

# Unpacking Participatory Budgeting

Planact Participatory Budgeting Learning Event

29 March 2012



# **Presentation structure**

- 1. Introduction to Participatory Budgeting (PB)**
- 2. History of Participatory Budgeting**
- 3. Benefits of Participatory Budgeting**
- 4. Preconditions of Participatory Budgeting**
- 5. Introduction to the South African participatory framework**

**1. Towards a different  
approach... PARTICIPATORY  
BUDGETING (PB)**

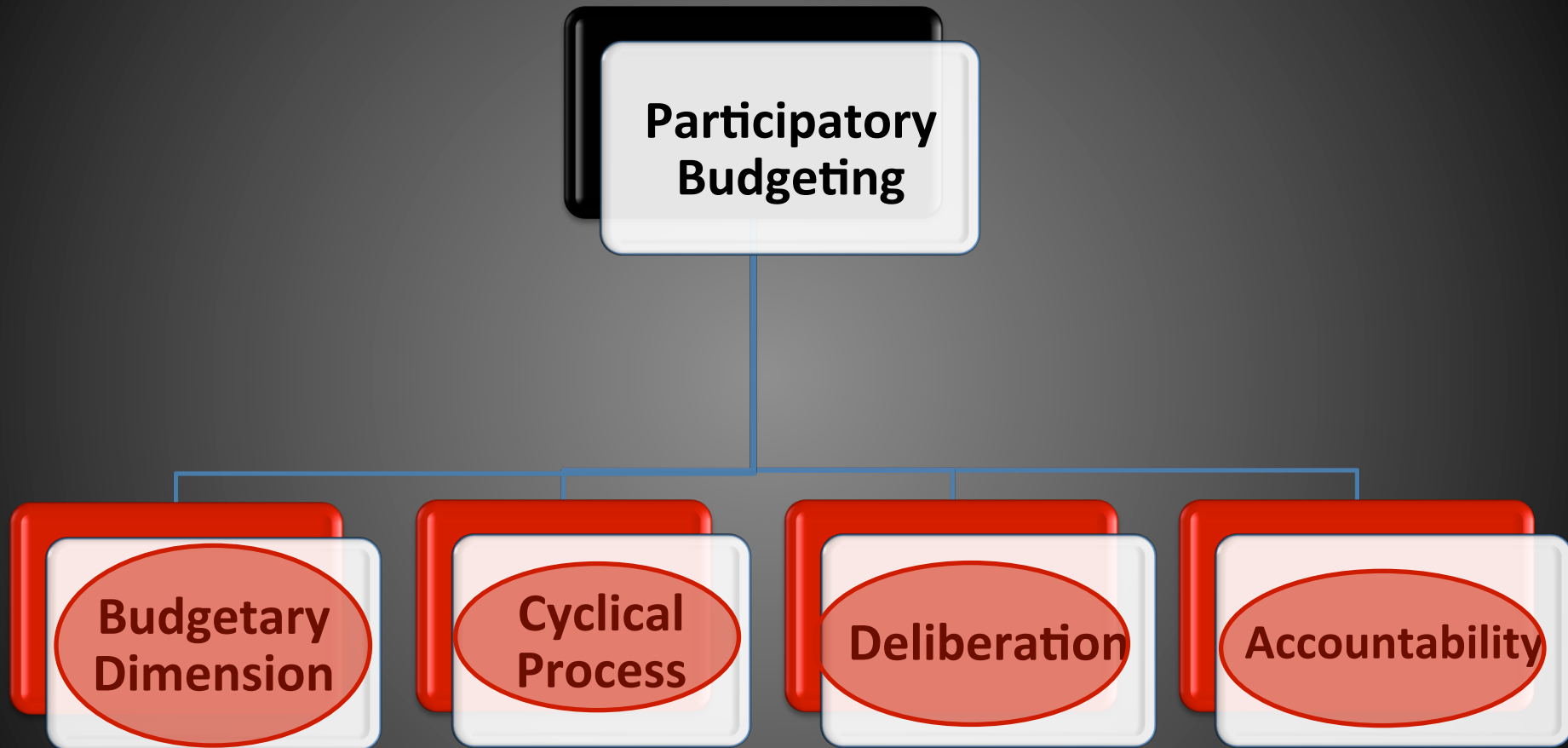
## 1.1 Defining PB

**“Participatory budgeting is a democratic process in which citizens directly decide how to allocate part of a municipal budget ...**

**It combines direct democracy and representative democracy, giving the population the opportunity to discuss and decide part of the budget ...”**

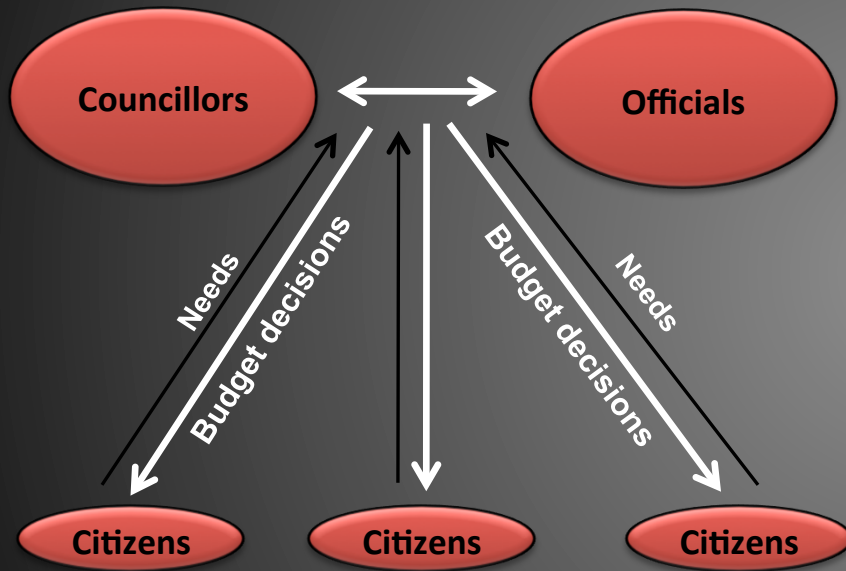
**Source: Giovanni Allegretti, 2011**

## 1.2 Key elements of PB

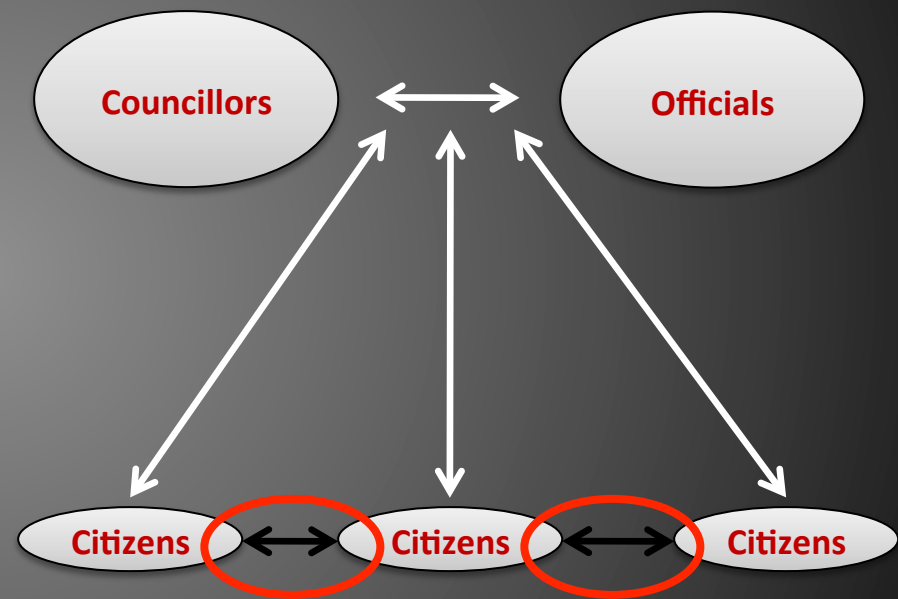


# 1.3 Difference between PB and traditional budgeting processes

## *Traditional Participation*



## *Participatory Budgeting*



# 1.4 History Of Participatory Budgeting

- PB was first implemented in the municipality of Porto Alegre in Brazil as early as 1989 when the Workers' Party won a local government election with a campaign centered on democratic participation by local citizens. At the time, the municipality was bankrupt and dysfunctional. Levels of inequality and frustration with lack of government transparency were high and levels of public participation were low. In order to address this situation, the new government experimented with different mechanisms, focusing particularly on reviewing social spending priorities and citizen participation in governance. As a result, PB emerged and its implementation in Porto Alegre became known as the 'classic model' of PB (Langa and Afeikhane 2004).
- The success of PB in the challenging context of Porto Alegre was encouraging and PB gradually spread to similar jurisdictions.

# 1.5 Participatory Budgeting Global Context

- Participatory budgeting although deeply rooted in the developing world is also being implemented in developed contexts as key to deepening democratic processes.
- In 2011 inspired by successes encountered in Latin America 4 councillors in New York City decided to implement PB in their districts.
- The images provide an indication of the communication mechanisms used to encourage people to be a part of the PB process in New York City.

Real Money.  
Real Projects.  
Real Power.



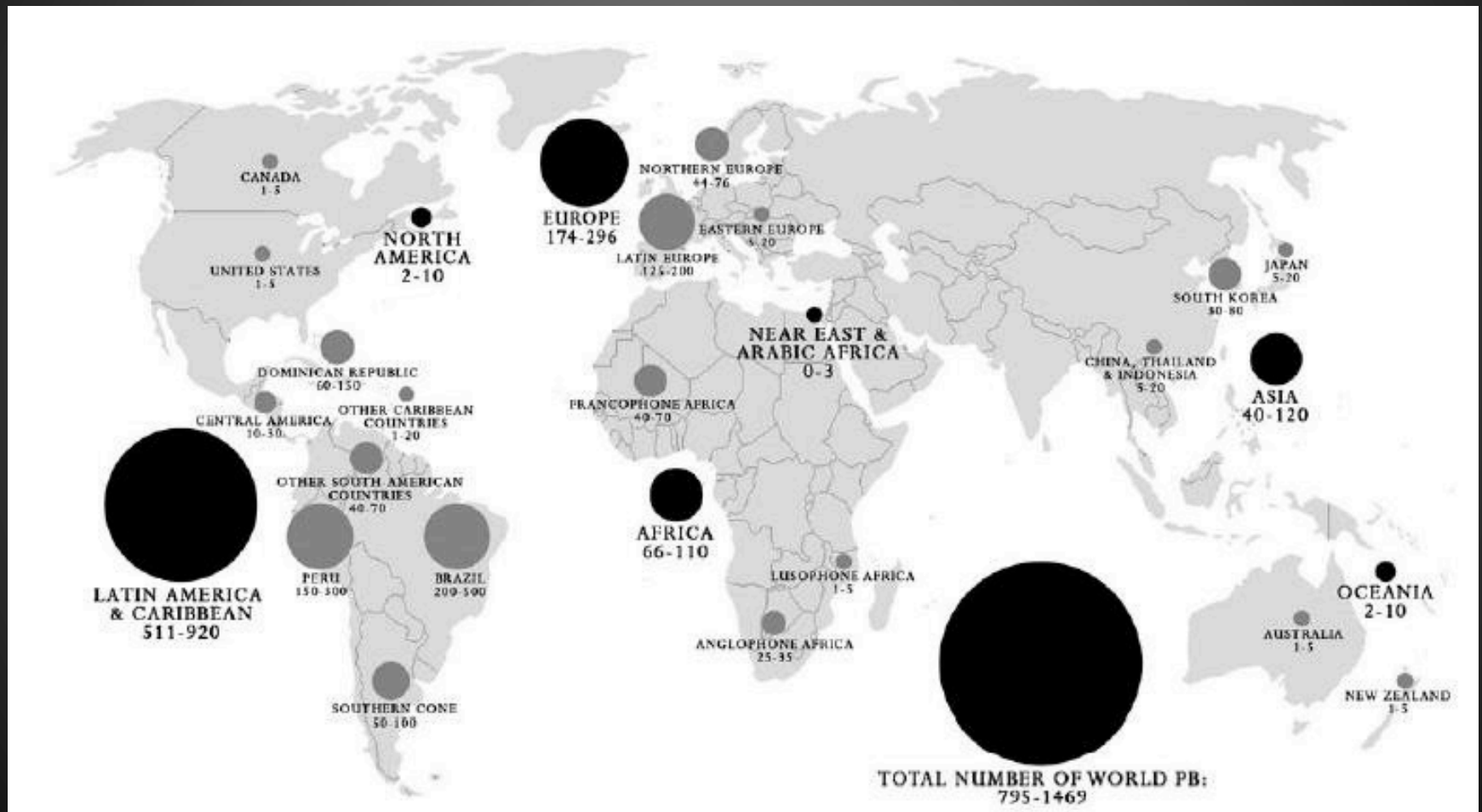
Be a part of a new way of making decisions  
about public money in New York City.  
BE A PART OF PARTICIPATORY BUDGETING NYC.



# 1.6 Participatory Budgeting in Africa

- More recently, PB has been explored on the African continent. Despite several challenges faced by African countries such as:
  - Poor infrastructure
  - Inadequate skills
  - Lack of budgeting knowledge
  - High cost of organising PB processes
  - Traditional norms and values limiting women's participation
- Despite the above challenges various countries have implemented PB with some degree of success, including projects piloted in Uganda, Senegal, Mozambique, and Zimbabwe.

# 1.7 The spread of participatory budgeting across the world



## 1.8 Benefits of PB

- citizens **negotiate** amongst themselves and with government over how to use scarce resources (trade-offs)
- Promotes **social cohesion/** solidarity amongst communities (“see bigger picture”)
- Activates **citizen involvement** in identifying & implementing solutions to their development challenges
- improved **development outcomes** (infrastructure/ services) and more efficient use of resources



## 1.9 Preconditions for PB

- Full support of municipal political and administrative leadership
- Willingness to open the budgeting process to direct citizen participation & control
- Willingness to open council to pressures for greater accountability & responsiveness
- Important to manage expectations carefully

NB: PB is a **long term** process (at least two cycles i.e. 2 years to begin to see benefits)

## 1.10 Preconditions of PB (cont'd)

- PB should be understood fundamentally as a tool / methodology to promote effective participatory governance; an entry point to dealing with challenges.
- But we need to start where people are at, for example, make the concept of PB real to people as they would understand a household budget and then push further understanding in terms of how this is related to the IDP.
- It is important to demystify PB , keep it simple, and adapt the methodology to suit the context

# 1.11 Participatory local governance in SA

## Progressive policy and legal framework *but*:

- poor implementation/ compliance focus
- reduced to consultation (“selective listening”)
- difficult for communities to understand IDP/budget processes
- IDP “wish lists” often unrealistic
- IDP projects not reflected in municipal budgets



- Frustration with limitations of current institutional mechanisms for participation
- Protest action
- Culture of apathy and entitlement

**Ke a leboga**

**Dankie**

**Ndo livhuwa**

**Inkomu**

**Thank you**

**Ke a leboha**

**Ngiyabon**

**Enkosi**

**ga**

**Ngiyathokoza**