



CHAPTER 1

Introduction

Abstract The introduction begins by recounting an evening observing a neighborhood assembly in Manhattan, introducing the point of early participatory budgeting (PB) as contrasted with clientelistic practices. We focus on what it's like to navigate the participatory budgeting process in the role of a regular community member, unconnected to a council member's office. We outline our hope that this book can help participatory budgeting reach its potential in serving citizens everywhere, advancing greater civic interest in and deliberative agency over allocations of taxpayer monies

Keywords Participatory budgeting · Clientelism · Deliberation, civic engagement · Public participation

REAL MONEY, REAL POWER?

On a chilly September day, Dan went to a community center in Harlem to meet his graduate assistant (GA) for their first observation of a Participatory Budgeting Neighborhood Assembly. As he exited the subway and walked down a crowded New York City sidewalk a few minutes before the scheduled meeting, he received a text message from the GA advising that he might have difficulty finding the meeting. The advertised avenue address was not the entrance, so Dan would need to go to the side street

and enter from the third door on the right. While passing the avenue side of the community center, he noticed a large participatory budgeting (PB) poster in the window, but no posted directions on how to get in.

Dan looked at his watch. He had blocked off plenty of time to attend the meeting yet was flustered at the possibility that he might be late. Following the GA's directions, he found a room with three staff but, strangely, no members of the public. The two researchers briefly chatted with the staffers, who, it then became clear, were a council staff member, an intern, and the community center director, who was serving the public by providing this space but was not there to take part in the meeting.

After a while four people arrived, two together. The council staffer began the meeting by attempting to play a video supplied for the introduction to participatory budgeting. The equipment didn't work, however. So the staffer provided his own, alternative introduction, including background on PB and a brief explanation of the type of local community project that might be eligible for citizens to vote on. He then asked for proposed projects. Only one was proposed. Two of the attendees indicated an interest in being delegates at the next, second-level meetings where the ballot is produced. It had been 32 minutes since the first constituent had arrived, the meeting was over.

This is democracy according to PB. Far from the well-orchestrated, well-attended, expansive effort at creating an inclusive and transparent form of budgeting espoused in so much of its messaging, for local citizens navigating PB can be a confusing hodgepodge of information and events, generating limited ideas, rushed meetings, and ultimately gamed by the usual suspects. Far from the ideals of a deliberative democracy, a lack of uniformity in scheduling, meeting designs, and other processes, in particular, seriously undermines the potential for citizens to have a voice in budget allocations.

The website for New York City's participatory budgeting project (PBNYC) has, for many years, featured a video that begins with the headline: "Real Money, Real Power." D. W. Williams, Calabrese, Gupta, and Harju (2017) show that the label "Real Money" is highly suspect from the outset, as the amount of the New York City capital budget committed to participatory budgeting is approximately 0.1% of the annual capital commitment. Participatory budgeting promotional materials assert that "Real Power" is exerted by "Real People." We understand real power to refer to the origin story of participatory budgeting (PB) in Porto Alegre,

Brazil, where, prior to reforms in the 1980s, the budget was substantially influenced, if not dominated, by clientelism. By clientelism, we mean the corrupt, corrupt-like,¹ or merely unmeritorious use of governmental funds to satisfy important constituents, rather than to use the resources for general public benefit.

As Plunkitt and Riordon (1905) discuss, clientelism can be attained through raiding the public trough while using a small portion of the windfall to provide a small measure of services to constituents to generate recurrent electoral success. However, in modern times, such overt graft is generally illegal and typically avoided. Earmarks,² also labeled “pork” (Maxey, 1919, p. 691), provide a work-around. Pork refers to the use of unmeritorious earmarks that are beneficial to individual legislators for political reasons, but are not beneficial to the general public (hence, “unmeritorious”). The link between earmarks and clientelism and their implicitly negative relation with real power creates a special concern for participatory budgeting in some of its forms. In particular, participatory budgeting in both Chicago and New York City has been implemented by the local legislative body through the use of earmarks controlled by individual council members.³ Pin (2017) has shown that when a Chicago council member became displeased with some aspect of PB, decision power was withdrawn from PB participants.

As Calabrese, D. W. Williams, and Gupta (2020) show, it is likely that New York City Council members follow the advice of PB participants by distributing their discretionary funding (earmarks) to a larger number of smaller projects than other, non-engaged council members.⁴ While

¹By “corrupt-like,” we intend practices that are not actually illegal, but might nevertheless be considered improper in common discourse.

²State and local governments use a variety of terms to refer to earmarks, consequently one must know the local culture to identify earmarks in particular budgets. For example, in New York City, they are commonly labeled “member items” and more formally referred to as “discretionary” expenditures. In New York State, they are labeled “community projects.” It is entirely possible that these legislators also direct (earmark) other specific expenditures.

³In some jurisdictions, participatory budgeting is implemented through a central authority.

⁴This effect might be an artifact of the restrictions placed on PB by many council members. They set a target of \$1 million to fund through participatory budgeting. For the participants to select several projects, they are, necessarily, small.

this can reflect dispersion of power, it may alternatively enact well-honed clientelism.

In this light, this book examines previously unexplored elements of the PBNYC project. While there has been substantial study of PBNYC (Castillo, 2015; Gilman, 2012, 2016; Hagelskamp, Rinehart, Silliman, & Schleifer, 2016; Kasdan & Cattell, 2012a, 2012b; Kasdan, Cattell, & Convey, 2013; Kasdan & Markman, 2017; Kasdan, Markman, & Convey, 2014; Mayorga, 2014; Pape & Lerner, 2016; Shybalkina & Bifulco, 2019; Su, 2012, 2017a, 2017b, 2018; Urban Justice Center, 2015), there has been a limited examination of what it's like for citizens to navigate the PB process, at the level of everyday life. As scholars concerned with maximizing citizens' capacities to engage in democratic processes (see also Waisanen, 2012, 2014, 2018, 2020), we set our sights on what it's like to interact with PB across a full annual cycle.

In the 2018–2019 budget preparation cycle for fiscal year 2020, 33 of 51 New York City council districts engaged in the PB process, with each districts' prior year engagement ranging from zero to seven cycles. The PB process involves various stages: idea generation, budget delegate meetings, expos, voting, and celebration. To critically examine top-down assertions about the real money and real power at play throughout this process, we sought to replicate citizens' experiences with PB across districts from the ground up, collecting multiple forms of data through all of these stages except the last (the delegate stage, in which participants refine the wide array of initial proposals to those that ultimately appear on the community ballots, was mostly closed to observers).

We attempted to view what it would be like for a local community member to navigate these processes, from a number of vantage points. From September 2018 through April 2019 the principal investigator and two research assistants conducted a variety of data gathering activities. After determining that there is no central information source on council member participatory budgeting activities, we contacted all 51 council district offices to identify opportunities to observe neighborhood assemblies. We attended seven neighborhood assemblies in Manhattan (three assemblies in three council districts), Brooklyn (one assembly/council district), and Queens (three assemblies in one council district). The research assistants each attended one budget delegate training session. At this point, a council office declared delegate meetings to be closed (a remarkable finding in and of itself—why would a participatory, taxpayer-funded process of any kind be deemed closed to the public!), so we

paused data gathering while revising our Human Subjects application to account for this fact. After the revision, that council office refused further access. A second council district allowed access, but provided limited scheduling information, so we ultimately attended only one additional delegate session. To adjust for these limitations, we gathered data from online media (1295 observations), and various council communications including online and paper material from council offices (219 observations), and council member Facebook and Twitter feeds (78 data files, each of which contained numerous observations). Later, when the participatory budgeting process reached the voting stage, we conducted 12 pre-voting interviews at project expos and 66 post-voting interviews at pop-up voting locations, for a total 78 interviews distributed across Brooklyn, Queens, and Manhattan. All of these observations were conducted to see what citizens face when navigating PB.

To examine PBNYC's main claim, at every step we asked: "do citizens have real money and real power in participatory budgeting?" Contrary to the espoused influence of local people to determine city budget allocations across NYC, this project reports on the existence of clientelism, interest groups, expert influence, the limited voice and power of the marginalized, and a lack of transparency in too much of the participatory budgeting process. We also find that there is no singular Participatory Budgeting Project in New York City. Instead, there are numerous participatory budget projects, as many as there are council members who engage in the practice. Focusing especially on the fissures between PB's ideals and realities, we ultimately recommend that PB undergo substantial reforms.

To be clear, despite the wealth of evidence gathered, in this book we are not merely engaging in criticism for criticism's sake. We think that PB is a wonderful idea and well worth the investment and time that have been put into the initiative, in its different forms across the world. To truly reach the ideals of democracy and citizenship aspired to in so many jurisdictions, decisions about budgeting shouldn't be left to representatives and technocrats alone. To realize these ideals, however, simply getting excited about this novel enterprise and doing all possible to gloss over its problems does not serve the public interest. To this point, PB is almost wholly celebrated by practitioners and looked upon positively in much of the extant literature on the topic. On the other hand, we look to contribute to and realistically assess what emerges from the lived experience of navigating PB from the citizen's perspective, ultimately with the goal of improving its features and functions.

Our hope is that this book can further help PB reach its potential in serving citizens everywhere, advancing greater civic interest in and deliberative agency over allocations of taxpayer monies. Before diving further into this project's details, the next chapter provides some brief background and context for participatory democracy and specific developments related to participatory budgeting, which are necessary to understand how these processes came to be and what we know about them to this point.

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