

**Measuring and Evaluating Empowerment: Participatory Budgeting in
Brazilian Municipalities**

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- **Participatory Budgeting, or *Orçamento Participativo* (OP), is a governance innovation in Brazilian municipalities since the late 1980s. It facilitates direct citizen involvement in the making of municipal budgets.**
- **OP is self-conscious strategy of empowerment.**
- **Our study is designed to evaluate and measure the impact of OP on Empowerment**

Why Study Participatory Budgeting in Brazil?

- **Local government is a critical domain of effective choice.**
 - **Delivery of Services**
 - **Schools of Democracy, developing citizen's capabilities**

- **Problem: Local government is traditionally dominated by:**
 - **executive power over budget,**
 - **elite controlled of political process**
 - **insularity and opaqueness of decision-making**
 - > **site of rent-seeking**

The Context

- **Transition to Democracy in 1984**
- **Decentralization of National State with new Constitution**
- **Brazilian democracy understood as unconsolidated. Dominated by clientelism/patronage, apathetic voters, low trust, bloated and inefficient state**
- **Nonetheless, new institutional actors since transition (new practices of social movements, appearance of programmatic reformist parties (Workers' Party, or PT) and a number of local level innovations, including the OP**

What is OP

- **Originates in Porto Alegre in late 1980s as an attempt to:**
 - **democratize & reform local government,**
 - **reduce transaction costs for participation of marginalized**
 - **promote redistribution**
- **Copied and transformed in hundreds of municipalities, with wide variation in the actual design and implementation of OP**
- **Baseline institutional features:**
 - **sub-municipal assemblies of ordinary citizens**
 - **citizens discuss and prioritize budget demands**
 - **directly elected delegates integrate demands into budget**

OP Rupture with the Past

- **In principle, dramatic break with patronage-driven, elite controlled municipal politics.**
- **New Forms of inclusion achieved through four mechanisms:**
 - 1) giving citizens a direct role in city governance by creating a range of public fora (micro-regional councils, district councils, sectoral committees, plennaries, delegate councils) in which citizens and/or delegates can publicly articulate and debates their needs**
 - 2) linking participatory inputs to the actual budgeting process through rule-bound procedures**
 - 3) improving transparency in budgeting process by increasing the range of actors involved and publicizing the process**
 - 4) incentivizing agency by providing tangible returns to grass roots participation**

The Significance of OP

- **Some cases well documented for both empowerment and development outcomes**
 - **Porto Alegre, Belém, Belo Horizonte.**
- **Has been copied and translated to several other municipalities in Brazil and other countries**
 - **In 1997 103 municipalities covering 17 million people (5 cities over 1 million)**
 - **In 2000-2004, estimated 300 municipalities including São Paulo with a combined population of at least 50 million people**
 - **Adopted by PT and non-PT administrations alike**

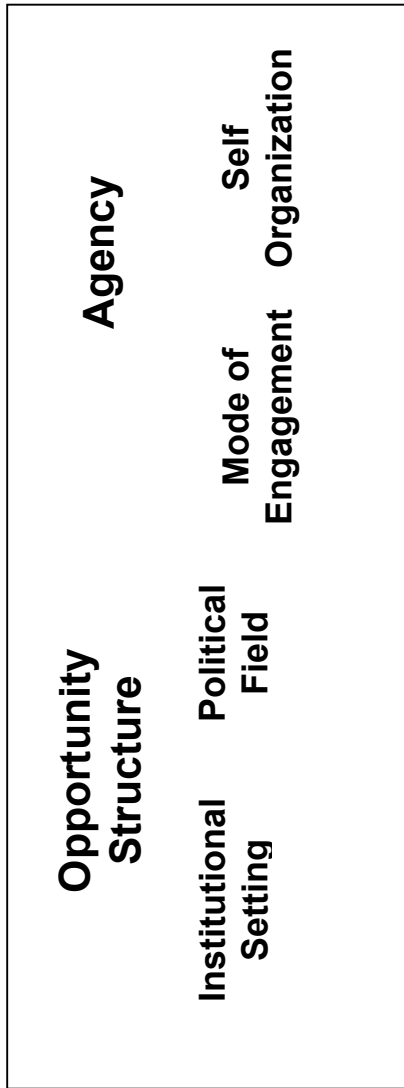
Limits of Existing Research

- **Several case studies of OP**
- **Problems with current studies**
 - **know little about other cases of OP**
 - **no robust comparative studies**
 - **do not control for confounding effects of contextual factors**

Our Study

- **We ask a fundamental question: Can OP make a difference across diverse contexts, and if so, how and why?**
- **Two Stage Design:**
 - **A quantitative study based on data from all 5,700 municipalities to determine what factors explain adoption of OP, and the developmental impact of OP**
 - **A 5-matched pair qualitative case study to excavate isolate the impact of OP and to excavate the causal mechanisms**

Context



Non- OP



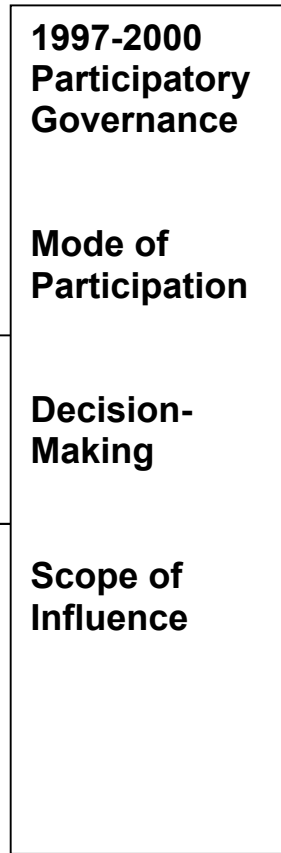
5 Municipios

5 Municipios

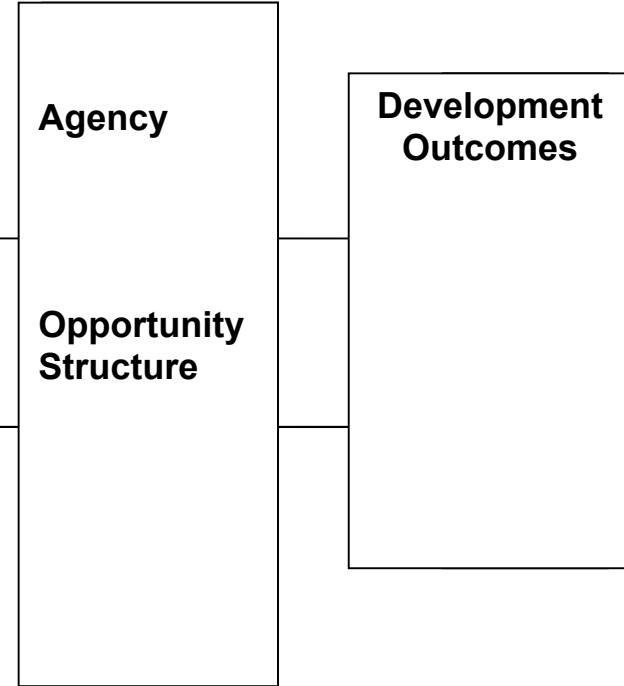
OP



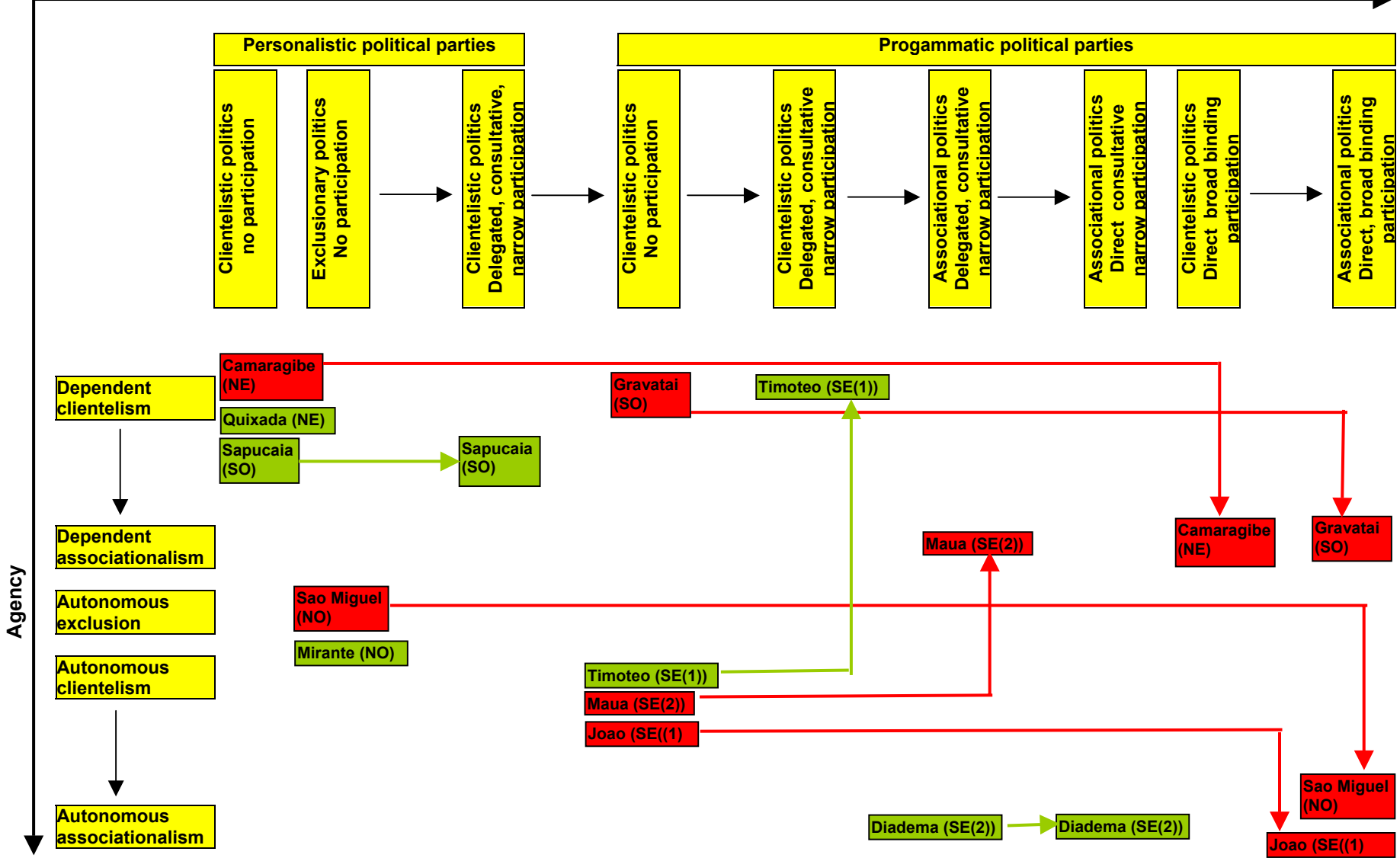
Treatment



Outcomes



Opportunity structure →



The Empowerment Framework

An empowered civil society must have an autonomous capacity for self-expression (agency**) and the **opportunity structure** to effectively and meaningfully engage the state.**

Opportunity Structure

- **Institutional setting for participatory governance (interfaces with civil society):**
 - **Institutional surface area – institutional spaces and points of contact between state and public**
 - **How contacts are processed (**patronage** vs. **participation**)**
- **Political field – the relational configuration of types of political parties**
 - **personalistic** - dominated by powerful individuals and patrimonial networks that define the identity of the party
 - **programmatic** - more “modern” political parties, in which formal organization defines the party’s identity or program

Agency

Agency is the ability for collective action in civil society.

- **Self Organization:** what is the degree of internally developed set of self-sustaining organizational resources and principles?
 - **Dependent:** CSOs do not have the capacity for self-organization and self-determination without external support
 - **Autonomous:** CSOs have the capacity for self-organizing and self-determination.
- **Mode of Engagement:** How do CSOs engage the state?
 - **Associationalism** – Rule-bound and transparent procedures of demand-making (voice)
 - **Clientelism** – Discretionary demand-making contingent on loyalty to broker/patron
 - **Excusion** – No Access

A Relational Approach

Our approach is context sensitive and relational. We are attentive to:

- **pre-existing political fields**
- **pre-existing institutional setting**
- **the strength of civil society actors**

These exist in relation to each other in specific configurations.

Matched pair methodology

- **Quasi experimental design based on regression discontinuity**
 - **Key idea: small swing in vote share (“random event”) leads to large (discontinuous) shift in policy**
- **Paired OP and non-OP cities (in the 1997-2000 tenure)controlling for:**
 - **Size: scale and governance capacity**
 - **Region: uneven social, economic and political conditions**
 - **Workers’ Party vote share**
- **Importance of Controlling for Workers’ Party**
 - **the party most associated with OP**
 - **A city where PT narrowly won, with city where PT narrowly lost**
 - **Controls for presumed confounding, unmeasured background factors (Social movement presence, oppositional legacy, etc.)**

Research Strategy

- **Collected all available government documentation**
- **Carried out structured and semi structured interviews with key informants in civil society, government, and political parties for the 1997-2000 period. (avg 15 interviews per municipality); interview schedule 2-4 hours, often 2 visits; interviews transcribed and coded.**
- **Research conducted by a team composed of research partners in CIDADE and a local coordinator**
- **Interview schedule and Analysis developed in multiple workshops with researchers, local coordinator, and PIs.**

Research Questions:

- 1. Who are the key players involved in the budgeting process and how does OP transform the playing field?**
 - . the ecology of actors that either blocks or facilitates participation.**

- 2. What are the mechanisms and the actual spaces where participatory inputs – both those tied to the OP and others – become possible?**
 - . OP structures do not automatically translate into participation as such.**
 - . New institutional spaces susceptible to elite capture.**
 - It is as such vitally important to actually examine the functioning of participatory spaces, including their social composition, their linkages to the formal decision-making process and their internal deliberative qualities.**

- 3. To what extent are participatory inputs translated into concrete outputs?**
 - Process tracing: documenting and evaluating the entire participatory input chain, from the first articulation of a demand to the actual budgetary allocation.**

Matched Pairs

<i>OP Municípios</i>						<i>Non OP Municípios</i>						
Município	Electorate size	PT vote share	PT margin	Winner	Runner-up	State	Município	Electorate size	PT vote share	PT margin	Winner	Runner-up
NORTHEAST												
Camargibe	72544	0.404	0.07	PT	PSDB	CE	Quixadá	43032	0.440	-0.08	PSDB	PT
NORTH												
São Miguel do Guaporé	8119	0.412	0.02	PT	PMDB	RO	Mirante da Serra	8181	0.464	-0.02	PMDB	PT
SOUTHEAST												
João Monlevade	44365	0.466	0.06	PT	PSDB	MG	Timóteo	43064	0.491	-0.02	PSDB	PT
Mauá	196121	0.487	0.13	PT	PSDB	SP	Diadema	220292	0.442	-0.01	PSB	PT
SOUTH												
Gravataí	109612	0.408	0.02	PT	PDT	RS	Sapucaia do Sul	76836	0.361	-0.07	PDT	PT

The Matched Pairs

- . **Mauá and Diadema, SP**
 - mid-sized industrial towns
 - strong PT and social movements.

- . **Gravataí and Sapucaia, RG**
 - industrial cities with problems of rapid urbanization
 - low-income population, low fiscal capacity, oligarchical parties

- . **João Monlevade and Timóteo, MG**
 - steel company towns
 - strong unions and community movements.

- .
- . **Camaragibe and Quixadá, PE**
 - traditional families in politics
 - low Social and Economic Development.

- .
- . **São Miguel and Mirante, RO**
 - frontier towns dominated by small scale agriculture.
 - Recently incorporated towns, no dominant local elite

Measures of Participatory Governance

- **Mode of Participation:**
 - **Delegated (local fora elect delegates)**
 - **Direct (local fora raise, debate, and prioritize demands *before* electing delegates)**
- **Decision-Making**
 - **Consultative (Voice without clear path output)**
 - **Binding (Voice transparently linked to output)**
- **Scope of Discussion**
 - **Narrow (general demands)**
 - **Broad (general demands and discussion of actual operational budget and implementation and delivery)**

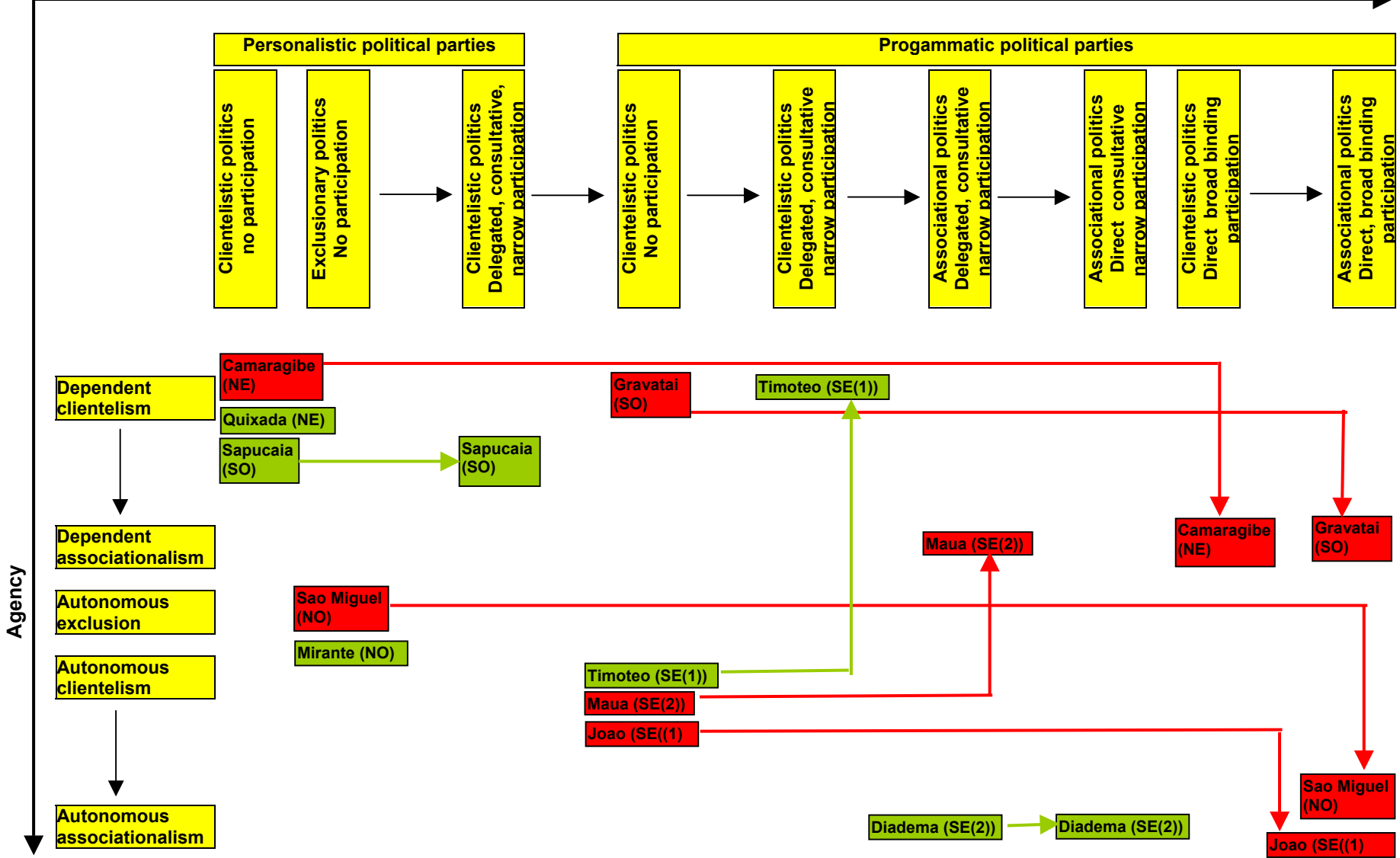
- Institutional Setting for **Participatory Governance - 1997-2000 (PB cities in Bold)**

Municipality	Type of Participation	Decision-making Power	Areas of Discussion
Camaragibe/PE	Direct	Binding	Broad .
Quixadá/CE	None	None	None
São Miguel do Guaporé/RO .	Direct	Consultative	Narrow
Mirante da Serra/RO.	None	None	None
Gravataí/RS	Direct	Binding	Broad .
Sapucaia do Sul/RS	Delegated	Consultative	Narrow
Mauá/SP	Direct	Consultative	Narrow
Diadema/SP	Direct	Consultative	Narrow
João Monlevade/MG	Direct	Binding	Broad
Timóteo/MG	Delegated	Consultative	Narrow

Findings

- **Mirante and Quixadá experienced no change**
- **Three Municipalities (Camaragibe, Gravataí, and João Monlevade experienced maximum expansion of participatory governance)**
- **All OP Cities experienced introduction of Direct Forms of Participation**
 - **Diadema only non-OP city with Direct Participation**
- **All Cities that introduced Binding Decision-Making also introduced Broad decision-making**
- **In three OP Cities, participation was consultative and narrow in scope**

Opportunity structure →



Conclusions

- 1) The introduction of OP makes a clear difference for participation.**
 - . All five OP cities experienced an increase in participation**
 - . 2 of OP cities increased in participation and agency.**
 - . Of the non-OP cities, only Diadema and Mirante experienced any improvement (agency or opportunity).**
 - . In 4 of the 5 pairs, the OP city outperformed its non-OP pair.**

- 2) The introduction of OP has a very mixed impact on the agency, and specifically the self-organization of civil society.**
 - . In the case of Mauá, OP has actually been used as an instrument of political control and has weakened civil society.**

Further, these outcomes must be understood in terms of the delicate balance between political parties, institutional reform and civil society.

Thus:

- 3) Impact of the OP depends in large part on the pre-existing nature of civil society.**
 - . Where civil society was autonomous to begin with, an opening in the opportunity structure was far more likely to produce an increase in agency.**
 - . Case of Mauá stands as an important cautionary tale: Even a comparatively well organized civil society can be weakened if it depends too much on access to the state.**
- 4) Diadema illustrates that a strong and autonomous civil society can lead to empowerment even in the absence of institutional reform.**
- 5) Gravataí and Camaragibe illustrate that even when civil society is weak, concerted reform from above can transform the nature of political intermediation.**