METHODS OF PARTICIPATORY BUDGETING: BRAZILIAN EXPERIENCE

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Popular participation in budgeting can take place in the most varied of ways. There is no one model which might serve in all circumstances. And besides, the same administration might adopt different methods of conducting participatory budgeting over the course of time, varying its approach from year to year as it learns from experience and as circumstances change. Before starting, then, it is vital, always, to carry out a check of the realities to be faced.

1. Conditions For A Methodology Of Participatory Management Of The Budget

Some conditions (summarised below) must serve as points of reference for the choice of structures and mechanisms to be used in the participatory process.

1.1 Geography, and the ways in which the physical area is occupied

A city's geography, and the ways in which various areas are occupied, go a long way to determining the means by which

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citizens might participate in the process, and the decision-making mechanisms to be employed. In a city with an extensive rural hinterland, and a relatively limited urban nucleus, discussions will have to take place where people's places of work, or their residences, happen to be clustered together. If, on the other hand, the population is predominantly urban, it can be divided into zones on the basis of demography, allowing common spaces to be used for holding discussions. Large cities, though, have a sufficient wealth of such prospects that perhaps the best approach is to carry out regional budgeting, and for these to be aggregated at a later stage. Then again, a city made up of a small urban nucleus and a sparsely populated rural hinterland can bring discussion groups together at City Hall itself, simplifying procedures and cutting down on the number of meetings to be held.

1.2 The nature of the most important problems

The nature, extent and scope of the problems involved may or may not favour the citizens' participation. If housing is the main problem being faced by the municipality, then it is easy to get people involved: all those anxious to secure a roof over their heads will be sure to register themselves, to participate in discussion and so on. If, on the other hand, the problem is garbage collection, it will be difficult to get people involved unless they happen to live in those areas most directly affected. The same is true in the case of rural roads: those directly concerned express themselves vocally, but others show no interest.

At times, the solution to one problem may create new ones which, perhaps, affect different groups. In these cases, the conflicts of interest are likely to be visible and result in active participation by those concerned. Take, for example, the case of slum clearance, when housing developments elsewhere are used to shelter those who are now displaced. Often, the changes results in long distances between the new housing and the workplace, leading to resistance on the part of those being relocated - in spite of the better housing conditions they are being offered. Another example might be setting areas aside for the exclusive use of itinerant vendors, thus helping to return other public spaces to their intended use, but in the process making it more difficult for these vendors to carry out their business.

1.3 Political and economic history

The dominant mode of economic activity has a great influence upon daily life, helping to shape people's social and political behaviour. An industrial metropolis might see unions that organise energetically; in a small country town, however, relations between labour and management might be sufficiently close to make unions an intrusive presence in the workplace. The relationship between economic activity and politics results in specific historical conditions that, in turn, generate different cultural contexts in which to adopt mechanisms that give a participatory flavour to the management of public resources. The degree of political awareness, and people's willingness to engage in activities outside the family, will vary even as political

practices change and develop. Some cities, with recent experience of progressive political projects, may have a more politically conscious population than other cities, giving them a comparative advantage in the creation of co-management practices with respect to public resources. But in other communities which, for years on end, have experienced populist regimes or those in which progressive measures were coopted, there are great difficulties in getting started with co-management. Yet other cities, which consider themselves "dormitories", have populations that do not feel rooted in the community and lead a "double life".

1.4 The aims, political will, and degree of preparedness, of the government

The aims which the government establishes for popular participation (or which it is forced to accept, if the project is forced on it by the population as sometimes happens) will have a sizeable influence on its design and results. If the Executive's goal is merely to coopt community leaders, in order to strengthen their hand when dealing with a Legislature controlled by the opposition, then the methods adopted and the results obtained will reflect this objective; if, however, the goal is to establish a new kind of relationship between the city and the community, in order to break down the closed circles of power which characterise, especially, cities that are small to medium in size, then the process and results will be quite different.

Besides its goals, the administration's degree of political will has much to do with the outcome. There are some Executives which

place popular participation at the centre of their approach both to planning and action, so that it pervades every sector in which they are involved. Others, however, devote little energy to this end, looking on popular participation as just another obligation, which only takes away energy needed for other tasks.

But its goals and its political will count for nothing, or for very little, if the government's degree of preparedness - its ability actually to carry out its plans - is nonexistent. Even the most well-intentioned, even the most combatively progressive government will not get far with popular participation if it does not know how to carry it off in an adequate and appropriate manner. Although it may not be widely recognised, implementing a process of popular involvement which actually brings results is not a job for amateurs. Lack of preparation can even be the cause of so much frustration that opportunities which, if taken advantage of, would have led to dramatic improvements in quality, end up instead being lost completely.

1.5 Availability of material resources

In a small city with a low population density, one is unlikely to find what is needed to change the decision-making process with respect to public receipts and expenditures. In cities, however, that are at least of medium size, changing the means by which budgets are put together, in such a way as to recognise the views of the citizens - this still requires a considerable amount of resources. Personnel must be contracted, information disseminated through the media, materials acquired for design

and computational purposes, and much more. Thus, the extent to which such resources are available is a key factor affecting the process and its results.

1.6 The right moment

In a given socio-economic and political context, there are still moments that are favourable, and those that are not, for the spread of popular mobilisation. This is true at the local, as well as the national, level. For example, during the initial stages of relaxation in the Brazilian political system (from the end of the 1970s to the mid-1980s) even small communities with a history of paternalist politics experienced lightning flashes of social mobilisation. On the other hand, at the start of the 1990s - a largely neoliberal decade, marked by low economic growth - even large cities, with a progressive history above suspicion and intense union activity, experienced a slowing down, even a congealing, of mobilisation in their political base. In small cities, then, with few employment opportunities, one can only imagine what the situation must be.

This list of factors which must be taken into account in order for a participatory experience in public budgeting to be implemented with any chance of success - even this list is only a partial one. On the other hand it would be of little value to add yet further items, if those already mentioned do not serve to show that each city must find its own way towards popular participation in management, respecting its own specific realities. This does not mean that one should pass by opportunities to absorb, at least in

part, the successful experiences of other communities. In those cases where methods could be applied in circumstances that were similar to those which succeeded elsewhere, there is no need for the community in question to insist on "reinventing the wheel".

2. Guiding Methodological Principles

Whichever methodology is chosen, the participatory process must obey certain basic principles, if the objective is to deepen the democratic quality of local government. The most important of these are summarised below.

2.1 Pedagogical character

So far as public administration is concerned, the established culture regards as entirely natural the absence of citizens from the decisionmaking process: they have neither the preparation, nor the time, for such matters. Participatory budgeting must resist this idea, making transparent the fact that decisions about the raising of public funds and their subsequent disposition are *political* - not so much technical - questions. Nevertheless, it has been found that making such a change in political culture does not take place from one day to the next. For this reason, the methodology to be adopted must anticipate the need for a gradual - but continuous - learning process. The idea that the very first experience of participatory budgeting will be completely successful must be abandoned.

2.2 Independence of social movements

This principle seeks to prevent social movements from being coopted, or from assimilating themselves in a passive fashion to the wishes of the administration. Once the rules governing the budgetary process have been established, giving it the character of an agreement between the government and the social movements, it is essential that these latter carry out the prescribed activities with complete independence. The meetings and assemblies must be coordinated, and their secretariats chosen by, the popular leadership itself; the times and places for any debates must be defined by agreement between the groups and their coordinators (who must also take care to ensure that the community is mobilised by being kept informed).

The government can, and should, help: offering courses that help prepare the leadership; clarifying issues where needed; underwriting the costs incurred in publicising meetings; and so on. But it must never take the initiative, or behave in such a way as to imply that it is managing either the discussions or the initiatives.

2.3 Co-management

This principle is aimed at heading off false expectations as to the possible limits of popular involvement in decisionmaking, given the institutions of representative democracy. In current conditions, one cannot speak of "self-governance"; meetings, and popular assemblies, cannot be deliberative bodies in the strict sense of the word. Neither civil society nor the machinery of

government is ready for, or open to, such a radical change.

Even so, a democratic government can, clearly, be responsive to popular pressure, and accept as deliberative the decisions taken by organised groups that follow certain rules and do not seek conflicts with the law. Thus, to the extent that civil society is organised and mobilised, and government learns to deal with such organisation and mobilisation, then the spread of co-management can broaden both the extent and the quality of the practice of democracy. But this will always take place between two extremes: on the one hand, centralised and authoritarian government (which decides everything for itself) and, on the other, "self-governance" (where it is the populace that decides everything). The participatory process will get closer to one of these extremes or the other as, over time, it inevitably takes not only steps forward but also steps back.

2.4   Substitution of claims by priorities

The aim of this principle is to politicise the social movements, in the sense of making clear to them that public resources are extremely scarce, and must be allocated based on criteria and priorities established in the course of political struggle. Groups participating in these debates must not only list those items which they would like for their neighbourhoods or cities, but also be capable of choosing, amongst all these claims, those which should have the highest priority.

A *claim*, in this sense, is a simple request - with or without the

accompaniment of pressure. A *priority*, on the other hand, is a claim which has been picked out from a collection of other claims, as being the most important or urgent. A priority, then, may or may not coincide with a claim. For example, the government might consider the paving of a neighbourhood to be a priority, this being also a claim of the residents. In this case, the priority is, at the same time, a claim.

2.5 Organisation and mobilisation as means of disputing the use of resources

Throughout the process it must remain clear that those communities which organise and mobilise in defence of their interests have a greater chance of reaching their objectives, if only because (i) organisation makes those objectives clearer to the community, and (ii) through mobilisation, pressure on the authorities tends to have a greater effect.

2.6 Transparency, and the limits of decisions

The community cannot, right from the start, discuss the entire budget. Thus, one might start by discussing investment expenditures. Next, the discussion might involve current expenses, in order to find out whether they can be reduced without prejudice to the goods and services being offered; and so one might go on. What is essential is to make clear the steps that are being taken, without concealing or distorting the information. And, obviously, one must not take back steps that have been taken in the past: if, in a given year, there was popular

participation in the discussion of investment expenditures and also of current expenses, there would be no political logic, the following year, in agreeing only to discuss investment expenditures - unless there were clear justification that was broadly accepted.

It is vital that these principles be made explicit, and be agreed upon democratically, as in this way both the intentions and the "spirit" of actions and decisions will become clear, generating a climate of confidence between the government and the population - an essential ingredient at critical moments, which are bound to occur whenever something new gives rise to misunderstandings and disagreements.

3. Stages Of Participatory Budgeting

Whether or not there is popular participation, the budgetary process is a long one. This is not surprising, since "getting and spending" is something that individuals, firms and governments do every day. Indeed, what would be surprising is to think of the budget as consisting of only one stage: that in which it is put together. Such a view must be set aside.

A breakdown of the budgetary process into stages makes it easier to understand, and makes more obvious what needs to be done at each step. One might, then, divide the process as follows.

3.1 The traditional process

3.1.1 Preparation, and link to the planning process

This is the stage in which the bases for the construction of the budget are established, and made consistent with (i) the legislation governing municipal planning, (ii) other legal requirements, and (iii) the economic and fiscal situation of the community and the municipality. For example, overarching legislation may stipulate various other conditions governing the budgetary process such as, for example, the requirement that works in progress should have priority over new projects; that civil service salaries have precedence over other expenses; that loans cannot be taken out over a certain limit; and so on.

3.1.2 Development of the budget

This stage is aimed at arriving at a point where one actually has a document in hand, prepared in accordance with the law, setting out estimates for receipts and expenditures, and including a statement of the fiscal policies of the government, its working plans and the like. To bring this about, the Executive must develop a set of procedures that involve, amongst other things: estimating receipts; estimating expenditures by area and by agency; defining its fiscal and financial policies; designing its programmes, investment projects and so on. In this stage, political decisions are taken, either by the Mayor acting on his or her own, or in consultation with political advisors and supported by technical information produced by specialists working for the administration. The worst alternative is, unfortunately, one which is most frequently found: the Treasurer puts the budget together,

making small changes in a pattern inherited from previous years, and the Mayor goes on to sign it. The best option - one which is becoming more common - is turning this stage of budgetary decisionmaking into an opportunity for reflection as to the government's plans, its goals, its policies and the financial possibilities available for carrying them out, and summoning all those with decisionmaking power to make their contribution towards putting the budget together. Clearly this step, though it is a task to be performed within the administration, is a prerequisite to the implementation of participatory budgeting.

3.1.3 Legislative procedures

Once the budget has been drawn up, it will likely come before the Council, where it will be submitted to all those rites and rituals which make up legislative procedure: analysis by committees (which then issue their own reports), discussion by the full council, proposal and voting of amendments, and deliberation.

3.1.4 Execution of the budget

Once it has been voted on and has become law at the end of a given year, the budget is put into effect during the year that follows. In this stage the Executive, through its various agencies, proceeds, independently, to collect taxes and other revenues, based on the law, and to make the planned expenditures. All this is carried on under the eye of the Legislature which, in case either receipts or expenditures should be altered - for example, by a request for supplemental funding - debates and decides upon the

related proposals made by the administration.

3.1.5 Auditing of the accounts

Once the fiscal year has come to an end and all the accounting reports required by law have been drawn up, the government's books are audited. This auditor's report is then voted upon by the Council, which may or may not choose to accept it. When the accounts are not approved, those responsible for the execution of the budget must pay the consequences, these extending even to impeachment of the Mayor or making the Mayor ineligible to hold office in the future.

3.2 Participatory Budgeting

The stages set out above constitute the traditional budgetary process. The process of participatory budgeting consists in opening up the possibility for the citizens to take part, through a variety of means, in one or more of these various stages.

3.2.1 Development of the budget

When the budget is being developed, the Executive can encourage the population to participate in establishing the priorities. If this is to happen, then this stage (that of development) must be further broken down into substages, as follows:

a. Preparation of those taking part

The members of the government themselves, as much as the civil servants and the popular leadership, must be trained so as to take part in the various stages of the budget's preparation. This requires that courses and seminars be organised, discussions be held to standardise terms, procedures agreed upon, tasks shared and so on.

b. Creation of a suitable climate

It is important to involve the authorities and the population in tasks and discussions, making use of cultural, sporting and other leisure events in the neighbourhoods, items in the media, and publicity of many different kinds.

c. Mobilisation

Once expectations have been created, government and community will set up rules and methods of participation, and monitor them to make sure that people are indeed coming to the events, and putting forward their suggestions, criticisms, claims, assessments and so on.

d. Making the decisions that arise from the participatory process consistent with the proposals of the government

This involves choosing which decisions go forward into the final version of the budget. Some of those chosen will have been generated exclusively by the government, others by the population, and some will be a combination of the two.

e. Development of the budget itself, bearing in mind the decisions made and the legal or technical requirements

3.2.2 Forwarding the budget to the Legislature

From this point on it is a question of legislative procedures. These too may or may not be open to popular participation but, if they are, it is with greater difficulty and a lesser chance of success.

3.2.3 Execution of the budget

The government can also choose to allow popular participation during the actual execution of the budget. To this end, it can choose to publish its accounts (at times which may or may not be prearranged), and may allow the creation of a popular commission, set up to monitor receipts and expenditures as they unfold. It can, as an alternative, create other mechanisms, such as agreeing to public sessions or even agreeing to involve the popular commission in the government's daily routine.

By allowing the community to follow the execution of the budget, the administration is indeed opening itself up to inspection on a daily basis - not from the legal or technical points of view, but from the perspective of social efficiency and legitimacy of the government's tax and fiscal policies. Nevertheless, when the population accompanies the execution of the budget, this does not supersede the auditing of the books, or their inspection by the Council, nor should these various responsibilities conflict.

Rather, they should reinforce one another - unless political disputes come to intervene, which can lead at times to actions deemed legitimate by the people being questioned by the auditor, or vice versa.

3.3 Duties, Responsibilities and Arrangments

All those who decide to adopt participatory budgeting come face to face, right from the start, with this question: should popular participation occur after the government has put forward its proposals, or should these proposals be drawn up only after the people have been consulted? For some, one must choose between a deductive method (in which the administration sets out the projects, consolidates them into a package and then brings them before popular assemblies) and the inductive method (in which, following popular assemblies, the administration puts together its proposals). The choice between these two possibilities can be made only after assessing which of them is better suited to the specific case at hand. Even so, given the unpredictable nature of unfolding political facts that involve large groups, it may be best to allow what will here be called the dialectic method: a method in which both the administration and the organised public interact in a variety of ways, choosing flexibly between alternatives at every stage, having in mind the goal, not necessarily of consensus, but of a project that has been negotiated up to a point where both parties, gaining here and losing there, reach the conclusion that they can live with the decision in question - which will be implemented under the supervision of both sides. In this way, the game of power is

played with a minimum of rules, which act to constrain but not to strangle the process, leaving space for dispute as soon as disagreement should arise, and inducing each of the parties to unite its forces to gain its objectives.

3.3.1 Internal arrangements

For the successful implementation of participatory budgeting it is necessary, as well as having an adequate methodology, to have a team with the capacity to coordinate it, and to carry out - or to cause to be carried out - the requisite mix of duties and responsibilities. Even in a city of small size it is impossible, with any chance of success, to develop the activities called for by the participatory process when either the responsibilities are poorly defined or they clash with so many other duties that are laid upon the political and technical staff of a municipality. It is therefore absolutely necessary to set up a coordinating group which takes on the responsibility for implementing the methodology and arriving at the desired result: the budget itself as a complete document, resulting from a process that has followed all of the stipulated consultations and debates. This commission must have a support group close at hand, with whom it interacts constantly (and which may or may not involve outside help), in order to give practical effect to the deliberations of the commission.

It is vital that at least one person be appointed to this task on a full time basis, to carry out daily activities as an executive secretary of the commission. But, for tasks that are more

specifically political or technical, it is preferable to use people who are directly responsible for the area in question. For example, the Financial Secretary must of necessity be a member of the group, taking a regular part in its activities, so as to form a bridge between the participatory process and the more strictly technical aspects of budgetary preparation - without the Financial Secretary, this link will be missing. For the same reason, the Accountant should be a member of the support team.

Considering also its other members, then, the commission should be made up of:

- representatives of the Executive (generally from sectors such as finance, planning, and the Mayor's office);
- representatives of the Legislature (generally councillors chosen by their peers); and
- representatives of the community (chosen at assemblies convened for the purpose).

The criteria for membership in the group can be proposed initially by the Executive, and then negotiated with the other segments of society. It is fundamental that everyone realise this to be a matter of choosing a coordinating commission, one that cannot actually take executive decisions once the process itself gets under way. Broader and more important political and distributive decisions will be the responsibility of plenary sessions and assemblies, in which the community, the Executive and the Legislature will be represented in a fashion that has been set out by prior agreement.

The commission should have internal rules of procedure which set out its composition, the ways in which its members are chosen and in which substitutions are to be made in the case of a vacancy, its powers and its methods of deliberation. These rules should be proposed by the Mayor during those assemblies designated to pick members of the commission, and they should be adopted or amended as may be the democratically expressed wish of the participants. Once its members have been chosen, the commission should elect its president and secretaries, all being nominated by the Mayor through official channels. For increased visibility, the officers of the commission may be sworn in at a ceremony called specifically for this end.

The commission is responsible for all the coordination and supervision of the participatory process, as well as - together with its support team - all the organisation, infrastructure, dissemination of materials and so on, that are required.

The support group should include specialised officers of the municipality and of the Council who, with or without the help of external consultants employed for this end, will put things in motion and take charge of certain responsibilities - whether technical, organisational, administrative or directed toward mobilisation of the community - which are required for debates to be carried out, decisions taken, people registered, information disseminated, legal documents drawn up, and so on. Economists, social workers, lawyers, IT personnel, members of the press, and the like, are needed for this group.

3.3.2 Flowchart

The diagram shown follow is an example of a flowchart of the dialectic method used to bring about Participatory Budgeting. Each of the activities stipulated in the flowchart has its objectives, its tasks, and its potential difficulties, as shown.

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┌─────────────┐   ┌──────────────┐   ┌──────────────────┐
│ 1           │   │ 2            │   │ 7                │
│ Internal    │──▶│ Definition of│──▶│ Coordination with│
│ political   │   │ the          │   │ the Legislature  │
│ debate      │   │ coordinating │   └──────────────────┘
└─────────────┘   │ group and of │
       │          │ the support  │   ┌──────────────────┐   ┌──────────────┐
       │          │ team         │──▶│ 8                │──▶│ 12           │
       ▼          └──────────────┘   │ Preparing the    │   │ Distribution │
┌─────────────┐                      │ leadership       │   │ of primers   │
│ 3           │                      └──────────────────┘   └──────────────┘
│ Organisation│
│ of the      │         ┌──────────────────┐        ┌──────────────────┐
│ process     │         │ 9                │        │ 13               │
└─────────────┘         │ Publicity        │   ────▶│ Sub-regional     │
                        └──────────────────┘        │ plenary          │
┌─────────────┐                                     └──────────────────┘
│ 4           │         ┌──────────────────┐        ┌──────────────────┐
│ Plans for   │◀────────│ 11               │        │ 14               │
│ the         │         │ Thematic         │        │ Regional plenary │
│ governing   │         │ gatherings       │        └──────────────────┘
│ body        │◀──┐     └──────────────────┘
└─────────────┘   │     ┌──────────────────┐        ┌──────────────────┐
       │          │     │ 10               │        │ 15               │
       ▼          └─────│ Polling, to      │        │ Consolidation of │
┌─────────────┐         │ choose priorities│        │ priorities       │
│ 5           │         └──────────────────┘        └──────────────────┘
│ Proposal of │
│ programmes  │
└─────────────┘
       │
       ▼
┌─────────────┐         ┌──────────────────┐        ┌──────────────┐
│ 6           │         │ 17               │        │ 16           │
│ Choice of   │         │ Drawing up of the│◀───────│ General      │
│ priority    │         │ budget proposal  │        │ Assembly     │
│ programmes  │         └──────────────────┘        └──────────────┘
└─────────────┘                  │
                                 ▼
                        ┌──────────────────┐
                        │ 18               │
                        │ Delivery of the  │
                        │ budget to the    │
                        │ Legislature      │
                        └──────────────────┘
                                 │
                                 ▼
                        ┌──────────────────┐
                        │ 19               │
                        │ Legislative debate│
                        └──────────────────┘
                                 │
                                 ▼
                        ┌──────────────────┐
                        │ 20               │
                        │ Legislative      │
                        │ approval         │
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                              ╱       ╲ 22
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21
Evaluation of the

22
Monitoring of the administration of

The impetus for initiating participatory budgeting can come from the Executive, from the Legislature, or from the community itself. The methodology will be greatly influenced by the originator of the proposal: it is likely to be more conservative when the proposal starts with the Executive (since the administration will try to protect itself from any political problems), and more progressive when it comes from the community (which seeks to make advances on as broad a front as possible). But, in any event, negotiations will have to take place in order to arrive at rules and procedures which all those involved might accept. Quite aside from whomever may have initiated the proposal, if in fact the Executive comes to accept it seriously and with a political will, then it will have to sponsor an intense political debate, involving the whole government team, as well as technical staff chosen from the career path of the municipality's civil service (part 1 of the diagram shown in the Annex). Such a debate is essential because, without the knowledge and involvement of the administrative team, the likelihood of success is greatly reduced. This is because participatory budgeting is not just an isolated activity, or merely one aspect of the tasks to be carried out by the administration. It is the fulcrum of a whole approach to governance: it is a method of decisionmaking and executive action, which has as its goal the technical and political improvement of municipal public management, based on a particular type of relation between government and citizens that is democratic, transparent, and oriented towards social needs. If all this is not made clear and accepted, any mobilisation of the

popular will runs the risk of being cancelled out by the administration's daily routine, generating lack of motivation and, in turn, an unwinding of that same mobilisation.

Following the debate, once the collective will of the government team has been focussed on the change, one moves to the stage of creating the working conditions which will allow it to happen. The first step to this end is to define a coordinating group and a support team to carry the project forward (part 2 of the diagram).

The job of organising the participatory process, and of putting together the budget, will fall to the coordinating group and its executive leadership (see part 3 of the diagram). To this end, it will make use of its human and material resources (including external ones, if necessary), and will publicise its activities, prepare other parties likely to be involved, encourage their mobilisation, and so on.

Parallel to its work with the community, the coordinating group will need to develop activities inside the administration in order that the various organs of government elaborate their planned spending for budget purposes (part 4 of the diagram), putting forward proposals for both current and investment expenditures - both technically based and politically justified - which must be grouped into programmes (see part 5 of the diagram) for later discussion by the whole government team. In this way, the programmes and projects that are of greatest priority from the government's point of view can be determined.

While the government is having its internal discussions about its projects and programmes:

- the community must get involved through gatherings centred on particular themes (part 11 of the diagram) and through voting for its own priorities by means of polling stations situated throughout the city (part 10 of the diagram);
- neighbourhood leadership must be getting ready (see part 8 of the diagram) to mobilise their communities to participate in regional, and sub-regional, gatherings, and must get ready to conduct these meetings;
- pamphlets describing the budget, and the participatory process, must be distributed to the population (part 12 of the diagram);
- members of the Council must be contacted in order to arrange for their participation (part 7 of the diagram); and
- there must be created a participatory spirit through publicity, and through discussion both in the media and in the neighbourhoods.

Since the voting booths are a kind of opinion poll on the city's, and the neighbourhood's, priorities, and since the gatherings to discuss particular themes are likely to involve individuals suited to participate through their representative nature, or the technical capacity in the given area, the combined result is a mix of opinions, suggestions and criticisms coming from the most systematically wideranging viewpoints among the populace.

These results, therefore, must be collected, organised, analysed and collated with the proposals made by the government for various projects and programmes. In this way, through political discussion with the government team, and bearing in mind both the internal proposals and the external opinions, suggestions and criticisms, the choice of programmes and projects which will receive priority is arrived at (part 6 of the diagram) - in accordance with the government's own viewpoint, certainly, but also with the considered participation of the people through the polling stations and the meetings on each various theme. It is important, at this moment, that the government explains and justifies what it retained and what it discarded with respect to these outcomes of popular participation, leaving open the possibility of reversing its decisions in later stages of the process.

With this proposal in hand listing those projects and programmes to which priority ought to be given, with the neighbourhood leadership prepared, with a participatory climate having been created, the sub-regional meetings can be held (part 13 of the diagram), followed by others at a regional level (part 14 of the diagram). Thus, the broadest and most demanding stage of the popular participation will have been brought to a conclusion, and the conditions brought about for a consolidation of the priorities (part 15 of the diagram). This must be carried out by the coordinating group, and result in a document that, both technically and politically, is ready for discussion, and for a resolution, in the general Assembly (part 16 of the diagram).

Decisions having been taken using a methodology of intense,

flexible and transparent relationships between the government and the community, it remains only to conclude the process of building the budget, by passing budgetary legislation. This is drawn up by the Executive (part 17 of the diagram), delivered to the Legislature (part 18), debated (part 19) and approved (part 20) by the Council. The process ends with an evaluation of the participatory process (part 21) and with the start of a process of monitoring the administration of the budget (part 22), a task which resumes in the following year.

3.3.3. Flowchart step-by-step

ACTIVITIES (AGENTS)	OBJECTIVES	TASKS	POTENTIAL DIFFICULTIES
1 **Internal political debate** (government team and recruited technical staff)	-To spread awareness of the budgetary process in its various technical and political aspects -To discuss compatibility of the government's plan with popular participation -To discuss a methodology suitable for popular participation in the construction of the budget, and in the auditing of its administration -To spread awareness of, and to explain, the methodology to the members of the government team and the public officials involved -To prepare the team for the necessary changes	-To discuss materials on participatory budgeting, in order to learn what it is, what its purposes are, and how it is implemented -To explain the reasons for adopting the methodology, starting with discussions in which the whole government team participates -To evaluate the national and local context within which the process will develop -To define strategies for relating to the city's political sectors -To set out in broad form the methodology to be followed	-The risk that political figures will assume participatory budgeting to be just one more task is high. The political debate has to be of such a quality that it results in people's effective involvement - without which there is a risk of boycotts or lack of key information. -If the government team is much divided as to the opportunities offered by participatory budgeting, it is best not to adopt it. If successful, the experience brings substantial political dividends. If it miscarries, it can have devastating effects on governability, and on the political credibility of its proponents.

2 **Definition of the coordinating group and of the support team** (representatives of the Executive, of the Legislature and of the community, technical staff and outside consultants)	-To ensure quality in the coordination and development of the process, by putting together a team with the capacity - and the availability - to carry out the necessary tasks	-To establish criteria for the composition of the group -To set in motion the choice of its members -To seek nominations through official channels -To set out the internal procedures of the group -To define its methods of work -To guarantee the regularity of its meetings and its activities -To find a suitable location to act as a working base for the group -To ensure efficient secretarial support	-It is vital that the Participatory Budget be coordinated by a group that takes responsibility for putting it in place and for its results, and which has sufficient time to bring this about. -It is important that the group coordinator be a person politically capable of carrying out this task. -The support team must be both technically and politically competent. Economists, lawyers, social workers, accountants, IT personnel and those experienced in social communication, are all needed. -If possible, experienced consultants should be engaged to give conceptual and methodological support to the group.
3 **Organisation of the process** (commission and government team)	-To come up with a methodology that is politically and financially viable, and to bring about the conditions for its implementation -To ensure that the process is carried out in a manner that is transparent and smooth, that respects the rules laid down and offers adequate prospects	-To develop a plan, an organisation chart, a flowchart and a timeline for the process -To provide software and printing facilities -To provide such calculations as are necessary for the discussion (forecasts of receipts, investment percentages)	-It must always be remembered that the organisation has to produce the necessary conditions for transforming political discussions into an actual budget -Proposed plans must be submitted to the popular leadership as soon as they are formulated

		-To develop a pamphlet for popular participation -To provide infrastructure -To make such initial contacts as are necessary	
4 **Plans for the governing body** (government team and technical staff)	-To make an assessment of the investment proposals, and of those for current expenses, given the views of all those responsible for each agency in the administrative structure	-To diagnose the demands to be made by the various organs of government -To produce an outline of the government's plan starting from the disparate visions of those responsible for each agency in the administrative structure	-The discussion should be politicised, to avoid initiating implausible, even fantastic, projects. -Require those responsible for each area to participate effectively, rather than delegating this to their subordinates. -Require each agency to designate its priorities, rather than simply stating their claims on resources. -The projects must be well described, and each must contain a rationale.
5 **Proposal of programmes** (commission, government team and technical staff)	-To group the projects into Government Programmes	-To define the programmes -To classify the projects in terms of the programmes	-Use the traditional structure to develop the concept of each programme, making amendments and innovating in accordance with the characteristics of the government
6 **Choice of priority programmes** (government team)	-To render the programmes compatible in terms of costs versus available financial resources	-To define the criteria for making cuts -To discuss any cuts in workshops -To complete the first draft	-Be aware of the need to set priorities, so as not to spread resources too thinly. -At the time of making any cuts it is important to have great political clarity, to avoid loss of credibility of the government team. -In defining the criteria used for any cuts, take into account the results of any polling and of any thematic gatherings.
7 **Coordination with the**	-To go over the definitions governing the	-To make political contacts and enable	-Encourage the council members in general to participate in discussions taking place in their regions, and to

Legislature (commission, government team and council members)	process with the council members, and gather their suggestions in order to improve the process and to strengthen good relations	discussion of the topic to take place -To define criteria for representation of council members on the coordinating commission -To obtain nominations for the coordinating commission	compete for the rôle of delegate.
8 **Preparing the leadership** (commission, support team and community)	-To put together a group of leaders capable of supervising the process in their communities and workplaces, giving them suitable autonomy -To standardise the technical language that all those with responsibility for the process will use	-To design courses and run them for interested parties -To supply and explain data on the financial realities facing the municipal government -To raise awareness of the analytical context -To prepare officials to coordinate group meetings and to administer polling stations	
9 **Publicity** (commission, government team, populace and publicity agent)	-To create a climate favourable to popular participation	-To initiate a publicity campaign and political activism in the neighbourhoods	-Create a logo and a slogan to be used on all occasions and in all possible places, including printed matter put out by the municipality. -Use primers, pamphlets, hoardings (billboards), TV, radio, loudspeaker vans, and posters.
10 **Polling, to choose priorities**	-To create a climate of participation through calling people to vote	-To make the ballot boxes -To make the ballots -To set up the conditions	-Send out registration forms with the water bills or other regular correspondence.

		for participation (how to register, where to cast the ballot, &c) -To specify the places where the ballot boxes may be found -To publicise the voting and call people to vote	
(commission, support team and community)	-To detect those problems which the population thinks to be the most serious in the city, and in their neighbourhoods, in order to put together a draft proposal which the government will then develop		
11 **Thematic gatherings** (commission, government team, support team, interested council members and the community)	-To "diagnose" the city from various thematic perspectives (health, education, transport, housing standards &c), through a debate involving leadership connected to those areas (doctors, teachers, operators of public transit, &c)	-To organise and publicise the thematic meetings -To conduct the meetings and to gather the results in a systematic way, leading to reports	-The plenary sessions must be run by people who are part of the government, with political responsibility for the area in question. For example, the Secretary of Health ought to lead the thematic meeting dealing with his or her area.
12 **Distribution of primers** (commission, support team and community)	-To create a "climate" favourable to participation -To offer encouragement to those interested in participating	-To finalise the primers -To distribute them in accordance with previously defined criteria	-Ensure that there is one primer for each delegate, and for each member of the government team. -Prepare leaders in the use of the primer. -Use language that is easily understood and, if possible, include illustrations.
13 **Sub-regional plenary sessions**	-To define sub-regional priorities on the basis of claims made by the neighbourhoods (1st "filter") -To elect regional	-To gather the results in a systematic manner	-Ensure that the plenaries are led by local leaders who have participated in the preparatory phase. -Offer logistic and secretarial support through the resources of City Hall. -Insist on a minimum number of participants if the sub-region is to have the right of sending a delegate to the

	delegates -To organise and publicise the plenaries		regional assembly. -If necessary and feasible, hold two meetings, one to discuss the primer and an eventual video, and the other to vote. -Provide the results of any balloting, and of the thematic gatherings, as encouragement to the sub-regional groups.
14 **Regional plenary sessions** (commission, government team and community)	-To define regional priorities on the basis of sub-regional priorities (2nd "filter") -To elect delegates to the General Assembly -To organise and publicise the plenaries	-To gather the results in a systematic manner	The same as for the sub-regional plenaries.
15 **Consolidation of priorities** (commission, support team, government team)	To develop a draft proposal on the basis of the projects and claims put forward by the government and by the popular assemblies	-To identify and evaluate the extent of any consistencies or inconsistencies between the proposals put forward by the government and those emanating from the population, up to and including the regional plenary sessions -To address any identified inconsistencies from a political perspective	-It is vital that this phase be characterised by political sensitivity, and by a conciliatory vision aimed at finding ways to resolve any differences.
16 **General Assembly**	-To conclude discussion with a view to resolving any differences between the proposals of the different regions, the	-To submit a draft proposal for the final debate, on the basis of discussions internal to the government, and also	-Those leading the final discussion must be skilled in such tasks, and in presenting material of a technical nature.

		based on the thematic gatherings and the regional plenary sessions -To proceed to the final debate -To vote, and to arrive at a decision	
17 **Drawing up of the budget proposal** (commission, support team, government team)	-To draft the budget proposal compatible with governing legislation and constitutional requirements, as well as with the decisions of the General Assembly	-Develop the basis of the budget	-Ensure that the decisions taken by the Assembly can easily be spotted in the formal document.
18 **Delivery of the budget to the Legislature** (commission, Mayor, members of Council, and interested members of the community)	-To submit the Executive's proposed budget to the Legislature		-Make the delivery of the proposal a formal event, inviting citizens to take part.
19 **Legislative debate** (members of Council)	-To discuss and amend the budget		
20 **Legislative approval**	-Adopt the budget in its final form		

(members of Council)			
21 **Evaluation of the participatory process** (government team)	-To evaluate both the functioning of the process and its results	-To bring up and discuss the strengths and weaknesses of the process, with a view to future improvement	-Evaluate the effects that intervention by Council members may have had on the eventual budget.
22 **Monitoring of the administration of the budget** (a commission set up for this purpose)	-To verify compliance with decisions taken by the populace, and to press for such compliance where it appears to be lacking	-To monitor the progress of receipts -To monitor the expenditures decided upon in the Assemby, to ensure that they are made -To monitor the process by which the budget is amended, using supplementary funding	-Define a means of monitoring the budget, and the timeframe during which it will be evaluated. (For example, there may be public assemblies held every two months, with evaluation to follow after the first three of these have been held.)