatory Budgeting (Rede OP Brasil website, 2015) which operates (very) similarly to the Network.

The ObservaPOA in this activity, has a collaboration (not a proper partnership) with the Mercocidades (Mercocities) Network which aim is to create a Mercosur "more fair and accessible to citizens" and is configured as "a network of integrated horizontal cooperation currently composed by 293 cities from Argentina, Brazil, Paraguay, Uruguay, Venezuela, Chile, Bolivia, Colombia and Peru, which aim is to insert them in the process of regional integration of Mercosur, and whose importance is growing, both in number of members and in the number of experiences

changed between members". Mercocidades have a thematic cluster called "Autonomy, Management and Participation" (Mercocidades website, 2015)

### 3.3.7 Transversal issue: ICT and participatory democracy

In terms of the future of participatory democracy practices, it will be increasingly related to ICT, particularly using the apps (applications) for mobile and personal computers: "In fact in the last two years there was a boom among the economically disadvantaged people, to have access to phone and internet, and we were already working, since 6/7 years ago, about how enable people to follow-up on-going works (and things like that) through the Internet and mobile. So now I think there is a tendency in the municipality to work better with these tools already developed (but not extensively used)" (Interviewee 3). These resources (mobile and internet apps) can also be used also by citizens, to monitor (register and photograph) how the public works are being developed by the municipality (Interviewee 3).

However there is an ongoing discussion, for example, in the participatory budgeting process about the use of these ICT tools:

> *"Therefore for the future (...) it was possible to observe, for a long time a resistance to make available in the internet (the participatory budgeting processes) and to open up the voting process using these tools (...) However it is possible to observe that, over time, it will become natural (...) all this process to go into the communities, it will be kept active, but this will be done in parallel for those who do not leave home, but they could also participate somehow voting (using ICT), you know? If there is a voting process in a website" (Interviewee 3).*

> *The resistance to the use of the ICT tools were related, mainly, to the view that the ICT is not available to all population. Around 7 years ago, it was possible to find those who said (about the use of ICT in participatory democracy processes): 'No, I totally disagree because there is a lot of people who do not have internet' (...) However, the number of people who now have it is increasing, because now they have access, they are able to have a computer (...)" (Interviewee 3)*

## 3.4 Summary, synthesis, conclusion

OIDP Network has the aim of promoting participatory democracy in **municipal governments.** It is the most widespread network of participatory democracy and it is considered by its members the "worldwide centre of reference for the production of knowledge (the R&D of Participatory Democracy)" (, 2011). Today, the  is a network of 341 Local governments and 274 Universities, Research centers and associations in 71 countries ( Members, 2015).

**About the emergence of  Network**

The Network was created in 2001 as a "project within the framework of the Decentralized Cooperation Projects of the European´s Union URB-AL Programme" (OIDP, 2011). URB-AL is defined by the official URB-AL website as "a regional cooperation programme involving sub-national governments of the EU and Latin America. The programme was initially created to develop networks between local authorities and, on the basis of exchange of experiences on different urban policies, to contribute to the wider goal of promoting social cohesion in Latin America". There is to phases in  development. Phase 1 ran from 2001 to 2011 and it covers the first 10 years of  operation: it is the phase during which the European Commission fully financed

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the operation and finishes with a review of strategy (in the 10th year of its operation). Phase 2 started in 2012 and it is the phase during which the started to apply its renewed strategy; this is also the phase during which the financial support from the EU finished (2013) with the end of the URB-AL III Program.

The network is socially innovative because it contributes to promote participatory democracy processes mainly through the production of knowledge to support these processes at a local level (municipalities). This main aim is attained by promoting a change in social relations. This is done by fostering synergies between public administration, civil society and knowledge centres at a local level (in the municipalities or specific geographic areas) and at the international level, in a way to promote the diffusion of participatory policies and their inclusion in the international agenda. These changes in social relations are associated with new ways of doing, framing, organizing and knowing:

- **New ways of organizing**: is configured as a highly decentralized organization and presents as a center of reference and contact only one person, which performs a supportive role ( Technical secretariat) and a regional office for Latin America, performed by ObservaPOA – Observatory of the City of Porto Alegre. All other roles are renewed in a yearly basis (in the coordinating committee, composed by the most active and committed members). The Presidency (which organizes the annual conference) is elected for an one-year term. Work groups (that develops studies about strategic issues defined in the conferences) run also throughout the year, and are developed by committed members.

- **New ways of knowing**: produces its knowledge in a collaborative and continuous learning process composed by annual conferences, Work groups, which work in specific strategic issues throughout the current year and Distinction "Best Practice in Citizen Participation" which recognize innovative experiences in the field of PD susceptible to scale.

- **New ways of doing**: Beside the generation of knowledge about participatory democracy, Network have a focus on evaluate "the quality of participatory experiences at the municipal level and incorporating components of citizen participation in evaluation processes so that citizens can play a more active role in municipal government". This is to be done to a sub-network in , composed by OLDPs, Local Observatories of Participatory Democracy, which were active in the Phase 1 of . The only OLDP that remained active was the ObservaPOA, which aims to provide a broad base of georeferenced and statistical data about the city of Porto Alegre to support decision-making process on Participatory Budgeting (for ex., about ongoing works and existing demands for new works, etc).

- **New ways of framing**: it is considered that the production of knowledge (and more specifically the *collaborative* production of knowledge) is a key issue for the promotion of participatory democracy at a local level. It is exemplified by the yearly Conferences that, since 2001, issues a "Letter" on which members express their analysis of the current social context, socio-economic situations, challenges or game changers that influence their aims, i.e., to promote participatory democracy practices in the Municipalities; and define guidelines for action that each member may apply to promote PD in local contexts. The production of knowledge is also exemplified also by the " Distinction to Best Practices on Participatory Democracy" that aims to recognize innovative experiences in the field of participatory democracy, coordinated by local governments, which may be susceptible to reply. This award is running since 2006 and, in average, more than 20 practices of Participatory Democracy are submitted each year.

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**About the participatory democracy as considered in the Network:** *another world is possible and this begins in the cities*

The first Conference in 2001 signed the beginning of the . The "Letter of Barcelona" issued at this conference, set up the principles of PD as considered by the network: "We find that democracy has its maximum expression in the daily life of the local authority; in thousands of municipalities throughout the world. (…) The municipalities, are the entities that, due to their proximity and contact with the reality, are the only ones enabled to radically change the differences in our society" ( Conference, 2001)

The participatory democracy, as understood by OIDP Network is socially innovative. members intends to improve representative democracy as practised in their Municipalities. It means the possibility to adopt new ways of doing, organizing, framing and doing to alter the way the representative democracy in their municipality operates, towards more participatory ones. This implies (as enounced by members) in a change in the social relations between the citizens (those that lives in the territory over which a municipality has jurisdiction) and the local administration, generating more involved forms of citizen participation and greater political representation. Collaborating members of , such as associations, universities and research centers are supposed to support the associate members, i.e., the Municipalities, in this effort.

These changes in social relations are associated with new ways of doing, framing, organizing and knowing on democratic process towards participation. The analysis of the documents (see report for the precise references on quotes) revealed the following recommendations for initiatives on PD:

- **New ways of organizing**: facilitate the participation of all groups, applying specially and transversely gender policies and ensuring participation in the process to other social groups; transparently and intelligibly establishing who is responsible for each of the competencies and functions within the organization and the process in order to guarantee accountability and the effective execution of the initiative; a solid political leadership of the government team, understood as the capacity to promote an initiative through fomenting the participation, cohesion and motivation of all the involved parties;

- **New ways of knowing**: a best practice in citizen participation cannot be limited to a single participative moment, instead, it requires a process that must be educational. It must improve and deepen the democratic and participative culture of all the actors involved; local governments should report on the various phases of the participative process and inform the involved citizenry regularly; ensure the transmission of the principles of the process to the citizens through an ongoing relationship with the groups, social agents and, in turn, guarantee the return of public opinion towards local authorities; a best practice should involve the establishment of a fiscal system to account for the measures taken and to control the effects produced by those measures in relation to the declared objectives

- **New ways of doing**: use of appropriate techniques: adapted to the territory and defined by the same participating community and taking into consideration the historical, cultural and social history of the territory; careful planning process, on which social agents (administrative, associated network, private sector, unions, etc.) should be involved in all of the phases of a participative process, i.e. diagnostic, planning, implementation and evaluation, considering also that existing processes in the municipality must be taken into account; extend the use of new technologies (ICTs) to promote transparency, openness of data, accountability and citizen's collaboration and participation; instilling a sense of legitimacy and confidence in public powers, increase transparent decision-making and improvements in governance; a best practice should, by definition, lead to the existence

of an impact, an observable and positively evaluated change in the surroundings; the synergies between social innovations and PD are recognized and affirmed. It is the recognition that citizens are able to construct alternative solutions, and the legal instruments of PD must guarantee the right to participation and those experiences that are successful must be institutionalised and bureaucratisation avoided

- **New ways of framing**: The municipalities, are the only entities that, due to their proximity and contact with the reality, are the only ones enabled to radically change the differences in our society; participatory democracy is considered a way to increase knowledge of the mechanisms and opportunities of Representative Democracy and contributes to the reinforcement of elective institutions; it is necessary to increase trust in elective institutions,it is "crucial to consolidate the State's presence (in this new world that emerges from street demonstrations);

These criteria are used both to guide the development of new practices in Municipalities and to identify ongoing best practices. The analysis of the best practices awarded with the Distinction revealed that the more decisive characteristic is that focus on Participatory democracy process to face social and economic *inequalities,* which are also described in spatial terms (for ex. the differences between different neighbourhoods, or the specific demands faced by shantytowns, or the differences between urban and rural areas). A set of different strategies were set up to each Municipality to face such challenges. Winners also place its focus in how to improve participatory democracy practices by promoting *inclusiveness* (for ex, to include women in the participatory budgeting processes) and by the use of ICT technologies (to improve participation of those that are not interested in such processes). The use of new technologies is a recurrent issue in documents. Five out of nine initiatives are focused on participatory budgeting, as the main process or as a support to an another initiative in the same Municipality.

**TSI- Dynamics**

 was enabled and/or inhibited by a number of social context factors.

For the network itself, the emergence of the ICT and its relation with participatory democracy was crucial for the emergence of the  in 2001. The network operation largely relies on the ICT, for the exchange between members, but more important is that the network itself has been increasingly concerned over the years with the importance of ICT in the development of participatory democratic practices. In terms of the main aim of , to strengthen and improve the processes of governance in the elective institutions and representative democracy towards participation, ICT is considered a crucial factor. members recognize that citizens are aware of the potential of ICT and effectively using it to develop new ways of having a voice and to participate. (as exemplified in the manifestations organized using social networks all over the world).

In the beginnings of the  network, the policy framework between Europe and Latin-America was decisive, expressed in the Urb-Al program which was an instrument to foster a decentralised horizontal co-operation between the two continents. It was initially created to develop networks between local authorities and, on the basis of exchange of experiences on different urban policies, to contribute to the wider goal of promoting social cohesion in Latin America. This starting point is still characterizing the  organizational framework and aims.

In terms of participatory democracy,  is always monitoring the overall social context  and how it enables or challenges the development of PD (as shown in the table below). The neoliberal policies, the empire of the market-economy, and the globalization are considered key challenges. Neoliberal policies and market-economy that aim to reduce the role of the state and the globalization, which causes an attack to the citizenship (forced emigration, structural unemployment, expansion of poverty in cities and territorial insecurity in urban areas). The

# transformative social innovation theory

concentration of power in supranational spheres, such as the IMF, the WTO and the United Nations is considered to weak the sovereignty of the state and of democracy itself. In parallel, there is a new citizenship that emerge, a "horizontal structure, networked, on which all are protagonists, a fragmented action, multifaceted, with hundreds of causes that mobilize a crowd" ( Conference, 2014).

In face of this overall social context, the broader **transformative ambition** is to reinforce the presence of the State, specifically to reinforce representative democracy by increasing participatory governance, and from another side, by reinforcing the value of localities and its local cultures.

 configures itself as a network dedicated to generate knowledge about participatory democracy practices. Its **transformative ambition** is that each Municipality (represented in the  activities by civil servants and officials from Municipalities) and associations from civil society will bring this knowledge at a local level, to apply and propagate these principles, to improve existing participatory democracy practices or to develop new ones. Other transformative ambition is to create a larger network of local observatories that are able to monitor and evaluate PD practices at a local level, incorporating citizens in its evaluation processes. In this,  Network has the ambition to act more closely to the local governments. Today, only ObservaPOA in Porto Alegre is a local observatory that performs this role, connected with .

The **transformative potential** of  is found on the network itself as an element of relationship, cooperation between the different cities to advance the knowledge about how to consolidate participatory democracy and to mutually support each other in front of specific challenges that may emerge in local contexts (for example, "when communities working to build civic and democratic processes are threatened by violence: the network of municipalities linked to the Observatory can and should work for democratic construction of these cities", Conference, 2001). The intention is that the local experiences are not isolated but they can together be an expression of "a clear political will" ( Conference, 2001). The transformative potential of the ICT is also acknowledged, as a tool to be explored for the OIDP operation itself, but also to improve participatory democracy practices.

The **transformative impact** of is manifested in the knowledge generation process it fosters. Civil servants and officers from Municipalities bring this knowledge to their local contexts.  promotes a continuous learning process and contribute to their education as the agents for the development, promotion and support of participatory democracy processes at a local level. The same for members of associations, universities and research centers. Other **transformative impact** at a local level (municipalities) is to get its local practice of participatory democracy, awarded with the  Distinction to the Best Practices of Participatory Democracy. Each year, in average 20 cases are submitted to the award. It indicates how this formal recognition is important, as it provides international reputation, visibility and dissemination of these examples. The  served as a model to other participatory democracy networks. It is possible to confirm that  have a pioneering role and served as a model for at least one network dedicated to participatory democracy and budgeting. For example, the Brazilian Network of Participatory Budgeting (Rede OP Brasil website, 2015) operates similarly to the  Network.

## TSI- Agency

The agency of the persons involved in the  can be considered in the different levels they are related to Network:

- For associate members (officials that works in the Municipalities affiliated to )
- For collaborating members (associations, universities).

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- For citizens (involved in participatory democracy practices in Municipalities associated to )

For associate members, and referred to the officials or civil servants, i.e., those that work in the municipalities affiliated to, the participation on expresses a kind of **activism,** they are embedded by a sense of transformation of their local contexts through participatory democracy practices. At the same time, empower the officials at a local level (in the municipality) by providing **reputation** to their work on PD.  For the entire Municipality, the local organization of conferences (alternately organized by different associate members each year) highlight its participatory democracy processes (and the civil servants/officials involved).  For one year the city becomes the "world capital of participatory democracy" (Canoas, 2014).

For collaborating members (associations, universities), specifically the universities, the  provides reputation to their research activities in participatory democracy. University members are invited to be speakers in conferences. For associations, is mainly a source of information about participatory democracy practices, but some associations have an active role in  (as observed in the discussions in  workgroups).

For citizens,  direct actions in relation to the (dis)empowerment of citizens in participatory democracy processes take place through the activities of the Local Observatories, originally conceived in the beginnings of the  Network.  Among the aims of these observatories were to improve participatory democracy practices in its localities and specifically, "evaluating the quality of participatory experiences at the municipal level and incorporating components of citizen participation in evaluation processes so that citizens can play a more active role in municipal government" (, 2007a). This was conceived to be done in an operating model based on the articulation between the local public administration, the civil society and centres of knowledge production (such as universities and other institutions).  The ObservaPOA (the only local observatory still active and connected to ) operates in this model. It is considered a "neutral" mediator (accordingly with Interviewee 3) between citizens and public administration, providing data to support the decision-making process in participatory democracy processes (today it is done mainly focused on participatory budgeting), which includes the development of research activities (in partnership with local universities). Consequently, the partners are mostly data providers or monitoring institutions.  Citizens may feel empowered by the activities of the ObservaPOA, namely, to "disseminate knowledge about the city by building a broad base of georeferenced information" and "evaluating participatory management in terms of social capital and empowerment the local human capital" (ObservaPOA, 2005). However, citizens may also feel disempowered, if ObservaPOA is considered as a controlling body which is "very concerned to present the calculations on how many people, how many women work ... it is a calculation that allows you to have a control ... You will control that population, you will measure, monitor, watch, put cameras" (Interviewee 7).

About monitoring, the  Network does not have any explicit procedure to evaluate its impact, as a network. However, more important is that the  Network itself can be considered as a monitoring unit for participatory democracy practices at a global level. Today, this monitoring activity is done through the  Distinction of Best Practices of Participatory Democracy, which "seeks to recognize innovative experiences in the field of participatory democracy, coordinated by local governments, which may be susceptible to reply".  More than 20 practices of participatory democracy are submitted every year and are all kept available and diffused in the  website.  For participatory democracy practices,  recommends a continuous monitoring process, to be done with the participation of the citizens themselves (the Local Observatories were defined as local representatives from  to perform this role at a local level).

About resourcing, " does not require membership fees. Instead, each member undertakes to finance their own activities and pay any travel expenses incurred" ( Website – How to Join, 2015). However, it is not considered a satisfactory situation and the Network is looking for funding. Crowdfunding was considered as an option, but acceptable only for specific projects ( Distinction,

research projects, pubblications and other similar projects), not for financing network directly: "micro-financing campaigns are not suitable for financing bureaucratic structures" (, 2014a). For participatory democracy practices, it is possible to observe (in practices awarded with distinction) that each initiative has its own resourcing model, accordingly with the local context considered.

About social learning, there are three explicitly organized process through which Network members acquire and share information, knowledge and experiences: the Conferences, the Work Groups and the Distinction "Distinction of Best Practices of Participatory Democracy". The "Letters" issued at each conference, have a particular role in the social learning process They are the result of the activities and discussions held by members in conferences and usually includes: (1) an analysis of specific social context, socio-economic situations, challenges or game changers that influence their aims, i.e., to promote participatory democracy practices in the Municipatities; (2) guidelines for action to promote PD in Municipalities, considering the characteristics of the social context analysed.

As a conclusion of this report, it is possible to affirm that is giving a important contribution to the consolidation of the participatory democracy worldwide, mainly by promoting a social learning process about PD.

Network members are providing over the years, based on their discussions in the conferences, reports on which strategies to consolidate participatory democracy are stated. These strategies are defined based on an analysis of the social context in the current year. These reports together manifest the vision, theory of change, transformative ambition of the members, updated yearly since the first report (on 2001) which set up the main principles of the PD accordingly to members.

In paralel, is continuously monitoring participatory democracy practices worldwide through the Distinction of Best Practices in Participatory Democracy, to which, in average, more than 20 projects are submitted every year. This documentation (projects from winners and other submitted projects) is kept available in website and can be inspirational and foster replication of these practices. also is a forum on which civil servants and officials from Municipalities (associated members of the ) can meet and discuss their own practices and learn about PD, together with collaborating members (universities, associations, etc). There is a group of members, which form a very active community in . Some interviews revealed that they may manifest – at a personal level - a "militant" spirit (or a kind of activism) regarding the importance of the consolidation and diffusion of participatory democracy practices at a local level.

keeps its focus in consolidating representative democracy, by updating its methods and practices in face of the pressure for more participation from citizens that, empowered by the ICT and social networks, are even questioning the representative democracy as as the only form of democracy for mass societies. However, as ICT and social networks are enabling itself, and the network is in a good position to accept this challenge, and is only starting to explore its potencial as a forum for the development of new ideas for democratic practices at a Municipality level.

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transformative social innovation theory

# 4 Local Initiative #1: Participatory Budgeting, Porto Alegre, Brazil

**Authors: Rita Afonso, Bibiana Serpa, Carla Cipolla**

## 4.1 Emergence of Social innovation (SI) and SI-initiative #1

The Local Initiative 1 is the Participatory Budgeting process (PB) that takes place in Porto Alegre, the capital of the southernmost state in Brazil, and began in 1989. In this case, the SI itself and the SI-initiative began at the same time, considering that Porto Alegre's Participatory Budgeting is the first social innovation of this kind to have demonstrated impact and to spread to other locations all over the world. The Porto Alegre´s Participatory Budgeting began in 1989.

### 4.1.1 What is Participatory Budget and how did it emerge?

PB is a decision-making process made by inhabitants and part of a government team of one city that permits citizens to construct the public budget investments plan based on their realities and necessities, through a complex participatory procedure (De Sousa, 2011; Luchmann, 2014; Novy and Leubolt, 2005). The main idea is that during each year since 1989 citizens and the municipal government decide together through several assemblies about the priority investments and the themes in which municipal investments will be made. The public investment plan of the city is the result of Porto Alegre´s PB.

For almost two decades there was a huge social mobilization demanding social and political changes, and the city of Porto Alegre was a prominent actor within those massive changes occurring all over Brazil. Participatory Budgeting consists of a series of "grassroots assemblies that increasingly reoriented municipal government spending towards services most needed by poor, working-class communities in the urban peripheries" (Melgar, 2014). This process began in Brazil with the involvement of local government at a very peculiar time: during the 80s, the country experienced a transition from a military dictatorship to a democratic state.

Porto Alegre is known as the first well-developed initiative of participatory budgeting, the one that spread the process worldwide. The city was the first one to succeed in implementing this new process due to several social and political context characteristics (Baiocchi & Ganuza, 2014; Sintomer et al, 2012; Melgar, 2014). According to Sintomer et al. (2012) there was a set of arrangements that enabled the participatory budgeting in Porto Alegre to emerge. Firstly, Porto Alegre had a strong movement of associations in this period. In 1983, UAMPA – União das Associações de Moradores de Porto Alegre (Union of Porto Alegre Residents' Associations) emerged. It brought together 51 of the 170 neighbourhood associations and it is here that the expression "participatory budget" first appeared, in 1986, during the UAMPA Congress. At the same time in Porto Alegre, in 1986, the Political Party PDT – *Partido Democrata Trabalhista* (Labor Democratic Party) contested and won the municipal election. The parties on the left and the associations platform insisted on land rights, housing, basic sanitation and public transportation.

The leftist parties in Brazil had traditionally encouraged popular participation in public management. As they took office at city hall, the first discussions between municipality and UAMPA about the public budget emerged. Among these discussions, there was one about how to deploy *Conselhos Populares* (People's Councils). These councils were created to handle, in an

advisory way, a number of issues of municipal government such as transportation, housing and education, among others (Saez, 2015).

As time went by, the number of issues addressed has increased, nowadays they are:

- ✓ Transportation and urban mobility;

- ✓ Culture;

- ✓ Economic development and tourism;

- ✓ Sport, education and leisure;

- ✓ Housing, organization of the city, urban and environmental development;

- ✓ Health and social care.

In 1988, the NGO Cidade was created. An important actor in the PB process, it enabled community leaders to participate in the process until 2005 and was responsible for monitoring the PB in Porto Alegre. During that time, the NGO Cidade had a say in PB´s assemblies.

In 1989, the *Frente Popular* (Popular Front), composed of *Partido dos Trabalhadores - PT* (Workers' Party), *Partido Comunista do Brasil* – PcdoB (Brazilian Communist Party) and *Partido Socialista Brasileiro* – PSB (Brazilian Socialist Party), won the municipal election with its candidate Olívio Dutra, a traditional trade union leader in the country. One of his first initiatives was to change the law that creates People's Councils in order to empower them in a deliberative way.

The main socially innovative aspect in Porto Alegre´s PB is that it changed the context and transformed the relationship between traditional government and citizens by empowering and enabling the latter to deliberate about the investments in the municipality. This spread throughout Latin American cities at first, and then it became a global practice. The PB application differs from one region to another, because regional, social and political particularities must be considered in order to promote it, making PB's process very adaptive and unique in each city (Melgar, 2014; Baiocchi and Ganuza, 2014).

The PB process is considered a social innovation in so far as it aims to help the construction of participatory democracy. This process has changed city budgeting operations significantly, giving power to the citizens in a non-traditional way (doing) that established a new governance logic (organising) with a socialist collective vision which created a tension with the current way of governing (framing). During this period, PB was an on-going process: learning in action (knowing).

The new ways of doing, organising, framing and knowing in the main two periods of the PB process in Porto Alegre will be explained in detail further on in this report, in the TSI dynamics (4.2 section).

## 4.1.2  How it occurs

To better explain the activities and development of the PB initiative in Porto Alegre, the process and activities are presented as they happen today. Although the process has changed over the years, it is possible to understand its structure by looking at the Figures 4-1 and 4-3, especially in Figure 4-3, which shows that during February, March and April of each year, the internal regulation of PB is reformed. The main moments of change during the 26-years are explained better further on, with the timeline and cognitive maps.

The Porto Alegre´s PB cycle is a one-year long, bottom-up, decision-making procedure, during which all the activities of the three basic dimensions described below take place. The starting and

ending dates of this process are crucial to the realization of the activities and to the approval of the Investment Plan by the City Council Chamber.

The city hall divides the city into 17 regions by neighbourhood similarity and geographic proximity (between 1989 and 2007 the city was divided into 16 regions. The 17th region was created due to population growth in one region, which was divided).

The PB methodology is a bottom-up process that begins with discussions between citizens in their own neighbourhoods and develops up to the highest government body, called *Conselho do Orçamento Participativo - COP* (PB Council).

Popular participation in the PB is structured in three basic dimensions: the first involves direct participation and includes preparatory meetings, regional and thematic assemblies and the hierarchy of demands; the second and third ones consider aspects related to representation and are divided between the *Fórum de Delegados* (Forum of Delegates) and the COP (PB Council).

The phases and activities of this process are described below:

**Figure 4-1 – Porto Alegre PB dimensions of representation. Based on PB process. Adapted from SAEZ, 2015.**
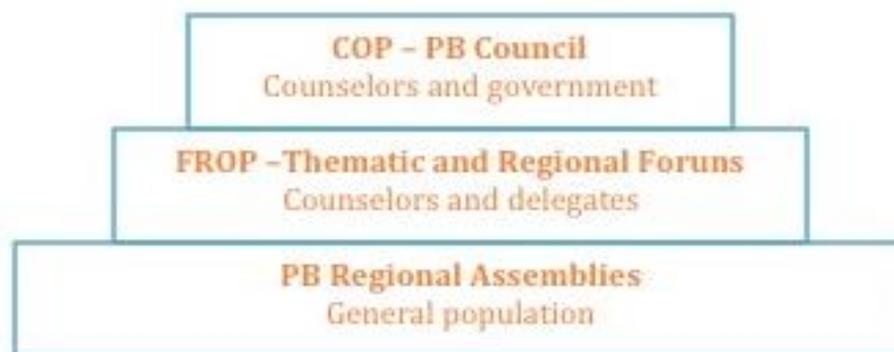


✓ *Assembleias regionais* **- PB Regional Assemblies**

In these meetings the needs and priority services are set-up, besides that, delegates and councillors are elected. Delegates are elected considering the number of assembly participants (10 participants correspond to 1 delegate) and councillors are directly elected by vote. In this case the participation of the general population is direct.

✓ *Fóruns regionais e temáticos* **– FROP – Thematic and Regional Forums**

The demands and hierarchization analysis of the Investment Plan take place in this phase, and work and service delivery are monitored by these Forums. The partecipation of the general population is indirect, through representation by regional and thematic delegates and councillors. Each region has its own Forum of deliberation

✓ **Conselho do Orçamento Participativo – COP – PB Council**

The highest decision-making governing body of PB. Representatives can change, in whole or in part, the Investment Plan Proposal of the Government. This plan needs to be voted on by the City Council Chamber in the first (1st) year of each term of the Municipal Government (this is a Brazilian law). COP meets throughout the year and brings together tripartite (*comissões tripartites* are composed of federal, state and municipal government representation) and thematic commissions. Councillors from all regions constitute COP, which is a Council characterized by the indirect participation of the general population.

**Figure 4-2. PB Regional Assemblies. 1- Campo Novo Assembly; 2- Restinga Assembly gymnasium before assembly stars; 3- Registration to assembly; 4- Line to registration. (OP is the acronym for *Orçamento Participativo – Participatory Budgeting – in the figure can be seem the logo used by the city hall*).**



Since 2012, the calendar of activities has been organized as shown below in Figure 4-3:

**Figure 4-3. Porto Alegre PB Cycle. Adapted from Prefeitura Porto Alegre, 2015.**
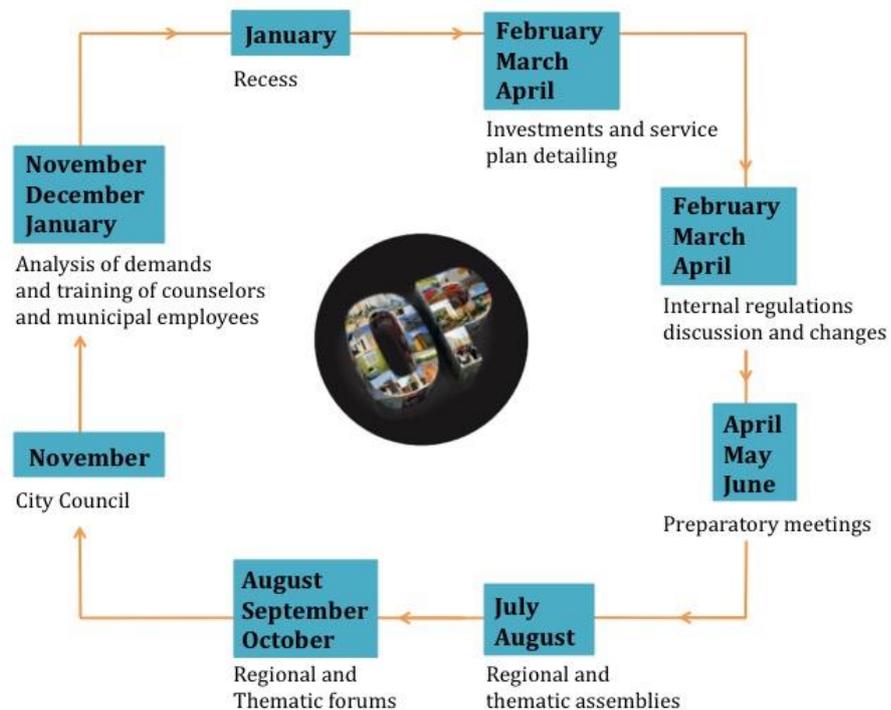


The actors map of the process as it happens today can be seen in the Figure 4-4.

# **tran**sformative **s**ocial **i**nnovation **t**heory

**Figure 4-4. Porto Alegre PB actors map.**
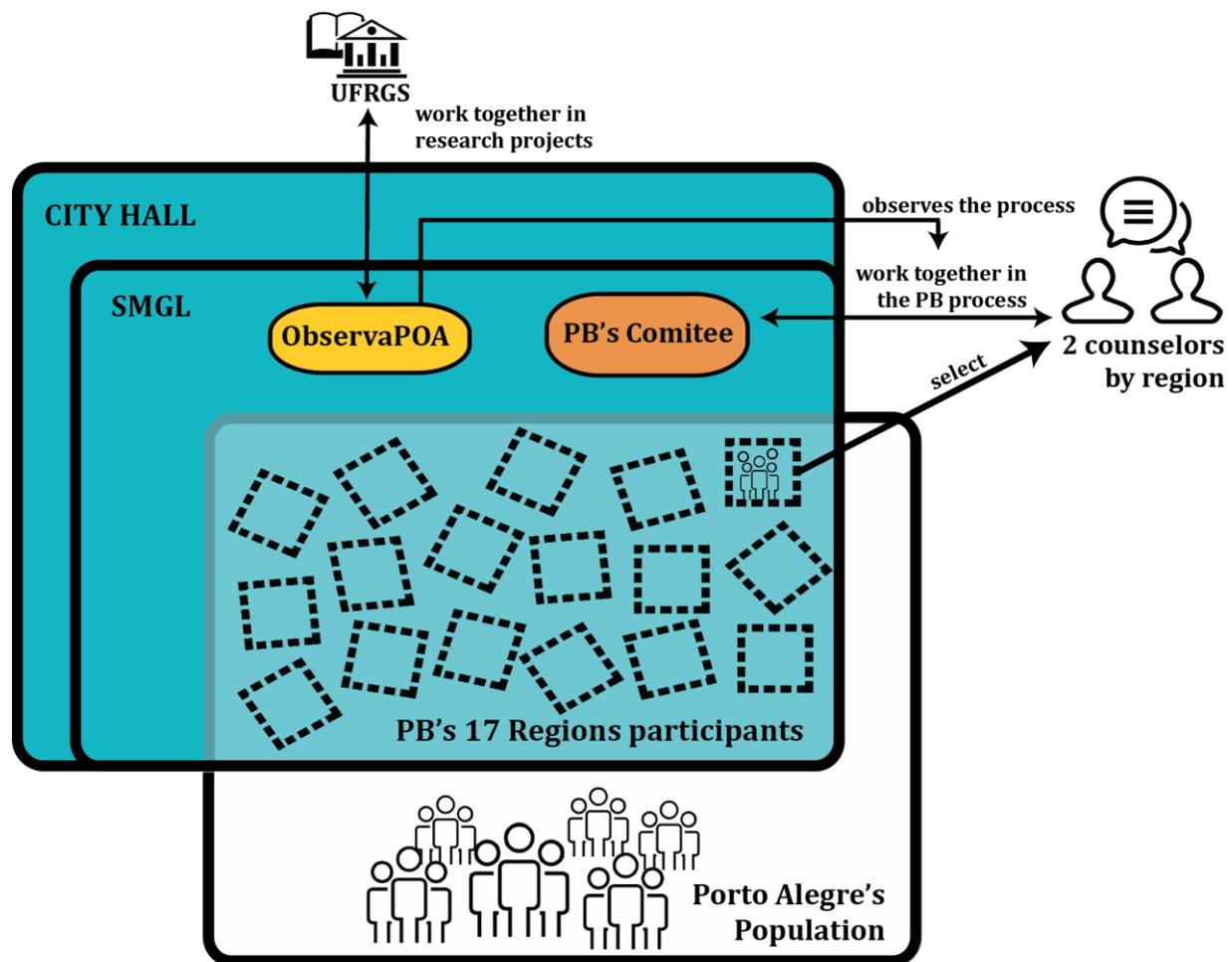


The municipality divides the city into 17 different PB regions considering geographic proximity. Each one of the regions elects 2 councillors who will represent the region in the PB deliberative process that is conducted by the PB's Committee. This committee is part of the SMGL (Municipal Secretariat of Local Governance of Porto Alegre), of which ObservaPOA is also part. ObservaPOA, which also researches as a partner of UFRGS (a local university) observes the whole PB process.

The official documentation and communication of PB Porto Alegre does not present any reference to the aims, core values, principles or visions of its actors, process or organisation.However, it is possible to understand that the main values of PB include are the engagement of the community, the learning process it purposes and the political and civic conscience and commitment.

Some interviewee quotations elaborate on these core values as shown in some literature review quotations concerning the process worldwide:

> *"The main structure is the communities. If one does not have associations, it is as I like to say: if you do not have the vital forces within the community, you do not have PB. What would you discuss? With whom?" (Interviewee 4)*

> *Participatory Budgeting is 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 to find an open space to express their needs and interests in connection with other citizens. Much of the time, though, as we have argued, this has happened in low profile processes within administrations, which are decoupled from political projects or broader reforms (Baiocchi e Ganuza, 2014, p 45.).*

> *Proponents of such a model* (participatory budgeting) *justify its adoption for different reasons: to rationalize public spending, universalize procedures, produce accountability, "produce" citizenship, promote democratic political education, develop the spirit and civic engagement, etc. (Borba and Ribeiro, 2012, p. 38).*

### 4.1.3   How do the SI-initiative and SI-network relate to one another?

The initiative of PB Porto Alegre is the oldest one in the world with its 26th birthday in 2015. Porto Alegre is also the city where the Local Observatory of IOPD for Latin America, ObservaPOA, was set up in 2006; in that way, this local initiative has a close relationship with the transnational network.

The IOPD – the transnational network – representative in Latin America, ObservaPOA, has an internal organisation that is truly unique regarding its characteristics. Those particularities were sculpted as a result of the Porto Alegre' social context and its close relation to the participatory budgeting's beginning. Their close partnership also profits from physical proximity, as the ObservaPOA is located in a city hall building and they usually work together in several projects and researches.

According to Fernández e Garcia (2012) the experience of PB in Porto Alegre gained recognition and was appropriated firstly by Latin American countries, mostly because of geographical and language proximity. After 2004, Porto Alegre´s city hall, in partnership with ONU, organized the World Social Forum and the PB process was then acknowledged by different cities, many of which started their own PB in a spontaneous way. In other words, there were not defined strategies of expansion, the scale emerged from the innovation recognized and cities' own will to embrace it. The spatial map of the PB initiatives around the world is presented in  Figure 4-5 below.

**Figure 4-5: PB Spatial Map. Source: PBP, 2015 (complete list of cities can be found on:
https://www.google.com/maps/d/edit?mid=z65Fu3YOtmuc.km8MGqVA1PlQ)**

The full timeline of the 26-year-old PB process in Porto Alegre will be presented in the next section as it is closely related to the two main periods chosen to detail the PB process in relation to the cognitive maps that represent new ways of doing, organising, framing and knowing.

## 4.2  TSI Dynamics

In this report a complete timeline of the SI-initiative will be used to express the TSI Dynamics. Two moments were selected to be shown in the theoretical framework because they represent the two most important transformative changes in this case study.

Using this logic, the full 26-year timeline of the PB process in Porto Alegre will be presented and two cognitive maps that express the moments in which the social context was more challenged and/or altered. The main changes in the process occurred in the 1990-2005 period and the 2005-2015 period. There have been no great changes after 2012, therefore the timeline encompasses events until 2012.

The full timeline with main events, social context and actors that were part of the PB process since its beginning is given in Figure 4-6.

**Figure 4-6 – PB Porto Alegre - full timeline**
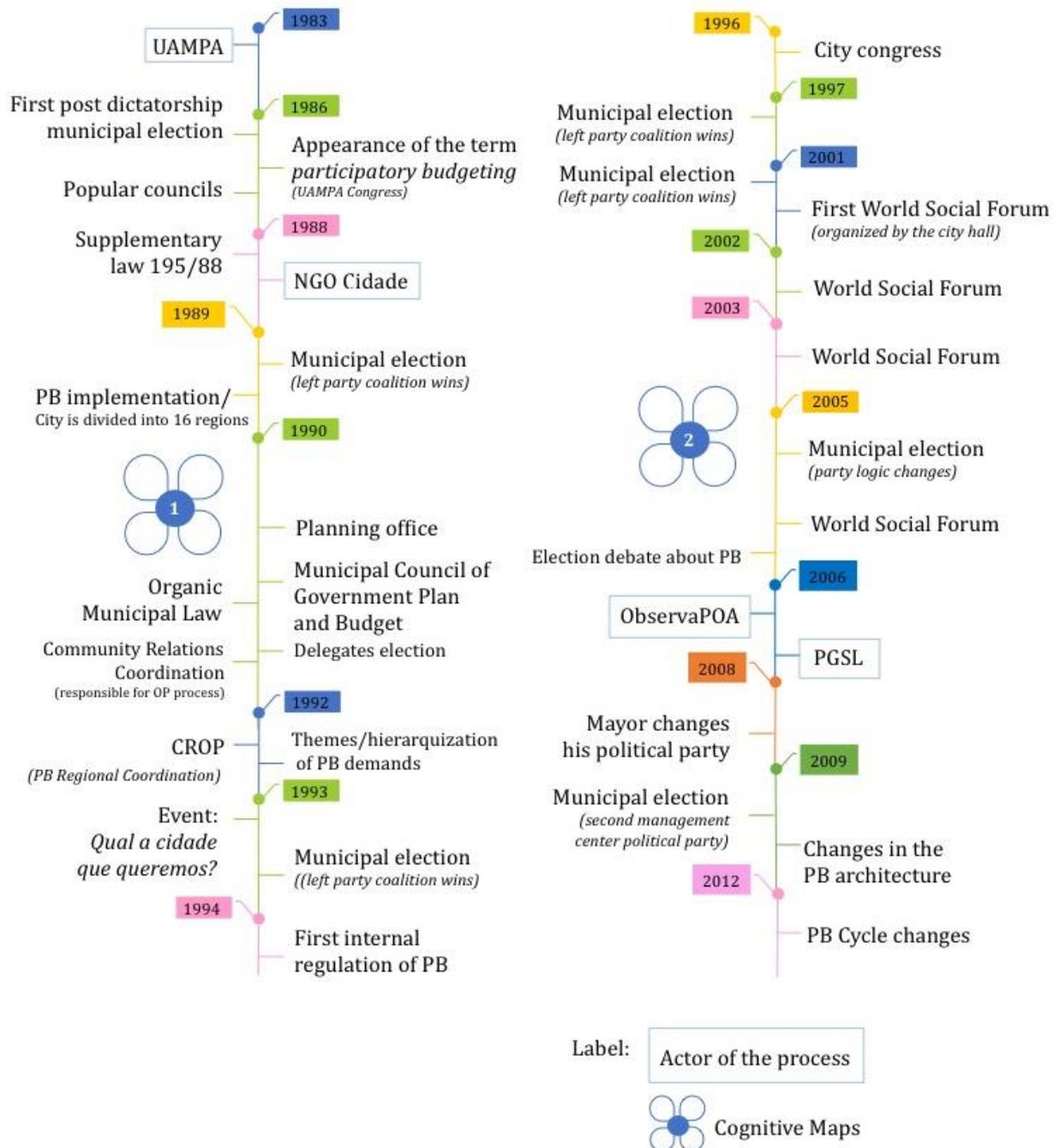
### 4.2.1 Timeline

To promote a better understanding of the timeline, the events, social context and actors are described in Table 4-1.

**Tabel 4-1. PB Porto Alegre timeline description**

# **tran**sformative **s**ocial **in**novation **t**heory

| Year / period | Important activities/changes/ milestones in local initiative | Important changes in context |
|---|---|---|
| | *Participatory Budgeting in Porto Alegre (Brazil)* | |
| 1983 | UAMPA – União das Associações de Moradores de Porto Alegre (Union of Porto Alegre Neighborhood Associations) | UAMPA was created, bringing together 51 of the 170 neighbourhood associations. It is the official organ responsible for uniting the several different associations of the city. |
| 1986 | First municipal elections after the military dictatorship. PDT (Partido Democrático Trabalhista – Democratic Workers Party) wins the election. | Beginning of discussion concerning public budgeting. Government and UAMPA start debating and operationalizing people´s councils in Porto Alegre. |
| 1986 | Appearance of the term participatory budgeting (UAMPA Congress) | The use of this term provoked a narrative of change. |
| 1986 | People's Councils | The citizens began to take part in public decisions-making in a consulting role. |
| 1988 | Supplementary Law 195/88 | Created the "People's Participation in Municipal Government System and Measures". This is the beginning of the institutionalization of popular participation. |
| 1988 | NGO Cidade | An important actor that participates in the council's discussions and later on enabled leaders to participate in the PB process. It is responsible for monitoring the PB in Porto Alegre. |
| 1989 | Municipal election | *Frente Popular* (Popular Front), which is composed of *Partido dos Trabalhadores - PT* (Workers' Party), *Partido Comunista do Brasil* – PCdoB (Brazilian Communist Party) and *Partido Socialista Brasileiro* – PSB (Brazilian Socialist Party), won the municipal election. It supported the popular participation within the government. One of the first actions of the elected mayor was to change the people´s council law, making it possible for citizens to deliberate about government decisions. |
| 1989 | Participatory Budgeting is implemented | 403 people and 230 entities participate in regional conventions to propose ideas to the government. Representatives were elected to follow-up the budgeting process. |
| 1990 | Organic Municipal Law - Planning Office | An Office was created to be responsible for the budgeting planning of Porto Alegre. |

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| 1990 | Municipal Council of Government Plan and budget | The creation of this Council promoted a wider engagement of citizens in the participation process. |
|------|------|------|
| 1990 | Delegates election | Criteria were created for the election of delegates. Citizens are empowered by the process. |
| 1990 | Community Relations Coordination | The OP is managed by this coordination which is directly connected to the mayor's office. |
| 1992 | *CROP – Coordenação Regional do Orçamento Participativo* (PB Regional Coordination) | The process is decentralized and each region has its own coordinator within the city hall. |
| 1992 | Themes/ hierarchization of PB's demands | This is a way of organizing the process, making it simpler to identify and vote demands. |
| 1993 | Event: Qual a cidade que queremos? (What city do we want?) | In-depth discussion about public power and society. |
| 1993 | Municipal election | Second municipal management by the *Frente Popular* (Popular Front). The PB process is more empowered. |
| 1994 | First internal regulation of PB | A way of organizing the process. |
| 1997 | Municipal election | Third municipal management by the *Frente Popular* (Popular Front). The PB process is more empowered. |
| 2001 | Municipal Election | Fourth municipal management by the *Frente Popular* (Popular Front). The PB process is more empowered. |
| 2002 | World Social Forum | The city hall of Porto Alegre and ONU organized the First World Social Forum. In-depth discussion about public participation and propagation of PB process ideas to other cities. |
| 2003 | World Social Forum | Idem |
| 2005 | Municipal Election | The mayor was elected as part of a coalition between PPS (Popular Socialist Party) and PDT (Democratic Labor Party). Before PPS, the mayor belonged to PMDB (Brazilian Democratic Movement Party), a center-oriented party to which he returned in 2008. This changed the political logic in the city. |

| | | |
|---|---|---|
| 2005 | World Social Forum | Idem |
| 2005 | Election debate about PB | Before the election, the candidates discussed whether PB would continue and what the process would be like. |
| 2006 | ObservaPOA | ObservaPOA was founded. As an internal organ of the city hall, the observatory unites data previously scattered among the various secretariats, and thus supports the public participation process. |
| 2006 | SCPGSL - *Secretaria de Coordenação Política Governança Solidária Local* (Secretariat of Political Coordination Local Solidarity Governance) | A new Secretariat is set up in the city hall to take care of participatory democracy processes, mainly the PB. |
| 2008 | Mayor changes his political party | The municipality government adopts a center-oriented position. |
| 2009 | Municipal Election | Second center-oriented management. |
| 2012 | Changes in PB architecture | There were several decisions that concerned and altered the PB process and its leaders. The main ones were related to employment of community leaders that had previously worked voluntarily in different posts, both new and old ones. |
| 2012 | PB cycle changes | The municipal government altered the PB cycle. The government critics say this change enabled some public works to be approved without technical specifications and it allowed the city hall to decide how the work would be done further on, without public participation. |

**tran**sformative **s**ocial **i**nnovation **t**heory

## 4.2.2   First Period (1989-2005)

**Figure 4-7. Cognitive map PB Porto Alegre first period**



New practice prototype: Popular Councils (1986)

PB is an on-going process: learning in action

NGO Cidade is a critical agent of the process. Promotes:
- Capacitation
- Evaluation
- Monitoring

PB changes the operation of the city budget.

Government gives power to citizens, who can deliberate about the municipality budget.

New management practice.

Is not totally organized and regulated

*knowing*

*doing*

**New social Relations: Participatory democracy**

*framing*

*organising*

Descentralized power

Alignment between citizens and government: participatory democracy

The system is under question. Demand of decision-making power towards municipality investiments.

Municipality management serves to popular participation

Socialist collective vision

New governance logic

**SOCIAL CONTEXT**

-Strong Neighbourhood Associativism;

- Brazilian Redemocratization;

- Associativism tradition;

- Post-dictatorship

- Strong politics leaderships

- Parties on the left related to citizens.

**ACTORS**

*Frente Popular* (Popular Front) - *Partido dos Trabalhadores - PT* (Workers' Party), *Partido Comunista do Brasil* – PcdoB (Brazilian Communist Party) and *Partido Socialista Brasileiro* – PSB (Brazilian Socialist Party)

Mayors (Colares - 1986, Olívio Dutra – 1988)

"Excluded" populations

*União das Associações de Moradores de Porto Alegre* – UAMPA (Dwellers of Porto Alegre Association Unit)

NGO Cidade

# **tran**sformative **s**ocial **i**nnovation **t**heory

## 4.2.2.1    Social Context

As said before, the emergence of the PB process – which happened during the period indicated in the cognitive map 1 – took place at the beginning of Brazilian redemocratization, due to that fact, the parties on the left gained strength.

This situation altereds the social context by promoting public democracy – new ways of people interacting with the government decision-making process and, by consequence, altering their environment. The fortification of social movements claiming for active participation in political decisions and a government sympathetic to popular administration contributed to this situation. The narratives of change were empowered both because of societal transformation (post dictatorial government), but also because of the left roots of the government installed in Porto Alegre during this period. It is worth mentioning that Rio Grande do Sul, the state of which Porto Alegre is the capital, is a state with very strong and traditional culture and behavior when compared to other states of Brazil, nevertheless it is a state that has always  promoted left-oriented politicians to the national scenario (Marquetti et al., 2012).

> *The theses on the PB show that the survival or not of this process, the ability that these experiences have to develop more fully, basically depends on the existence of a strong associative tradition, the "political will" of governments to implement them and influence institutional design, observed through the organizational elements incorporated into the practice (De Souza, 2011, p. 255).*

All characteristics of the social context were favorable for the PB to happen, the major challenge was to organize this process and that became possible in 1989, due to the law proposed by Olívio Dutra, the mayor. This law permitted a deliberative participation in the People's Councils. After that, the process developed on a management level, making it more structured and promoting new ways of learning and doing. The cognitive map 1 is explained below considering these features.

## 4.2.2.2    Doing

PB changed the operation of city budgeting. The PB system was not fully constructed in this period (1989-2005) and thoughout the period  the internal regulations of the PB process were changed and adapted. These changes and regulations did not alter PB's logic, actually they improved the existing system, in other words, it was a process of enhancement.

Participatory budgeting in Porto Alegre has been constantly co-created and maintained through the practices of the actors involved in the performance of this SI: civil society organisations, citizens and government. The new ways of governing consist in giving power to the citizens, who can deliberate about the municipality budget, a practice that came to fight the system imposed in the dictatorial period that lasted for 20 years, just before this SI-initiative emerged. Even now participatory budgeting is considered a social innovation in Brazil because it is not commonly done by other cities. The Porto Alegre's PB established a collaborative management practice in response to citizens' demands. In this new management practice, the government has only a say (it means they have to accept) and the citizens have the vote.

> *"We had a very tough city council, because they had power to decide and to make the law, do everything. Then the PB came aiming to help... the government does not have a crystal ball to say:  the street 'x' need this, in the neighborhood 'y' there is such need. So what happens? The participatory budgeting and the community meet and they take the problem there, they discuss the problem and hence the government views it. The technicians gather*

*and give their opinion: looks like they really need to regularize the street to do that thing here. Then it goes to the aldermen. So the PB just put a strain on the city council"* (Interviewee 6).

*Participatory Budgeting, in its original version as part of a transformative left-sided party project, was but one part of a broader set of institutional reforms. In addition to open meetings, where citizens decided on priorities (the more visible part of Participatory Budgeting), a much-less visible but crucially important institutional architecture created the conditions for those decisions to be meaningful by linking them to the centers of governmental decision-making (Baiocchi and Ganuza, 2014, p. 31).*

### 4.2.2.3   Organising

In terms of organising, this period (1989-2005) represents a new governance logic in which the citizens have the power to decide over the city budgeting. The PB process is a very complex system in terms of organisation. In this period the so-called People´s Council changed its participatary role from a consultative council to a deliberative one and all the major transformations in the organisation of the process are built from it. These transformations and their consequences are better explained in section 4.1.1 in this report (What is a Participatory Budget and how does it emerge?).

As said, the PB process changed over time and its rules of operation and representative system were updated as the entire mechanism was modified.

*"The perceived management was tied directly to the city hall for a long time … It had a central government there. And of course, there were disputes, sure, because it was not perfect. By dispute I mean contrast of ideas in order to drive the process, some Secretariats are more engaged, others less, (…). There are demands that are approved and are fulfilled, others are not (…). Nonetheless, the PB is also a political arena in constant dispute. Councillor and Delegate, Delegate and the Municipal Secretariat, Secretary and the Mayor, parties … It is an arena. But it had a central role because it was (…) I do not know if the word is ideological, but was a matter of vision, who created the PB…, ultimately they want to ensure centrality of government for PB"* (Interviewee 11).

As well as neighbourhood associations the PB process involved a series of territorial organisations, such as *Movimento Nacional de Luta pela Moradia* (National Movement of Struggle for Housing), which demonstrates PB's relation to other collectives. As an example, according to Fedozzi et al (Fedozzi et all, 2013, p. 92) within the PB assemblies in 1995, the participants were involved in different kinds of collectives, such as:

✓ 2.7% participants from community centres;

✓ 3.99% from People's Council and regional articulations;

✓ 5.3% from street commissions;

✓ 4.6% from  culture, recreation and carnival groups;

✓ 8.7% from religious and culture groups;

✓ 61.8% from neighbourhood associations.

# **tran**sformative **s**ocial **i**nnovation **t**heory

## 4.2.2.4    Framing

Framing was, in this first period (1989-2005), the group of changes that most challenged the system. As mentioned, the PB in POA does not name its values, mission and beliefs in any document found in this research. Despite this, it is possible to recognize that during this period the system was under question and the citizens were demanding decision-making power in municipality investment. Secondly, in a very innovative way, municipality management involves popular participation. Thirdly, it was an alignment between citizen and government that had never been seen before. As a result of this process, power was decentralized. Finally, there was in this post-dictatorship period a strengthened socialist vision due to the social movements and political moment of the country.

> *"We build a collective to understand the PB - this was in the management of PT - then what happened? (...) In the management of this party they organized the people to make it easier (for the government), the mayor can say 'the resources will go to this region because that is what they need right now´, it is better that  they get 'head banging', than give things to us which we do not really need. What does the region need in fact? Then the PB for us today, in the matter of process and dialogue with the government, I think it stopped really. Rather than being something that really evolved, it became more stagnant, it took a step backward from the moment that the meetings were diminished, things did not happen at the same speed as before, they changed itmuch" (Interviewee 5).*

Asked if it had changed for the worse:

> *"I'm sure it had" (Interviewee 5).*

> *The process created direct deliberation among citizens at the local level and devolved a substantial amount of decision-making power to these local settings. These citizens were involved in pragmatic problem solving as well as monitoring and implementing solutions achieved. These continuously deliberative processes unfolded over the years, meaning that participants had chances to learn from mistakes and extend their own time-horizons of what an acceptable outcome might be. These local units, though vested with substantial decision-making power did not function completely autonomously from other units or from central monitoring units. Rather, central agencies offered supervision and support of local units but respected their decision-making power, the feature of recombinance (Baiocchi and Ganuza, 2014, p. 34).*

## 4.2.2.5    Knowing

This was the first period of PB, that is why all the process was an on-going prototyping. The knowledge was empirically produced and only gained product status later on, near to the second phase shown in cognitive map 2. However, it is possible to identify improvements made by the government in willingness to dialogue with the citizens, for example there was law making, office structuring, coordination and the creation of new councils, and event organization.

In addition, during 1994 the first internal regulation of Porto Alegre's PB was created, which is the only primary document found in this research for the period analysed.

> *The most significant aspect of participatory budgeting (...) was the learning process, which usually occurred in specific situations. It happened, for example, when the Metropolitan and Regional Planning State Foundation (METROPLAN, or the Fundação Estadual de*

*Planejamento Metropolitano e Regional) organized a training seminar putting planning technicians and community leaders in direct contact, as well as merging budgeting and urban planning (Rubin and Baierle, 2014 p. 124)*

## 4.2.3   Second Period (2005- 2015)

**Figure 4-8. Cognitive map PB Porto Alegre second period**

# **tran**sformative **s**ocial **i**nnovation **t**heory



Spread of PB process towards the world

Secretary of Political and Local Solidary Governance (city hall):
-Major appearance in the media
- Training of PB participants

ObservaPOA develops:
- Website
- Database
- Publications
- Research (UFRGS as partner)

PB is established

"Doing" is institutionalized (local leaders win position at the municipal organizational structure)

ObservaPOA organizes and gives access to PB data

ObservaPOA helps to scale in Latin America

Technology use during the process

*knowing*

*doing*

New social relations:
Managerialist
Institutionalization

*framing*

*organising*

Who serve who?
PB serves the city hall?

Opportunist vision:
- Managerialism
- Functionalism
- Naturalization
- Institutionalization

PB is inside the system, either by ideology or by management, the system is not in doubt

Innovative process in comparison to others, but not if compared to itself overtime

Relations with leaders of the collective was internalized. Either in a direct or indirect way

The PB is not connected to critical collectives

Shadow play to whom some PB participants represent

PB Scales

Reduced power of the delegates

Governance logic is managerialist

**SOCIAL CONTEXT**

-Neighbourhood Associativism;

- Center-oriented city hall;

- Trend: global cities;

- City management politic;

- World Social Forum;

- PB as a city achievement.

**ACTORS**

Center-oriented parties coallision – PDT (Democratic Labor Party) and PMDB (Brazilian Democratic Movement Party);

SCPGSL – *Secretaria de Coordenação Política e Governança Solidária Local (*Secretary of Political Coordination and Local Solidarity Governance)

*ObservaPOA*

*"Excluded population"*

*Local leadership.*

# transformative social innovation theory

## 4.2.3.1  Social Context

During this second period, the social context has completely changed. In 2005 Brazil had been a democratic country for 20 years, Porto Alegre's PB initiative has had many years of existence, in Porto Alegre the participatory process is institutionalized and the neighbourhood associations are still important but in a general way, no longer considering the entire country.

Following the trend of global cities (Sassen, 1991), the most important difference between this period and the former one is a transition in the management logic applied by the city rulers. During this period, after new elections, the City Hall has become controlled by centrists from a coalition of different  parties and this fact has resulted in  a  logic of compromise within the public administration of  Porto Alegre. The PB process and the social context have therefore been deeply influenced by the shift in governance (Baiocchi and Ganuza, 2014; Rubin and Baierle, 2014, Melgar, 2014; Sobottka and Streck, 2014)

The major PB challenge in this period is the relationship between the government and PB community leaders, which directly influences the power of these leaders and their linkage to the PB process. In other words, as a result of the sum of particular aspects it is possible to acknowledge that, as time has gone by, the popular and spontaneous motivation of the community to take part in participatory budgeting has been losing strength and giving place to a much more structured logic that results in a decreasing engagement. During the participant observation in assemblies, in which the councillors are elected, for example, a lot of citizens waited in line for a long time to register their participation (there were more than 3,000 people in the two assemblies visited by this research), but when they got into the gymnasium where the assembly takes place, they just gave their ballot paper to the community leader, rendering him/her the power to decide whom to vote for and, as a consequence, who would be elected.

> *"Yes. Sometimes they do not vote, they just leave the blank paper (with the leader)" (Interviwee 07).*

Before 2005, the maintenance of PB was the theme of debates in the municipal election process. During interviews for this research it was common to hear from the respondents that Porto Alegre's PB "is a city patrimony" or "you can't delegitimize the PB in POA". The new municipal government maintained the PB and changed its operation, as it is possible to see in the descriptions of the cognitive map.

> *"Yes, because PB is not constitutional, the government accepts the sovereign decision of the assembly, so everything is decided at the meeting; the government accepts and seeks to do that. As stated at the time of Pontius Pilate: he washed his hands. PB is an instrument that favours the government. No matter what party is in government, if they know the work, the PB is a good tool for the government, people are claiming. What happens is that it avoids the "canetaço"⁵. Within the PB it is possible to know where problems come from, it is no longer on the basis of what alderman x wants. It is what the people want" (Interviewee 6).*

> *"(...) we had to convince the government from within that the participatory budget continuity promise, which was made during the election campaign, was actually what the mayor, in short, the core group should do. Then I had to convince the government of that! I do not know, maybe even today it is not fully convinced" (Interviewee 11).*

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⁵ "Canetaço" – a Brazilian slang that refers to the situation when one - with power to do it – signs a document that changes a situation, as a law or a resolution.

# transformative social innovation theory

## 4.2.3.2    Doing

During this period, the PB practice has been institutionalized. Fewer new ways of doing things have been introduced than in the first period, although the way leaders interact with the government is an important change that can be seen from different angles. Some of the new ways of doing things are as follows: firstly, the government has acknowledged several community leaders and given them a position in the PB as employees of the municipality. The PB critics, on the other hand, say this practice is a "domestication" of the process.

> *"It has changed a lot. So... My ultimate point is that I think today Participatory Budgeting no longer exists (...). There is a ghost, a spectrum (...) a theatre. Because it is very interesting internationally, it allows the city hall to place itself in an international field that interests them..." (Interviewee 7).*

> *Grassroots mobilisation around PB issues has also declined, suggesting that the lack of institutional support for participatory budgeting may have eroded local solidarities. At the same time, NGO activists and many veteran PB leaders have clearly persisted in their efforts, demanding the implementation of PB priorities, monitoring government actions on the budget and insisting on government accountability and transparency in municipal programmes, despite the difficulties posed by the constriction of participatory spaces in government (Melgar, 2014, p.144).*

Furthermore, there is a political dispute over the positions created by the municipality that results in conflicts between party representatives in the communities:

> *The city has a new management model (...). What has changed? (...) They set up four positions of trust, now the community has a CAR manager, a participatory democracy manager, an excellence manager of services and an executive manager, who assists the participatory democracy manager. (...). In my opinion this is worse, because lots of fights have started, because each one is from a different party. It is a very serious thing. Each party sends their own people for the positions of trust (...) the positions have turned into a partisan issue. It is a very delicate situation. Before it was not like that (...) in their view (city hall), politically this is very good; it just did not work as they thought. They thought four managers would get along, but it is quite the contrary, each one is working for a party, because you have an alderman behind you, because you have a deputy behind you ... We have returned to a clientelistic relationshipship (Interviewee 4).*

Secondly, there is an indirect form of employment currently practised by the city hall that benefits community leaders in putting some of the PB demands into effect, resulting in the same criticism. Thirdly, one councillor can now accumulate roles in two different councils in the city, which may provoke conflicts of interest. Fourthly, the union of municipal employees lost its seat in PB's council (Saez, 2015). Fifthly, the PB´s Council (COP) was empowered and the regional and thematic assemblies disempowered by the loss of deliberative participation by the delegates (delegates' discussion is now limited to their own territory). Sixthly, the NGO Cidade lost their right to speak in COP and no longer promotes training for participants or monitoring of the process. Finally, the changes in the PB cycle make it possible for the aldermen to approve demands without technical specifications and for some critics this possibility makes the city hall too powerful to decide these specifications alone. These are particular transformations in the PB process in POA and the outcome of these changes can be seem in section 4.2.4 (Porto Alegre PB TSI-Dynamics), specially in Figure 4-9.

> *As the brittleness of civil society that allowed PB activists and community organisations to be easily co-opted, intimidated or persuaded to return to the clientelist mode of dealing with the state (Melgar, 2014, p. 141).*

Another significant change is the creation of ObservaPOA, which did not exist during the first period. This observatory organizes and gives access to data from research projects and from internal data from the city hall analyses. ObservaPOA, as a representative of IOPD in Latin America, also helps to scale the PB process towards this region. It is important to say that there is not a defined strategy for scaling; it is a natural interest from other cities that stimulate it.

Nowadays, the PB process is closely related to technology. The assemblies are shown in an online stream on the city hall website. Also demands and themes for the PB process are received online by the website. Apart from this, the ObservaPOA activities of monitoring could not exist without technology.

### 4.2.3.3 Organizing

In terms of organizing, the main change in this second period has been the relations between the government and leaders of the collectives, who have been internalized either in a direct or indirect way. In a direct way, the most evident alteration concerns the work of community leaders. Previously they worked as volunteers, nowadays they are recognised and formally employed by the city hall, with a working position in the PB. In an indirect way, an interviewee affirmed that it is a common practice for the city hall to choose the family members of leaders or even leaders themselves to operationalize services contracted by the city hall. On the one hand, this is a manner of recognizing the long involvement of community leaders in the PB process; on the other hand, it can be seen as a benefit that compromises the integrity of the PB.

> *"So they have created NGOs in partnership with each association, it was even a policy. And then there is the contract with the NGO: if you are the manager of a community day care centre, your contract is with the NGO managing it. So, even if you elect someone else in the neighbourhood association, it does not matter anymore, because the contract is with you, practically for life, provided there is no big scam. At the same time it allows greater power in the community, because you can decide who will… Like… there's no vacancy for everyone, obviously. Number one. Number two, it is paid, unlike (…) this management system is often presented as a completely free thing, it is not. In day care, parents have to pay extra because the money that comes from the Municipality is not enough. Number three, you are free to hire who ever you want, you can hire your husband, your daughter, your son. Then it is extremely common to see this system… that the family works in these community places (…) it's a way of life for the family. So this shows that somehow it's become a system that sustains a community oligarchy and that is based on this procurement system that has extended a lot, especially with the increased funding that comes from the federal government for social programs" (Interviewee 7).*

You can see a shadow play, in which some PB participants should represent the people but are paid by the municipality. The political system is reproduced in the PB system of representation and the community leaders are often seen as a kind of aldermen towards the community. The representatives got into a conglomeration of exchanges, deals and arrangements that can delegitimize the democratic process, just as seen in government instances.

> *On the one hand, several community activists who were mobilised by the PB have been recruited into government over the years, raising fears of state co-optation and grassroots*

*demobilisation. Many community groups, increasingly contracted by these administrations to manage local services such as literacy programmes and day-care centres, are said to have become less autonomous, often too intimidated to protest against state policies lest they lose these partnerships' with government (Melgar, 2014, p. 147).*

The PB is not connected to critical collectives anymore. One example is the NGO Cidade, which after losing the right to speak in COP, also lost the training contract in which they interacted with the PB community leaders.

*(…) And then we began to work with the population, mainly pressuring for land regularization. And then it got to the point even of (…) we were unable to speak at meetings (…) The only people who had a voice was who (…) had been elected as a councillor and then became more flexible, say, one can... ask for permission to speak and the Council decides whether the person speaks or not. Yes... But previously who decided who was allowed or not allowed to speak was the Government, not the Council. Then, it was the PB coordinator who allowed it or not" (Interviewee 7).*

ObservaPOA now does the instruction. In other words, the training is also internalized. Nowadays, 1,700 people are schooled in an informal educational way each year, according to an interviewee, 100 per region. The interviewees also recognized that NGO Cidade was an external and independent actor and an important critic of the PB.

In this period the power of the delegates was reduced. The meetings between government and the FROP – Regional Forum of OP – when delegates and councillors used to discuss with secretaries and representatives from the city hall, are now sporadic and do not count on the government participation anymore. Considering that, the delegates do not have the opportunity to speak often with government representatives, which disempowers them in the process.

The PB process is now recognized as a successful experience and has scaled up to over 1500 (PBP, 2015) cities all over the word. Porto Alegre is visited monthly by other cities and research institutes that want to know about the PB process and how it is organized, sustained and developed. According to Cesar Busatto, the Secretariat SMGL, the municipality does not have a defined strategy to disseminate the PB process, although they are always open to visitors and to new possibilities of knowledge exchange.

Embracing the contemporary trend of global cities (Sassen, 1991) together with a center-oriented government that has administered Porto Alegre since 2005, the city appears to have assumed a managerial style in its governance logic again. This profile has a positive impact from the perspective of the municipality, because it organizes the process, connecting the PB process more directly to government. From another point of view, it presents a challenge to popular participation.

*"It is. Today it is quite controlled, especially after it was ´spectacularized´, because they began to shoot the assemblies to say that it is fully transparent, that was when it became totally not transparent" (Interviewee 7).*

### 4.2.3.4   Framing

Nowadays the PB process has been integrated into the system, it is absolutely institutionalized. Therefore, there can no longer be any doubt with regard to its social context, whether in terms of ideology or management. Moreover, the current PB process is not as innovative as its original form, but still can be considered innovative if compared to other kinds of budgeting processes. In

the same way, today the government conducting the PB has an opportunistic vision in the sense that it sees the process as being appropriate for the context in which it occurs and that it is absolutely institutionalized. The PB is also dedicated to its operationalization, therefore it is functionalistic.The process has been going on so long that it has become natural to both citizens and government, who no longer perceive its innovative characteristics.

### 4.2.3.5    Knowing

The PB in Porto Alegre is a process investigated by the ObservaPOA, the IOPD Latin America office.  The observatory in Porto Alegre operates as a partnership between its own researchers and structure and researchers from the Federal University of Porto Alegre. Together they develop profile reports and operation manuals, analyse papers and maintain a website where all those materials are available.

The city hall has an excellent press office and is often on the media talking about the PB process and its outcomes. In addition, the Secretariat of Political and Local Solidary Governance has its own list in the YouTube Channel of the City Hall[6] where interviews and other information about PB are released. That same Secretariat is the one responsible for the ObservaPOA and for training the PB participants.

During this period, there has been concern about the consolidation of the knowledge produced by the process. An even more evident preoccupation has been informing and sensitizing the citizens and PB participants.

## 4.2.4   Porto Alegre PB TSI-Dynamics

One of the main conflicts can be related to the power of actors.  Throughout the period we can see a growing disruption between the public sector (government) and the general collectivity. As the PB process has become institutionalized, power has changed from "power to" to "power over" the collectivity.

> *"(…) In a way that made them effective routes to impact. But more importantly, activists played a critical role in facilitating constructive political dialogue within the forums once they were established. Long experienced in negotiating among diverse interests and possessing strong oppositional credentials with residents, activists kept discussion focused and temperate. They recruited people to forums, negotiated among parties before, after, and during meetings, and secured information that residents needed to deliberate effectively. They were not afraid to confront stonewalling officials, but they also regularly pressed participants to adopt a pragmatic stance, while at the same time pushing past the bounds of the immediate to promote political learning" (Poletta, 2013).*

Some aspects of the Participatory Budgeting in Porto Alegre are particularly noteworthy. Firstly, the informal network is extremely powerful; it was perceived during observation that the main actors and representatives from the community were trusted and adored by the participants of the process, also the municipality coordinators within the communities have, most of the time, close connections with the people whothey work with. In addition, the participatory budgeting in

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[6] https://www.youtube.com/user/NoticiasPMPA

Porto Alegre is deeply connected to political parties and it has suffered various changes throughout the period, depending on which party was ruling the city hall.

The two periods, in their particular way, have contributed to transformative change in their own contexts. In each one, the challenge of new social relations has altered the social context and even replaced some dominant institutions. In the first period, the TSI-dynamics empowered the people; during the second one, the citizens have continued participating but the organisatonal set-up of the process re-empowers the local government. The Figure 4-9 below shows a comparison between the social relations in the first and second period. In the first period, the PB was an autonomous activity. It took place in parallel to the government and the government supported and empowered the PB. On the other hand, the second period has revealed a more dynamic relationship between the PB and the government, promoting several touch points throughout the process, but that brings out a question about "who serves whom", if the PB is serving the government or the other way around. As said by De Souza (2014), the PB process is closely linked to political relationships and it has impacted and been impacted by those different configurations throughout the period.

**Figure 4-9. Porto Alegre PB power and social relations: first period and second period.**
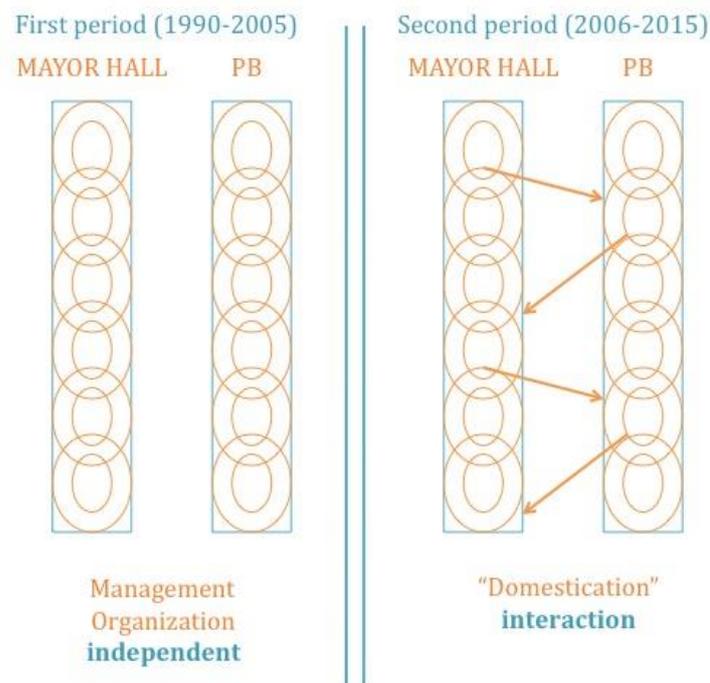


Even though PB is structured, during the participant observation there were young representatives challenging the process. These youth leaders still do not have power of institutionalized representation, but are fighting for a more forceful participation in the process, asking for their own demands and doubting the imposed system.

## 4.3 Agency in (T)SI

Porto Alegre's co-managed PB is a process that brings together civil society and mobilizes it for joint action within the community and in relation to established power, which is the local

government. These actors together decide how the municipal government will invest resources in works and services demanded by the population. These demands are prioritized within themes and regions that have already been established throughout the existence of the PB process.

The purpose of PB is that at the end of each cycle, the government can know exactly what the population demands and can draw up an investment plan for the coming year, so the government is able to operationalize, within the law, the solutions to those demands. The expectation is that the citizens can decide on investments by city hall so that these investments correspond to what the population sees as high-priority problems in each region and in each theme.

The innovation in the PB process is the idea of letting the people decide about public investments, in other words, the construction of democracy in a participatory manner.

If we understand agency to be a dynamic, relational and constantly involving process through which actors transform themselves, their relationships and their social context, then we can clearly see agency working in this SI-initiative throughout the entire 26-year process. The main reasons for this are: firstly, that the history and timing of the process are closely linked with the new social relations shown in the cognitive maps presented before (in TSI-Dynamics section) and during all this time the PB process underwent only minor changes, not substantial ones (other than the changes shown in the cognitive maps); secondly, the management of the SI-initiative has been shared between citizens and the government. These characteristics, added to the fact that some of the actors are working for the city hall, make the dividing line between government and citizens, and between the SI-initiative and the system very blurry.

## 4.3.1   Visions, Strategies and theories of change

The implicit vision of this SI-initiative consists of giving power to the citizens. The underlying theory is that as you give power to citizens they can better decide on how to use municipal budgeting to tackle real needs. This vision and theory of change became explicit when mechanisms were created that enabled the institutionalization of People's Councils and, later on, the PB itself. A further aim was to activate popular participation within the government. The vision did not change over time, although it underwent minor modifications, because the SI-initiative and its vision, had become natural to its actors. Those small changes can be considered the empowerment and disempowerment of relationships in the linkage between government and society. During the second period, perhaps the government strategy relates to social mobility, giving employment to those who were volunteers and increasing the empowerment of some in comparison to the disempowerment of others.

> *"In PB all councillors and delegates participate on a voluntary basis to claim things pro their neighbourhood, to their city (...) Today I am the administrative manager of the CAR, which is a sub-prefecture (...) I am now on the other side, now I am the government" (Interviewee 6).*

These strategies were explicated by the *Frente Popular* (Popular Front) inside the social movements and changed over time. The practices were transformed towards a managerialist[7] (Gaulejac, 2007) strategy as the political orientation of the city hall switched from a left-oriented vision to a center one because of elections. In addition, during the second period, the most critical and independent (external) actor – NGO Cidade - was deviated from the process, making the "domestication" of some actors more evident.

Despite the dictatorial culture established in the country during the first period of PB (the dictatorship was over but it took longer to switch to a democracratic culture), there were no barriers to SI implementation because the social context in Porto Alegre was highly favorable to it. During the second period, the process seems to have found a safe place within the city, and even though it has its critics, the critical actors do not participate in the PB closely anymore. The natural strategy for its implementation is the social movement tactics, which began and designed the process.

> *In Participatory Budgeting there were two important dimensions to its institutional design: a communicative, and an empowerment dimension. The former has to do with open, transparent, and egalitarian communication. The latter has to do with the way that communicative inputs are actually linked to state structures through a second-order discussion on justice that allows participants to define the terms of their own participation (Baiocchi and Ganuza, 2014, p. 43)*

## 4.3.2   Empowerment and Disempowerment

The sense of agency was developed through community solidarity. People became available to volunteer work that benefitsd the community. The main point in this involvement is basic needs; they give their time to fight for particular community objectives, such as improvement in housing, education and health. They have seen over time that their action towards the system has positive outcomes and developed a sense of making their environment better by their own work and commitment.

The community leaders' identity has grown out of their participation in the PB process. The transition from individual towards a collective interest is a great change in the mindset of actors, who believe that work is positive and efficient. During the second period (2005-2015), the individual and collective autonomy of the actors has been questioned due to all the political and operational modifications.

> *"I'm suspicious of talk, the experience I have from 90, the sacrifice that we went through, I lived here for 26 years, and everything that is good, improvements within the district, by 2005 as a community leader... the community knows, in all you have here, there is the tip of my finger, I helped to make it come true. And when I joined the government in 2005 in CAR, I also continued helping, but in a different way, right?" (Interviewee 6).*

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[7] Vincent Gaulejac is a French sociologist who in his book *Gestão como Doença Social* (in the original: La societé malade de la gestion: Idéologie gestionnaire, pouvoir managérial et harcèlement social) identifies management as mechanisms of domination of a new management model proposed by finance capitalism and its ideological legitimation. Gaulejac presents management as a power technology and the management itself would be an ideology that legitimizes the commodification of human beings, turning it into "capital que convém tornar produtivo" (capital that should be made productive) (Gaulejac, 2007 p.28).

During the first period of the SI-initiative, the citizens were directly empowered by the process, during the second period some citizens have become more empowered than others. The ones empowered in either period feel they have gained leadership skills and confidence, as well as this, development of communication and managerial capabilities were mentioned during interviews. With this set of growing abilities, the citizens organize and participate in the process by monitoring and supervising it, where they can really evaluate its efficiency and truly feel its impact. Normally the community leaders have been involved in the PB process for a long time and even though they think the process has changed for the worse, they insist on it because they trust the possible outcomes. At the same time, the government adapts the process to environmental circumstances, therefore, the government and the citizen are adaptive and resilient.

As time went by, the SI-initiative modified itself, inducing empowerment and disempowerment of different actors along the way. In the first period the empowered actors were local leaders, today the process is much more dynamic (and not necessarily better for democratic participation) and has moments when distinct groups have strength over others.

> *"The neighbourhood would not be as large as it is if not for the PB. I would not have gotten where I am if not for the PB" (Interviewee 6).*

> *The reduced centrality of the PB to government planning has, in turn, affected the character of participatory budgeting. Certainly, PB regions have continued to hold their assemblies, prioritising needs and demands. But the low level of government completion of PB projects has threatened to further diminish community support for participatory budgeting. In various follow-up interviews I conducted in 2013, PB activists persistently cited the lack of progress in project completion as a key factor accounting for the wastage or mounting grassroots frustration with the PB, discouraging sustained participation in the process (Melgar, 2014, p. 144).*

Porto Alegre's PB process has been a long and structured process since its origin. Over time the power relationships have changed and the movement has moved from "power to" people to "power over" people.

> *"And today the chance to speak, you cannot sign up to speak at the time. You have to sign up one week before, at the Regional Administrative Centre, which only works up to 6pm. So often people get there by 6:05 pm and if you are not sympathetic to the government they do not let you (...) speak. It varies; for example, sometimes one person signs up to talk, gets there on time and wants to give the place to another. If it's not a nice person (for the government), he or she is forbidden to exchange places. If you are friendly, sometimes they allow it. (...)" (Interviewee 7).*

### 4.3.3  Governance

The governance process of Porto Alegre's PB is intrinsically related to the established government. At first the government and the PB process acted in parallel, during the second period, the relationship became more interactive. This is explained in depth in the TSI-Dynamics section, Figure 4-9.

The structure of the Porto Alegre PB process has changed over time depending on the government in charge. However, the governance of the entire process has always been shared between the city hall – the dominant institution- and the community representatives, although the city hall participation has become more evident over the past 10 years (the second period).

> *"I think every ruler who knows how to work with the community, if they know how to work with citizens and with the PB, understand how it works as the tool... if something goes wrong, the government and the citizen err together, nobody is guilty" (Interviewee 6).*

During the first period both the COP – PB's Council, of which councillors are members - and the FROP - PB's Regional Forum, which is constituted by both delegates and councillors – were part of the governance body of PB in an effective way. That was due to regular meetings with the government and with each other. During the second period, the FROP meetings with the local government became sporadic, therefore FROP was deprived of a wider participation, which increased government involvement in the PB's governance. At the start, the participatory way of governance was extremely pioneering, because people had a say in structuring the process and regulations, nowadays it is still innovative, because it is not very common worldwide, but it is not a new practice to the local community.

Thus, governance is by direct participation when the local population elects delegates and councillors, and indirect when those representatives decide and deliberate with the government. There are fuzzy boundaries on what is external and what is internal to the governance process due to the fact that its management is shared, but if there is a need to define it, it can be said that the government is a kind of external actor and that the PB process has autonomy of governance within itself.

> *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, as in participatory decision making for example, can become a source of tension and a potential point from which to push the boundaries of the process itself towards one in which participants decide on its terms and transform the horizons of actually existing states (Baiocchi and Ganuza, 2014, p. 45).*

In addition, in the past, there was the NGO Cidade, whose work was an important counterpoint to the process, but it has been withdrawn from the POA's PB and now does not operate inside it anymore.

> *"So we began to monitor how many requests there were for each region, what were the main demands, which was the top priority and what had already been done and what was still pending. So we started... And even at that point, in fact, the main priorities were the first to be met or not. And so we started to get into a lot of trouble" (Interviewee 7).*

In general, until today, all the actors that are inside the governance practice of the process consider themselves part of the POA's PB.

## 4.3.4   Monitoring

In PB's structure, the monitoring can be seen as part of the process, since the COP (*Conselho do Orçamento Participativo* – PB´s Council, the deliberative body of the process) itself is responsible for following-up the demands delivery at the city hall. The monitoring is so important to the PB process that the year's city budgeting is based on what was delivered or not in the previous year and the demands that have been met and those that are still standing. The COP must approve the accounts and investments and evaluate compliance with demands for a new fiscal year to begin, giving birth to a new PB process. All these phases occur during the preparatory meetings, the third stage of the PB cycle, which is continuous - takes place every year.

The monitoring process can also be considered innovative, because it is carried out by the citizens, or their direct representatives. Although this structure did not provoke a change in social relations, these occur throughout the process of PB monitoring. There is also no perceived specification in monitoring about empowerment or disempowerment because the people themselves participate in the PB process and are empowered/ disempowered by it.

However, there is heavy criticism about what is monitored in PB:

> *"There is no result indicator... Let's say, the outcome indicator is the number of people. Got it? So therefore, it does not have an outcome indicator, for example, (...) the number of people living on the streets (...) it is estimated that this will fall by 30%, 50%. No, in my opinion, the real point of view of the population needs does not have an outcome indicator" (Interviewee 7).*

## 4.3.5  Resourcing

As said before, the PB-initiative in Porto Alegre shares governance and the resources between the citizens and the city hall. The financial resources from the government keep the PB cycle working, and there are also some human resources that are employed by and work for the city hall. However, there are valuable human resources in the community too and social mobilization has, most significantly, enabled community representatives to take part in the COP and the FROP, to vote during assemblies and do voluntary work.

The infrastructure is also a co-responsibility: although city hall facilities are used in the communities (mainly the CAR – Center of Regional Management - building) during the PB process, they also have community gymnasiums and other establishments that help the process happen.

Though human resources are of crucial importance, the municipal budget is also an important resource as it is the main subject discussed during the entire process. Every year these resources are provided by the municipality government and depend on internal income and expenditure. During this research, it was noticed that none of the interviewees replied in the same way about either their understanding of the composition of resources or the percentage of resources allocated to PB each year, because the amount is closely related to other municipality spending, such as human resources.

As for the SI-initiative and the SI-network relationship in terms of resources, the Porto Alegre's observatory- ObservaPOA -, which is the Latin American arm of the OIDP (network), does not receive financial help from outside the city hall. The organization also runs with government resources, employing technicians as public servants. In the past, financial resources from URB-AL were used to structure the local observatory, but now there is only staff and communication support. This relationship is described in more detail in the network section.

It is possible to argue that during the initial context everything about the initiative was innovative, because the whole process was original. There were no other successful experiences of popular participation that were supported by public investments. The PB process involves "doing" and "organizing" and the financing is the base of it because is a budgeting definition process.

## 4.3.6   Social learning

This SI-initiative is closely related to social learning. The actors in the process acquire and share information, knowledge and experience from the start. The main learning from this whole process is popular participation itself.

> *"It is something that is democratic, it is good to participate and say what I want and do not want. Say what my community needs indeed. That is what moves me … really revitalizes me every day and especially teaching so many people their rights (…) how much they can learn, I learned in the PB process. I learned how to talk to each department, including how to work with spreadsheets for the Investment Plan. So it is up to each one, you have to want it (Interviewee 5).*

Even today, the PB process is an outstanding experience and brings out a question of change enhanced by social mobilization and participation. The only external actor in terms of social learning recognized by this research was the NGO Cidade, which was responsible for training and analyzing the PB process during the first period. Nowadays, the process of learning permeates the government and the citizens by empowerment and the mechanisms for it to happen are both direct and indirect, just like the PB process itself.

The production of academic papers and research is one of the indicators of interest in the social knowledge the process produces. The success of this initiative and its learning history is an outcome of its shared management: once the capabilities of leadership are developed in the communities' representatives, the learning process has a cascade effect in the communities that feel empowered by this movement.

As for all the items discussed, the social learning is also innovative as an intrinsic part of the Porto Alegre's PB process; it flows, like other aspects of PB, through the empowerment of involved actors in new relationships.

> *"In 1989/1990 we used to meet and talk, discuss about PB and sometimes we got angry, irritable… but we were changing and we saw that we would have to discuss, to understand so as to be able to conquer things. I started to correct myself and see how I would have to work, then today we have recognition that all that suffering was worth it" (Interviewee 6).*

## 4.3.7   Porto Alegre PB Agency

Perhaps, because it is too long, too structured and already a set process, POA's PB, does not share the ideals and values that other SI-initiatives have. The individual gives way to collective actors operating with the SI purposes and does not think about specific amendments (to uncorporate ideas or particular desires in consonance with those of the other actors).

Porto Alegre's PB has worked with the dominant institution right from the start. It has been institutionalized by law even though there had always been a desire among social movements for it to happen. Since the process started with institutionalization, it is impossible to understand how the dominant institution may set limits on human agency and the other way around, because they have been associated so closely right  from the beginning.

The circumstances that enabled the emergence of POA's PB are far away from its actors today. All the interviews for this survey were conducted with actors who are still working and four of them have been part of the process from its beginning: (1) one who has been given a position with the municipality and so is completely imprisoned; (2) another who was an important critic involved

in monitoring the process, but was away during the second period, (3) a critical actor who was employed by the city hall at the beginning of the second period (2005-2015) but has also been away afterwards; and finally, a community leader whose struggle gained centrality in the PB – housing - and who was consolidated as a councillor in one of the regions, giving her enormous community political power.

Perhaps these people who were interviewed, and who have been part of the process from the beginning, had a utopian and ideological vision of the PB. Today they all have operational roles within the process. Today, the tensions found by this research concern more the critics who were separated from the process and therefore have no power to change it, rather than actors who are in the process. For example, there is the case of the community leader, who although critical to the process, was imprisoned by it because of the consequences that it could bring to her and what she represents.

> *(...) I manage 2,600 people from the movement, myself alone. These are people who are today in my area and the people who have signed up this month. It is a rich process, thank God, I could put it together in a system, everything is on the internet, we could deliver to the mayor ... deliver into the mayor's hands the registers of all of us, it was beautiful, we made them sign and give us the "received" sign. This is all a process (Interviewee 5).*

> *"It ends up being merged into the machine... Appointed, imprisoned. And it is built by the dynamics of traditional politics. During the transition period of the two governments, we had, I always like to point that out, large blocks, so to speak, the participation of community leaders was fundamental. They taught the new government how the PB worked (Interviewee 11).*

Despite all this, we can see that the PB process depends on skilled people who can reach goals that matter to themselves and their collectives, even though they are working within an absolutely institutionalized process.

Dissatisfaction at the beginning of the process was evident. The leaders - from Popular Front parties - were leaders of social movements that had already been thinking of changing the government from within, so they managed to create a coherent vision and something as innovative as the PB. Today the PB lives a phase when this interaction between civil society and government is institutionalized and has clearly lost a bit of autonomy.

## 4.4  Summary, synthesis, conclusion

> *"(...) In the participatory budgeting process for which the Brazilian city of Porto Alegre has become famous. Say "Porto Alegre," and many people think of a participatory democratic utopia, a city where ordinary citizens, many poor and illiterate, make the decisions that affect their lives in a kind of never-ending deliberative workshop" (Poletta, 2013).*

The Porto Alegre PB process began in 1989 and it is both the SI-itself and a local initiative. It was this local initiative that inspired the start of others all over the world. This process promotes the engagement of the population and lets them decide on city budgeting. In that way, it involves government actors from the city hall, local citizens and various civil society associations as support actors. It is an annual process, composed of different phases, encompassing direct and indirect deliberation.

The PB in Porto Alegre interacts with the same structure in the city hall as ObservaPOA, the Latin American representative of Si-network, OIDP. This structure is the SMGL - *Secretaria de*

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*Coordenação Política Governança Solidária Local* (Secretariat of Political Coordination Solidarity Local Governance). The PB builds the city´s budgeting from the citizens' demands and the ObservaPOA organises data scattered throughout the various offices of city hall and, as a partner of UFRGS (Federal University of Rio Grande do Sul), it carries out research studies on participatory budgeting.

During the description of this case, two periods were chosen to better explain the PB and the changes it has brought to the context where it happened. The first period was between 1989 and 2005, the second one from 2005 until 2015. The main difference between these two periods is the local government ideology and parties: in the first, there was a left-oriented coalition in power with a socialist vision; in the second, there was a centre-oriented coalition with a managerial vision. These two visions impact deeply on the way the system operates with the PB in Porto Alegre, one provoking tension with established and traditional municipality government in Brazil and the other imprisoning the PB process within the city hall.

. At the start of Porto Allegre's PB, the political structure in Brazil was living a transformation from dictatorship to democracy; in the second period, democracy had been established in Brazil and in Porto Alegre municipal government, which was following a global trend of professionalization in which the management of the government process is more important than its ideology

During the first period the innovation model was being prototyped towards the construction of participatory democracy. This process has significantly changed the way city budgeting works, giving power to the citizens in a non-traditional way (doing). This established a new governance logic (organising) with a socialist collective vision that created a tension with the current way of governing (framing). During this period, PB was an on-going process: learning in action (knowing).

In the second period, Porto Alegre's PB was established and its process institutionalized. This included the employment of several community leaders by the city hall (organising), who created the SMGL and the ObservaPOA as a management structure for PB (doing). The transformation has caused PB to lose power in several dimensions and its logic to change from (socialism, power to people) to managerialism. It is also in this period that the PB has grown faster and wider reaching (organizing). The process itself has come into question and it has become unclear as to whether the city hall serves the PB process, as it did at the beginning, or whether the municipal government has encapsulated the PB process which now serves the city hall (framing). As a result, a lot of information has been produced about the PB process and the city hall has gained international recognition for the initiative (knowing).

Agency in this SI-initiative has been clearly perceived throughout the 26-year process. In the first period there was a dynamic relationship between people working in the city hall, the citizens and the civil society organizations, which transformed the context and themselves during the process. During the second period, although the process has become institutionalised and in many ways 'natural', there is still a transformation within people and a great sense of identity with both the process and the new context purposed by the new form of governance.

In general, over time, PB has become part of established government. In other words, the PB now reproduces governmental logic and behaviour as when, for example, the interviewees recognize PB´s delegates as a kind of aldermen for the communities.

PB seems to have turned the path of utopia (people in power, people in the decision, a kind of socialist utopia) into dystopia or utopia accomplished, a discursive process, a fiction, a value that is the antithesis of the utopia that generated it (negative utopia?).

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*"Of all the Real Utopias proposals, Participatory Budgeting has a unique status: not only is it an institutional reform that has been widely implemented (1,500 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" (Baiocchi and Ganuza, 2014, p. 30).*

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ENACAO%20DO%20CONSELHO%20DO%20ORCAMENTO%20PARTICIPATIVO**

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**http://www2.portoalegre.rs.gov.br/op/default.php?p_secao=102**

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# 5 Local Initiative #2: Participatory Budgeting in the Indische Buurt, Amsterdam

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Participatory Budgeting in the Netherlands is not one thing but rather a broad term covering the involvement of citizens in municipal budgeting, which can take several forms and is done for several reasons and with different goals (see Table 5.1 for an overview of different forms). In an introductory publication for the Dutch context, Hofman (2011: 6 [8]) defines participatory budgeting as "*the involvement of citizens in the distribution of budgets*", suggests to distinguish between three forms and introduces them along with the cities they originate from:

1) Citizens set up the budget themselves (Porto Alegre, Brazil);
2) Citizens assess the existing budget and adjust (Christchurch, New Zealand) and
3) Citizens can make choices for a specific limited part of the budget (Deventer, The Netherlands).

The goals are also different, namely administrative legitimacy and transparency in Porto Alegre or increasing the responsibility of citizens in developing ideas and making choices with regard to the public budget in the Netherlands (Hofman 2011). The Netherlands seems to be a frontrunner worldwide regarding the third form: 46% of Dutch municipalities make use of village or neighbourhood budgets (IPP, quoted in Engbersen et al. 2010: 58). Its use is mainly related to issues of citizen dialogue, participation and government budget cuts (Hofman 2011, 2013).

In an evaluation publication on participatory budgeting practices in the Netherlands, also other forms of participatory budgeting are mentioned, namely quality-of-life-funds, voucher systems and budget advice for the neighbourhood (Engbersen et al. 2010). These are distinguished along various factors by different authors: 1) the degree of power citizens have in actually influencing the budget, 2) the democratic quality of the involvement process (ranging from more participatory to more representative approaches), and/or 3) the strength of the method to produce initiatives (ranging from self-organized citizen-led to municipality-led) (cf. Engbersen et al. 2010, Hofman 2011).

A review of secondary literature on different forms of citizen involvement in municipal budgeting in the Netherlands shows that this form of citizen participation has gained momentum around 2009/2010. This is when a number of experiments were financed by the Ministry of the Interior and Kingdom Relations with citizen budgets and voucher systems (Engbersen et al. 2010). This first wave of attention has been related to the national coalition agreement 'Freedom and Responsibility' with its focus on redistributing tasks and responsibilities between state and society in 2010 (Engbersen et al. 2010). It was followed by a second wave in 2014 along with the municipal elections across the Netherlands that same year. An analysis of municipal coalition agreements after the elections showed that participatory budgeting (or citizen budgeting) was related to realizing new relations between government and citizens and increased transparency (Engbersen and van Dijken 2014). It has also been identified as a way of dealing with enormous municipal budget cuts in the aftermath of the economic crisis of 2008 (Hofman 2011).

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[8] Dutch original: "*het betrekken van burgers bij het verdelen van budgetten*"

*Table 5.1: Overview of different forms of participatory budgeting in the Netherlands*

| | |
|---|---|
| **Participatory budgeting** | Participatory budgeting is a decision-making process in which citizens think along and negotiate about the use and distribution of public money (of e.g. municipalities or other public bodies). This brings citizens closer to decision making with regard to the municipal budget. *(cf. Hofman 2011: 8, 2013)*<br><br>*In the Dutch discourse different words are used to refer to an umbrella concept of participatory budgeting, which then covers different forms such as those outlined in this table. Most commonly used terms are 'burgerbegroting' which translates directly as 'citizen budget' (Hofman 2011, 2013) and 'bewonersbudget' which translates as 'inhabitants budget' (Engbersen 2011). Also the terms 'participatiebudgettering' (participation budgeting) and 'participatief begroten' (particitatory budgeting) are used (Engbersen 2011).* |
| **Voucher system** | As part of the voucher systems (Dutch original: voucher systeem), citizens can issue proposals for initiatives they consider important. The intention is to increase the direct influence of citizens on the spending of money. Interesting is that the control over the distribution of money, the assessment of initiatives and the activation of inhabitants is led by a management group consisting of inhabitants. This system was revived in the context of a national initiative to improve some of the most deprived neighbourhoods in the Netherlands. *(cf. Engbersen et al 2010)* |
| **Neighbourhood budgets** | A neighbourhood budget (Dutch original: wijkbudget) refers to a specific limited budget that inhabitants can spend on neighbourhood level. It is implemented differently in various neighbourhoods and villages and the process of arriving at a common neighbourhood budget is usually driven by civil servants. At times, the neighbourhood reacts to planned policies and projects, and at other times the inhabitants can first feed in their needs, ambitions and plans. The goals are increased responsibility of inhabitants, development of ideas and commitment for policies. This type of budgeting is very popular in the Netherlands and was also used to involve inhabitants in decisions with regards to budget cuts. *(cf. Engbersen et al. 2010, Hofman 2011, 2013)* |
| **Quality-of-life-funds** | For the 'quality-of-life-funds' (Dutch original: leefbaarheidsfonds), municipalities (but also other public bodies such as housing cooperations) provide a fund and stimulate inhabitants to apply with ideas and projects. The actual selection process is non-participatory and mostly non-transparent. *(cf. Engbersen et al. 2010)* |
| **Budget advice for the neighbourhood** | Budget advice for the neighbourhood (Dutch original: budgetadvies voor de wijk) includes that a number of parties on the neighbourhood level (formal citizen organisations and professionals) exchange ideas and attune these. *(cf. Engbersen et al. 2010)* |
| **Budget monitoring** | Budget monitoring (Dutch original: budgetmonitoring) focuses on monitoring the public expenditure initially based on ideas of human rights, social justice and democracy. Citizens receive a training on public budgeting and its relation with human rights and then check the budgeting as well as the annual accounts. They also provide the municipal council with a prioritisation and an alternative budget estimate. *(cf. Cadat 2012, CBB and INESC 2012, CBB 2014, Mertens 2011)* |
| **Neighbourhood budget instrument** | Neighbourhood budget instrument (Dutch original: buurtbegroting) is a method for translating budgets from the central municipal level to the level of the neighbourhood and describe it along a number of policy areas indicating the goals, priorities and planned and budgeted activities for each area. The information is publicly shared and available via a searchable database on a website. *(cf. CBB 2014b, Van Roosmalen 2014)* |

In the Dutch context, forms of participatory budgeting are socially innovative as they have the potential for renewing social relations between citizens and civil servants and/or policymakers as well as between citizens and elected municipal representatives (e.g. Aldermen). As outlined by Engbersen et al. (2010: 35[9]) in relation to general inhabitants budgets: "*Working with inhabitants budgets asks for a turn towards a municipal bureaucracy which stands next to the citizen instead of opposite him/her*". Participatory budgeting constitutes a new process of decision making for municipal budget allocation (doing), it includes hitherto neglected actors (i.e. citizens) in this process (organizing) and thereby relies on different kinds of knowledge and competences to draw up the budget (knowing). Such a process is also accompanied by new ways of framing, such as e.g. portraying the municipal budget as a terrain for citizen participation, for human rights or for dealing with government budget cuts. By focusing on one specific case of participatory budgeting in a neighbourhood in Amsterdam, we will further scrutinize and detail these aspects.

## 5.1 Emergence of Participatory Budgeting in Indische Buurt, Amsterdam

### 5.1.1 Participatory budgeting in the Indische Buurt as social innovation

This report focuses on the Indische Buurt in Amsterdam as loci of the social innovation. The city of Amsterdam is divided into districts and within each district a number of neighbourhoods are distinguished. The Indische Buurt (English: Indonesian Neighbourhood) is a neighbourhood in the Amsterdam district Amsterdam-Oost (English: Amsterdam-East)[10]. In the Indische Buurt, there are two coinciding streams with regard to a more transparent public budget. On the one hand, there is a community-initiated stream that puts *budget monitoring* on the agenda, and on the other hand a municipality-initiated stream focusing on the *neighbourhood budget instrument*. While the former focuses on increasing citizen participation in municipal budgeting, the latter focuses on re-organizing local administrations in a way that makes budgets more transparent both inside for the administration and outside to the public. Taken together, they make for more budget transparency and accountability on the local level and strengthen participatory democracy by increasing the awareness, knowledge and influence of citizens regarding the budget for their neighbourhood. These two streams can be said to have emerged independently but co-evolved and proofed to be synergetic as an alternative local democratic practice. This coproduction, overlap and cross-pollination is outlined in Table 5.3 which distinguishes also between different iterations of the participatory budgeting as this was also done by our interviewees.

In the following, we first outline the specific form that budget monitoring (incl. its goals and activities) takes in the Indische Buurt (section 5.1.1.1) before we turn to do the same for the neighbourhood budget instrument (section 5.1.1.2). Due to the two streams being so intertwined in their current status, we analyse them together as one SI-initiative, i.e. a collective of actors that (aims to) work(s) on ideas, objects and/or activities that are socially innovative (cf. Wittmayer et

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[9] Dutch original: "*Werken met bewonersbudgetten vergt een omslag naar een ambtelijke organisatie die naast de burger staat in plaats van ertegenover*"

[10] We use the word 'district' in two ways: on the one hand to designate an area and on the other (and more frequently) to refer to the combination of district administration and district political representation (before 2014: District Council, as of 2014: District Board Commission). However, whenever we specifically refer to one of the three, we use the more specific term.

al. 2015a). We refer to this SI-initiative as 'participatory budgeting in the Indische Buurt' (section 5.1.1.3). However, where it makes sense we still distinguish between the two.

## 5.1.1.1  Budget monitoring in the Indische Buurt

In 2011, budget monitoring in the Indische Buurt was introduced by the Institute of Socioeconomic Studies (INESC), a Brazilian NGO aiming to deepen democracy and promoting human rights, via a reversed development programme[11] of Oxfam Novib, called E-Motive (CBB and INESC 2012). In Brazil, budget monitoring is strongly framed in a human rights discourse, and focuses on governmental transparency, social justice, fighting corruption and gaining political influence (Cardoso et al. 2013, Gündüz and Delzenne 2013, Mertens 2011, Smouter 2014).

*Figure 5.1: Roadmap budget monitoring Indische Buurt (Source: CBB and INESC 2012: 18)*
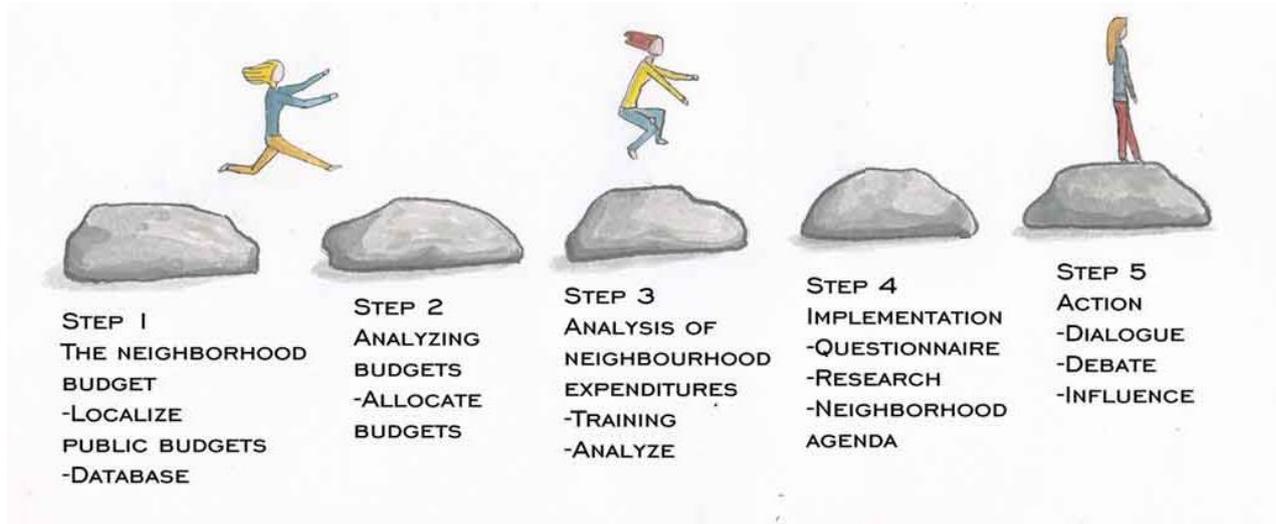


In the Indische Buurt, the Centre for Budget Monitoring and Citizen Participation (CBB) was formed by active citizens and social workers to translate budget monitoring to the Dutch context. In the Netherlands, the main emphasis is on social justice and civic participation (Gündüz and Delzenne 2013, Mertens 2011). According to Gündüz and Delzenne (2013), both previously active at CBB: "*Budget monitoring contributes to civic participation because it facilitates citizens to screen, assess, and actively participate in decisions on public policy-making and government expenditure. Budget monitoring can act as a catalyst to start dialogues between citizens and local government about priorities, needs and tackling problems and therefore serves the right to ambition*''. As such it is also described "*as an instrument that provides the citizen with access to financial information, promotes civic participation in policy making, and controls or if desired influences, the spending of the agreed upon budget of different governmental organisations*" (CBB 2014b: 2[12]). According to the Director of the CBB, budget monitoring is not so much a technical tool to discover and make transparent complete budgets, but a tool for organizing commitment and involvement of citizens:

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[11] With reversed development, the idea is expressed that the Global North learns from the Global South, rather than the more traditional conceptualisation of development work where the direction of the flow of ideas and practices is from North to South (cp. Mertens 2011, see also section 5.2.1.6)

[12] Dutch original: *"als een instrument om de burger toegang te geven tot financiële informatie, om maatschappelijke participatie in de beleidsvorming te bevorderen, en om de besteding van de vastgestelde begrotingen van verschillende overheidsorganisaties te controleren en desgewenst te beïnvloeden"*

"*we intend to bridge the commitment between citizen and government*" (Interviewee 3[13]). Budget monitoring is useful for groups of citizens who "*want to get a hold on the spending of all available resources in their streets and neighbourhoods*" (Mertens 2011: 55[14]). The overall goal of budget monitoring as outlined by CBB and INESC (2012: 19) is "t*o establish concrete relations between public budget, guarantee of rights and confrontation of social inequalities*".

This translation to the Dutch context was not a one-off thing, but an iterative process of doing and adapting. A first roadmap for budget monitoring was developed by INESC and the CBB together with E-Motive, University of Applied Science Amsterdam and knowledge institute Movisie in 2012 (CBB and INESC 2012, CBB 2014b). This roadmap guided the first iteration of budget monitoring in 2012/2013 and consisted of five steps (see Figure 5.1 for an overview of the steps; CBB and INESC 2012, Gündüz and Delzenne 2013). These steps include the localizing and analysing of public budget data. This was followed by the involvement of citizens who received a training on topics such as the budget cycle, annual report and annual budget as well as ways of influencing politics and making a plan for the neighbourhood. In step 4, the participants used a questionnaire to get to know the priorities of the neighbourhood, which were documented in a Citizens Perspective Paper and used to influence public and political debate. As part of the first iteration, a citizen spoke to the District Council commenting on the public budget. As this is the first time that this is happening, it is considered "*a unique moment in the Netherlands*" (Gündüz and Delzenne 2013) and it is reasoned that it "*led to a change in the way the local government determines the priorities of the prospective budget for 2014; namely co-creation with citizens.*" (ibid.).

*Figure 5.2: Adapted version of the roadmap of budget monitoring (Source: CBB 2014b: 8)*



To date, budget monitoring took place in three consecutive years and currently preparations for the fourth iteration (2015/2016) are ongoing (Interviewee 5, see Table 5.3 for an overview of the overall developments). The roadmap of budget monitoring has been adapted since, a development which can also be linked to the initiative by the district Amsterdam-Oost to draw up a neighbourhood budget instrument and the existence of a document that outlines the priorities of the neighbourhood, the Citizen Perspective Paper (see Figure 5.2 for an adapted version of the roadmap steps). The budget monitoring iterations are also increasingly in line with the municipal budget cycle, and the outcomes are increasingly taken up by the district. The third

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[13] Dutch original: *"Wat wij beogen, is de betrokkenheid tussen burger en overheid te overbruggen"*

[14] Dutch original: *"grip willen krijgen op de besteding van de totaal beschikbare middelen in hun buurten en wijken"*

iteration resulted in an 'Agenda of the Neighbourhood', according to a trainer and developer of the CBB, "*The Agenda of the Neighbourhood shows the topics that citizens find interesting, where money plays a role and where we see a chance to organize it differently*" (Interviewee 10[15]).

### 5.1.1.2   Neighbourhood budget instrument in the Indische Buurt

While for budget monitoring, citizens and community members are the driving force, the neighbourhood budget instrument is initiated by the district Amsterdam-Oost. As of 2010, there was both political will as well as administrative initiative. An Alderman, Jeroen van Spijk argued for transparency of public budgets (Moerkamp 2014, Smouter 2014) and two civil servants (one from the financial department and one from neighbourhood management) looked into the possibility of breaking down the municipal budget, which is organized according to policy areas (such as Youth and Growing Up, Green and Public Space and Economy) to the neighbourhood level. The motive for the latter was that activities and plans focused on the neighbourhood level but no corresponding budget breakdown was available (Interviewees 1, 2, CBB 2014b). The efforts started in 2011, with more sophisticated results following in 2012. As outlined by one of the civil servants: "*Together we developed the method 'neighbourhood budget instrument'. We wanted to provide insights into public money streams to businesses and inhabitants. Our intention is to make visible what we as municipality are spending money on.*" (I. Stoelinga, quoted in Van Roosmalen 2014[16]). In May 2012, together with the Perspective Nota 2013, a framework for piloting the neighbourhood budget instrument was presented – the intention was not to replace the actual budget but to provide information in different ways (Stadsdeel Oost 2012). As outlined in the framework: "*This neighbourhood budget instrument, divided along different policy areas, offers additional information about the activities developed in the neighbourhood by district Amsterdam-Oost. But it offers more. Each policy area is elaborated with operational, financial and neighbourhood related information. Together with other relevant information about the neighbourhood, we try to offer the most complete picture possible of the policy areas in the neighbourhood.*" (Stadsdeel Oost 2012: 2[17]).

Aims of the neighbourhood budget instrument are to increase understanding and the transparency of government budgets (CBB 2014b, Van Roosmalen 2014). Using the neighbourhood budget instrument provides insights into budgets for the neighbourhood for those within the municipal organisation: "*The goal was to provide insights into which budgets there are for the neighbourhood within the own organisation. We have a big budget, which is prepared along policy areas: what is there for the young, what is there for green spaces? But how can you take care that you know which budget is available for the young, for green and eventually in total for the neighbourhood*" (Interviewee 4[18]). It also helps the municipality to transparently account for its activities to the public. However, it can also lead to new dynamics between citizens and

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[15] Dutch original: "*Buurtagenda laat in wezen zien wat zijn nou de thema's die bewoners interessant vinden, waar geld een rol bij heeft en waar we perspectief zien om het anders te organiseren*".

[16] Dutch original: *"Samen ontwikkelden we de methodiek 'Buurtbegroting'. We wilden gemeentelijke geldstromen inzichtelijk maken aan bedrijven en bewoners. Wat we hiermee beogen, is dat mensen zien waar wij als gemeente geld aan uitgeven"*

[17] Dutch original: "*Deze buurtbegroting biedt uitgesplitst naar diverse programma's extra informatie over wat het stadsdeel Oost aan activiteiten ontplooit in de buurt. Maar het biedt meer. Elk programma is uitgewerkt met operationele, financiële en buurtinformatie. Tezamen met andere relevante informatie over de buurt proberen we zo een volledig mogelijk beeld van de programma's in een buurt te bieden.*"

[18] Dutch original: "*Met als doel om te kijken hoe [...] je per buurt inzichtelijk maakt welke budgeten er allemaal rond gaan [...] vooral eerst vanuit de eigen organisatie. We hebben een grote begroting, die is nog heel erg opgesteld vanuit de*

*Figure 5.3a: Infographic on the budgets for policy areas in Amsterdam-Oost 2013 (Source: CBB and INESC 2012: 20)*
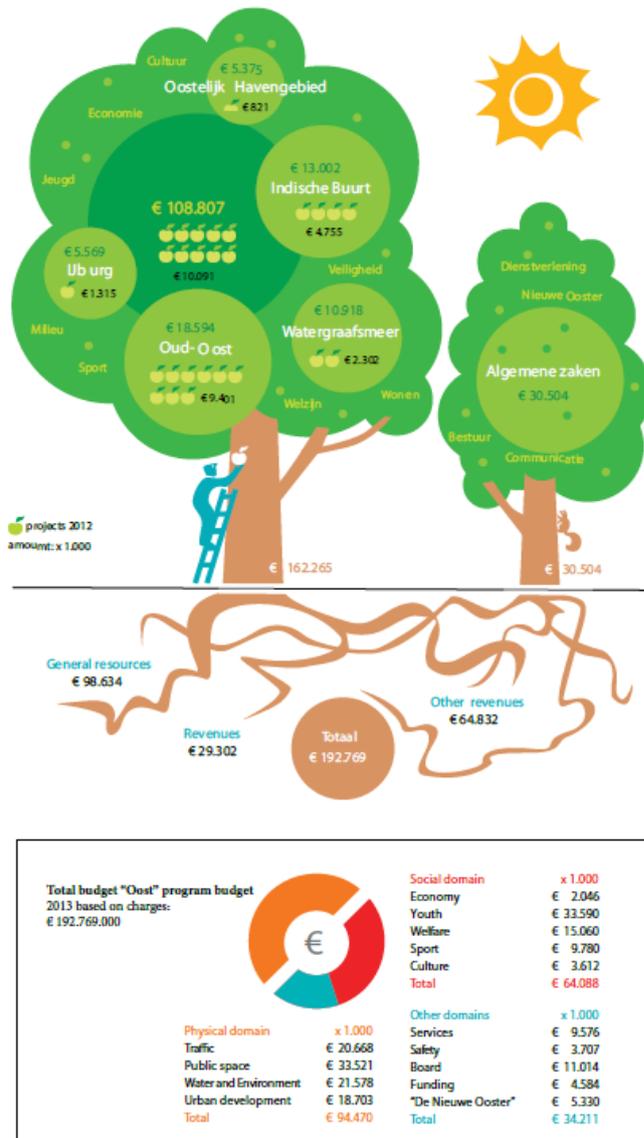
*Figure 5.3b: Focus map as part of the Perspective Nota 2014 outlining the municipal budget for the policy area 'Youth and Growing up' in Amsterdam-Oost (Source: Dagelijks Bestuur Stadsdeel Oost 2013)*
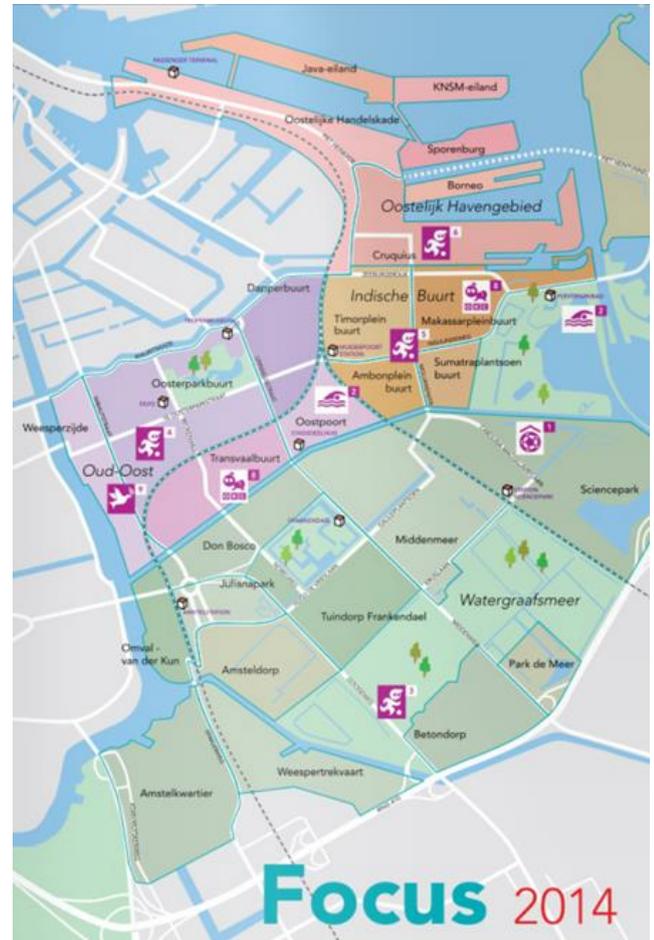




*Figure 5.3c: Framework of the pilot for the neighbourhood budget instrument 2012 (Source: Stadsdeel Oost 2012)*
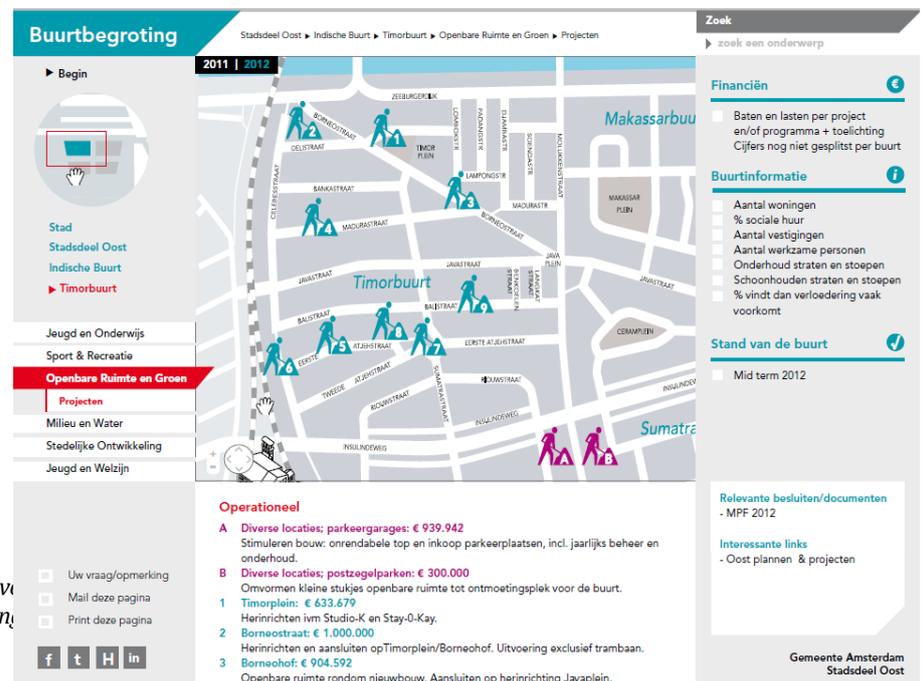


*lijnen: wat is er voor jongeren, wat is er v...*
*budget beschikbaar voor groen en voor jong...*

municipality in that it eases efforts by citizens, entrepreneurs and other stakeholders to critically assess the municipality and more easily exert their influence (as is done through budget monitoring).

The neighbourhood budget instrument is referred to as both, a method (I. Stoelinga, in Van Roosmalen 2014) and an online application (CBB 2014b). As a method it helps to collect data, break down budgets from central municipal and district municipal level to neighbourhood level, analyse and present it. As an online application it helps in opening up the conversation about the actual activities with regard to specific topics. However, as pointed out by two civil servants who were involved from the beginning, the neighbourhood budget instrument is more than just making data transparent, it is also about arranging data in specific ways, thus answering questions such as: what to include or how to cluster (Interviewees 1, 2).

*Figure 5.4: Website of the neighbourhood budget instrument of the District Amsterdam-East*
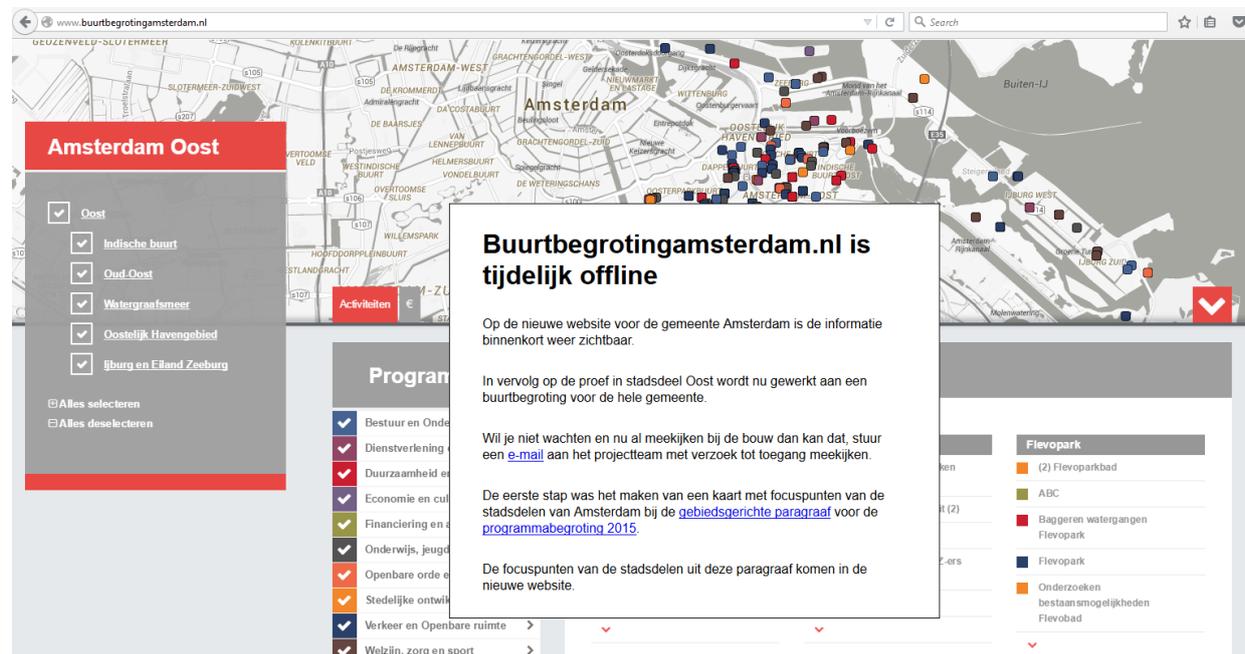


Also, the neighbourhood budget instrument is in constant development. Based on the version 1.0 of the online application in 2012, the two responsible civil servants developed a method to clarify what is needed (activity), why it is needed (challenge) and who is acting with what (resources) in a specific neighbourhood (Interviewees 1, 2). The budget information in the next version (version 1.1) was described along a number of policy areas indicating the goals, priorities and planned and budgeted activities for each domain (CBB 2014b). In doing so, the district Amsterdam-Oost is considered the first local government, who has made an area-focused budget (CBB 2014b). The information was presented online[19] using numbers, images and texts, where users can search information about their neighbourhood and also download reports (CBB 2014b). However, during the fieldwork period, the site had been down (see Figure 5.4) mainly due to the reorganisation of the Municipality of Amsterdam. Owing to this reorganisation, the finances of the municipality became centralized with activities related to the neighbourhood budget instrument are now being part of the central municipal activities. There are plans to launch a neighbourhood budget instrument website for all neighbourhoods (rather than only for

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[19] The website is: oost.buurbegrotingamsterdam.nl (accessed September 2015)

those in the district Amsterdam-Oost). Also, the follow up version of the online tool (version 2.0) is still offline at the time of writing as it aimed to serve too many target groups (municipal employees and citizens) and needs a revision before the next online launch (Interviewee 1).

In first instance, the neighbourhood budget instrument is thus an internal process within the municipal organisation to break down their budget to the neighbourhood level. The first online application (version 1.0) was produced without citizen involvement (Interviewee 1, Gündüz and Delzenne 2013). After the first online tool was refined and internal administrative support increased the next version (version 1.1) was produced in co-creation between citizens and district administration – which is where the dilution of the two streams that both form part of the SI of participatory budgeting becomes apparent: neighbourhood budget instrument and budget monitoring (Cadat 2015, CBB 2014a, 2014b, Moerkamp 2014).

### 5.1.1.3 Participatory budgeting as a social innovation

Both initiatives, budget monitoring and the neighbourhood budget instrument can be said to have developed first in parallel and then in close collaboration (see also the timeline in Table 5.3). Both started round 2010, when developments leading up to the neighbourhood budget instrument started within the district, on political initiative by an Alderman and administrative initiative of two civil servants and when engaged citizens of the neighbourhood learned about budget monitoring and its practice in Brazil. During the first round of budget monitoring, the contact with the district administration was difficult as the latter was not considered very cooperative (Interviewees 3, 4, Gündüz and Delzenne 2013). Or as put by a civil servant: "*They wanted to talk with the district in 2010/2011 and nobody at the district administration picked up the phone*" (Interviewee 1).

However, this changed quickly and already in the second iteration of budget monitoring, the neighbourhood budget instrument was tested as part of the process (CBB 2014b). Also the role of the district administration was greater: it helped citizens in formulating questions that could be answered with such a tool and to manage expectations through increasing knowledge about internal municipal working routines (Interviewee 1). In the latest iteration, the collaboration between district administration and citizens in the budget monitoring process was close and the results translated back to the administration (Interviewee 4, 5) – despite the fact that the neighbourhood budget instrument underwent a difficult period. This was due to a reorganisation of the Amsterdam municipal organisation which included a shift of budget responsibilities which made it difficult to get hold of data on the neighbourhood level (see section 5.2.1.2) and due to the increasing complexity of the online application as it wanted to serve too many target groups (Interviewee 1).

In Table 5.2 and Figure 5.5 we are looking at participatory budgeting in the Indische Buurt and the extent to which it can be said to be a social innovation, i.e. referring to ideas, objects and/or activities which imply/demonstrate a change in social relations associated with new ways of – and/or new combinations between - doing, organising, framing and knowing (cf. Wittmayer et al. 2015a).

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*Table 5.2: Participatory budgeting in the Indische Buurt as social innovation*

| | Budget monitoring | Neighbourhood budget instrument |
|---|---|---|
| New ways of doing *(technologies, practices, materiality)* | - Methodology for monitoring municipal budget and influencing policy<br>- Alternative municipal budget is drawn up through participatory process<br>- Citizens get involved in budgeting: learn about public budget, prioritize issues, draw up a citizen budget, presenting this budget; possibly to control the budget | - Budget is drawn up at the level of areas (i.e. neighbourhoods, districts) next to municipal level<br>- Budget information is arranged to be easily understandable (goals, priorities and activities per year per domain)<br>- Budget information is accessible online<br>- Civil servants orient their work along the available budget for their area |
| | - Collaboration of citizens and civil servants in drawing up area plan based on area agenda (municipality-led) and citizen agenda (citizen-led outcome of budget monitoring) | |
| New ways of knowing *(knowledge, competence, learning, appraisal)* | - Citizens gain knowledge about municipal processes (e.g. public budgeting, ways for influencing policy, human rights basis)<br>- Citizens gain skills through participatory process (e.g. negotiation skills, budgeting skills)<br>- Development of budget monitoring method | - Budget information is available on area level<br>- Development of the neighbourhood budget instrument method |
| | - Working with different kinds of knowledge and competences to collaboratively draw up an alternative municipal budget | |
| New ways of framing *(meanings, visions, images)* | - Linking public budget with human rights and social justice<br>- Opening up the municipal budget as a terrain for citizen participation and for human rights | - Linking public budget with transparency both within and outside the municipal organisation |
| | - Participatory budgeting as method for realizing participatory democracy, 'participation society' and new relations between government and citizenry | |
| New ways of organizing *(mode of organisation, governance)* | - Participatory process for monitoring and controlling budgets<br>- Inclusion of new actors in public budgeting process | - Using public budget as an interface for government-citizen interaction<br>- Neighbourhood budget instrument as a method requiring different working routines at local governments |
| | - Participatory budgeting as a collaborative or co-creative process between local government and citizenry to work on a budget proposal and/or area plan for the council requires new modes of organizing internal processes and participatory processes including their embedding in municipal procedures | |

*Figure 5.5: Participatory budgeting as social innovation*



## 5.1.2 Relation local initiative and network

The link between the participatory budgeting activities in the Indische Buurt and the OIDP network are very weak. There is a formal link between the two through the Makkassarplein community, one of the four active citizen groups in the Indische Buurt. The Makkassarplein community is associate member of the OIDP and as such listed on their website.

The Makassarplein community, like the other citizen groups and organisations in the Indische Buurt, is also engaged in the budget monitoring. One of its board members has been very active in the first and second iteration as well as through publishing about it (Cadat 2012, 2014, 2015, Interviewee 6). They became member of OIDP to exchange practical and theoretical knowledge and experiences as well as for exchange and networking. Online platforms are considered a "*nice digital hold on*", while not asking for in-depth commitment (Interviewee 6[20]). However, there have not been any real-world effects of this membership other than the contact with us TRANSIT researchers, as pointed out by the board member (Interviewee 6). It can thus be said that the OIDP does not have any influence on the daily practice of the Makkasarplein community nor of the participatory budgeting activities in the Indische Buurt.

However, other networking that took place is the one with INESC. INESC itself is also part of a number of national and international human rights networks, such as Social Watch, International Budget Partnership (IBP), Dhesca Platform Brazil - the Brazilian chapter of the PIDDDH - Inter-American Platform on Human Rights, Democracy and Development (Cardoso et al. 2013).

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[20] Dutch original: "*mooie digitale houvast*"

# **tran**sformative **s**ocial **i**nnovation **t**heory

*Table 5.3: Timeline of the developments of participatory budgeting (including budget monitoring and neighbourhood budget instrument) in the Indische Buurt*

| Year/ Period | Important activities / changes /milestones in budget monitoring | Important activities / changes /milestones in the neighbourhood budget instrument | Sources |
|---|---|---|---|
| **Start-up and preparation phase** *Merger of Amsterdam city districts* | | | |
| 2010 | The idea of budget monitoring was introduced in the Indische Buurt via the innovation programme E-Motive by Oxfam Novib<br>Start of the collaboration between INESC and a group of social entrepreneurs and active citizens in the Indische Buurt | 05/2010: the 14 districts of Amsterdam merge to become 7 districts, one of which is Amsterdam-Oost (merger of former independent districts Zeeburg and Oost/Watergraafsmeer)<br>In Amsterdam-Oost, one Alderman is responsible for both Finance and Participation (Jeroen van Spijk)<br>In one of the neighbourhoods of Amsterdam Oost (Watergraafsmeer), civil servants started experimenting with area-focused working | Gündüz and Delzenne 2013; Cadat 2012; CBB and INESC 2012; Interviewee 1 |
| 2011 | First travel of 2 Dutch representatives to Brazil to meet INESC team and learn about budget monitoring; this exchange continues throughout the year | Aldermen van Spijk promoted ideas on transparency and a civil servant of the finance department was internally working on the implementation of these ideas<br>Extra pages added to the district budget 2012 with neighbourhood related information to increase transparency | Gündüz and Delzenne 2013; CBB and INESC 2012; Interviewee 1 |
| 06/2011 | Budget monitoring conference in Amsterdam, for community members and civil servants to deepen understanding of budget monitoring, on occasion of visit by INESC to Amsterdam | | CBB and INESC 2012 |
| 11/2011 | Travel of 3 community spokespersons accompanied by two social entrepreneurs to Brasilia, Brazil for training on budget monitoring | | CBB and INESC 2012 |
| 12/2011 | Launch of Centre for Budget monitoring and Citizen Participation (CBB) as a result of the year-long cooperation between active citizens and social workers with the aim to apply budget monitoring in the Indische Buurt | | Cadat 2015; Gündüz and Delzenne 2013; CBB and INESC 2012 |
| **Iteration 1: Developing budget monitoring roadmap and start of the neighbourhood budget instrument initiative** | | | |
| 02/2012 | | A resolution called Participation 2.0 was accepted by the district council of Amsterdam East compelling the district's board to start a pilot of providing financial data online. | Cadat 2012; Stadsdeel Oost 2012 |

# **tran**sformative **s**ocial **i**nnovation **t**heory

| | | | |
|---|---|---|---|
| 2012 | Pilot project of 12 months (start and end date unclear):<br>- realized by CBB in collaboration with E-motive, University of Applied Science Amsterdam, Movisie and members of local communities in the neighbourhood | Start of collaboration between civil servants of finance department and of neighbourhood management department on issues of open data and transparency | Gündüz and Delzenne 2013; CBB 2014b |
| 03-06/2012 | Roadmap budget monitoring developed (see Figure 5.1) and implementation started<br>- Budget monitoring roadmap methodology formally developed by University of Applied Science Amsterdam, INESC and the CBB together with E-Motive and Movisie<br>- Roadmap Phase 1 and 2 prepared by the CBB: the localization and analysis of budgets | | Cadat 2012; CBB and INESC 2012; Gündüz and Delzenne 2013 |
| 05 – 06/ 2012 | Roadmap Phase 3: a series of trainings for citizens focusing on budget cycle, annual report, and annual budget as well as the practice and theory of budget monitoring in Brazil. The group compared the budgets of 2011 and 2013.<br>Roadmap Phase 4: the group surveyed 150 inhabitants and analysed the results: there was a clear priority for projects for youngsters without school or work, supporting people in need and elderly. Drawing up of a citizens' perspective paper (see below). | Start collaboration with citizens working on budget monitoring: district administration provided information in the form of infographics (see Figure 5.3a)<br>Publication of brochure "Window to the neighbourhood" as annex to the Perspective Nota 2013 of the district, outlining the framework for the first pilot of the neighbourhood budget instrument for the Indische Buurt (see Figure 5.3c). | Gündüz and Delzenne 2013; CBB and INESC 2012; Interviewee 1 |
| 06/2012 | Roadmap Phase 5 including a public speech by Noureddine Oulad el Hadj Sallam (Participant Budget Monitoring) during the meeting of the Council Committee Social of the district Amsterdam-Oost addressing the budget 2013 | | Gündüz and Delzenne 2013; |
| 09/2012 | Activating neighbourhood research (surveys about inhabitants' perspectives on the neighbourhood) in collaboration between citizens and civil servants of the district Amsterdam-Oost during the 'Week of the Indische Buurt'.<br>Consolidation of the survey results by the Indische Buurt Community (a collaboration of citizen groups and organisations in the Indische Buurt) into a proposal, which was presented to the District Council and found its way into the neighbourhood budget instrument for 2014 | | CBB 2014b |
| 10/2012 | Citizens' perspective paper 2013-2014<br>- Future perspective for the Indische Buurt Communities outlining developments, challenges, priorities, opportunities and the role of inhabitants. The four top priorities are: employment, community, care, public space. The inhabitants made propositions to influence and support the district in budgeting (e.g. taking note of the needed budget cuts).<br>- This paper has been send to the District Council as an official letter requiring an official answer (Dutch: raadsadres).<br>- City council approves resolutions and amendments enabling the implementation of the citizens' budget (originating from the citizens | Version 1.0 of the neighbourhood budget instrument online<br>- District launched an online application with the budget for the neighbourhood based on the framework outlined in the 'Window to the neighbourhood' brochure. The website was not produced in collaboration with citizens, but is an outcome of internal municipal efforts for more transparency. | Gündüz and Delzenne 2013; Interviewee 1, 5; CBB 2014, 2014b; Burgerperspectieven nota 2012 |

| | | |
|---|---|---|
| | perspective paper) to be part of the city budget 2014 (exact date unknown) | |
| 11/2012 | Refinement of methodology underlying the neighbourhood budget instrument: focus is on data regarding what is needed (activity), why it is needed (challenge) and who is acting with what (resources) | Interviewee 1 |
| 05/2013 | The Perspective Nota 2014 of the district is enriched with 'focus maps' (see Figure 5.3b for an example). It is the start for an integration of the budgeting according to policy areas and the focus on neighbourhoods. | Interviewee 1 |
| 09/2013 | Version 1.1 of the neighbourhood budget instrument online: It is based on the refined methodology. The breakdowns of central and district municipal budgets to neighbourhood level is considered a crude estimate. | CBB 2014b, Interviewee 1 |
| **Iteration 2: Combination of budget monitoring and the neighbourhood budget instrument** *in a coproduction of the CBB, the Indische Buurt Communities and District Amsterdam-Oost* This iteration took place in a context of uncertainty about the future municipal organisation of the different districts of the Municipality of Amsterdam, with a reorganisation planned for 03/2014. | | |
| 12/2013 – 02/2014 | Iteration with 15 participants including citizens, CBB and civil servants from the district Amsterdam-Oost<br>- 12 participatory sessions with three main foci: 1) Training of budget monitoring (including what is budget monitoring, how does municipal budgeting work, what are policy area budgets, budgets specific to the neighbourhood, party programmes and the Citizen Perspectives Paper), 2) analysing and testing the neighbourhood budget (related to task, activity and use of means) and 3) drawing up a citizen budget.<br>- The process followed the adapted roadmap combining budget monitoring and the neighbourhood budget instrument (see Figure 5.2): First the participants studied the Citizens' Perspective Paper 2013-2014 and translated the topics (e.g. healthcare, social cohesion, employment) into activities. Then, the group identified the budgets which relate to these activities on the basis of the neighbourhood budget instrument as provided by the District Amsterdam-Oost. As this constituted only one source for budgeting information, step four and five related to the monitoring of the budgets in terms of real estate, ground, cars, money and accommodations as well as in terms of subsidies to specific organisations. In the last step, an alternative budget was drawn up with one central point: the redistribution of 25% of the district budget for the social domain.<br>- Of a total of 200 million Euros district budget, 130 million have been made transparent | Interviewee 5, Moerkamp 2014, CBB 2014, 2014b |
| 03/2014 | Presentation of citizens' budget for the neighbourhood by three participants of the process.<br>Statement of Intent titled: *Together stronger for the Indische Buurt*<br>- between District Amsterdam-Oost, housing cooperations: Ymere, Eigen Haard, De Alliantie and the Indische Buurt Cooperation (a cooperative association of citizens from Indische Buurt)<br>- Goal was to collaborate on social and physical improvements of the neighbourhood using the Citizen Perspective Paper and the neighbourhood budget instrument as starting points. | Interviewee 5, CBB 2014 |
| 03/2014 | Reorganisation of the Municipality of Amsterdam and municipal elections | Interviewees 4, 5; Cadat 2014 |

| | | |
|---|---|---|
| | - This reorganisation meant that the districts lost most of their budgeting responsibilities to centralized departments on Amsterdam-wide level. Only a specific area-budget could be allocated by the District Board Commission.<br>- The Amsterdam City Council made the neighbourhood budget instrument, the availability of municipal data and the online accessibility of the public budget part of its reform agenda 2014-2018 | |
| 07/2014 | Area plans of all areas of Amsterdam had to be finalized (as a consequence of the municipal reorganisation). The area plan for the Indische Buurt was one of the few that was already written based on input by citizens, namely on the input of the second round of budget monitoring. | Interviewees 4, 5 |
| 2014 | A milestone of 31 neighbourhood budget instruments had been put online (also for other neighbourhoods of the District Amsterdam-Ooost and for neighbourhoods of the districts South East, City Centre) (exact date unclear). Next version of neighbourhood budget instrument developed (version 2.0): further refined tool serving different target groups (citizens, civil servants). The website is still offline, awaiting political backing and a simpler model for presenting the data. | CBB 2014b, Interviewee 1 |

**Iteration 3: Participatory budgeting, building upon successful second iteration**
The intention was to focus on controlling the annual accounts rather than merely focusing on the planning. However, the reorganisation of the Municipality of Amsterdam meant that less of the budgets (which are now handled centrally and not at district level anymore) could be made accessible. The central municipal administration was not yet prepared to share budgets transparently. Another intention was to synchronise the participatory budgeting with the planning cycle of the municipality.

| | | |
|---|---|---|
| 2014 - 2015 | Iteration with 25 participants including citizens, CBB and civil servants from the district Amsterdam-Oost<br>- Session every two weeks, including training and this time a higher homework load for the participants and less involvement by civil servants<br>- Intended focus on controlling annual accounts and on synchronisation with municipal planning cycle<br>- Only 2.3 million Euros (the specific area budget) could be made transparent – the policy-area based budgets handled centrally could not be broken down to local level; the neighbourhood budget instrument website was not updated due to the municipal reorganisation<br>- Due to the lack of access to financial data, a larger focus on content and priorities resulting in an 'Agenda of the Neighbourhood' | Interviewees 4, 5; Gündüz and Delzenne 2013; CBB2014b |
| 09/2014 | CBB appointed new director Martijn Kool | Moerkamp 2014, Interviewee 3 |
| 10/2014 | The CBB trainings are co-financed by the Ministry of the Interior and Kingdom Relations and the municipalities where the trainings take place (on a basis of 50 percent each up to a total of €20.000). The CBB organized trainings regarding budget monitoring for six municipalities and citizen organisations across the Netherlands. These included two pilot projects in | Moerkamp 2014, CBB 2014b, Interviewee 6 |

| | | |
|---|---|---|
| | Amsterdam and the municipalities of Emmen, Hoogeveen, Amersfoort, Utrecht and The Hague. | |
| 04/2015 | Conversation between CBB and District Committee resulted in the wish for collaboration to continue pushing budget monitoring and neighbourhood budget instrument. | Interviewee 4 |
| 07-09/ 2015 | Collaboration district area team and citizens on an increased number of topics (education and employment, local economy, participate and being of importance, concerns about care, educational climate, youth). For each topic, a citizen-civil servant duo was responsible and worked out the priorities, activities and challenges. Started in 07/2015 with one meeting immediately after the summer and one on September 29th 2015 (80-90 participants). Preparation of the Area Plan 2016 based on the Area Agenda (civil servant led) and Agenda for the Neighbourhood (as result of 3rd iteration) by a team of civil servants. The collaboration of the neighbourhood in drawing up an Area Plan is a requirement. | Interviewee 4, 7, 8; Internal document B |
| 11/2015 | Meeting of citizens and civil servants to discuss the translation of the input of the Agenda of the Neighbourhood and of the working groups to an Area Plan 2016. | Interviewee 4, PO |

| **Iteration 4: in preparation** | | | |
|---|---|---|---|
| 10-11/ 2015 | Intended focus on making the central budget transparent and checking the annual accounts<br>Additional theme's for working groups: more than just green (about the potential of a park in the neighbourhood) and strength of the neighbourhood. | Ideas about developing the neighbourhood budget instrument into a supportive tool for neighbourhood managers, as an infrastructure on which they can add and remove data (being activities, priorities and budgets) in monthly cycles rather than yearly ones. Efforts to spread the neighbourhood budget instrument to other municipalities. | Interviewee 1, 5, 8; Internal document A 2015 |
| 28-11-2015 | Citizen organisations from three neighbourhoods in the Dutch cities Emmerhout, Arnhem and Hengelo and civil society organisations LSA Bewoners, the Open State Foundation, CBB and Movisie declare a 'Citizen deal open Government'. This declaration aims to link open data to citizen participation. | | Bewonersagenda 2016; Interviewee 6 |
| 12/2015 | Meeting planned between civil servants working on the neighbourhood budget instrument and the CBB to discuss collaboration in other cities | | Interviewee 1 |

*Figure 5.6: Timeline of the process*

Neighbourhood budget



Consequences of economic crisis 2008 (budget cuts)

**2010**

Oxfam Novib, INESC — Introduction budget monitoring in Indische Neighbourhood

Merging of city districts

Participation on municipal agenda without budget

Participation society

**2011**

Exchange between the Netherlands and Brazil
*Learning, exchange*

Civil servant works internally on the implementation of transparancy

Transparancy

Budget monitoring conference in Amsterdam for community members and civil servants

Neighbourhood specific information is added to budget estimate

Launch of Centre for Budgetmonitoring (CBB)

**2012**

CBB, Emotive, Movisie, University of Applied sciences Amsterdam, local communities — Iteration 1: pilot project budget monitoring

Area focused working

Public speech by participant budget monitoring at Council meeting

District municipality East and communities — Activating neighbourhood research and surveys

Citizens perspective paper — Neighbourhood budget online — District municipality Oost

**2013**

Second version Neighbourhood budget online — District municipality Oost

Iteration 2
*Training budget monitoring, testing neighbourhood budget, drawing up citizen budget*

**2014**

District municipality East, housing corporations and Indische Buurt communities — Statement of Intent

Reorganization of the municipality

Municipal reorganization

Neighbourhood budget online for 31 neighbourhoods

Neighbourhood budget offline

Iteration 3
*No financial data available*

New director CBB

Training budget monitoring in other cities in the NL financed by ministry

**2015**

Citizen - civil servant duo on topics for area plan

Meeting of citizens and civil servants for area plan 2016

Preparation iteration 4
*Collaboration CBB and civil servants*

Actor(s)

Social context

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## 5.2  TSI dynamics

In this section, we zoom in on the relation between participatory budgeting in the Indische Buurt and its social context. In first instance, we take stock and describe dominant aspects in the social context which enable and/or inhibit participatory budgeting in the Indische Buurt (section 5.2.1) – and also outline how the initiative plays into these social context factors[21]. The identification of the dominant aspects of the social context enables us to study how and to what extent participatory budgeting in the Indische Buurt challenges, alters and/or replaces these dominant institutions (i.e. contributes to transformative change) (section 5.2.2).

### 5.2.1  Relevant aspects of the social context

We identified a number of aspects of the social context which enable and/or inhibit the development of the SI-initiative in Amsterdam using the TRANSIT distinction between institutions and structures; societal events, trends and framework conditions; and discourses and narratives of change. Important are more local social context factors such as the context of the Indische Neighbourhood (section 5.2.1.1) and the Municipality of Amsterdam (section 5.2.1.2), as well as the embeddedness in a Dutch local government structure (section 5.2.1.3). Relevant broader societal trends and discourses are the changing welfare state (section 5.2.1.4), developments regarding transparency, digitalization and open data (section 5.2.1.5) and finally the international embedding in human rights and reversed development (section 5.2.1.6).

#### 5.2.1.1  Local structures and institutions: Indische Buurt

To accommodate harbour labourers and a growing population in Amsterdam the Indische Buurt was built in the beginning of the 20th century as part of municipal extension plans (Temmink 2014). Located to the East of the city centre (see Figure 5.7) the Indische Buurt today counts 22800 inhabitants. When harbour activities moved away from the city centre in the 1960s most of the original inhabitants left with it. The neighbourhood impoverished and was characterized by vacancy, drugs and criminality (Schravendeel 2015, Temmink 2014). While the vacant houses resulted in squatting and dilapidation, they also provided housing for newly arriving migrant workers, who still account for a large part of the population (Schravendeel 2015, Temmink 2014). In the 1980s, urban renewal projects aimed at improving the physical situation in the neighbourhood. In the last years, the neighbourhood gentrifies at a rapid pace –

*Figure 5.7. Indische Buurt (own image, based on google maps data 2016)*



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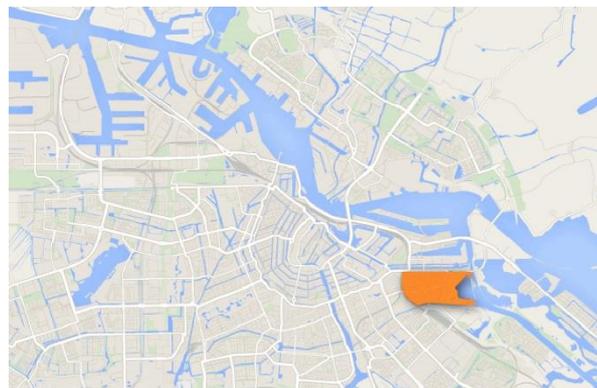
[21] In TRANSIT theory development, this aspect is considered as a strategy of a SI-initiative and therefore as part of the agency aspect (see also section 2.3.2). However, to prevent too many repetitions in the report, we decided to outline already in this section the cases where participatory budgeting plays into social context factors.

visible in the newly emerging shopping and restaurant facilities for the urban creative next to the more typical ethnic or telephone shops (PO, see Figure 5.8).

The population is culturally diverse with 37% being autochthonous Dutch inhabitants [22], 10% originating from a non-Dutch western background and the remaining 53% originating from a non-western background (CBS 2013). Of the latter, approximately 10% are of Turkish, 20% of Moroccan, 9% of Surinamese origin and the rest of other non-western origin (OIS, 2014). According to a 'neighbourhood analysis' by the Municipality in 2015, the Indische Buurt deals with high unemployment (15%, compared to an Amsterdam average of 11%) and people with low education (23%, compared to an Amsterdam average of 15%) (Gemeente Amsterdam 2015a). Currently, unemployment increases and the unemployed are having a harder time finding a job which makes employment a key priority of the Citizens' Perspective Paper (BPN, 2012). The housing stock is quite uniform in terms of the kind of apartments, with predominantly small (generally below 60m$^2$) apartments. However, with regard to the building period it is quite diverse consisting of buildings build before World War 2, during the '80s urban renewal period and only recently. Of this housing stock, 64% are social housing (compared to an Amsterdam average of 46%) (Gemeente Amsterdam 2015a).

*Figure 5.8: Street view in the Indische Buurt (pictures taken by authors)*



Due to its social and physical structure the neighbourhood was labelled as 'Focus neighbourhood' in 2007. As such, it became part of a long-term national government programme aimed at improving impoverished neighbourhoods throughout the Netherlands by giving them special financial and policy attention. The following issues were focused on: Housing and Liveability, Neighbourhood Economy and Employment, Learning and Growing up (Ministerie BZK 2011). Physical investments

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[22] A person is considered autochthonous Dutch, when both of his/her parents have been born in the Netherlands, without regard for his/her own birthplace.

from the 'Focus neighbourhood policy' are received positively by the local population: "*our neighbourhood which was mainly perceived as deprived is now more and more perceived as a trendy area*" (Burgerperspectievennota, 2012: 1[23]). The last years have also seen the surge of "*many active citizen groups, called communities, [who] have been working hard to improve the liveability of this neighbourhood and to develop instruments in order to improve social participation*" (Gündüz and Delzenne 2013; for more information on these communities see section 5.3.1). Important challenges as defined by the district administration are: youth unemployment, poverty, social cohesion and liveability (CBB 2014b).

The main reasons for choosing the Indische Buurt to set up budget monitoring relate to a high degree of social capital in the Indische Buurt. Cadat (2012: 18[24]) describes the Indische Buurt in this respect as "*a deprived area with a strong creative class, which works with vulnerable groups on the quality of life and social cohesion*". The presence of many active citizens and citizen groups who work on improving the area is favourable for the introduction of participation formats such as budget monitoring (Interviewee 3, CBB and INESC 2012, Burgerperspectievennota 2012). Experiments in other neighbourhoods have shown that a lack of a certain degree of organisation is disadvantageous for the process (Interviewee 3). Knowledge about community building is therefore one of the preconditions for those providing trainings (Interviewee 3, 4). The CBB and INESC (2012: 21) argue that "*[b]udget monitoring can not function without active citizens and communities*". As outlined by Gündüz and Delzenne (2013) "*(…) the method of budget monitoring seems to fit active neighbourhood organizations as well as those communities that want to get a grip on the utilization of available resources in their neighbourhoods*" and "*[b]udget monitoring is meant to be used by active citizens and communities in their participation process*". Thus, budget monitoring and other participatory budgeting methods build on existing social capital and blend in with the broader discourses on 'active citizens' and 'active citizenship' (see section 5.2.1.4). Another reason for choosing the Indische Buurt relates to the 2014 reorganisation of the Municipality of Amsterdam, through which the CBB and INESC (2012) expected more room for participative democracy.

Another important precondition for budget-related participatory methods is professional guidance and/or the existence of informal or formal organisation of citizens and inhabitants in the neighbourhood (ibid., Interviewee 3). We see the latter back in the Indische Buurt, where the processes have been facilitated by the CBB and where the existence of active communities, i.e. active citizen groups is presented as reason for choosing the Indische Buurt to experiment with budget monitoring.

## 5.2.1.2   Institutional context: Municipality of Amsterdam and 'area-focused working'

The institutional organisation and the priorities of the Municipality of Amsterdam in terms of choosing for an 'area-focused policy approach' are two other important context factors for the participatory budgeting in the Indische Buurt.

A first reorganisation of the Municipality of Amsterdam had taken place in 2010, when the 14 districts merged to result in a remaining 7 districts. Until March 2014, these 7 districts, one of which is Amsterdam-Oost had their own District Council and Executive Board, next to the Central City Council and Board. They were semi-autonomous units with policy making and budget authority for matters like housing, maintenance of public space, local welfare, sport, education, arts and culture.

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[23] Dutch original: "*Onze buurt die vooral bekend stond als een achterstandwijk wordt steeds meer gezien als een "hippe" buurt.*"

[24] Dutch original: "*een achterstandsgebied met een sterke creatieve klasse, die samen met kwetsbare groepen werkt aan leefbaarheid en sociale cohesie*"

These districts in turn are divided into neighbourhoods: Amsterdam-Oost is divided into 19 neighbourhoods, one of which is the Indische Buurt.

After 2014, the District Councils were replaced by District Board Committees, which consist of thirteen or fifteen members elected every four years. Candidates for the District Board Committee can be political parties, other groups and individuals. This municipal reorganisation meant that budget authority became more centralised and held by the Municipality of Amsterdam with only a specific district budget being allocated to the districts to be spent on public space, collection of domestic waste and social work in the districts (Gemeente Amsterdam 2015d). In addition, the districts also lost most of their policy-making authority.

These District Board Committees were introduced as "*the eyes and ears of the neighbourhoods and the link to the city hall*"[25] (Gemeente Amsterdam, 2015d), and were supposed to be better grounded in the local community and to be better able to support citizen initiatives. Each district is still subdivided into a number of neighbourhoods, with a dedicated area team consisting of three municipal employees. Firstly, the 'area broker' who is the contact person for citizens with initiatives. Secondly, the 'area coordinator' who works more strategically and composes, together with citizens, institutional organisations and entrepreneurs a programme for the neighbourhood and finally, the 'accountmanager', who is the contact person for entrepreneurs (Gemeente Amsterdam, 2015b). This area team also has the task of channelling information from the neighbourhood to their city district. As the collaboration between civil servants and citizens had already been good in the Indische Buurt, the envisaged effects of the reorganisation in terms of participation were less important.

The former municipal structures meant that the District Councils had budgets at their disposal: a conducive environment for developing the neighbourhood budget instrument. Through the reorganisation most of the budget for the neighbourhood was administered at municipal rather than district level. This meant that civil servants at central municipal level only were in a position to provide budget details (Interviewee 3, 5). However, during the third iteration 2014/15, the central municipal units (referred to as RVEs, Dutch abbreviation for 'result responsible units') were not prepared to break down the budget to the area level and share the crude estimates that this would deliver. In earlier iterations, the district administration of Amsterdam-Oost shared budget estimates with an accompanying disclaimer about the accuracy and reliability of the information. As put by one of the interviewees: "*There is resistance from the 'result responsible units' 'yes, but we have to have the full information before we can put it online'. The districts did not share this attitude. They thought one surely can put things down with a disclaimer and get the conversation with the neighbourhood going […] The departments, 'result responsible units', want to have entirely complete information before we can put it online. You can imagine, that this will happen next to never, because you will never have the complete full information.*" (Interviewee 4[26]).

In a similar vein, Amsterdam-Oost seems to prioritize their activities differently than other districts which became clear at an information meeting about the (possible) introduction of the neighbourhood budget instrument for the whole of Amsterdam (Interviewee 4). While the other districts see the advantages of having budgets split out on the neighbourhood level, they are not prepared to dedicate the man-hours necessary but prefer to have this time being spent in the neighbourhood: "*But they were primarily resisting 'who is going to do this. This costs a lot of time and energy. If we put this [neighbourhood budget instrument] in here, then we cannot invest it in the*

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[25] Dutch original: *"De bestuurscommissies zijn de ogen en oren van de buurt en de schakel naar het stadhuis".*

[26] Dutch original: *"Vanuit de RVE's dat daar de weerstand is 'ja, maar we moeten wel de volledige informatie hebben voordat we het online kunnen zetten'. Bij de stadsdelen was niet zo, die hadden wel zoiets je kan best met een disclaimer dingen neer zetten en juist het gesprek aan gaan met de buurt."* And *"De diensten – RVE's – die willen echt eerst volledig zijn voordat we dat online zetten. Je kunt je voorstellen dat dat bijna nooit gaat gebeuren want je zal nooit helemaal volledig kunnen zijn".*

*neighbourhood'. So then you choose: 'what do we find more important?' and then it seems that they found it more important to be working in the neighbourhood*" (Interviewee 4[27]).

Already before the municipal reorganisation, 'area-focused working' had been developed to respond better to local needs of neighbourhoods since there is a large diversity in neighbourhood characteristics all over Amsterdam (CBB 2014b). 'Area focused working' is a way of working where the municipality acts more in the background and the initiative for solving local problems becomes much more the responsibility of local actors like citizens, entrepreneurs and institutional actors. The municipality stimulates collaboration with and between all these partners to come up with an approach which fits the area best. Since the introduction of the District Board Committees, the planning approach for 'area focused working' has changed into a four-step process called the 'Area cycle'. In a first step and on a yearly basis, issues are identified and analysed (area analysis), and then scored against a prioritisation which is renewed every four years (step 2, area agenda). Yearly, the issues are translated into an action plan (step 3, area plan) and results are monitored so as to adjust the process if necessary (step 4, area monitoring) (Interviewee 4, Gemeente Amsterdam 2015c). In Amsterdam-Oost area management is embedded with the existing practical implementation of e.g. neighbourhood platforms or participation brokers (CBB 2014b). The neighbourhood budget instrument was chosen as "*an extra method to support area-focused working*" (CBB 2014b: 3[28]). The Indische Buurt has been one of the few areas in which already the first area plan of 2014 was based on a close collaboration with its citizens (Interviewee 4). Budget monitoring has played a major role in this by coming up with a Citizens' Perspectives Paper.

A publication consolidating the experiences of civil servants across cities in the Netherlands with citizen budgets and voucher systems also establishes a strong link between 'neighbourhood-focused working' and participatory budgeting: "*Municipalities give real substance to neighbourhood-focused working through the introduction of inhabitants budget. Neighbourhood-focused working means that inhabitants are independent makers, who are co-responsible for the quality of life in the neighbourhoods*" (Engbersen et al. 2010: 47[29]). This publication also outlined two critical factors for the development of citizens and neighbourhood budgets related to the institutional context (Engbersen et al. 2010). Firstly, the municipal structure in terms of policy making and implementation, this includes, costs involved, different speeds of municipal organisation and citizenry and juridical constraints. Secondly, they point to the attitude of local politicians which can be encouraging, putting a brake on developments, fending off or taking over. We can see those factors also in the Indische Buurt, where an enthusiastic Alderman acted as a driving force within the district municipal organisation and where the reorganisation of the municipality led to tensions with its policy aims.

### 5.2.1.3   Institutional context: Dutch local government structure and local democracy

The strong focus of this initiative on the municipal level does make the Dutch local government structure and the related (changing) understanding of democracy an important part of the institutional context. In a nutshell, Dutch local governments function as follows. The Dutch municipal councils are elected every four years. Within a council, coalitions are formed to nominate members

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[27] Dutch original: *"Maar daar [bij de stadsdelen] zat vooral heel erg de weerstand in: 'wie gaat dit doen? En dit kost heel erg veel tijd en energie, als we die hier in stoppen dan kunnen we het niet in de buurt inzetten'. Dus dan maak je de keuze 'wat vinden we belangrijker?' en dan vonden ze het belangrijker dat we toch gewoon in de buurt aan het werk waren".*

[28] Dutch original: *"een extra methode om het gebiedsgericht werken te ondersteunen"*

[29] Dutch original: *"Met de invoering van bewonersbudgetten geven gemeenten daadwerkelijk vorm aan wijkgericht werken. Wijkgericht werken betekent dan dat bewoners zelfstandige makers zijn, medeverantwoordelijk voor de kwaliteit van leven in de wijken"*

to the Municipal Board consisting of the mayor and aldermen. Each of the aldermen is responsible for specific policy areas and the allocated budget. In their work the Municipal Councils and Boards are supported by civil servants as part of the municipal administration, which prepares and implements policies. The budget authority lies with the Municipal Council, meaning that "*citizens can never formally decide*" (Hofman 2011: 8[30]). Also aldermen cannot shift money between policy areas without the consent of the council.

At the end of the 20th century the social infrastructure in the Netherlands was cut back and room was made for private initiative (Interviewee 6). This development was reinforced by the national coalition agreement in 2010 with the leitmotif 'More citizens, less government', which was then also adopted by local governments (Engbersen et al. 2010). This meant a shift in attitudes: citizens were considered responsible for taking initiative to contribute to society and municipalities should give room and trust those citizens (Engbersen et al. 2010). These developments are accompanied by a diversifying understanding of democracy, adding to the dominant understanding of the representative democracy, ideas about participatory democracy or direct democracy. Currently Dutch citizens hold various possibilities to influence and/or participate in policy making: introducing a citizen initiative to the municipal council, speaking at a municipal council meeting, participating in advisory boards to the council, becoming a member of a political party, and informal ways like approaching the media or starting a societal initiative (Kennisland 2015).

The budget monitoring initiative does play into changing attitudes about democracy without threatening existing structures. As put by the director of the CBB: "*The representative democracy, as we imagined it 150 years ago, needs necessary maintenance, this is where we try to contribute our part. Not by undermining the representative democracy, but by adding something to ensure that there will be a connection [between government and citizen] again*" (Interviewee 3[31]). According to one of the trainers of the CBB it is a "*search process*" where "*you have to find the transition between participative and representative democracy*" (Interviewee 10[32]). S/he continues: "*as soon as what you does influences in one way or the other the living environment of others who are not at the table, you have to ask the question: how do I involve these people? And how do I ask for their opinion and how far do I dare to walk upfront? And what is my field of action? [...] If what you do has a certain impact, you have to ask upfront 'do I have the right to do this here?' And then you see that the participative democracy seamlessly becomes representative democracy*" (Interviewee 10[33]).

One of the initiators of participatory budgeting in the Indische Buurt outlines that while it is the task of politicians to prioritize the spending of public money, the politicians "*need us for this. We are their eyes and ears. As neighbourhood residents we are vigilant about how this money is spend*" (F. Azarhoosh, quoted in Smouters 2014[34]). Budget monitoring is thus about being the eyes and ears and re-establishing (lost) connections between citizens and their representatives. In the Netherlands, participatory budgeting is generally seen as a form of citizen participation, and as such supporting a stable and well-developed representative democracy rather than questioning or

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[30] Dutch original: *"burgers kunnen nooit formeel beslissen"*

[31] Dutch original: *"De parlementaire democratie, zoals we die 150 jaar geleden ongeveer hebben bedacht, daar is wel enig onderhoud noodzakelijk. Dat is waar wij proberen een steentje bij te dragen. Niet door de representatieve democratie systeem onder uit te schoppen, maar om er iets aan toe te voegen om te zorgen dat de verbinding er weer komt"*

[32] Dutch original: "*Zoekproces* [...]" and: "*ergens moet je de overgang zien te vinden tussen de participatieve democratie en de representatieve democratie*"

[33] Dutch original: *"zo gauw wat je doet invloed op enige manier invloed heeft op de leefomgeving van anderen die niet aan die tafel zitten, moet je de vraag stellen: hoe betrek ik die mensen er bij? En hoe vraag ik hun mening en hoe ver durf ik vooruit te lopen? En wat is mijn handelingsruimte? [...] "Als het een zekere impact heeft, moet je van tevoren vragen 'mag het wat ik hier doe?' En dan zie je dat die participatieve democratie ineens naadloos overloopt naar de representatieve democratie".*

[34] Dutch original: *"hebben ons daarbij nodig. We zijn hun ogen en oren. Als buurtbewoners houden we goed in de gaten hoe dit geld besteedt word"*

challenging it (cf. Hofman 2013). As put more generally by Engbersen et al. (2010: 58[35]): "*Citizen participation is not a hollowing out, but a complement to the representative democracy. The role of the City Council is not played out, but changes indeed*".

A number of implications for participatory budgeting are that there is no intention for a devolution of formal decision making power to citizens, this remains with the chosen representative body. However, this body can 1) choose to relegate some of their budget responsibility to citizens – as is the case with neighbourhood budgets, where citizens get the say over the spending of a specific amount; or 2) enter into a collaboration process with citizens with regard to spending priorities, as we see in the Indische Buurt or 3) be advised by them. However, participatory budgeting can also be used to control the representative body and its administration – albeit with no immediate consequences.

### 5.2.1.4  Broader societal trends and discourses: the changing welfare state

A societal event with major influence on European welfare states is the economic crisis of 2008. It can be related to changing interpretations of the welfare state as well as government budget cuts. In the Netherlands, the austerity policies coincide with a decentralisation of social policies. The latter is in form of the Social Support Act (Wet Maatschappelijke Ondersteuning, 2007) which has three major themes: 1) enhancement of social participation of vulnerable groups, 2) call on citizens to voluntarily provide informal care to these groups and 3) devolution of tasks and social support from central to local government (Verhoeven and Tonkens 2013). This led to local governments being faced simultaneously with overall budget cuts and the challenge to provide more services, together this invigorated a debate on the relation between government and citizens.

This debate is referred to under the signifiers 'active citizenship' (Marinetto 2003, Newman and Tonkens 2011) or 'participation society' (Putters 2014, Tonkens 2014), the latter as coined by King Willem Alexander in 2013. Both discourses emphasise the necessity for more active citizens and the devolution of power to the local level, and can be closely linked to the 'Big Society' discourse in the UK (Kisby 2010, Ransome 2011). They intensified with the economic crisis and the consequential budget cuts and became part of a welfare state reform agenda: motivated by the changing face of the welfare state, every citizen needed to take responsibility for his/her personal life as well as social responsibility for the common good. These new ideas about a changing social fabric are reflected in the national and local activities on neighbourhood level. Illustrative is the following quote from a report on the current neighbourhood approach of the Ministry of the Interior and Kingdom Relations: "*We search for different relationships between governments, institutions and citizens. Attempts to give concrete shape to these, often still in rudimentary form, occur precisely in these neighbourhoods*" (Deetman et al, 2011: 7[36])[37].

Searching for new forms of citizen participation (as described in section 5.2.1.3) and the new role of the government, as well as being confronted with the call for more responsibility and control for citizens, municipalities across the Netherlands consider participatory budgeting one adequate instrument (Engbersen et al. 2010: 7; Engbersen and van Dijken 2014: 13, Buitendijk in Hofmann 2011). This has also been identified for the development of budget monitoring in the Indische Buurt.

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[35] Dutch original: *"Burgerparticipatie is geen uitholling van, maar een aanvulling op de representatieve democratie. De rol van de gemeenteraad is niet uitgespeeld maar verandert wel"*

[36] Dutch original: "We zijn in Nederland op zoek naar andere verhoudingen tussen overheden, instituties en burgers, en pogingen om daar concreet vorm aan te geven krijgen – vaak nog in embryonale vorm - juist in deze wijken gestalte"

[37] The text in this and the preceding paragraph is partly taken from Wittmayer, J.M. (forthcoming)

Here the move towards a *"government, which supports self-management of citizens with as a basic principles 'less government, more citizen'"* (Cadat 2012: 18[38]) contributed to the realisation of budget monitoring.

Participatory budgeting is also considered an interesting entry point for involving citizens in budget reductions. There are examples of Dutch cities, such as Zeist, where participatory budgeting was used to involve citizens in realizing the necessary budget cuts and where it led to a budget reduction of 6,2 million Euros (Van Roosmalen 2014). According to Hofman (2011: 7[39]) this is just one of numerous examples: *"The first participatory budgeting coalitions between government and citizens have been formed in the Netherlands. In 2010 and 2011, a tsunami of participation processes arose, most of the time regarding budget cut challenges of local governments"*. For the Indische Buurt, one of the involved civil servants also sees the potential of the neighbourhood budget instrument to improve the spending of money: *"And to budget savings. Inhabitants shall examine projects differently leaving room to the question: is the municipality not doing too much? Or: How can we do this differently? The new dynamic, where citizens critically examine the functioning of the government and where the municipality can account correctly for its actions, this is the way that we want to shape the future"* (I. Stoelinga as quoted in Van Roosmalen 2014[40]).

### 5.2.1.5  Broader societal trends and discourses: Transparency, digitalisation and open data

For the development of participatory budgeting in general, ideas of open data, transparency and digitalisation seemed to be crucial. Open data is considered as the availability of government data enabled by technological and digital means to use and reuse without any (technical, legal or financial) obstacles leading to more transparency of government spending and activities (Cadat 2012, Roodink 2013, Open State Foundation 2014).

World-wide many organisations are committed to supporting the disclosure and public accessibility of data by governments in a timely, trustworthy and accurate manner along a universal standard (Cadat 2012). In the Netherlands, the Open State Foundation an NGO is taking up this work locally to make financial and other information from Ministries and other governmental bodies more accessible (Interviewee 3). The Open State Foundation believes that a healthy democracy needs well informed citizens. Open data serves as a means to inform citizens, creates more transparency about the way governments operate and is a requirement for citizens to participate (Open State Foundation, 2014). Open data is data that can be accessed and reused without any technical, legal or financial obstacles (Roorda 2013, Open State Foundation 2014). However, there are different opinions on how data should be presented and communicated. On the one hand it is argued that data should be presented directly from the source, and on the other hand that it needs to be visualised and 'translated' in order for citizens to understand it. According to Roodink (2013) open data should be presented directly from the source without any editing, as a 'wrong' interpretation of data could lead to a 'wrong' solution for problems. By editing the data so her claim, the editor is already involved in interpretation: *"making a budget publicly accessible by applying infographics and putting them on*

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[38] Dutch original: *"Overheid die zelfbeheer door burgers ondersteunt met als basisprincipe 'minder overheid, meer burger'"*

[39] Dutch original: *"In Nederland zijn de eerste participatieve begrotingscoalities tussen overheid en burgers gevormd. In 2010 en 2011 is er namelijk een vloedgolf aan participatieprocessen ontstaan, meestal rond bezuinigingsopgaven van lokale overheden"*

[40] Dutch original: *"En tot besparingen. Bewoners zullen namelijk projecten op een andere wijze tegen het licht houden, waarbij dan de vraag kan rijzen: doet de gemeente niet te veel? Of: Hoe kunnen we dit anders doen? Die nieuwe dynamiek, waarbij de burger kritisch kijkt naar het functioneren van de overheid en de gemeente goed kan verantwoorden waar zij mee bezig is, is de wijze waarop wij de toekomst vorm willen geven."*

*a website can be very useful but can not be considered open data*" (Roodink 2013: p.91[41]). Other authors stress the importance of doing exactly that: "*Visualisation of financial open data is key to budget monitoring for citizens*" (Cadat 2012: p. 18[42], also Metz 2014). They argue that raw data only is beneficial to market companies but not for citizens who are unable to read and understand it (Metz, 2014). A point both of these sides leave out is the definitional power included in the actual setting of the indicators: thus what is it that data is collected about.

Another international organisation important for budget monitoring is the Open Government Partnership (OGP). On their website (OGP 2015a) OGP present themselves as follows: "*The Open Government Partnership is a multilateral initiative that aims to secure concrete commitments from governments to promote transparency, empower citizens, fight corruption, and harness new technologies to strengthen governance*". OGP was launched in 2011 by 8 founding governments and has grown since then to currently 69 participating countries (OGP 2015b). The national commitment to OGP resulted in an action plan (co-produced by the Ministry of the Interior and Kingdom Relations, Dutch Citizens, civil servants and government officials) with three pillars: transparency, responsiveness and open access to information (OGP 2015c; Roodink 2013). The CBB was upon its foundation accepted by the government as a partner of OGP civil society (Interviewee 6). As such OGP brings together civil society organizations and governments.

The neighbourhood budget instrument is an initiative that is thriving due to the current trend towards more transparency. After concluding that digital tools can be of great value to stimulate and enable participation, a resolution was approved by the District Council of Amsterdam-Oost in February 2012. This resolution led to the start for a pilot making open data online available within 6 months (D66, 2012; Cadat, 2012). Alderman van Speijk of district Amsterdam-Oost also frames transparency as a strategy to engage citizens: once they have insights in the financial data, they can also see where they can contribute (De Groot, 2014). Another civil servant involved in setting up the neighbourhood budget instrument, sees transparency in financial flows also as a means to create a level playing field since everybody possesses the same information (De Groot, 2014). However, the transparency of data is only considered a first step, while a second equally important step is to translate this in information that is accessible to financial laypersons (Interviewee 1, 3) – as outlined in the discussion above. The director of the CBB does see progress in the way that municipalities present their data which is becoming more informative and accessible and as such addresses a societal need (Interviewee 3). The call for government transparency also leads to changes in municipal cultures and structures: "*In this process the administration turned towards citizens and entrepreneurs. Instead of reasoning from your own policy areas only, you also work based on direct contact with citizens and entrepreneurs. This results in more area-focused management.*" (J. van Speijk, quoted in de Groot, 2014[43]).

The neighbourhood budget instrument, like the more general transparency and open data movement, makes use of the possibilities offered by technology and digitalization. The technological possibilities increased to make information more accessible to the public. Digital platforms, such as the neighbourhood budget instrument, enable exchange of information between citizens, civil servants and politicians. They also become digital meeting points for these actors and are a handy tool for presenting e.g. financial data (Interviewee 6). For realizing budget monitoring in the Indische Buurt, transparency of financial data by the municipality is a requirement (cf. Gündüz and

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[41] Dutch original: "*een begroting toegankelijk maken door infographics toe te passen en deze op een website te publiceren is zeer nuttig maar geen open data*"

[42] Dutch original: "*Visualisatie van financiele open data is de sleutel voor budget monitoring voor burgers*"

[43] Dutch original: "*In dit proces is de ambtelijke organisatie gekanteld richting bewoners en ondernemers. In plaats van dat je alleen vanuit je eigen programma's denkt, werk je ook vanuit direct contact met bewoners en ondernemers. Je krijgt meer gebiedssturing.*"

Delzenne 2013). This is one of the reasons why the co-evolution of the neighbourhood budget instrument initiative within the district administration helped the further development of an overall participatory budgeting approach in the neighbourhood.

### 5.2.1.6 Broader societal institutions and structures: Human rights and reversed development cooperation

The emergence of budget monitoring in Brazil was motivated by a Human Rights perspective. When introducing it in the Netherlands, the initiators at the CBB took over this perspective for implementing budget monitoring in the Indische Neighbourhood. Therefore we discuss a broader outline of the Human Rights movement in this section.

Human Rights are often expressed in terms of philosophical and moral principles linked to ideas of equality, justice, freedom, sustainability and human dignity (CBB and INESC 2012). They are applicable to all regardless of race, nationality, religion, gender, or whatever other characteristic. The international movement on human rights was strengthened by the founding of the United Nations in 1945 and the introduction of its committee on Human Rights in 1946. On 10 December 1948, the international human rights movement was consolidated with the adoption of the Universal Declaration of Human Rights (UDHR) by the General Assembly of the United Nations. Since then, many international declarations have been formulated. Part of the universal declaration is the ICESR – International Covenant on Economic, Social and Cultural Rights with the concept of "*progressive realization of human rights*". Part of the ICESR is the obligation of the state to "*promote improvements on the living conditions of its citizens year after year*" (CBB, 2012: 6).

CBB (2012) describes the movement of Human Rights as one combatting suppression, discrimination and injustice. It is a struggle for the emancipation and empowerment of men and women (CBB, 2012: 5). Through a continuous struggle for "*recognition of their identities and redistribution of resources*" (ibid.) rights are conquered, and not just given. A fair redistribution of public resources is intrinsically linked to this struggle. Gradually this struggle and progress would lead our societies "*to new patterns of freedom, equality, respect and dignity*" (ibid.). The role of the state is to ensure the fulfilments of rights guaranteed in our international and national legal systems. As of January 2015 the municipality of Amsterdam is working on a 'Human Rights Agenda' as "*an instrument to open up the discussion on human rights on a local level*" (NAP 2015).

Budget monitoring was a method created by the Institute for Socio-economic Studies (INESC) in the Brazilian context with a focus on advocacy and gaining political influence (Gündüz and Delzenne 2013). INESC describe themselves as "*a civil society organization with the mission to help deepen democracy and promoting human rights*" (INESC 2009: 4). They have "*(...) chosen the public budget as a strategic instrument for public policy analysis and social control*" (ibid.). By taking human rights as a conceptual framework they take international commitments into account which go beyond political, normative and operational beliefs. They take a broad scope of human rights including civil, political, social, economic, cultural, environmental, sexual and reproductive rights as for example combating poverty or income inequalities in Brazil are related to the variation of colour and sex (INESC 2009: 6). This idea is taken up by the participants of the first iteration of budget monitoring in the Indische Buurt. As put by one of the initiators: "*We are rather a kind of local human rights organisation. Together, we establish the standards under which no one in our neighbourhoods should sink. You cannot let a homeless person die here. That is how we look at the neighbourhood budget instrument. Of course, the business association wants more money, but the question is whether this is really crucial. This money can also go to extra support for pupils with ADHD*" (F. Azarhoosh, quoted in

Smouter 2014[44]). For some of the Dutch proponents of budget monitoring, this framing is still important: "*Budget monitoring is a way to enable human rights. If you leave out the human rights part, you should call if differently, call it citizen budgeting, neighbourhood budgeting or participatory budgeting*" (Interviewee 6[45]).

The context in which participatory budgeting emerged in Brazil is fundamentally different from the context in The Netherlands. In Brazil, democracy was not perceived a stable or dominant institution. In the face of amongst others corruption, a too strong state and uneducated citizens, participatory budgeting was introduced to combat that and strengthen democracy. The Netherlands, however, is perceived as a more stable democracy. The need for participatory budgeting becomes clear in face of the hidden indifference and taken for granted attitude towards democracy as it is experienced in the Netherlands. Introducing budget monitoring has the potential to strengthen basic democratic interests and rights. In developed democracies, the state has made its citizens reliant to guarantee their rights but in moments of crisis this might not be the first thing on the priority list (CBB and INESC 2012). In developing democracies it is also a question of continuous education of human rights to citizens and civil servants.

The Human Rights discourse and practice is firmly connected and gives direction (amongst others) to the ideas and practices of 'developing' societies. Such a development perspective mainly focused on how countries in the global South can learn from and develop so as to become as countries in the global North – thus to turn from undeveloped or underdeveloped to developed countries. There are critical and lively academic and public debates with regard to such a limited and one-dimensional understanding of development (e.g. Ferguson 1990, Quarles van Ufford 2003, Mosse 2005). In search for a more diverse understanding of development one of the ideas that emerged is 'reversed development'. In the context of our case study this refers to the idea of taking solutions developed in the 'South' to solve problems in the 'North', or more specifically issues of social cohesion in the Netherlands. An important player in organizing such a learning alliance between partners in the Netherlands and the 'South' is the Dutch E-Motive programme, a global network of organisations sharing innovative solutions to global and local issues including Oxfam-Novib (E-Motive 2015). Oxfam-Novib, with its many years of experience in development co-operation reasoned from the underlying idea that the Netherlands can learn much from global partners and therefore set up this 'Reverse Development Co-operation' (Oxfam Novib 2011). It was through 'E-Motive', that the collaboration between INESC and active people in the Indische Buurt on budget monitoring started (Mertens 2011, Cadat 2012). This close collaboration during the start-up phase played a crucial role for the translation and development of budget monitoring in the Indische Buurt and for the Dutch context (Gündüz and Delzenne 2013).

## 5.2.2  Transformative ambition, potential and impact

In TRANSIT, we consider that a SI-initiative can be transformative along three aspects: transformative ambition, transformative potential and transformative impacts. In this section, we are analysing these three aspects for the participatory budgeting in the Indische Buurt. This allows

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[44] Dutch original: *"We zijn eerder een soort lokale mensenrechteninstantie. We bepalen met elkaar onder welke standaard niemand in onze buurt mag zakken. Je kunt een dakloze hier niet laten creperen. Zo kijken we ook naar het buurtbudget. Natuurlijk wil de ondernemersvereniging meer geld krijgen, maar de vraag is of dat essentieel is. Dat geld kan bijvoorbeeld ook naar extra begeleiding voor scholieren met adhd"*

[45] Dutch original: *"is er geen sprake meer van budgetmonitoring vanaf het moment dat je mensenwegrechten weg laat, De insteek van popular education/community building weg laat, is er geen sprake meer van budgetmonitoring. Je kan het dan anders noemen, burgerbegroting, buurtbegroting of participatief budget."*

us to draw conclusions with regard to the extent to which it has the ambition, potential as well as actually challenges, alters or replaces dominant aspects of the social context.

### 5.2.2.1 Transformative ambition

The extent to which participatory budgeting in the Indische Buurt can be said to have a transformative ambition, i.e. a vision or ambition to achieve or contribute to an identified transformative change (cf. Wittmayer et al. 2015a), is not uniform across the actors interviewed or documents studied.

The transformative ambition related to the practice of budget monitoring is more obvious than the one of the neighbourhood budget instrument. The ambition of the former is especially present in the early documentation of the CBB, still in very close collaboration with INESC as well as with those interviewees that had been closely connected to the initiative in its beginnings. The INESC approach is solidly grounded in a human rights and emancipatory discourse (see also section 5.2.1.6). Iara Pietricovsky de Oliveira, member of INESC's executive board outlines that "*the idea is to offer communities, groups and civil society organizations conditions for participation in, and democratic control over government, using the public budget as a starting point*" (CBB and INESC 2012: 4). The transformative change aimed for are "*new patterns of freedom, equality, respect and dignity*" (ibid: 5) in our societies as well as to "*guarantee human rights and social justice*" and "*to make governments accountable*" (ibid: 4). This is seen as necessary for all democracies as there is a huge gap identified between committing to the Universal Declaration of Human Rights and to translate this back into policy and budgets.

To achieve or contribute to a society where human rights, social justice, non-discrimination and social participation are high on the agenda, budget monitoring is considered as just one possible participatory mechanism through which to aim for a more "*emancipatory political culture*" (CBB and INESC 2012: 12). While proposing a more participatory culture, CBB and INESC (2012: 11) outline that "*The participatory democracy will not replace representative democracy, by contrast, representation and participation can and should combine different mechanisms and opportunities for enhancing democracy and create a fair and sustainable society. The movement between these two forms of political participation is an opportunity for building a new order and active citizenship*". This assessment is shared by Hofman (2011: 20 [46] ), who, more generally, considers participatory budgeting as an "*instrument to strengthen representative democracy*".

However, in the current discourse in the Indische Buurt the transformative ambition is rather implicit and not an explicit part of the communication in that the words 'transformative', 'transformation', 'change' do not feature. The website of the CBB is an interesting case. While in the Dutch version it promotes budget monitoring as an instrument to support dialogue but does not refer to a higher ideal, it does so in the English version of the website where it relates budget monitoring to "*the right to live in better environments*" (CBB 2015[47]). However, we can define clear

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[46] Dutch original: *"instrument om de representatieve democratie te versterken"*

[47] Dutch version: "Budgetmonitoring is een tool waardoor burgers, communities en andere organisaties zicht krijgen op begrotingsprocessen en de besteding van middelen. Met behulp van deze methodiek kan een dialoog plaatsvinden tussen burgers onderling en tussen organisaties en overheid over prioritering, behoeftes en aanpak van problemen" see http://www.budgetmonitoring.nl/ (accessed 28.10.2015)

English version: Budget Monitoring is a method that facilitates citizens to screen, assess, and actively participate in the decisions on public policy-making and government expenditure. It offers citizens the power, knowledge, and self-belief to take action for the right to live in better environments. The Center for Budgetmonitoring binds diverse community-led organizations, allowing valuable encounters among them as well as dialogue between citizens, organizations, and the

areas that the budget monitoring in the Indische Buurt targets and through which it contributes to the aspired transformative change. These include the re-invention of the role of the citizen, as well as the role of the government and of the relation between government and citizens (see also section 5.3.1). Especially in relation to the latter budget monitoring appears to have ambitions: "*budget monitoring can play a role in this democratisation process by connecting system world and life world of the inhabitants via control of the budget*" (Cadat 2012: 18[48]).

The transformative ambition of the neighbourhood budget instrument is both inward-looking focusing on municipal internal structures and processes as well as outward-looking focusing on more transparent and open government. Internally, the broader vision of the civil servants involved in developing the neighbourhood budget instrument is on re-organizing the way that the municipal budget is drawn up – from a policy-area-focused budget to an object-focused budget as a form of scalable budgeting (Interviewee 1). The latter distinguishes between objects rather than between policy fields. The ambition for the online application in this is modest: it can serve as a support and presentation tool for the area team. The tool provides a kind of infrastructure, through which to add and remove data (being activities, priorities and budgets) in monthly cycles: "*That you run through the list every month to check whether something has changed*" (Interviewee 1[49]).

### 5.2.2.2 Transformative potential

Transformative potential refers to the potential of the ideas and activities of the participatory budgeting initiative to display qualities to challenge, alter and/or replace dominant institutions in its social context. Following McFarland and Wittmayer (2015), we take a) 'challenge' to refer to objects, ideas or activities that an initiative is performing questioning the legitimacy or existence of dominant institutions (i.e. ways of doing, framing....), b) 'alter' to refer to objects, ideas or activities that an initiative is performing changing (parts of) dominant institutions, and c) 'replace' to refer to objects, ideas or activities that an initiative is performing taking the place of (a) dominant institution(s). We can distinguish between three different areas where the participatory budgeting has transformative potential, namely to challenge and alter firstly the role of citizens, secondly the role and organisation of local government and thirdly the relations between actors.

Both the ideas and activities of participatory budgeting in the Indische Buurt have the **potential to challenge and alter the current role of citizens**. Ideas include the empowerment of citizens, their education and social mobilization (as outlined under section 5.2.2.1). Activities in the Indische Buurt include asking for a transparent budget on neighbourhood level, actively working with civil servants to detail the budget for the neighbourhood according to specific areas, prioritizing specific areas and drawing up a citizen budget, presenting this budget as an alternative to the citizenry and representative body. In addition, the initiative aims to include an element of control in the fourth iteration of budget monitoring: namely not only forecasting (drawing up a budget) but also looking back (controlling whether the budget was spent according to the planning).

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government in mapping out problems and their solutions, see: http://budgetmonitoring.nl/english/index.html (accessed 30.10.2015)

[48] Dutch original: "*Budget monitoring kan een rol spelen in dit democratiseringsproces door de directe koppeling tussen de systeemwereld en de leefwereld van de buurtbewoners, via controle op het budget*"

[49] Dutch original: "*Dat je elke maand door de lijst heen loopt, is er nog wat veranderd?*"

The knowledge that citizens gain by engaging in these activities empowers them to better understand the influence of policy on their daily lives (see section 5.3.1.1). As put by Cadat (2014[50]) "*If citizens know more about the spending of budgets, they can have a bigger contribution in policy development. This, because technical information about the government budget is translated into a more accessible language. It provides insights into the influence that the budget has on daily life*". It also puts citizens in a position to be a sparring partner for policy makers and civil servants by being conscious about their democratic rights and more directly involved in decision making (Hofman 2011). Finally, it also provides a platform where citizens can meet but also where ideas and perspectives potentially clash (cf. Engbersen et al. 2010).

Clearly, those ideas and activities do not only have the potential to challenge and alter the role of citizens, but also the **role and the routines of local government**. Budget monitoring in the Indische Buurt has the potential, as put by Smouter (2014[51]) "*to have politicians spend public money in a way that serves the priorities of the inhabitants instead of the bureaucratic reality*". More generally, participatory budgeting can lead to more transparency in government finances and less corruption as well as quality improvement of services and infrastructures (Hofman 2011). Through its controlling function, budget monitoring has the potential to change the role of the municipal council (Smouter 2014). However, "*the role of the City Council is not played out, but changes indeed*" (Engbersen et al. 2010: 58[52]). As put by a trainer of the CBB: "i*f it [financial data] is accessible and inhabitants start working with it, dare representative democracy to acknowledge this piece of participation by inhabitants as discussion partners*" (Interviewee 10[53]). The Alderman actively promoting the neighbourhood budget instrument in the Indische Buurt summarizes: *"But eventually, the Council is the place where the choice between different stakes has to be made. You cannot leave this to this kind of citizen initiatives"* (Jeroen van Spijk, quoted in Smouter 2014[54]). Questions thus remain in relation to the actual deference of power between actors. As put by Hofman (2013[55]) "*What is striking is that in Dutch participation processes it is especially about participation in the advising sense. 'Preparing a budget by citizens' has remained limited to join the conversation through advising about governmental business and making choices with neighbourhood pocket money*"

Also, in order to work with an area-focus, it seems logical that more transparency is necessary in terms of the actual budget available for on area. It is specifically the activity of breaking down and discerning the budget on neighbourhood level, which has the potential to alter or even replace procedures and rules within the municipal organisation. As outlined by a trainer of the CBB: "[Imagine] *we want to have the specific costs for this small area. As long as you make the area specific and very small – you can ask this question. But to say that you want this for the complete neighbourhood, this means that you need to have everything [in the overall budget] area-focused*"

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[50] Dutch original: *"Als burgers meer weten over de besteding van de budgetten, kunnen ze vervolgens een grotere inbreng hebben in de beleidsontwikkeling. Dit doordat technische informatie over de overheidsbegroting wordt vertaald in een meer toegankelijke taal. Het maakt inzichtelijk wat de invloed van de begroting is op het dagelijkse leven".*

[51] Dutch original: "*om politici gemeenschapsgeld zo te laten uitgeven dat het de prioriteiten van bewoners dient, in plaats van de bureaucratische werkelijkheid''*

[52] Dutch original: "*gemeenteraad is niet uitgespeeld maar verandert wel*"

[53] Dutch original: ""*Als het [financiele data] beschikbaar is en bewoners gaan er mee aan de slag, durf representatieve democratie, dat stukje participatie van bewoners als gesprekspartner te erkennen*

[54] Dutch original: *"Maar uiteindelijk blijft de raad de plek waar gekozen moet worden tussen verschillende belangen. Dat kun je nooit aan dit soort burgerinitiatieven overlaten"*

[55] Dutch original: "*Opvallend is echter dat het in de Nederlandse participatieprocessen vooral gaat om deelnemen in d adviserende zin. Het 'door burgers begroten' is dan tot nu toe ook beperkt gebleven tot adviserend meepraten over overheidszaken en keuzes maken met buurtzakgeld".*

(Interviewee 10[56]). In a similar vein, one of the civil servant developing the neighbourhood budget instrument aimed for structuring the municipal budgets along objects rather than policy areas (Interviewee 1).

Thirdly, all activities as part of the participatory budgeting have the potential to **challenge and alter the relation between citizens and civil servants** at local government level as well as between citizens and the District Council, or City Council respectively. Usually, activities related to municipal budgets are not taken on by citizens but are exclusively done within the municipality. When citizens adopt new roles and take on new activities by entering this level playing field, the roles and activities of other actors also change as does the relations between them. While in the Indische Buurt this new actor constellation is productive, this is not always the case. As outlined by Engbersen et al. (2010) in their nationwide study there is also the chance of a collision between civil servants and citizens if for example the wishes of citizens collide with municipal internal routines. Budget monitoring can exactly address such disconnect between citizens and civil servants, which are due to the fact that they talk different languages according to the director of the CBB. For him, the connection can be re-established and gaps bridged through budget monitoring, which is an instrument to get the conversation going, establish trust and make connections (Interviewee 3).

In general, the transformative potential of participatory budgeting lies in challenging current understandings of a lived local democracy through challenging and altering the role understandings of citizens and local government as well as the relation between the two. As put by Hofman (2011: 16[57]) in relation to participatory budgeting more general in the Netherlands: *"Working with a citizen budget increases the responsibility of the citizen for the spending of public resources. You can regard this kind of budgeting also as a search for a new democratic ideal and the breaking through administrative power".*

### 5.2.2.3 Transformative impact

Clearly, the next question is whether this potential translates into actual impact, thus: is there actual evidence that the participatory budgeting in the Indische Buurt has achieved transformative change? While transformative change might still be out of reach and also be too farfetched after having been active for five years only, there are impacts of the participatory budgeting in the Indische Buurt on the dominant social context that can be pointed out.

The municipal council took into account the priorities of citizens as outlined in the Citizen Perspective Paper 2013-2014. The results of the third iteration, the Citizen Agenda was timed in line with the policy cycle of the district, and as such was used next to the civil servant-led Area Agenda as a basis for the Area Plan (Interviewee 4, PO). The Citizen Agenda thus has direct influence on the policy plans for the coming year 2015/2016. As put by the director of the CBB "*The biggest success is… that the community has become a serious discussion partner of the government, especially the district. And that one can state… and that has its ups and downs, but that we collectively think about*

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[56] Dutch original: "*we willen hier de specifieke prijs van dit gebiedje hebben. Zolang je het gebiedje maar arceert en specifiek en heel klein maakt – kun je de vraag nog stellen. Maar om te zeggen je wilt dit voor de hele wijk, dan kun je het niet meer als vraag stellen, dan moet je aan de andere kant alles gebiedsgericht maken*"

[57] Dutch original: "*Werken met een burgerbegroting vergroot de verantwoordelijkheid van burgers voor de besteding van publieke middelen. Je kunt deze manier van begroten ook zien als zoektocht naar een nieuw democratisch ideaal en het doorbreken van de ambtelijke macht*".

*what is important, what we want and we shape the process together. And this changed a lot in comparison with 2011*." (Interviewee 3[58]).

Furthermore, the idea of participatory budgeting is picked up within the Municipality of Amsterdam to be adopted in its other districts – a process that is having its ups and downs (Interviewee 1). In addition, the ideas are also picked up by the national government. The Ministry of the Interior and Kingdom Relations co-financed pilots with budget monitoring in six other locations. There, the CBB trains local municipal staff and citizen groups in using budget monitoring.

In their study on participatory budgeting on a national level, Engbersen et al. (2010: 30[59]) outline that the societal effects are "*still unclear*". They argue that participatory budgeting should profile itself along second-order effects on social relations and give the following examples: "*1. Inhabitants as co-producer and being responsible for the own society; 2. The municipality as a servient party instead of directive and determining; 3. Using the power and quality of citizens as a motor for development; 4. Strengthening the vitality of the local society*" (ibid.[60]). Similar results are outlined by Hofman (2011b: 41[61]) in terms of visible developments: "*the development of the influence of citizens, the development and change of relations between citizens and societal organisations, the development of the relation between local government and citizens in new public arenas*".

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[58] Dutch original: *"Het grootste succes is.. dat de community hier een serieuze gesprekspartner is geworden van de overheid, met name hier van het stadsdeel. En dat je constateert.. en dat gaat met vallen en opstaan, maar dat er in gezamenlijkheid wordt nagedacht over: wat is hier belangrijk, wat willen we hier en hoe geven we samen dat proces vorm? En dat is wel echt heel erg veranderd ten opzichte van 2011."*

[59] Dutch original: *"nog onduidelijk"*

[60] Dutch original: *"1. Bewoners als coproducent en verantwoordelijke van de eigen sociale samenleving; 2. De gemeente als dienstbare partij in plaats van directief bepalend; 3. Het benutten van de kracht en kwaliteit van burgers als motor voor ontwikkeling; 4. Het versterken van de vitaliteit van de lokale samenleving."*

[61] Dutch original: *"de ontwikkeling van de invloed van burgers, de ontwikkeling en verandering van banden van burgers en maatschappelijke organisaties, de ontwikkeling van de lokale overheid – burgerrelatie in nieuwe publieke arena's".*

# 5.3 Agency in (T)SI

TRANSIT is interested in the agency of individual actors, SI-initiatives and SI-networks in transforming their social context. We start with describing the kind of actors involved in participatory budgeting in the Indische Buurt (section 5.3.1). From there we describe the agency of the actors involved, i.e. their capacity to co-produce SI with transformative potential and impact (cf. Wittmayer et al. 2015a). In doing so, we first outline the theories of change of specifically the budget monitoring part of the initiative (section 5.3.2), and then zoom in on processes of dis/empowerment. We study the latter in relation to four elements, namely governance, social learning, monitoring and resourcing (section 5.3.3).

## 5.3.1 Actors involved in participatory budgeting and their changing relations

In this section, we first give an overview of the most relevant internal and external actors, namely the Centre for budget monitoring and citizen participation (CBB), the district Amsterdam-Oost, the communities of the Indische Buurt, the participants of the participatory budgeting and Oxfam-Novib and INESC. In a next step we outline the different (changing) relations between these actors.

### 5.3.1.1 Actors involved in participatory budgeting in the Indische Buurt

**Oxfam-Novib/E-Motive and INESC**
As has become clear by now, both INESC as introducing their method to the Netherlands as well as Oxfam-Novib for making this exchange possible through their E-Motive programme played a crucial role in the emergence of the participatory budgeting. However, currently their role is negligible and the contacts are not so regular anymore (Interviewee 6).

**The Centre for budget monitoring and citizen participation (CBB)**

*Figure 5.9: Logo of the CBB*

The centre was founded by two social entrepreneurs Marianne Delzenne and Firoez Azarhoosh as a legal entity through which to receive subsidies (Interviewee 3, CBB and INESC 2012, Smouter 2014). While the latter is still involved, Martijn Kool has replaced the former as Director after her resignation for personal reasons. The CBB is the Dutch contact point of INESC, translated budget monitoring to the Dutch context and continues to initiate the different iterations of participatory budgeting in the Indische Buurt. For doing so, it receives incidental financial support from the district administration. In the meanwhile, financed by the Ministry of the Interior and Kingdom Relations, it also supports other cities in using budget monitoring (Interviewee 1, 3, 10).

**The district Amsterdam-Oost**
While initially hesitant, the District Council and administration embraced the efforts by the CBB and citizens to draw up, prioritize and control the municipal budgets. This was facilitated through the open support for more transparency by one of the Alderman and more specifically by two driven civil servants which retrieved and visualised financial data on a neighbourhood level through a method they termed neighbourhood budget instrument. Their motivation was to understand the allocation of budgets with regard to the areas they were working in (Interviewee 2) as well as to

provide citizens with insights into the finances and challenges of the district as related to e.g. government budget cuts and to raise commitment, legitimacy and acceptation for district activities (Interviewee 6). The district administration welcomed the initiative by the citizens and started to collaborate for the necessary yearly drawing up of Area Plans. A civil servant outlines that "*in the previous period [second iteration] was the climate in Amsterdam-Oost, also politically speaking, ready: we want to do things together with the neighbourhood and are open for new forms of collaboration. We are just going to try it and maybe it is not working*" (Interviewee 4[62]).

## The communities of the Indische Buurt

The Indische Buurt is a neighbourhood praised for its social capital and different citizen groups and organisations (Gündüz and Delzenne 2013, Cadat 2012, CBB and INESC 2012, Temmink 2014, Interviewees 6, 7, 8, 9). As put by two participants of budget monitoring: "*The Indische Buurt traditionally shows a great participatory capacity [...] this is part of the DNA of the neighbourhood*" (Interviewee 7[63]) and it is a "*strong community*" (Interviewee 8[64]).

With the declaration of the Indische Buurt as a 'focus neighbourhood' by the national government, a participation broker was installed. S/he outlined that the work was especially fruitful as "*the Indische Buurt [knows] many community leaders of outstanding quality*" (Interviewee 9[65]). The involvement of the national government along with the increased focus on a more active role and participation of citizens led to the foundation of a think tank on social cohesion in the Indische Buurt (Temmink 2014). This think tank focused on co-creation of different actors with one of its ideas being the initiation of neighbourhood communities (Temmink 2014). As put by the participation broker: "*The emergence of the communities was a powerful bottom-up movement which made great impression on the district*" (Interviewee 9[66]). The Indische Buurt is divided in four quadrants (see Figure 5.10) and counts a number of active communities, amongst which the Timor Square Community (since 2006) is the oldest. The Makassar Square Community, established in 2010, is collaborative member of the OIDP network.

These communities are groups of citizens and professionals which link "*policy interests of the urban district with the wishes, motivations and needs of its residents*" (Temmink 2014: 2). They are flexible, volatile and informally organized networks "*in which the local government, formal welfare organisations, civil society organisations, housing corporations, entrepreneurs and citizens cooperate for the well-being of residents*" (Temmink 2014: 6). By way of example, the Makassar Square Community aims "*to improve the living conditions, social cohesion and well-being of residents*" (Temmink 2014: 2). One of its board members outlines as follows: "*A community entails people meeting each other in the neighbourhood. We share the joys, but also the sorrows. We are active citizens, professionals, civil servants and housing corporation staff who join hands. Together we have a lot of knowledge about the square, the urban district, and the culture in the neighbourhood. This means we have a better idea of how to achieve things and how to solve problems in a more sustainable way than others do*" (M. Cadat, quoted in Temmink 2014: 3). The participation broker contents that "*these*

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[62] Dutch original: "*in de vorige periode [second iteration] was het klimaat in oost, ook politiek gezien, er klaar voor: we willen dingen samen met de buurt doen en we staan open voor nieuwe vormen van samenwerken. We gaan het gewoon proberen en misschien is dit het niet*"

[63] Dutch original: "*De Indische Buurt heeft van oudsher een enorm participatief vermogen [...] dat zit hier blijkbaar in het DNA van de buur*t"

[64] Dutch original: "*Hechte community*"

[65] Dutch original: "*In de Indische Buurt veel gemeenschapsleiders die van uitzonderlijke kwaliteit zijn*"

[66] Dutch original: "*Het ontstaan van de communities was een machtige beweging van onderop die bij het stadsdeel grote indruk heeft gemaakt*"

*communities are not representative*" (Interviewee 9 [67]) given the many different lifestyles and worldviews in the neighbourhood.

*Figure 5.10 The Indische Buurt (Source: Albers et al. 2014b)*
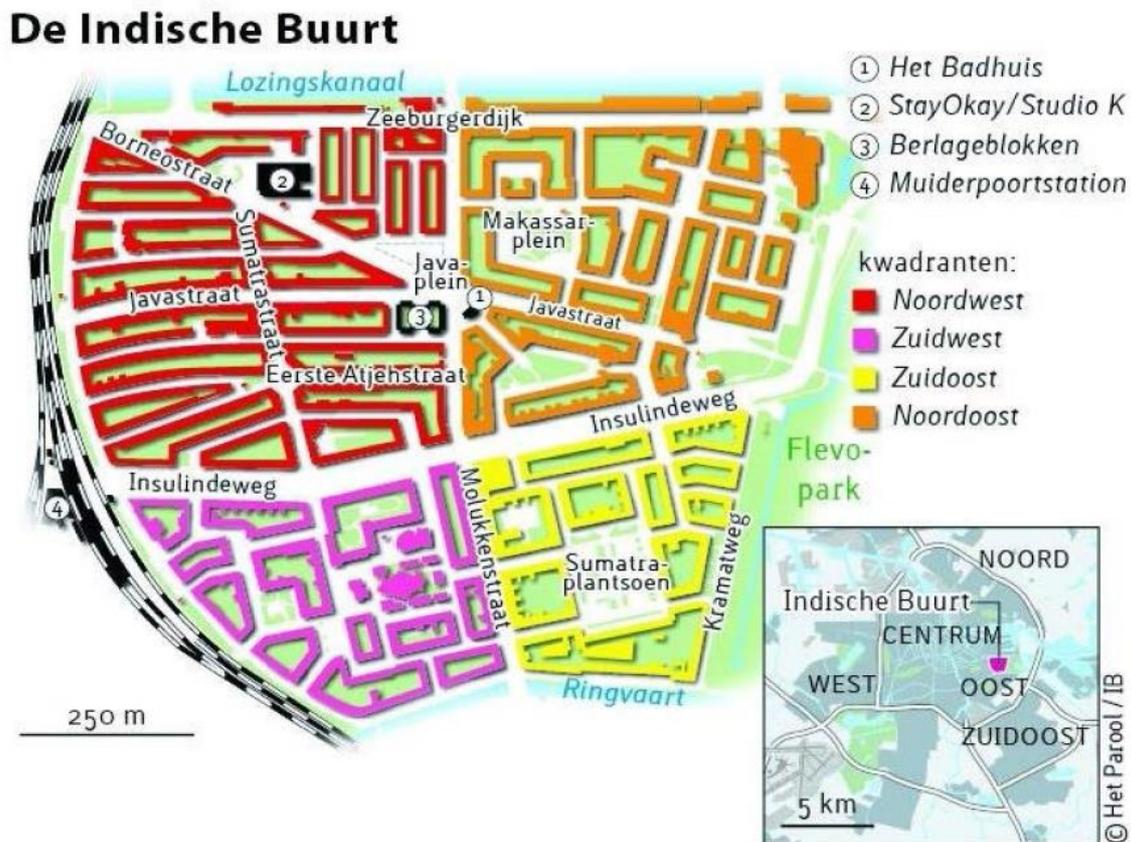


## The participants of participatory budgeting

Different people took part in the different iterations of participatory budgeting throughout the years. These participants need a certain interest in finance and budgets as well as time to spend – during the last iteration the sessions were on a two-weekly basis with 'homework' in between. In terms of motivations, we have very limited data. Outlined by one of the participants is that personal motivation should be central to participating in budget monitoring (Interviewee 8). One of the participants indicated that "*I am part of this society and I do not only make this known once every four years by colouring a little box with a red pencil*" (Interviewee 7 [68]) – she thus sees the participation as expression of her being part of society. Similarly another participant outlined that citizens can be a mirror for the political representatives through these kind of activities (Interviewee 8).

In the first iteration, participants seem to have been drawn from the communities of the Indische Buurt (CBB and INESC 2012). With regard to the last iteration, both participants we interviewed indicated that they had been asked by the trainers of the CBB whether they would like to join (Interviewee 7, 8). There are different ideas on whether or not the group can be regarded as representative and what difference this makes. A participant of an earlier iteration states "*it is an*

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[67] Dutch original: "*Die communities zijn niet representatief*"

[68] Dutch original: "*[...] ik ben deel van deze samenleving en dat uit ik niet maar 1x in de vier jaar door een heel klein vakje rood in te kleuren.*"

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*elite which is doing it currently, chosen managers of the neighbourhood*" and he qualifies this as follows: "*It should not be the case that more than half of the group consists of civil servants, social professionals, facilitators and politicians*" as quality and diversity are necessary to have long-term effects (Interviewee 6[69]). A participant of the last iteration contends: "*the elite, but from a cross-section*" (Interviewee 7[70]). Another participant contemplates: "*maybe it becomes a self-created elite, but is this worrying if they are talking to inhabitants which are part of society? This is what I ask myself. If others want to join, they are welcome*" (Interviewee 8[71]). Also the participating civil servants are aware of this: "*You understand that the group you are talking to is not entirely representative, but you take that into account*". (Interviewee 4[72]). The participation broker outlines that it is not about searching for a representative group, but rather for allies (Interviewee 9).

There have always been efforts to include the opinions and priorities of others – to make the process more inclusive. For this end, participants including civil servants of the district administration went on the streets with a questionnaire to learn about the priorities of their fellow inhabitants during the first iteration. This became the Citizen Perspective Nota. However, again the last iteration is conceived very differently. A participant of an earlier iteration holds that "*One is not mobilising the neighbourhood [because] that is scary and one does not take human rights as starting point*" (Interviewee 6[73]).

*Figure 5.11: Picture of different budget monitoring sessions (Source: CBB 2014a)*



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[69] Dutch original: "*het is een elite die dat op dit moment doet, gekozen bestuurders van de wijkradar*" and: "*Het kan niet zo zijn dat meer dan de helft van zo'n groep bestaat uit ambtenaren, sociaal medewerkers, begeleiders en politici*"

[70] Dutch original: "*De bovenlaag, wel van een dwarsdoorsnede*"

[71] Dutch original: " [...] *misschien wordt het een zelfgecreëerde elite, maar is dat erg als zij met de bewoners praten nog in de maatschappij staan? Dat vraag ik me af. Als anderen mee willen doen, zijn ze welkom*"

[72] Dutch original: "*Je beseft je ook dat de groep waarmee je praat niet helemaal representatief is, maar daar hou je rekening mee*"

[73] Dutch original: "*Men gaat niet in de wijk mobiliseren, dat is eng en men gaat niet de mensenrechten als uitgangspunt nemen*"

**The dis/empowerment of participants of participatory budgeting**

Empowerment of participants is explicitly mentioned as one of the effects of budget monitoring in the Indische Buurt (CBB and INESC 2012), and confirmed by studies of other participatory budgeting methods which "*stimulate[…] the empowerment of inhabitants*" (Engbersen et al. 2010: 22[74]). Based on feedback by participants, CBB and INESC (2012: 19) maintain that "[*o*]*ne of the effects of the roadmap is that participants feel stronger*" and that *"[t]he methodology helps to believe in their own abilities and strength and can, therefore, lead to enhanced citizenship*". One of the participants we interviewed takes this a step further, for him/her participatory budgeting is a tool through which to have the political representatives work for the neighbourhood (Interviewee 8).

Research by Master students of the Free University of Amsterdam on the best practices and challenges of budget monitoring in the Indische Buurt showed that one of their respondents, a participant felt taken serious because "*he could suggest ideas that were listened to*" (Albers et al. 2014a: 51). Other participants interviewed for that study declared that they received admiration and appreciation from the district "*for putting their time and effort into learning and understanding the difficult material of budget monitoring*" (Albers et al. 2014a: 52). To us, one of the participants explained that participating in budget monitoring brought him/her more contacts in the neighbourhood and that s/he made friendships. S/He sees budget monitoring as "*a mirror for the neighbourhood"* (Interviewee 8[75]). Also knowledge gain and an increased understanding of the political system have been reported: "*That you as citizens understand a bit what kind of processes are behind this whole budget thing, behind the choices for priorities, how this comes about*" (Interviewee 7[76]). Participation in budget monitoring specifically and in participatory budgeting more general, thus can be said to lead to enhanced feelings of competence and impact, as well as new knowledge and networks for those involved.

However, there are also instances of disempowerment. One of our interviewees expressed that she also looks at it with a cynical eye: "*There is influence, but to what extent is there influence? Has it not already been on the agenda? And is it not really nice that there is such a group of idiots which gives the government legitimacy?*" and later in the interview "*on a lot of counts it is also just legitimation*" (Interviewee 7[77]).

## 5.3.1.2   Changing relations between actors of participatory budgeting in the Indische Buurt

There are different roles for actors mentioned in the studied documents and interviews. These include citizens, volunteers, local government, municipality, policy makers, civil officers, communities, neighbourhood organisations, inhabitants, housing cooperation, healthcare institutions, entrepreneurs, stakeholders in the neighbourhood. The main emphasis is on the relation between (local) government and citizens. The discourses to which participatory budgeting is connected, such as participatory democracy or participation society do contribute to a blurring of the boundary between the formalized role of the citizen and the informal role of the inhabitant. We

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[74] Dutch original: *"stimuleert het empowerment van bewoners"*

[75] Dutch original: "*spiegel naar de buurt*"

[76] Dutch original: "*Dat je een beetje doorkrijgt als burger wat voor processen er zitten achter dat hele budget gebeuren, achter de keuzes voor prioriteiten, hoe dat tot stand komt.*"

[77] Dutch original: "*Er is invloed, maar ja in hoeverre is er invloed? Stond het niet al op de agenda? En is het niet heel fijn dat er dan een clubje idioten is die dan zo'n overheid enige legitimiteit geeft*" and: "*op veel punten is het ook wel een legitimering*".

therefore focus on the changing roles of citizens and citizen organisations, civil servants and the district.

*Figure 5.12: Actor map of participatory budgeting in the Indische Buurt[78]*
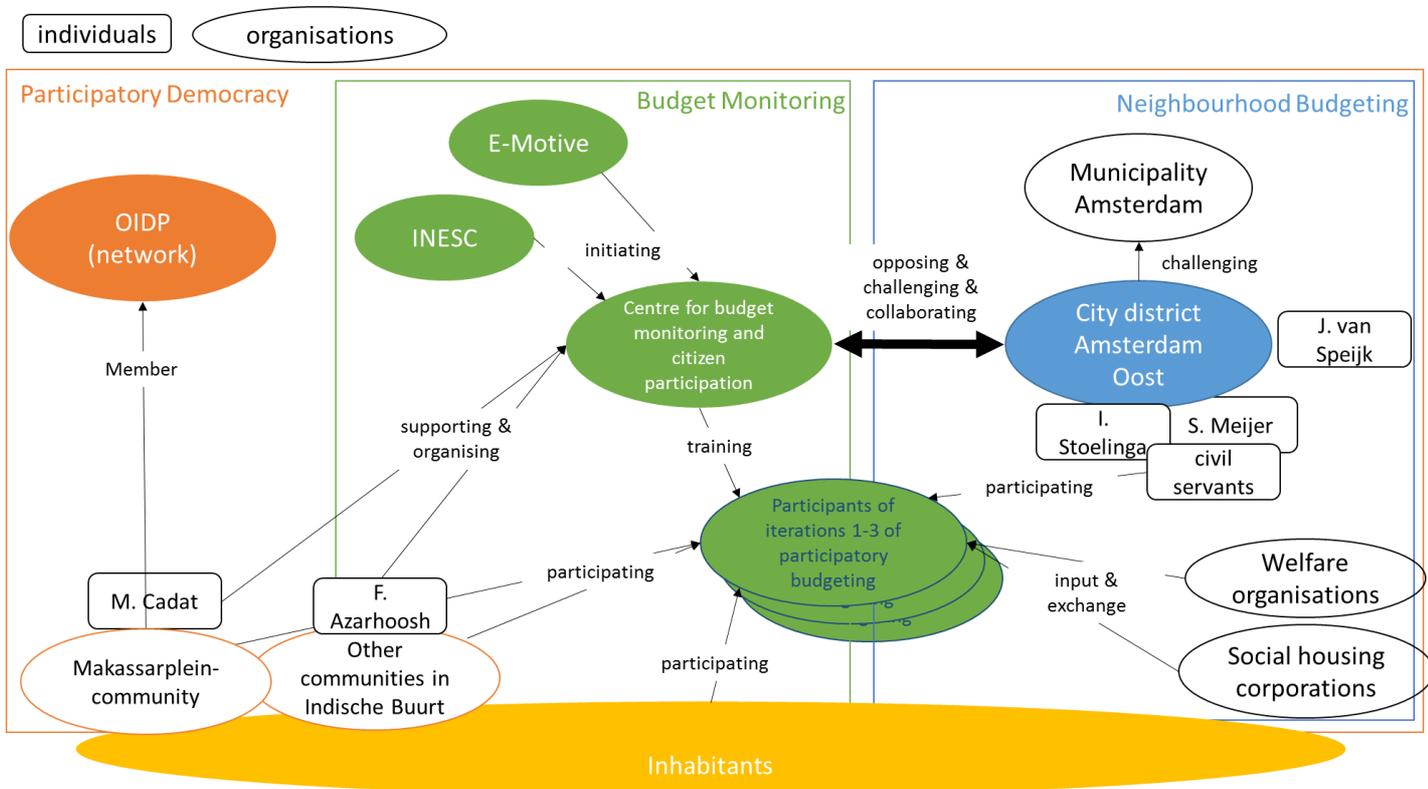


## Changing roles of citizens and citizen organisations

For budget monitoring, citizens engage in activities (see Table 5.2 above – outlining the new ways of doing) not hitherto considered as being part of what citizens do. Broadly speaking, this includes drawing up, prioritising and/or controlling the public budget (CBB 2014, 2014b, Smouter 2014). The fact that budget monitoring would be done by people without a background in finance "*implied that people who never studied budgets before had to be trained to monitor budgets*" (Gündüz and Delzenne 2013). Through the CBB-provided training and through engaging in participatory budgeting, participants increased their knowledge and understanding of the policy making process especially with regard to budgeting and distribution of resources but also in regard to 'how' a government works in terms of structures (cf. Interviewee 7). This knowledge puts them in a better position to think along critically and control public policy (Cadat 2015, CBB and INESC 2012). The major activity in the Indische Buurt is the prioritisation: "*before they open the books, the volunteers determine the priorities of the neighbourhood*" (Smouter 2014[79]).

In their nation-wide study on citizen budgets, Engbersen (2010) outline that this method can lead to more citizens becoming committed and active as volunteers also from different backgrounds. They also express that quarrel amongst citizens or different groups of citizens are much less likely than could be expected (ibid.).

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[78] This actor map shows the main initiating actors of participatory budgeting in the Indische Buurt.

[79] Dutch original: "*Voor ze de boeken openen, bepalen de vrijwilligers welke prioriteiten er in de buurt zijn*"

## Changing roles of civil servants and the district

With more interference of citizens in what was hitherto seen as activities of the state, also the role of civil servants and the district changes. Engbersen et al. (2010: 53[80]) outline this changing role as follows: "*More than before, it is facilitating with regard to initiatives of citizens. Civil servants acquire this role with ups-and-downs*". Temmink (2014: 2) outlines the sphere in the Indische Buurt for citizen initiatives as "*enabling and facilitating environment where the (local) government-supported citizen initiatives are aligned well with the central governmental policies for neighbourhood improvement*". This is what we also see when we take budget monitoring as citizen initiative and the neighbourhood budget instrument as municipality-led initiative together.

However, in the beginning, the district was not prepared (and not ready) to share financial data (Gündüz and Delzenne 2013, CBB and INESC 2012). Also, other districts in Amsterdam are hesitant to use the model as it requires time and commitment by civil servants to retrieve the data and courage to go public with data that might not be perfect (Interviewee 4). As such, budget monitoring and the neighbourhood budget instrument ask for a more humble and cooperative attitude of the municipality vis-à-vis the public. As outlined by the brochure on the neighbourhood budget instrument: "*The district understood that inhabitants would like to be involved. Insights into the way of working of the municipality are produced and discussions are started. This creates new entry points through which not policy but the neighbourhood gains a central place*" (CBB 2014b: 12[81]).

However, participatory budgeting also provides civil servants with direct contact with citizens which is valued within the district Amsterdam-Oost. As put by a civil servant of Amsterdam-Oost who wondered whether she would be able to get her colleagues along: "*Actually, everybody really likes to do it. […] These are topics that touch one as a civil servant, such as employment, poverty, youth and to then take this up with people from the neighbourhood […] Then this makes it a really nice task*." (Interviewee 4[82]). The participation broker agrees with him/her: "*This was very appealing to some entreprenerial civil servants: 'finally I do not sit at the office but really do things together with people from the neighbourhood*". She continues that the civil servants "*also were a bit proud because they knew better than the councillors who could not read the budget*" (Interviewee 9[83]).

There are moments when this contact suffers from internal routines – especially during the last iteration when due to the reorganisation of the Municipality of Amsterdam financial data was not made available. As outlined by the same civil servant of Amsterdam-Oost: "*One has to be honest towards each other […] that they [the neighbourhood] had actually wanted to be 6 steps further. They had wanted to contribute in the earlier area plans. I say yes: sometimes you are just not that far with each other and then you have to be honest and name this and keep the conversation about this going. Of course, we also wanted to be further by now. But yes, this is the tempo. […] This was depressing with the neighbourhood budget instrument. Then we went a step back, we had been further and had been set back. This is really frustrating and that is also nothing you can sell. But as long as we can take steps*

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[80] Dutch original: *"Meer dan vroeger is hij faciliterend ten aanzien van initiatieven van burgers. Met vallen en opstaan maken ambtenaren zich deze rol eigen"*

[81] Dutch original: "*Het stadsdeel heeft ervaren dat bewoners graag betrokken worden. Er ontstaat inzicht in de werkwijze van de gemeente en de discussie komt op gang. Dat creëert nieuwe ingangen waardoor niet het beleid maar de buurt centraal komt te staan.*"

[82] Dutch original: *"Eigenlijk vindt iedereen het hartstikke leuk om te doen […] Het zijn toch onderwerpen wat jou als ambtenaar werkgelegenheid, armoede of jeugd, dan is dat een thema wat jou raakt en om dat dan samen op te pakken met mensen in de buurt […] Dan is dat eigenlijk heel leuk om dat te doen."*

[83] Dutch original: "*Dat sprak een aantal ondernemende ambtenaren heel erg aan: 'eindelijk zit ik hier niet op het stadsdeelkantoor maar ga ik het echt met mensen uit de wijk samen doen'.*" And "*[…] werden ook een beetje trots omdat ze beter waren dan de raadsleden die de begroting niet konden lezen*"

*forward, yes, it does not go so fast then, that is frustrating once in a while*" (Interviewee 4[84]) Thus different internal structures and working routines, i.e. also more internal transparency in relation to budgeting, are needed. Three challenges for civil servants in relation to citizen budgets have been put on the table: the need to liaise with inhabitants, to learn new skills and to deal with internal resistance within the municipal organisation (Engbersen et al. 2010). The latter was also reported by a civil servant of the district Amsterdam-Oost: "*We have to take people along internally, but also in the neighbourhood. Some people there, if you go too fast, maybe they drop out or others cannot join, they 'miss the boat'*" (Interviewee 4[85]). It is especially that commitment by civil servants which is posited as one of the preconditions for citizen budgets to be successful (Engbersen et al. 2010) – especially so as they are the ones that can provide the necessary transparency of financial data (CBB 2014b). Also this we can see back in the Indische Buurt – it was through the work of devoted civil servants that the neighbourhood budget instrument was developed and provided a high degree of budget transparency on the neighbourhood level (CBB 2014b). The third iteration, after the reorganisation of the Municipality of Amsterdam also showed that the budget monitoring is less effective and less impactful without the budget specifications which can only be retrieved within the municipal organisation (Interviewee 5, 6).

### Creating closer links between different actors on the district level

With both roles – those of citizens and communities as well as those of civil servants and state organisations changing, also the relation between these two parties changes. Participatory budgeting is a method that increases interaction between the two groups. As outlined by the CBB (2014b: 3[86]) "*With the neighbourhood budget instrument we build a bridge between government and citizens*". It also fosters a different kind of dynamics as outlined by one of the involved civil servants: "*The new dynamic, where citizens critically examine the functioning of the government and where the municipality can account correctly for its actions, this is the way that we want to shape the future*" (I. Stoelinga, quoted in Van Roosmalen 2014[87]). The relationship seemingly becomes more 'equal': "*Working with inhabitants budgets asks for a turn towards a municipal bureaucracy which stands next to the citizen instead of opposite him/her*" (Engbersen et al. 2010: 35[88]). Or rather, the dependency of the municipality on citizens becomes visible in the reasoning of a founding member of the CBB, who claims that the politicians need citizens to define priorities in spending money: "*They need us for this. We are their eyes and ears*" (F. Azarhoosh, quoted in Smouter 2014[89]).

There are also cautious voices about the close collaboration: "*The difficulty was: if you involve the Board [of the district] closely in the [budget monitoring] trajectory in the context of The Netherlands*

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[84] Dutch original: *"Je moet wel eerlijk zijn naar elkaar toe [...] dat zij [de buurt] ook al 6 stappen verder hadden willen zijn. Dus ook al in een eerder buurtplan hadden ze mee willen schrijven. Ik zeg van ja: Soms dan ben je gewoon nog niet zo ver met elkaar en daar moet je dan eerlijk over zijn en met elkaar over blijven praten. Natuurlijk wilden wij nu ook al verder zijn. Maar ja, dit is het tempo. [...] Dat was het nare met die buurtbegroting. Toen ging je echt een stap naar achteren en waren we verder en zijn we terug gezet, dat is heel frustrerend en dat is ook eigenlijk niet te verkopen. Maar zolang je wel stappen vooruit blijft zetten.. ja dan gaat het niet zo snel en ja, dat is frustrerend af en toe."*

[85] Dutch original: "*Wij moeten intern mensen mee nemen, maar de buurt moet ook.., sommige mensen daar, als je daar te snel gaat, dan haken er ook misschien weer mensen af of mensen komen er niet bij 'die missen dan de trein'.*"

[86] Dutch original: "*Met de buurtbegroting slaan we een brug tussen overheid en bewoners*"

[87] Dutch original: "*Die nieuwe dynamiek, waarbij de burger kritisch kijkt naar het functioneren van de overheid en de gemeente goed kan verantwoorden waar zij mee bezig is, is de wijze waarop wij de toekomst vorm willen geven*"

[88] Dutch original: "*Werken met bewonersbudgetten vergt een omslag naar een ambtelijke organisatie die naast de burger staat in plaats van ertegenover*"

[89] Dutch original: "*Die hebben ons daarbij nodig. Wij zijn hun ogen en oren*"

*anno 2012, what is your point of attention?*" (Interviewee 6[90]). In addition, more interaction also leads to collisions between civil servants and citizens, e.g. if wishes of inhabitants are not in line with municipal policy or if they collide with municipal working routines (Engbersen et al. 2010).


## 5.3.2   Theories of Change

The processes through which actors imagine alternatives and transform themselves, their relations and their social contexts are also aspects of agency (cf. Wittmayer et al. 2015a). In this section we focus on theories of change sets "o*f ideas, framings and assumptions about how change comes about*" (ibid: 34), that the budget monitoring part of the SI-initiative holds – this includes their problem understanding, their future vision, principal actors who bring about the change and through which ways and means (cf. Wittmayer et al. 2015b).

In its original Brazilian context, budget monitoring is strongly framed in a human rights and emancipatory discourse, and focuses on governmental transparency, social justice, fighting corruption and gaining political influence (Gündüz and Delzenne 2013, Mertens 2011, Smouter 2014). Humans are considered to be subjected to hegemonic powers of oppression and inequality (Cardoso et al. 2013). The main **problem** identified refers to the huge gap between a governmental commitment to the Universal Declaration of Human Rights and an actual translation of this commitment in policies and budgets. What is aimed for are "*new patterns of freedom, equality, respect and dignity*" (CBB and INESC 2012: 5) in our societies as well as to "*guarantee human rights and social justice*" and "*to make governments accountable*" (ibid: 4). This **vision** is closely connected to the realization of human rights to increase social justice through ensuring the fair redistribution of resources. More plainly it is "*to establish concrete relations between public budget, guarantee of rights and confrontation of social inequalities*" (CBB and INESC 2012: 19).

This original vision has become diluted or adapted through its translation to the Dutch context. While, this thinking lives on in the discourse and practice of some, the emphasis shifted for the currently mainly involved actors in the processes in the Indische Buurt towards revitalizing democracy through citizen commitment and responsibility. One interviewee conceives of this shift in emphasis much more as a divide, for him one cannot talk about budget monitoring if one disregards the human rights aspect – for him this dilution of the original concept has also lead to tensions in the initiative (Interviewee 6). In the words of the current director of the CBB, the vision is to revitalize democracy and to increase the commitment of citizens (Interviewee 3).

**Actors** who can drive this envisioned change (i.e. realization of human rights and social justice as well as revitalization of democracy) are active and empowered citizens in the original discourse. These can use different **means** such as budget monitoring to hold their governments accountable for and influence their spending. Education is an important **way** through which to bring about change. Referring to the work of Paulo Freire on popular education, the CBB and INESC (2012: 5) outline: "*Popular education is instrumental in building better societies and democracies, since it facilitates the identification of those citizens and groups which are living apart of society [...] to participate in building the public arena*". Therefore a strong emphasis is on the training elements that are part of every budget monitoring iteration in the Indische Buurt. As outlined in their brochure: "*The construction and development of participatory educational processes are important and necessary for the exchange of knowledge that promotes the evolution of our democracies. This can open up possibilities to the empowerment of discriminated groups and marginalized communities and make them active and mobilized citizens*" (CBB and INESC 2012: 5). Through education or capacity

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[90] Dutch original: *"De bedenking was: als je het bestuur nauw betrekt bij het traject in de context van Nederland anno 2012, vanuit welk speerpunt doe je dat dan?"*

building, people become empowered and emancipated to either develop or take part in "*processes of social mobilization, that can allow such groups to demand accountability from their governments, at local and national level, about the public decision taken in the name of all*" (CBB and INESC 2012: 3). Cardoso et al. (2013: 17) see the change taking place "*in a dialogical, intersubjective, community-based fashion, through the actual transformation of the structures that oppressed subjects who, after emerging as historical subjects or subjects of rights, educate themselves through the process itself, becoming political subjects as well*".  Change thus comes about through the creation of "*conditions for participation in, and democratic control over government, using the public budget as a starting point*" (CBB and INESC 2012: 4).

In the Indische Buurt this dialectic between citizen and governments is less pronounced. Possibly due to the long standing collaborative governance culture of the Netherlands, also the local government is seen as a change agent. Change is seen to come about through the collaboration of the citizens and local governments and administrations. For the Director of the CBB, methods such as budget monitoring facilitate communication between citizens and state organs through creating a common language (Interviewee 3).

## 5.3.3   Four elements of dis/empowerment processes

In this section we further describe four elements of empowerment and agency, namely governance, monitoring, resourcing and social learning. These themes "*are not only activities that actors intentionally engage with, they also manifest as dominant institutions, structures and discourses that prescribe standardised ways of doing, organising, framing and knowing*" (Wittmayer et al. 2015a: 35). For each of these elements we describe the arrangements of the participatory budgeting in the Indische Buurt and in how far these can be considered socially innovative.

### 5.3.3.1   Internal and external governance arrangements

With governance, we refer to "*processes of governing (regulating, decision-making, steering) by all types of actors (including but not confined to government).*" (ibid: 35). Generally, it can be said that the initiative is not one coherent set of actors. While specific organisational actors have been involved in all three iterations, such as the CBB and the district administration, individual actors have been changing and also taking ideas further in other contexts.

With regards to budget monitoring, it is the CBB which is driving the different iterations (Interviewee 4). They provide trainers and invite participants, including representatives from the district administration. The trainers receive a compensation for their work. As put by a civil servant of the district administration: "*Budget monitoring is really done through the centrum [CBB], and we join in, we participate. It is their thing. I am invited and I come*" (Interviewee 4 [91]). For the neighbourhood budget instrument, the lead is clearly within the municipality and it has been residing in a collaboration of the neighbourhood management department and the financial department (CBB 2014b) within the former district municipal structure. Through their input they supported the budget monitoring training: "*The support consists of providing information by means of the neighbourhood budget instrument. In addition, civil servants have been present throughout the training to support the participants, to search for financial information and to verify documents. The*

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[91] Dutch original: "*Budget monitoring op zich wordt echt door het centrum gedaan, en wij doen daar aan mee, wij participeren daar in. Het is hun ding. Ik word uitgenodigd en ik kom*"

*civil servants work in duo's consisting of an employee of financial policy and an employee from neighbourhood management*" (CBB 2014b: 8[92]).

In the last iteration, the participatory budgeting group saw their output (e.g. Citizen Perspective Paper) being taken up by the district administration to be integrated in the Area Plan 2016 – the latter process is driven by the area team of the district administration who then invites citizens (Interviewee 3, PO). Through the increasing intertwinement of the civic-driven and the municipality-driven process, the boundaries between them become blurred and it resembles much more a process of collaboration. As nicely put by Hofman (2011: 52[93]) in relation to the citizen budget in general: "*The citizen budget is a process of collaboration in decision making. This means: citizens have influence and co-decide in the preparation of parts of the budget and in making the investment plans*".

In terms of external governance this collaboration process takes place under close supervision of the municipal council, who accords the area plan and has the final say over the budget allocations. A number of judicial problems related to governance issues are outlined by Engbersen et al (2010) for participatory budgeting more in general, such as allocation of responsibility between actors, existence of a grievance procedure, funding dependencies.

### 5.3.3.2   Monitoring and evaluation

With monitoring, we refer to "*the process that actors use to evaluate the impact/progress of their initiative/network on/in the context of the surrounding societal systems*". (Wittmayer et al. 2015a: 35). There is no systematic or regular evaluation of the activities taking place. However, we can distinguish between internal and external evaluatory activities.

In terms of internal evaluation, the different brochures that have been issued on budget monitoring and the neighbourhood budget instrument in the Indische Buurt refer to two evaluations that have taken place (CBB and INESC 2012, CBB 2014a, 2014b). While in 2012, there has been an evaluation meeting of the budget monitoring group (CBB and INESC 2012), in 2013/14 the Financial Policy Department of the district administration had issued an evaluation. The latter concluded that "t*he experiences with the training group shows that inhabitants can and want to talk more and on a deeper level about finances and financial matters*" (CBB 2014b: 12[94]). Both evaluations seem to have focused on the experiences of the involved citizens and were used to further develop and adapt the method. This has been outlined as follows: "*The inhabitants, employees, council members and board members of the district and all others involved in the last years could get acquainted with the neighbourhood budget instrument, each year a step further in its development. Also this year the neighbourhood budget instrument is further developed and innovated*" (CBB 2014b: 3[95]).

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[92] Dutch original: "*De ondersteuning bestaat uit informatieverstrekking door middel van de buurtbegroting. Bovendien zijn tijdens de training steeds ambtenaren aanwezig geweest om de deelnemers te ondersteunen, financiële informatie op te zoeken en documenten te verifiëren. De ambtenaren werken in duo's, bestaande uit een medewerker financieel beleid en een medewerker buurtregie*"

[93] Dutch original: "*De burgerbegroting is een proces van besluitvormende samenwerking. Dat wil zeggen: meebeslissende invloed van burgers bij het opstellen van delen van de begroting en het maken van investeringsplannen*

[94] Dutch original: "*De ervaringen van de trainingsgroep laten zien dat bewoners op meer en dieper niveau mee kunnen en willen praten over financiën en financiële zaken.*"

[95] Dutch original: "*Met deze buurtbegroting hebben de bewoners, medewerkers, raadsleden en bestuurders van het stadsdeel en alle andere betrokkenen de afgelopen jaren kennis kunnen maken, elk jaar een stapje verder in zijn ontwikkeling. En ook dit jaar is de buurtbegroting weer verder ontwikkeld en vernieuwd*"

An external evaluation took place through a group of Master students of the Free University of Amsterdam, who researched the best practices and challenges based on the perspectives of participants and other stakeholders with the goal to issue recommendations for improving the process (Albers et al. 2014a, 2014b). A participant of the last iteration outlined that it is the moment that you present it to the political representative that is an 'evaluation': "*We did have an evaluation with the politicians. A presentation of what we had done, and then you directly have your evaluation, because you present it*" (Interviewee 8[96]).

### 5.3.3.3 Resourcing

With resourcing, we refer to "*the process by which actors acquire the resources they need to attain their goals. [...] Resources can be defined broadly as persons, assets, materials or capital, including human, mental, monetary, artificial and natural resources*" (Wittmayer et al. 2015a: 35). We focus on financial and human resources as well as information as a resource.

In terms of financial resources, the CBB as the main driver of the budget monitoring processes in the Indische Buurt relies on financial contributions from the district. These are no structural contributions, these are project-based: the CBB gets paid for each year's budget monitoring training to a group of citizens (Interviewee 3, 4, 6, 10). There is also a subsidy from the Ministry of the Interior and Kingdom Relations for training local administrations and citizens in budget monitoring in other Dutch cities, these trainings are co-financed by the municipalities (Interviewee 6, 10). In the beginning, Oxfam-Novib as part of their E-Motive programme subsidized two trajectories to develop budget monitoring for the Netherlands (Interviewee 6). Interestingly there are different interpretations of the meaning of external funding for the budget monitoring. One participant emphasized that budget monitoring wished not to receive money from the district to retain their "*independent position*" (Interviewee 8). The civil servant responsible for drawing up the Area Plan explained that support for budget monitoring was included to assure commitment from the district in terms of human resources (PO).

In terms of human resources, the processes rely a lot on volunteering – thus the time investment of citizens in the participatory budgeting processes as well as those of the volunteer trainers of the CBB. However, the latter receive a certain financial compensation (Interviewee 8, 10). According to Albers et al. (2014a) not all participants attended every meeting because it was too time consuming. The requirement to attend weekly or bi-weekly meetings over some months, made it also difficult to find candidates (Albers et al. 2014a).

Finally, in terms of information as a resource, participatory budgeting drew much on the information provided by INESC as resources to establish a Dutch version of budget monitoring. The resource which is at the heart of the initiative is 'information' – as without the information on the financial data no monitoring is possible. Obtaining the information needed to actually monitor the budgets, has not been easy at all times. During the first iteration the CBB searched for publicly available financial documents of the municipality and translated it into accessible material. During the second iteration, the neighbourhood budget instrument provided by the district administration made the financial information much more easily accessible. The municipal reorganisation in spring 2014 meant a big step back as central municipal departments were not prepared to share data.

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[96] Dutch original: *"We hebben een evaluatie gehad met de politiek er bij. Een presentatie van 'dit hebben we gedaan', en dan heb je ook direct je evaluatie omdat je het presenteert"*

### 5.3.3.4 Social Learning

With social learning, we refer to "*processes of learning (acquiring information, knowledge, experience), between individuals and groups at the level of the initiative/network, but also beyond the initiative/network to the broader social context.*" (Wittmayer et al. 2015a: 35). Social learning processes are closely intertwined with monitoring and evaluating processes. As outlined under section 5.3.3.2, the evaluations performed were mainly used to improve and adapt the method for the following iteration. Therefore it is safe to say, that there was learning culture – especially related to budget monitoring. Social learning also plays out in two additional aspects, firstly through the importance of popular education in the theory of change, which translates into trainings for the budget monitoring group and secondly, through the focus on sharing lessons and methodology of both budget monitoring and the neighbourhood budget instrument within a broader social context.

Trainings are an important part of the budget monitoring activities with the goal to teach about the human rights background and to support participants in understanding the public budget (CBB 2014b, Interviewee 6). The training is organised by the CBB but is done in cooperation with the district administration (CBB 2014b). As outlined under the theory of change section (see section 5.3.2) trainings are considered in the light of popular education and as such contribute to the vision of social justice and human rights. As put by CBB and INESC (2012: 5) "*Education that promotes citizenship and mobilization allows the expansion of knowledge, political participation and improvement of living conditions*". Knowledge in this regard is considered "*an instrument of emancipation and promotes solidarity*" (CBB and INESC 2012: 5). Also, it is acknowledged that learning is in essence a social process: "*Popular education is not intended as an educational activity for one person or several people, but with people, exchanging experiences and sharing knowledge, and by doing so, sharing power. This approach values the collective dimension of the educational process and is permeated by a political view that includes the ideas of social change, freedom, justice, equality and happiness.*" (CBB and INESC 2012: 5).

Lastly, the participatory budgeting initiative engages in processes of sharing information with the broader societal context. This takes place through publications, both in Dutch (Cadat 2012, 2014, CBB 2014a, 2014b) and English (CBB and INESC 2012, Gündüz and Delzenne 2013), as well as through video clips posted on YouTube[97].

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[97] Selection of videos available via YouTube: INESC & budget monitoring: https://www.youtube.com/watch?v=1CKiJ5H_oQI; Study tour budget monitoring – 1st day: https://www.youtube.com/watch?v=1f0r08Fs8k4; Study tour budget monitoring – looking forward and back: https://www.youtube.com/watch?v=H9E4VUAoeFk; The week of the Indische Buurt: https://www.youtube.com/watch?v=a-BtUBhILN8; Budget monitoring – from a human rights perspective: https://www.youtube.com/watch?v=KEymK7my34s; and Iara Pietricovsky de Oliveira: a message to the Indische Buurt: https://www.youtube.com/watch?v=xpr_jRQ94x4

## 5.4  Summary, synthesis, conclusion

Participatory budgeting in the Indische Buurt asks for more budget transparency and accountability on the local level and strengthens participatory democracy by increasing the awareness, knowledge and influence of citizens in the neighbourhood about and on the municipal budget. Through a co-creation process between district administration and citizens, district policies, written down in the area plan, are arrived at.

### Emergence of participatory budgeting in the Indische Buurt
Participatory budgeting in the Indische Buurt emerged out of two distinct initiatives: On the one hand, a community-initiated stream putting budget monitoring on the agenda and on the other hand a municipality-initiated stream focusing on the neighbourhood budget instrument. Budget monitoring focuses on increasing citizen participation in municipal budgeting and was initiated through a 'reversed development' collaboration between active social entrepreneurs and INESC, a NGO in Brazil. The neighbourhood budget instrument focuses on re-organizing local administrations in a way that makes budgets more transparent for both the internal organisation and an external public and pays tribute to an increasing demand for more open and transparent government as well as more area-focused working.

Participatory budgeting in the Indische Buurt is a social innovation, in that it refers to ideas and activities which imply and demonstrate a change in social relations that are associated with
- new ways of doing: the collaboration of citizens and civil servants in drawing up an area plan based on the municipal-led area agenda and the citizen-led outcome of budget monitoring
- new ways of organising: new modes of organizing internal municipal processes and processes between local government and citizenry (i.e. co-creation)
- new ways of framing: participatory budgeting as related to participatory democracy, 'participation society' and new relations between government and citizenry, human rights and transparency
- and new ways of knowing: working with different kinds of knowledges and competences to collaboratively draw up an alternative municipal budget and set priorities

### TSI Dynamics
Participatory Budgeting in the Indische Buurt was enabled and/or inhibited by a number of contemporary social context factors and also was able to play into these.

Reverse development efforts, importing solutions from the Global South to the Netherlands, made introduction of budget monitoring in the Netherlands possible in the first place. These initial ideas on budget monitoring are connected to human rights discourses. While these aspects took a back seat in developing and adapting budget monitoring to the Dutch context, what became more important are discourses, trends and practices that question the relation between government and citizens, such as 'active citizenship', 'participation society', 'Big Society', 'area-focused working' or participatory democracy. Budget monitoring became a tool through which to address and newly define the relation between citizens and their representatives and through which citizens gain influence on local policy making. However, the budget authority does remain with the representative and elected City Council. Both, budget monitoring and the neighbourhood budget instrument are enabled by information and communication technologies and digitalization which play into current discourses and trends towards open government and transparent policy making. A local restructuring of the Municipality of Amsterdam, inhibited the further development of the participatory budgeting – as it severely compromised the access to budget information.

Areas, for which participatory budgeting in the Indische Buurt has transformative ambitions include the re-invention of the role of the citizen, as well as the role and internal processes of the government and of the relation between the two. It is considered as participatory mechanism "*for enhancing democracy and creat[ing] a fair and sustainable society*" (CBB and INESC 2012: 11). In general, the transformative potential of participatory budgeting lies in challenging current understandings of a lived local democracy through challenging and altering the role understandings of citizens and local government as well as the relation between the two. It challenges and alters the current role understanding of a citizen, which now includes activities such as actively working with the local government on drawing up a common policy plan. It also challenges and alters the current role understandings and routines of local administration and government in that it can lead to more transparency in government finances and less corruption as well as quality improvement of services and infrastructures. However, while it challenges the primacy of budget decisions held by the Council, it does not threaten it nor did it change this structure. Rather, through its presence it is altering the role of the Council in regard to the budgeting. In its fifth year, participatory budgeting in the Indische Buurt did to date not have transformative impact, while it did have a number of remarkable impacts. Most notably, through this new practice, citizens did have a more direct impact on policy making and were actively collaborating with local government in drawing up the policy plans for 2015/2016 (the so-called Area Plan). Furthermore, the idea of participatory budgeting is picked up within the Municipality of Amsterdam to be adopted in its other districts as well as within other municipalities.

**TSI-Agency**
The main actors in the participatory budgeting in the Indische Buurt include the Centre for Budget Monitoring and Citizen Participation (CBB), the district Amsterdam-Oost, the communities of the Indische Buurt, the participants of the participatory budgeting and Oxfam-Novib and INESC. The important triangle are the interactions between citizens, local administration and local government. The Indische Buurt has very active civil society actors, who currently have a very productive and good relationship with the local administration. However, especially related to the participatory budgeting activities, these relations had been antagonistic and only step-by-step have they evolved into the close collaboration on together drawing up a policy plan for the area which could be witnessed in 2014/2015.

Participants do report individual empowerment such as learning, a sense of impact or new understanding and insights into the system. Also disempowerment was reported: it was not fully clear in how far citizens were 'used' to legitimize current policies. Those participating are an exclusive group in that they are commonly referred to as either willing, or part of an elite, they also have the necessary time to get engaged. However, an effort had been made to include the perspectives of a broader groups through collecting opinions via questionnaires.

In terms of Governance, as one of the four elements of empowerment and agency, it is the CBB and the district administration which are the constant factor in the participatory budgeting processes over the years. With regard to the community-initiated trajectory, budget monitoring, the CBB provides the trainers and invites participants, while the district municipality participates and takes the results further. For the neighbourhood budget instrument, the lead is clearly within the municipality and it has been residing in a collaboration of the neighbourhood management department and the financial department within the former district municipal structure. Through the increasing intertwinement of these two processes, the boundaries between them become blurred and it resembles much more a process of collaboration. However, both are under close supervision by the municipal council, who accords the Area Plan and has the final say over the budget allocation. The second element of empowerment and agency, Monitoring, is not done systematically or regularly – there have been incidental internal and external evaluatory activities. Two internal evaluations have been taken place (for an early iteration of budget monitoring and an early version of the neighbourhood budget instrument). These seem to have focused on the

experiences of the involved citizens and were used to further develop and adapt the method. In addition there was an external evaluation through a group of Master students. These activities are closely related to a third element of empowerment and agency, namely Social Learning, as it is also through these evaluations that learning had taken place and the method had been improved and adapted. Social learning also plays out in two additional aspects, firstly through the importance of popular education in the theory of change, which translates into trainings for the budget monitoring group and secondly, through the focus on sharing lessons and methodology of both budget monitoring and the neighbourhood budget instrument within a broader social context. A last element concerns Resourcing. The main funding streams originate from governmental actors. The district financially contributes to the CBB for organizing the budget monitoring processes while there is a subsidy from the Ministry of the Interior and Kingdom Relations to organize the process also in other cities. However, next to financial, also human resources and information are vital. The participants of the iterations are doing this time-extensive task of budget monitoring in their free time. But 'information' is the resource which is at the heart of the initiative – as without financial data, monitoring is not possible.

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# 6 Synthesis

*Authors: Rita Afonso, Carla Cipolla, Bibiana Serpa, Julia Wittmayer and Sarah Rach*

FALTA SINTESE JA REVISADA (com inclusão do OIDP) Ficará pronta em DIA 24-01

Waiting considerations made in website text (to Linda) by Julia. To include here. Waiting the "OIDP" re-inclusions

This synthesis compares the international network OIDP and the local initiatives of participatory budgeting in Porto Alegre and in Amsterdam in relation to their Emergence, TSI Dynamic and Agency.

From the outset, it is important to emphasize that the main focus of the local initiatives is on participatory budgeting while the international network relates more broadly to participatory democracy, i.e. it covers a range of local initiatives towards participatory democracy, one of which is participatory budgeting. OIDP recognizes participatory democracy as a process that aims for inclusiveness, equality, citizen empowerment, greater legitimacy and confidence in public powers and efficiency in public administrations. The OIDP Network has the aim to promote participatory democracy in municipal governments. Its members believe that cities can drive the main changes in the world so they created a network to support local governments working on transformations.

The participatory budgeting (PB) cases are exemplary instances of participatory democracy nowadays, as recognized by the OIDP award "OIDP Distinction of Best Practices on Participatory Democracy" which had five out of nine winners (in the nine years in which it was issued) that are focused on participatory budgeting, as the main process (or as a support to an another initiative in the same Municipality). There are a number of reasons for our focus on participatory budgeting as case of participatory democracy and as social innovation including: (1) the fact that the participatory budgeting is the oldest participatory democracy experience associated with OIDP, (2) Porto Alegre's PB being the oldest successful participatory budgeting experience in the world and (3) it is possible to analyse the spread of a social innovation (PB) between different contintents (from Latin America to Europe). The local initiative in Amsterdam is more recent and has activities of participatory democracy and participatory budgeting, although 'participatory budgeting' constitutes something different in that case. While in the Porto Alegre case, the municipality is an  associate member and organizes the PB process in the whole city, the PB in Amsterdam is organized on neighbourhood level in a collaboration between local government and civil society and it is a civil society organization that is a collaborating member of . These differences make it interesting to analyze both cases and how they engage in participatory democracy and participatory budgeting.

Porto Alegre's PB is an old and consolidated process that aims for the participation of citizens in the organization and definition of municipal budgeting. The PB process in Porto Alegre is closely related to  as the municipality is an associate member of the network and holds the Latin America Office of the transnational network, known as ObservaPOA (The Observatory of the City of Porto Alegre). As for the Amsterdam initiative, the PB in the neighbourhood Indische Buurt focuses on more budget transparency and accountability on the local level and strengthens participatory democracy by increasing the awareness, knowledge and influence of citizens in the neighbourhood about and on the municipal budget. The Makassarplein community, one of the four active citizen groups in the Indische Buurt, holds the relation with OIDP as they are collaborating members of the network.

## 6.1  Emergence of Social innovation (SI)

In this section the international network and the two local initiatives are presented in a comparative way (similarities and differences) in relation to how they emerged, how they relate to each other and how they developed through space and time.

## Similarities

In Porto Alegre, the PB process was developed both as a top-down movement (process initiated by the government) and bottom-up (initiated by civil society). In Amsterdam, as well as in Porto Alegre, the initiative came from both sides: a community-initiated and a municipality-initaited stream. Both local initiatives are embedded in an active civil society in the city (POA) or neighbourhood (AMS). That shows that social capital is important for doing PB. However, there is also the necessity of political will (also reported for both cases). Considering the , the initiative was born as a project under the institutional support from the European Union, which have financed initially the network activities (through the URB-AL program). Today, it is a self-organized network, financed by its own members, which alters the presidency of in a yearly basis.

## Differences

In Porto Alegre the PB process is taking place for the last 26 years, thus a nice case for the institutionalization of SI (process, bodies involved, etc), while the Amsterdam case is much younger (5 years). The initiative in Porto Alegre operates in the whole city while in Amsterdam the focus is on the neighbourhood level. Thus rather than aiming to talk about the complete municipal budget, the aim is to have the municipal budget broken down on the neighbourhood level to monitor it. In Porto Alegre, PB is a deliberative process with massive citizen participation, in indirect and direct ways. In Amsterdam on the other hand, it is a rather small-scale process involving some 20 participants at a time: while there are attempts to involve others, either directly or indirectly through surveys. The fact that Porto Alegre has been doing PB for more than 20 years also led to an institutionalization and a cooptation of the PB: it is much closer to the government. This lets it lose some of its autonomy and legitimacy, while the PB in Amsterdam is still in its beginnings. Considering the , which consider participatory democracy as a large umbrella, which includes participatory budgeting, but not only, the initiative has 14 years. It has been generating knowledge about participatory democracy practices since than, which involves the continuous monitoring of these practices worldwide (through the  Distinction award on which more than 20 practices are submitted every year and are kept registered in the  website) and the definition of strategies to the consolidation of participatory practices, updated every year, based on the analysis of the overall game changes and social contexts made by  members, gathered in the  Conferences (and expressed in the letters issued at the end of each conference). As members of , the  Municipality of Porto Alegre is a member of  and has had an active role in the Network development, and it is also an important member as it brings its long term reputation on a worldwide recognized participatory democracy process (the PB).  The Municipality of Amsterdam is not a member of the  but the Makassarplein Community in Indische Buurt (AMS) is a member of  although it is not directly involved in the activities and development, but was affiliated only to be kept updated about the activities and practices of participatory democracy at a worldwide level.

## Participatory democracy and participatory budgeting as social innovations

The  network is socially innovative because it contributes to promote participatory democracy processes mainly through the production of knowledge to support these processes at a local level. Participatory budgeting, which includes all the variations defined by the specific characteristics of each locality, is the most diffused and recognized modality of participatory democracy. However the large framework of this report was set at the network level () by the concept of participatory democracy. Both local initiatives are affiliated members, and therefore, are supposed to share this concept and participate actively (or passively only by its own afilitation) of the diffusion of this concept, as defined by  members.

For  members, participatory democracy is defined as a social innovation aimed to increase knowledge of the mechanisms and opportunities of Representative Democracy and contributes to the reinforcement of elective institutions. For members, "it is crucial to consolidate the State's

presence in the world that emerges from street demonstrations, which is a manifestation of a horizontal structure, networked, where all are protagonists in fragmented actions". In this, it is affirmed the value of the Municipalities in this process. For them, special emphasis must be placed "on the social, cultural, territorial and technological context in which the participation process takes place". The synergies between social innovations and participatory democracy are recognized and affirmed. It is the recognition that citizens are active and able to construct alternative solutions to find a way out of any crisis "by means of consolidation; from the bottom up, at a local and popular level; from the citizens". It includes community banks or local currencies, for example. "The legal instruments of participatory democracy must guarantee the right to participation and those experiences that are successful must be institutionalised and bureaucratisation avoided" (from Conference - Letters).

The analysis of the best practices awarded with the Distinction revealed that the more decisive characteristic is that focus on Participatory democracy process to face social and economic *inequalities,* which are also described in spatial terms (for ex. the differences between different neighbourhoods, or the specific demands faced by shantytowns, or the differences between urban and rural areas). A set of different strategies were set up to each Municipality to face such challenges. Winners also place its focus in how to improve participatory democracy practices by promoting *inclusiveness* (for ex, to include women in the participatory budgeting processes) and by the use of ICT technologies (to improve participation of those that are not interested in such processes).

The local initiatives, the participatory budgeting in Porto Alegre and in Amsterdam are aligned with this view of participatory democracy (by its affiliation to ), by actively working to consolidate the participatory democracy at a local level.

Participatory democracy in and participatory budgeting, both in Porto Alegre and in the Indische Buurt, are social innovations as they refer to ideas and activities which imply and demonstrate a change in social relations that are associated with:

- *new ways of doing*: the generates knowledge and evaluate the quality of the Participatory Democracy experiences. Regarding participatory budgeting, the local manifestations: in POA the citizens participate in a deliberative way, with representatives defining the priorities of investment and developing the participatory budgeting's plan of investment, that is followed by the municipal council; in AMS the citizens and civil servants are collaborating in drawing up an area plan based on the municipal-led area agenda and the citizen-led outcome of budget monitoring.
- *new ways of organising*: is a highly decentralized organisation and operates through engaged members distributed worldwide and has only one person to perform a supportive role in the technical secretariat. For the local manifestations, both have new models of organizing internal municipal processes and processes between local government and citizenry even though those process vary between the initiatives that will be detailed in the next paragraphs.
- *new ways of framing*: considers that the production of knowledge (and more specifically the *collaborative* production of knowledge) is a key issue for the promotion of participatory democracy at a local level. In the local manifestations, the participatory budgeting is related to participatory democracy, 'participation society' and new relations between government and citizenry, human rights and transparency.
- *and new ways of knowing*: produces its knowledge in a collaborative and continuous learning process through annual conferences, the activities of work groups and continuous monitoring of participatory democracy practices. As for the local initiatives: in POA, ObservaPOA has an important role as it generates a formal knowledge about participatory budgeting (or widely about participatory democracy) practices in POA, also by monitoring

these processes. but the participatory budgeting process itself is a tool for social learning and capability building for those (citizens and civil servants or officials from municipality) who engage in PB; in AMS they are working with different kinds of knowledge and competences to collaboratively draw up an alternative municipal budget and set priorities.

**Process of participatory budgeting**

Considering the process of participatory budgeting itself, the two local manifestations have the following particularities and similarities:

- Both yearly PB rounds start with a prioritisation step: defining what are the needs and priorities of citizens;

- POA has a one-year long institutionalized process, in AMS the process takes 2-4 months and it is more precarious (depending on financing and volunteers), with the collaboration of both citizen-led budget monitoring and municipality-led neighbourhood budget instrument the process became more institutionalized in the latest round;

- The AMS the actual process steps are still adapted and changed every year, it is more exclusive as it depends on who is asked and wants to join as participants and it has a smaller outreach (around 20 people of a neighbourhood of about 22,000 people). Also the PB in Porto Alegre follows a much more consolidated process due to the length of its existence – it still is regularly adapted. The citizen participation in terms of presence in the assemblies is growing every year, in 2015 over 20 thousand people engaged in the local assemblies (the total population of Porto Alegre is 1.500.000 inhabitants);

- In AMS the final say about the budget stays with the city council. In POA the citizens work on the investment plan and the municipality executes that plan, i.e. does the investments based on what citizens planned. If the city council does not want to follow the investment plan, they need to change the law of that year's budgeting. To do so, they need previous approval from the PB's Council, which is constituted by citizens.

Other than operational characteristics, the role of ICT's in the process of network formation is a crucial point in the work of this initiaives. In AMS, ICT's are an important trend, this also counts for the . The network holds its work mostly through online connections, but more important is that the network itself has been increasingly concerned over the years with the importance of ICT in the development of participatory democratic practices. In POA, however, the PB process is independent from the ICT as it is not a fundamental tool. For now, just improvements are being implemented by ICTs in POA, such as watching assemblies by streaming and data gattering and access.

# 6.2  TSI dynamics

As the initiatives and the network were born in different locations and time, they have distinct characteristics considering their dynamics and context.

In the beginning of the  network (2001), the policy framework between Europe and Latin America was crucial, expressed in the Urb-Al program, which was an instrument to foster a decentralized horizontal co-operation between the two continents. It was initially created to develop networks between local authorities and, on the basis of exchange of experiences on different urban policies, to contribute to the wider goal of promoting social cohesion in Latin America.  As for a global trend, the ICT's represent a huge social context frame to the network operation, as it largely relies on ICT's for

the exchange of information and knowledge between members. For members, the consolidation of participatory democracy is needed, and the activity of the network itself (as defined in its begginings) was needed to "face the negative aspects of the neoliberal policies and globalization, considered as authoritarian processes which take place due to the hegemony of the financial capital". Consequently, there is a need to reinforce the local level (Municipalities) and its participatory practices. The municipalities, due to their proximity and contact with the reality, are considered "the only ones enabled to radically change the differences in our society" (from Conferences – Letters).

In Porto Alegre the PB process has a partisan political nature. Since the beginning, the PB was closely related to political parties and was adapted by different parties that took on the city hall during PB's 26 years of existnce. During those years, the process has changed and was improved into an organised system. Nowadays, the city administration conducts the PB and has institutionalised its operation. Even though citizens have deliberative power in the design of the municipal investment plan, the process lost its original legitimacy due to the fact that the community leaders are now working following the city hall agenda, partisan political related and no longer are involved in an autonomous process.

In the Indische Buurt (AMS), the participatory budgeting can be related to a number of different societal context changes. Changes in the municipal structure (rather than in terms of political parties as in the POA case) did have direct repercussions on the ways the process could be conducted. Larger societal trends that can be related to this process are the discourses, trends and practices that question the relation between government and citizens, such as 'active citizenship', 'participation society', 'Big Society', 'area-focused working' or participatory democracy. However, also the open data movement and its ICT focus did have impact on the development in the Indische Buurt.

In face of this overall social context, the broader **transformative ambition** of the initiatives varies from each other:

- For : to reinforce the relationship between Municipalities and its citizens in a participatory way, to create and spread knowledge to local level (municipalities) and apply and propagate principles of participatory democracy, mainly among local governments, but also among other actors (universities and associations). Other ambition is to create a larger network of local observatories that are able to monitor and evaluate PD practices at a local level, incorporating citizens in its evaluation processes.

- For POA: to promote an environment of citizen participation in planning the participatory budgeting of the city in a democratic and deliberative way, in addition to stimulate a better relationship between government and citizens.

- For AMS: to re-invent the role of the citizen, as well as the role and internal processes of the government and of the relation between the two in Indische Buurt neighbourhood.

The **transformative potential** both of the local initiatives and of considers mainly the relationships between their actors:

- For : the network itself is an element of relationship, cooperation between the different cities to advance the knowledge about how to consolidate participatory democracy and to mutually support each other in front of specific challenges that may emerge in local contexts. In this case, the transformative potential of the ICT is also acknowledged as a tool to be explored.

- For POA: as a consolidated initiative, POA has demonstrated that the PB process is scalable and adaptable. The current process in the city is different from the one in the beginning, when it challenged more the government and the social relations between the citizens and their power towards the city. Nowadays, the process is still working and allowing citizens to

deliberate about the city's investment plan, but it lost strength in relation to the transformative structure of relations and decision-making power in the city. Although the process has changed and has been institutionalised, it is still a major example of a participatory democracy process, therefore has a huge part in spreading participatory budgeting worldwide.

- For AMS: the process challenges the current understanding of local democracy by altering the comprehension of the roles of citizens and local governments and the relationship between them. The changes for the citizens involve more participation and responsibility in drawing up policy plans, as for the government, it implies more transparency and effectiveness in delivering services. At this moment, the primacy of the budget decisions still lays with the city council, however the participatory budgeting activities do challenge the role of the council.

The **transformative impact** of the local initiatives and the network differs from each other because of their lifetime and major aims, as can be seen bellow:

- For the : is manifested in the knowledge generation process it fosters. promotes a continuous learning process and support its members' education as the agents for the development, promotion and support of participatory democracy processes at a local level (mainly civil servants and officials from municipalities and researchers). This is done through the continuous monitoring of participatory democracy practices (through the Distinction of Best Practices of Participatory Democracy issued each year), through the conferences held yearly (and the Letters issued by members) and through the work groups (composed by members that work all over the year to develop tools or answered questions related to the consolidation of participatory democracy practices). The is being also a model to other participatory democracy networks (for example, the Brazilian Network of Participatory Budgeting (Rede OP Brasil website, 2015) operates similarly to the Network.

- For POA: the participatory budgeting in POA has been a huge player in changing the relationship between citizens and the government by empowering the first ones in the participatory democracy process in local level. It is recognisable that the PB changed the way the city conducts its policy and participation. It seems that the city council is more open and has an increased understanding of the need for citizen participation as compared to other cities in Brazil. Aside from the local level of Porto Alegre, there are over 1500 cities in the world that have some kind of participatory budgeting process, most of them take Porto Alegre as an inspiration, as it was the first successful experience of this kind.

- For AMS: because of it short period of operation, the PB in Indische Buurt did to date not have transformative impact, while it did have a number of notable impacts, for example the citizens impact in the policy making and active collaboration with the local government. Besides that, other districts and other cities are engaging in the idea of participatory budgeting, making it stronger within the city.

## 6.3  Agency in (T)SI

The **(dis)empowerment** of those involved  **network** varies accondingly with the different kinds of relations they may have with the network. There are the associate members (the officials of affiliated municipalities – e.g. the city hall of Porto Alegre's PB is a member); collaborating members (associations, research centres, etc. – e.g. the Makassarplein Community, a civil society organisation of the Amsterdam PB is a member); and citizens that are involved in participatory democracy processes and engage in these initiatives at a local level.

For the associate members, and referred to the officials and civil servants from municipalities, such as those working in the city hall of Porto Alegre, being a member of  expresses a kind of activism in a way they are embedded by a sense and duty of transformation of their local contexts through participatory democracy practices. At the same time,  empowers them by providing international reputation and recognition to their local work on PD. For the entire Municipality, the local organization of  conferences (alternately organized by different associate members each year) highlight its participatory democracy processes (and the civil servants/officials involved). For one year the city becomes the "world capital of participatory democracy" (Municipality of Canoas in 2014, for ex.). Although Porto Alegre does not require this kind of recognition, the city is an important member of  as an active participant in conferences and working groups and also holds the Latin American Office of , known as ObservaPOA.

For collaborating members, like the Makassarplein Community in the AMS case, the  provides renown to their research activities in participatory democracy. University members are invited to be speakers in  conferences. For associations,  is mainly a source of information about participatory democracy practices, but some associations have an active role in  (as observed in the discussions in  work groups). The relation between the Makassarplein Community and the  are weak, as the NGO does not performs an active role in the network.

For the citizens,  direct actions in relation to the empowerment of citizens in participatory democracy processes may take place through the activities of the Local Observatories, originally conceived in the beginnings of the  Network, aimed to evaluate the quality of participatory experiences at the municipal level by incorporating citizen participation in evaluation processes. The ObservaPOA (the only local observatory still active and connected to ) operates in this model. Citizens may feel empowered by the activities of the ObservaPOA, when it aims to disseminate knowledge about the city by building a broad base of information to support decision-making processes in PD. However, citizens may also feel disempowered if ObservaPOA is considered as a controlling body which is "very concerned to present the calculations on how many people, how many women work … it is a calculation that allows you to have a control … You will control that population" (Interviewee 7).  Anyway, citizen participation in  is indirect, as they engage in participatory democracy practices developed by municipalities or collaborating members. Even though they are not directly involved in the  activities, they are empowered by the activities and the support the network gives to the Municipalities and other institutions.

About **monitoring**, the  Network does not have any explicit procedure to evaluate its impact, as a network. However, more important is that the  Network itself can be considered as a monitoring unit for participatory democracy practices at a global level. Today, this monitoring activity is done through the  Distinction of Best Practices of Participatory Democracy, which "seeks to recognize innovative experiences in the field of participatory democracy, coordinated by local governments, which may be susceptible to reply".  More than 20 practices of participatory democracy are submitted every year and are all kept available and diffused in the  website.  For participatory democracy practices,  recommends a continuous monitoring process, to be done with the participation of the citizens themselves (the Local Observatories were defined as local representatives from  to perform this role at a local level).

About **resourcing**, " does not require membership fees. Instead, each member undertakes to finance their own activities and pay any travel expenses incurred" ( Website – How to Join, 2015). However, it is not considered a satisfactory situation and the Network is looking for funding. Crowdfunding was considered as an option, but acceptable only for specific projects ( Distinction, research projects, pubblications and other similar projects), not for financing  network directly: "micro-financing campaigns are not suitable for financing bureaucratic structures" (, 2014a). For participatory democracy practices, it is possible to observe (in practices awarded with  distinction) that each initiative has its own resourcing model, accordingly with the local context considered.

About **social learning**, there are three explicitly organized process through which Network members acquire and share information, knowledge and experiences: the Conferences, the Work Groups and the Distinction "Distinction of Best Practices of Participatory Democracy". The "Letters" issued at each conference, have a particular role in the social learning process They are the result of the activities and discussions held by members in conferences and usually includes: (1) an analysis of specific social context, socio-economic situations, challenges or game changers that influence their aims, i.e., to promote participatory democracy practices in the Municipatities; (2) guidelines for action to promote PD in Municipalities, considering the characteristics of the social context analysed.

Moving to the **local initiatives**, they both have a wide range of actors that influence the agency in the PB's manifestations.

Considering the PB in Porto Alegre, the main actors changed over time. At the beginning there was a massive participation of social movements, political parties and civil society organisations (such as UAMPA and the NGO Cidade). Throughout time, the civil society organisations and social movements lost their strength in the process (external actors such social associations do not have participation in the process anymore and the dialogue between communities and city hall has been diminished along the time), at the same time, the political parties conducting the process enlarged their decision-making power and straightened the PB to theirs own interests. Although the communities have their representatives in the PB Committee and this Committee has deliberative power towards the investment plan, the citizens no longer have the same autonomy as before, because the political partisan origin made the process more institutionalised and partisan related.

In the Indische Buurt case, the main actors include the Centre for Budget Monitoring and Citizen Participation (CBB), the district Amsterdam-Oost, the communities of the Indische Buurt, the participants of the participatory budgeting and Oxfam-Novib and INESC. There are active civil society actors, which currently have a very productive and good relationship with the local administration, amongst others through engaging together in the participatory budgeting. Also the national government does play a role, especially through financing pilots in other cities.

In both cases participants report individual **empowerment** such as learning, a sense of impact or new understanding and insights into the system. In the PB Porto Alegre, it was recognised that in the past years there was a disempowerment of the citizens and the PB committee (composed by citizens representatives) because of administrative mechanisms. Nevertheless there is a contradiction in the empowerment/ disempowerment relation in this case. For the past years, the number of participants in the assemblies has increased, however most of the people are apathetic towards the process, are not actively engaged and participate because of particular agendas. In other words, their participation is not an empowered one. In AMS disempowerment was also reported as it was not fully clear in how far citizens were 'used' to legitimize current policies and those participating constituted an exclusive group. The participants are commonly referred to as either willing, educated or part of an elite and also have the necessary time to get engaged. However, an effort had been made to include broader groups through collecting opinions via questionnaires.

Considering **governance**, both cases have blurred boundaries between institutions that govern the local initiatives. For Porto Alegre's PB, the citizens representatives (through the PB's Committee) are responsible for the decision-making process through which the investment plan is designed and the city council is responsible for organising the PB process and evaluating the demands and possibilities of investment. They both work as regulators of the process and have a very interactive relationship in the governance of PB. In the beginning of this initiative, there was NGO Cidade, an important actor in governance who was responsible for training the community leaders to participate in the PB's Committee. Nowadays, the training is provided by the city hall, more specifically by ObservaPOA. The main current criticism in the matter of governance is that the relationship between the communities' representatives and the government used to be more challenging, in a way the leaders used to question the status quo. Right now, we see a more

institutionalised relationship, almost as an employer-employed relation. As for AMS, the CBB (NGO) and the district administration share the responsibilities of governance. Regarding the community-initiated trajectory, budget monitoring, the CBB provides the trainers and invites participants, while the district municipality participates and takes the results further. On the other hand, for the neighbourhood budget instrument, the lead is clearly within the municipality and it has been residing in a collaboration of the neighbourhood management department and the financial department within the former district municipal structure. Recently, the process has been much more collaborative, making those limits between one another more organic.

Regarding **monitoring**, the two local initiatives show major differences. In Porto Alegre, the city council and ObservaPOA do the monitoring annually. The monitoring focuses on participants (number and profile, for example) and the process itself (what demands were established, what themes were prioritized, etc.). Other than that, there is data monitoring by the city of Porto Alegre along issues such as education, health and housing. There is also a monitoring process about the achievement of works and demands after the PB's investment plan is done, they regulate which demand is solved, where it is located and how much time it took to get it done. The problem with these is that right now internal actors from the city hall (ObservaPOA or related research institutes) do all the monitoring. In this point also NGO Cidade was an active actor at the beginning of the process in the city, who had a crucial role in monitoring the process from outside, in a very critical way. The NGO no longer engages in the overall process because as time went by, the city council did neither provide the requested information nor enable the NGO to participate in meetings. In AMS, monitoring is not done systematically or regularly. Two internal evaluations have been taken place (one for an early iteration of budget monitoring and an early version of the neighbourhood budget instrument). Rather than evaluating the broader impacts of the process, the evaluations seem to have focused on the experiences of the involved citizens and were used to further develop and adapt the method.

**Social Learning** appears as strong aspect of the participatory budgeting experience in both initiatives. In POA the social learning occurred both to citizens and to the government. The people who engaged in the process as assembly participants and especially the community representatives have learned a lot about the way the government system operates and the rights and duties of citizens. They also received trainings to improve their leadership practice. As for the government, officials needed to learn how to communicate and collaborate with citizens in order to promote the participatory budgeting process. The administrative logic of the government has changed and is now conducted in a much more participatitory fashion. In AMS, learning had taken place with regard to the method, which had been improved and adapted. As in POA, citizens learned about the local government structure and the background of municipal budgeting processes. In addition, the aspect of learning does play an important role in the theory of change of budget monitoring, which orients itself along Freire's ideas of popular education. These are translated into trainings for the budgeting monitoring group. Furthermore, lessons and methodology of both budget monitoring and the neighbourhood budget instrument are shared through documentations with a broader audience.

The last element concerns **Resourcing**. Both in POA as in AMS, the main financial resources come from governmental actors. In terms of human resources, the process of PB in POA is located at the city council, which maintains administrative local centres and has specific staff to work within the communities. The PB's Committee participants (the communities representatives) work in PB in their spare time and do not receive any formal financial support, but have deliberative power considering the investment plan. Adding to that, the city council also maintains ObservaPOA as a research and monitoring actor. Considering AMS, the district financially contributes to the CBB (NGO) for organizing the budget monitoring processes while there is a subsidy from the Ministry of the Interior and Kingdom Relations to organize the process also in other cities. However, next to financial, also human resources and information are vital. The participants of the iterations are doing

this time-extensive task of budget monitoring in their free time. But 'information' is the resource that is at the heart of the initiative – as without financial data, monitoring is not possible.

# 7 Annex

## 7.1 List of interviews

This table covers the interviews conducted for all three case studies. Interviews 1-11 pertain to the transnational network and the Brazilian initiatiave and interviews 12-22 pertain to the Dutch case.

*Interviews for the local case in Brazil and the overall network*

| Inter-viewee ID | Date | Duration | Interviewer | Relevant for cases: |
|---|---|---|---|---|
| 1 | 08 September 2015 | 1 hour | Carla Cipolla | Main representative of OIDP |
| 2 | 24 August 2015 | 1h30 min | Carla Cipolla | Manager of ObservaPOA |
| 3 | 25 August 2015 | 2h07min | Rita Afonso | Oldest participant of ObservaPOA |
| 4 | 24 August 2015 | 1h46min | Rita Afonso | Community leader and have a position in PB inside the mayor hall |
| 5 | 24 August 2015 | 26min | Rita Afonso | Community leader, counsellor of PB |
| 6 | 24 August 2015 | 1h29min | Rita Afonso | Community leader and have a position in PB inside the mayor hall |
| 7 | 26 August 2015 | 2h03min | Rita Afonso | In PB since it began, has a very critic vision from outside |
| 8 | 26 August 2015 | 1h09min | Rita Afonso | A top position in PB inside the mayor hall |
| 9 | 26 August 2015 | 1h09min | Rita Afonso | Position on City Hall very close to PB |
| 10 | 26 August 2015 | 1h09min | Rita Afonso | Position on City Hall very close to PB |
| 11 | 25 August 2015 | 2h02min | Rita Afonso | Working on a top position in PB when it changed from the first to the second period |

*Interviews for the local case in The Netherlands*

| Inter-viewee ID | Position | Name | Date(s) | Duration | Interviewer(s) |
|---|---|---|---|---|---|
| 1 | Partner Concept Development OIA Method (oiax.org) and Projectleader Neighbourhoudbudget | Ilan Stoelinga | 2015.09.16 / 2015.11.26 | n.a. / 01:28 | J.M. Wittmayer / J.M. Wittmayer and S. Rach |
| 2 | Developer at Neighbourhoodbudget Lab, Municipality Amsterdam | Sander Meijer | 2015.09.16 | n.a. | J.M. Wittmayer |
| 3 | Director, Centre for Budgetmonitoring and Citizen Participation | Martijn Kool | 2015.09.23 | 00:56 | J.M. Wittmayer |
| 4 | Civil servant at district Amsterdam-East | Martine Koehein | 2015.10.13 | 00:43 | J.M. Wittmayer |
| 5 | Trainer Budgetmonitoring, Centre for Budgetmonitoring and Citizen Participation | Herbert Koobs | 2015.10.13 | 01:10 | J.M. Wittmayer |
| 6 | Trainer Budget Monitoring, Centre for Budget Monitoring and Citizen Participation | Brieuc-Yves (Mellouki) Cadat | 2015.10.14 | 01:44 | J.M. Wittmayer |
| 7 | Inhabitant Indische Buurt, Participant Budgetmonitoring | Roelien Benjamins | 2015.11.26 | 00:53 | J.M. Wittmayer and S. Rach |
| 8 | Participant Budgetmonitoring | anonymous | 2015.11.26 | 00:48 | S. Rach and J.M. Wittmayer |
| 9 | Participation Broker Indische Buurt, Municipality Amsterdam | anonymous | 2015.12.01 | 01:00 | J.M. Wittmayer and S. Rach |
| 10 | Trainer and Developer at CBB | anonymous | 2015.12.03 | 01:05 | S. Rach and J.M. Wittmayer |

## 7.2  List of meetings and events attended

*Meetings and events attended for the local case in Brazil and the network*

| Meeting and events attended as part of data collection, dialogues, etc. | Purpose of attending | Date and duration | Attending from the research group |
|---|---|---|---|
| Participant observation – ObservaPOA | To know the Latin American office of OIDP | 24th august 2h | Carla Cipolla, Bibiana Serpa, Rita Afonso |
| Participant observation - Regional Management Centre | To know the stricture of regional PB unit | 24th august 3h | Carla Cipolla, Bibiana Serpa, Rita Afonso |
| Event- Assembly - Restinga | To know the most important event in PB cycle | 24th august 4h | Carla Cipolla, Bibiana Serpa, Rita Afonso |
| Participant observation - research ObservaPOA – Campo Novo | To understand the relation between ObservaPOA and the citizens | 25th august 2h | Bibiana Serpa, Rita Afonso |
| Event- Assembly – Campo Novo | To know the most important event in PB cycle | 25th august 4h | Bibiana Serpa, Rita Afonso |
| **TOTAL** | | **15h** | **--** |

*Meetings and events attended for the local case in the Netherlands*

| Meeting and events attended as part of data collection, dialogues, etc. | Purpose of attending | Date and duration | Attending from the research group |
|---|---|---|---|
| Open Day: District Amsterdam-Oost | Understanding the dynamics between the district officials and community initiatives; Getting in contact with citizens and officials | 26.10.15; 3 hours | Sarah Rach |
| Presentation draft Area Plan 2016 Amsterdam-Oost | Important step in incorporating the outcomes of the 2014/2015 budgetmonitoring iteration into the official Area Plan for the Indische Buurt 2016; Getting in contact with participants of budgetmonitoring | 3.11.15; 2 hours | Sarah Rach |
| **TOTAL** | | **5 hours** | |