

# POWER TO THE PEOPLE!

(And Settings for Using It Wisely?)

Balancing direct and deliberative democracy  
in participatory budgeting processes



**Power to the People!  
(And Settings for Using It Wisely?)  
Balancing Direct and Deliberative  
Democracy in Participatory Budgeting**

A White Paper from Public Agenda  
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The Kettering Foundation served as  
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# Introduction

As twenty-first century citizens have demanded a greater say in the policies that affect their lives, two kinds of public engagement have emerged to accommodate them: deliberative democracy, in which people discuss issues but usually do not make public decisions directly, and direct democracy, in which they make public decisions at the ballot box but usually don't have to discuss them first. Deliberative democracy gives people a voice; direct democracy gives them a vote. With the rapid expansion of participatory budgeting in North America, how best to balance these two opportunities has become a major concern, and it poses a key question in attempts to make democracy more participatory, equitable and effective.

The two approaches to engagement reflect different—though potentially compatible—assumptions about the role of ordinary people in public life. In deliberative democracy, citizens become informed about an issue, talk about their concerns and goals, weigh different policy options and find common ground. They may give policy input to public officials, develop action ideas for implementation by other people and organizations or work to implement ideas themselves, or they may engage in some combination of the three. Advocates of deliberative democracy believe in the potential of citizens to be effective learners, advisors and volunteers.

In direct democracy, people have the opportunity to vote on policy questions through initiatives and referenda. Advocates of direct democracy believe in the potential of citizens to be effective public decision makers.

Direct democracy is entrenched in the U.S. legal system, mostly by state and local laws that govern when and how initiatives and referenda can be put on the ballot. Deliberative democracy, on the other hand, is not an official or legal component of governance; rather, it is an ad hoc, usually temporary strategy used by public officials and other leaders when they see the need for it.

Deliberative democracy has produced many instances in which the informed, common-ground recommendations of participants did not seem to affect policy or lead to other kinds of problem solving. These kinds of experiences can leave citizens frustrated and may deepen popular mistrust of government. Similarly, examples of direct democracy have occurred in which voters seemed to make uninformed, ill-considered decisions that might harm not only the common good, but their own interests. The most notorious recent example is the United Kingdom's vote to exit the European Union, known as Brexit, the results of which may have profound and long-lasting ill effects on the UK economy. Immediately after the vote, websites explaining its potential consequences received huge numbers of hits, and many citizens have expressed remorse at having voted "yes" on the initiative.

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From its inception in Brazil in 1989, participatory budgeting (PB) has incorporated, to varying degrees, both forms of engagement. The steering committee meetings and neighborhood assemblies that occur at the beginning of the PB cycle, the delegate meetings that take place during the proposal development phase, and the idea expos held before the final vote can be (but are not always) deliberative; the vote on the proposed ideas at the end of the cycle exemplifies direct democracy.

This report will examine the extent to which North American PB processes are applying deliberative principles and practices, explore the tensions and challenges in making PB more deliberative, suggest questions for further research and offer recommendations for public officials and practitioners for improving their PB processes. It is the companion to another report, *"Brazil Has Reduced Inequality, Incrementally—Can We Do the Same?,"* which focuses on the intersection of PB and economic inequality.<sup>1</sup> Both draw on the data gathered by local PB researchers and by Public Agenda; on local evaluations of PB processes; and on interviews with public officials, also conducted by Public Agenda.

<sup>1</sup> <http://www.publicagenda.org/pages/brazil-has-reduced-inequality-incrementally>

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# What is participatory budgeting?

Perhaps the fastest growing form of public engagement in the world, participatory budgeting was first developed in 13 Brazilian cities in the late 1980s, of which Porto Alegre became the most famous example. In a PB process, citizens generate, refine and vote on ideas for how to spend public funds. In one form or another, PB has since been done in over 3,000 cities on six continents.<sup>2</sup>

From the beginning, the PB experiment was an attempt to strengthen the relationship between citizens and government. It was implemented soon after the end of Brazil's military dictatorship, when democratic governance had become possible, but most Brazilians had neither faith in government nor any experience with democracy in practice. The members of the Workers' Party who prevailed in Porto Alegre's 1989 municipal election wanted a tangible way to show citizens the changes were real—that the new local regime would not only be responsive to their interests, but would give them a meaningful measure of power and authority. From the beginning, PB was intended to give citizens both a voice and a vote.

PB was first brought to North America by Toronto Community Housing (TCH), the city's housing authority, as part of a process in which public housing residents make

decisions about the TCH budget. Chicago alderman Joe Moore began using PB to engage residents of the city's 49th Ward, which he represents. Supported by the Participatory Budgeting Project, a national nonprofit organization based in New York City, Moore's single-council-member model of PB spread to other Chicago districts and then to New York City. The model takes advantage of the unusual budgeting configuration—and political calculus—of large cities where council members have their own separate city funds to allocate.

In the United States and Canada, PB spread to 61 sites in 22 cities. Most of these communities undertook PB at the district level in their cities. That means city council members decided to allocate parts of their given budgets to PB. All district residents, including those younger than 18 years of age and noncitizens, were eligible to participate. In 2015–16, district-level PB happened in twenty-eight council districts in New York City; seven council wards in Chicago; three council districts in Halifax, Nova Scotia; two council wards in Hamilton, Ontario; one council district in Long Beach, California; one council district in San Francisco, California; and one council ward in Toronto, Ontario. Neighborhood-level PB was also undertaken in two neighborhoods in Toronto, Ontario, and one in San Juan, Puerto Rico.

<sup>2</sup> Yves Sintomer, Carsten Herzberg, and Giovanni Allegretti, with the collaboration of Anja Röcke and Mariana Alves, "Participatory Budgeting Worldwide—Updated Version" (Bonn, Germany: Engagement Global and Service Agency Communities in One World, 2013), [http://portugalparticipa.pt/upload\\_folder/table\\_data/c3164679-c343-4715-b198-576aee3d4ad1/files/dialog-global.pdf](http://portugalparticipa.pt/upload_folder/table_data/c3164679-c343-4715-b198-576aee3d4ad1/files/dialog-global.pdf).

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In addition to these district- and neighborhood-level processes, a number of cities implemented PB citywide in 2015–16. In each of these cases, a city council and a mayor voted together to allocate some part of the city budget to PB. All city residents, including residents younger than 18 years of age and noncitizens, were eligible to participate. Citywide PB processes happened in Vallejo, California; Cambridge, Massachusetts; Hinton, Alberta; Saint-Basile-le-Grand, Quebec; Clarkston, Georgia; Greensboro, North Carolina; Hartford, Connecticut; Dieppe, New Brunswick; Peterborough, Ontario; and the District of Tofino, British Columbia.

Two more PB variations appeared in 2015–16. In two cases, PB was designed exclusively for and by youth and young adults. In each of these “youth processes,” an elected official allocated parts of a specified budget to a PB process that focused on youth engagement and limited participation to residents between 12 and 25 years of age (in Boston, Massachusetts) or those between ages 11 and 25 (Seattle, Washington). Finally, 2015–16 was the latest cycle for the long-running Toronto Community Housing PB process (see above), which involves residents of buildings owned by the second largest public housing authority in North America.<sup>3</sup>

A PB process typically starts with a public official or city council publicly allocating a portion of its budget to PB. Grassroots advocacy by community members and local organizations often plays an important role in convincing local officials to adopt PB, and, in most cases, a steering committee—comprising local community groups, community leaders, government representatives and others—forms to decide on the goals and rules of the process. These may include establishing the minimum voting age and other eligibility criteria, the timeline, resource allocations, targets for outreach and participation, roles and responsibilities of various stakeholders and so forth. The steering committee incorporates these goals and rules into a PB “rulebook,” based on examples from other places, which it usually develops at the beginning of its very first cycle and revises every year thereafter.

PB processes then typically follow similar four-phase procedures:

1. Residents come together in public meetings and online to discuss community needs and brainstorm ideas for projects that might be financed with the money their public representatives have allocated to the process.
2. Resident volunteers (commonly called budget delegates) work in groups (or committees) to develop the initial ideas into actual project proposals. These volunteers typically work closely with relevant city agencies to assess the feasibility and cost of projects.
3. Fully developed project ideas are put on a ballot for residents—including youth and noncitizens—to vote on. The voting period often lasts several days.
4. Projects that get the most votes and fall within the cap of allocated funds win, and government commits to implementing the winning projects.

<sup>3</sup> For more about the 2015–16 cycle of PB, see Carolin Hagelskamp, Chloe Rinehart, Rebecca Silliman and David Schleifer, “A Process of Growth: The Expansion of Participatory Budgeting in the United States and Canada in 2015–16,” (New York: Public Agenda, 2016). <http://www.publicagenda.org/pages/a-process-of-growth>

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Just as in Brazil, some PB processes in the United States have been initiated partly as a way to strengthen the citizen–government relationship in a time of crisis. The City of Vallejo, California, for instance, introduced PB shortly after declaring bankruptcy in 2008. In Chicago, Alderman Moore started organizing PB after he was almost defeated for reelection in 2007; in the following election, he won in a landslide. In 2012, Moore said he took “the result of the last election as a sign of popular support for participatory budgeting and any similar initiatives that nurture citizen engagement and promote participatory governance.” He continued,

I take it as a sign that people in the 49th Ward want to be active participants in governing rather than being passive observers of government. I also take it as a sign that people are hungry for more open and transparent ways of making decisions that affect them.<sup>4</sup>

As they try to weather difficult financial conditions, officials like Moore are realizing that giving citizens a say in budgeting may be the key to restoring the fiscal stability of state and local governments. The most striking example of this may be in Vallejo, where four members of the original PB steering committee have since been elected to the city council.

In sum, during the 2015–16 cycle of PB, over 100,000 people cast their votes in PB processes in 61 jurisdictions in 22 cities across the United States and Canada. Over \$60 million was allocated to more than 560 project ideas generated by residents.<sup>5</sup>

In a world where people have become accustomed to choice—about where to live, what to buy, how they get their news—it makes sense they are compelled by the opportunity to make choices about how public institutions spend tax revenues. The direct democracy aspect seems destined to remain, therefore, a core part of the implementation and appeal of PB.

<sup>4</sup> Daniel Schugurensky, “Volunteers for Democracy: Informal Learning through Participatory Budgeting,” in *Volunteer Work, Informal Learning and Social Action*, ed. F. Duguid, K. Mündel and D. Schugurensky, 159–76 (Rotterdam, The Netherlands: Sense Publishers, 2013).

<sup>5</sup> For more about the 2015–16 cycle of PB, see Hagelskamp et al., “A Process of Growth,” 2016.

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## What is public deliberation?

Deliberative democracy has also been a core aspect of PB but in ways that are less obvious and more difficult to assess. This is partly because deliberation takes time. First, people need to discuss with one another why they care about an issue, a decision or a place. Then they need to learn enough about the topic to be able to make informed choices. Then they must examine those choices and talk through which seems best. Finally, in many deliberative processes, participants decide how they themselves want to implement their ideas or advocate for them with public officials. Most of this work happens in small groups, although most processes aim to include many and diverse people. The entire sequence can take place over the course of a day or in meetings that occur over weeks or months.

Beyond this basic description, academics who study deliberation differ on how strictly to define it, as do the practitioners who assist deliberative processes. Some see the process as highly intensive, requiring many days—not just hours—of participants' time, with presentations by experts on the issue being discussed. Some insist the participants must be a random sample of the larger population, so the resulting recommendations will be (at least theoretically) representative of the community as a whole. But as deliberation has proliferated over the past twenty years, these narrower definitions have become less common, and a more general understanding has prevailed.

Some advocates of deliberation argue it can even be an entirely internal process, taking place whenever people weigh public issues and options in their own minds. In that sense, a news presentation that helps citizens consider policy alternatives in an engaging yet nonpartisan manner can be as much an expression of deliberative democracy as an elaborate public process. A key belief shared by all champions of deliberation is that citizens are capable of forming mature, informed, responsible opinions.

What does deliberation accomplish? Champions of deliberative democracy, including those who advocate for it within PB processes, argue that when people talk about their experiences, learn more about an issue, consider different views or options and come up with recommendations and action ideas, the following result:

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- Public decisions that are “smarter,” in that they are based on a greater understanding (by both citizens and officials) of the issues
  - Greater empathy and understanding among people who have different views and between citizens and government
  - Policies that adhere more accurately to what people want, are more broadly supported and reflect the “common good,” rather than narrow self interests
  - A greater awareness of inequality, racism and other pressures that play a large role in public life but are not always acknowledged or addressed
  - Greater problem-solving capacity, as participants recognize the ways in which they (and the organizations and networks to which they belong) can do something to make an impact on the issues they care about

Public deliberation also has its critics, with misgivings falling mainly into two groups. Some reject deliberation on practical grounds, claiming it takes too much time and energy on the parts of both participants and organizers, and that many people simply cannot devote that much of their lives to a deliberative process. Others object based on concerns about inequality, saying deliberation favors confident, well-educated people who speak English well, at the expense of people who already tend to be marginalized in public life. Deliberation practitioners respond that these are merely challenges of design and attention, and that good processes create settings for engagement attuned to the goals of residents and welcoming to the contributions of all kinds of people.

Opinions also vary on the extent and character of deliberation in PB processes. Public Agenda’s president, Will Friedman, feels that

PB is by its very nature a deliberative process generally speaking, but it does not meet the ideal conditions for deliberativeness by many definitions, and there is a tremendous amount of leeway and range in how deliberative it is in practice. It is deliberative in some general sense in that it involves community convenings that reflect on common needs, features a variety of solutions for meeting those needs and gives people an opportunity to weigh those ideas in a fairly equal way. On top of all that, there is usually a commitment to trying to make the participation inclusive. That at least has many of the hallmarks of deliberation, in my view. In this account, it’s a deliberative activity, but its deliberativeness could certainly be optimized or minimized, depending on how much people care about it, their resources and their expertise.<sup>6</sup>

<sup>6</sup> Will Friedman, President of Public Agenda, in conversation with the author, September 2016.

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## Is strengthening public deliberation an explicit goal of PB processes?

Because deliberative democracy is less conspicuous and harder to explain than direct democracy, it stands to reason that the people who initiate and organize participatory budgeting processes may emphasize it less: giving power to the people is done more dramatically through a vote than a discussion. And since the promotional language about PB tends to feature the opportunity to decide rather than the chance to deliberate, advocates of public deliberation often wonder just how serious PB organizers and local officials are about ensuring citizens are informed and open-minded about the decisions they are making. Others would put it a bit differently, asking not whether PB is deliberative, but how well PB organizers are maximizing the potential of deliberation in their processes.

We analyzed 10 PB rulebooks from the 2015–16 cycle in North America to find out whether and how they name public deliberation as one of their process goals (the rulebooks actually apply to 16 separate PB processes, since the Chicago rulebook is used in six district-level processes). Although none of the 10 actually uses the term “public deliberation” in its list of goals, this appears to be a question of semantics rather than a philosophical difference, since all include goals that correspond with the hallmarks of deliberative democracy.

All of the rulebooks, for example, emphasize inclusiveness as a goal, and more than half include language about involving people who have been “marginalized” or “underrepresented” or have not otherwise participated in public life.

Eight of the 10 rulebooks include goals relating to “learning” or “knowledge” or describe PB as an “educational” process. This fits with another core tenet of deliberative democracy, that citizens should be exposed to the information and knowledge they need to make smart public decisions.

While the language in the rulebooks is less specific than that which a deliberation advocate would use regarding the need to weigh different views and options, some include words that imply the sharing and consideration of a range of ideas. “This process is designed to bring us together to make better budget decisions,” reads the Chicago rulebook. “Working together to identify needs, learn about our resources, and sharing solutions not only connects individuals to one another, but also creates collaboration across blocks, neighborhoods and organizations, inspiring people to work together to improve the community.” The rulebook for Hinton, Alberta, asserts that PB will help people “work together for the good of the whole community” rather than for narrower self-interests. Furthermore, all the rulebooks state that budget ideas ought to be considered fairly and on their merits, at all the stages of the cycle.

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The Greensboro, Long Beach, Seattle, and Vallejo rulebooks also cite increased collaboration among citizens, and/or between citizens and government, as a key goal. This kind of communication could include the consideration of a range of views, and it could encompass cooperation to implement action ideas, which is a key facet of many public deliberation projects.

While their vocabulary differs from that used by deliberation advocates, all 10 of the PB rulebooks describe processes that are intensive and informed, rather than the shorter, less demanding experiences characteristic of purely direct democracy. Some goals they list can only be achieved through this emphasis on more active forms of citizenship. The rulebook for Dieppe, New Brunswick, for instance, declares PB advocates are “building a strong culture of public participation” in the community, while the Greensboro rulebook says, “We want to strengthen democracy in Greensboro by helping to create more community leaders through civic education and the hands-on experience of the PB process.” The process in Peterborough, Ontario, aims to “inspire people to more deeply engage in our community and to create new networks and organizations.”<sup>7</sup>

It is also worth noting that the goals listed in most of the rulebooks are not limited to the PB process itself. In many cases, these are impacts that the organizers of PB are trying to achieve in the broader community and on all the ways in which people interact with government. That is, not only are they trying to make the PB process inclusive, informed, and collaborative; they are also trying to use it to produce those effects in other aspects of public life.

In addition to the goals listed in the PB rulebooks, it is noteworthy that some public officials explicitly emphasize the deliberative aspects of PB. Between March 2015 and March 2016, Public Agenda conducted in-depth interviews with 43 elected officials in 11 cities across the United States, including 28 who had implemented PB in their jurisdictions and 15 who had no personal experience with PB but whose jurisdictions neighbored others with PB processes, to gain a better understanding of their views, experiences, motivations and concerns regarding PB.<sup>8</sup> Among those who had done PB, few did, in fact, name deliberation as an aspect of the process they valued highly. “The way we have it set up, there’s a lot of room for deliberation, which is what makes it so powerful,” said one elected official. “It’s not just people voting on Election Day. They take ownership of the process, and deliberation is an important element of it.” “PB is about deliberative democracy,” said another. “It’s about coming together as a community and deliberating in unison on ideas for improving our neighborhoods. The deliberation, more than the voting, is the heart and soul of participatory budgeting.” These explicit references to deliberation were the exception rather than the norm in how these interviewees talked about PB.

<sup>7</sup> Public Agenda internal analysis.

<sup>8</sup> Carolin Hagelskamp, David Schleifer, Chloe Rinehart and Rebecca Silliman, “Why Let the People Decide? Elected Officials on Participatory Budgeting” (New York: Public Agenda, 2016), <http://www.publicagenda.org/pages/why-let-the-people-decide>.

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## Potential settings for deliberation in PB

Public deliberation in PB processes can occur in a number of settings. Although a basic PB “playbook” exists—communicated by the technical assistance provided by the Participatory Budgeting Project and summarized in the organization’s materials—PB processes vary in how closely they follow the guidelines. The types of meetings held, skills and styles of facilitation used and materials and tools applied all differ at least somewhat from place to place.

First, the local steering committees set up to organize PB processes can be settings for deliberation among the elected officials, city staff, community organizers, nonprofit and faith leaders, and citizen volunteers who take part. (Not all PB processes have steering committees, however; in the 2014–15 cycle, the most recent for which these data are available, 83 percent had them.)<sup>9</sup> Calling this “public deliberation” might be a stretch, however, in the sense that the steering committees typically include people who might be better described as “stakeholders” than average residents.

Second, deliberation can occur as part of the neighborhood assemblies, which typically include educational and deliberative components. Residents learn basics about the city’s budgeting process and are introduced to PB. They then break up into groups, led by facilitators, to brainstorm and discuss project ideas. All ideas are collected and saved by the organizers for the budget delegate phase of the process.

The numbers and sizes of the neighborhood assemblies varied greatly across PB processes in the 2014–15 cycle, the most recent from which we have comprehensive data. The number of assemblies held ranged from a low of one assembly in one jurisdiction to a high of 19 in another, and the total number of participants ranged from a low of 20 in one jurisdiction’s assemblies to a high of 777 in another’s. The averages were six assemblies and 198 participants.<sup>10</sup>

Budget delegate committee meetings, which are typically more intensive than the neighborhood assemblies, are another possible setting for deliberation. Budget delegates are typically recruited during the idea collection phase. Residents can sign up at neighborhood assemblies and other idea collection events or contact PB organizers directly. Typically, the budget delegate phase starts with an orientation, during which volunteers learn more about their roles and

<sup>9</sup> Carolin Hagelskamp, Chloe Rinehart, Rebecca Silliman and David Schleifer, “Public Spending, By The People: Participatory Budgeting in the United States and Canada in 2014–15” (New York, NY: Public Agenda, 2016), <http://www.publicagenda.org/pages/public-spending-by-the-people>.

<sup>10</sup> The analysis determining the number of assemblies was based on 43 processes. The analysis for total assembly participants was based on 41 processes. For more on these analyses, see Hagelskamp et al., “Public Spending, By The People,” 2016.

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responsibilities and form working groups. Facilitators lead the groups and help them to stay in touch and make progress on developing proposals. The budget delegate phase often takes several weeks or months and can require a substantial time commitment from volunteers. Attrition tends to be significant.

Also varying greatly across PB processes in 2014–15 were the numbers of active budget delegates and of budget delegate committees formed. The number of people serving as delegates for the duration of the process ranged from 8 to 75, with an average of 30. The number of budget committees varied from a high of 10 to a low of one; the average was four.<sup>11</sup>

In Public Agenda’s interviews with U.S. elected officials about their experiences with PB, we heard from a few of the officials who had implemented PB in their jurisdictions that the budget committees were the main sites for deliberation in their processes. “The delegate committees . . . are very deliberative and take the values seriously and are pretty thoughtful about equity issues, about geographic spread, about need, about why things should make the ballot and have a lot of really good and sometimes hard conversations about it,” said one elected official.

The budget committees are also where citizens have the most interaction with city staff and other experts during the process, exploring the financial, legal and technical feasibility of project ideas. This is an intensive educational experience for participants, as

they learn more about how local government operates, how capital projects are planned and implemented and the procedural and political constraints under which officials and staff operate. In turn, officials and staff presumably learn from PB participants, gaining knowledge about what people value and how they perceive neighborhood needs. According to some of the U.S. elected officials to whom we spoke who were engaged in the process, PB gave opportunities to city agency staff to work more closely with residents and revise some negative perceptions they held about the public.<sup>12</sup>

The greater public scrutiny of the workings of government during the budget committee meetings may help explain why, according to data from Brazil, PB seems to reduce corruption. Our research with elected officials indicated that some U.S. officials were motivated to try PB as a means of increasing the transparency and equity of budgeting, thereby reducing corruption. As one official put it, “PB was a welcomed opportunity to avoid the corruption involved in current discretionary funding allocation.”<sup>13</sup>

Idea fairs, or expos, are another possible setting for deliberation, though the interaction there tends to be extremely brief and informal, and many districts forego these events entirely. The fair is deliberative in the sense that all the booths or presentations are treated equally. Since they’re all of similar size and style, no one can monopolize the space or, in obvious and blatant ways at least, receive special advantages. All of the options are laid out for people to explore and consider before the vote.

<sup>11</sup> This analysis was based on 35 processes. For more information, see Hagelskamp et al., “Public Spending, By The People,” 2016.

<sup>12</sup> Hagelskamp et al., “Why Let the People Decide?” 2016.

<sup>13</sup> Ibid.

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## Supports for deliberation in PB

The extent to which deliberation occurs in PB neighborhood assemblies and budget committees probably also depends on the process elements available to support it. The two most obvious supports are facilitation and materials.

The quality of the facilitation in PB processes varies greatly, depending in large part on the experience level of the facilitators. Josh Lerner and Donata Secondo write,

Skilled facilitators can help level the deliberative playing field, encouraging silent voices to speak and loud voices to listen. But not all cities and neighborhoods have a surplus of experienced volunteer facilitators. In New York, we found that the quality of facilitation depended on the resources of the district, and districts with little organizational infrastructure were often left with novice facilitators.<sup>14</sup>

But even aside from their levels of experience, PB facilitators seem to have different understandings of their role, and this can have a major impact on the kind of deliberation that occurs during the process. Some facilitators have what Hollie Russon Gilman calls a “results orientation”; they see their job mainly as helping their groups generate project ideas, keeping participants on task and judging the ideas rigorously according to a set of criteria that emphasize feasibility. Other facilitators have a “process orientation,” spending more time ensuring all the participants are able to articulate their goals and interests fully, think creatively about project ideas and modify ideas to make them both ambitious and feasible.<sup>15</sup> From in-depth interviews conducted by The Community Development Project at the Urban Justice Center in New York City during its pilot PB process, we have gained some insights about participants’ views on the roles of facilitators. “Democracy is not easy, and sometimes people come in with an agenda or are competitive or inflexible or confrontational—and that can lead to drama,” said one participant who served as a budget delegate in her district.

<sup>14</sup> Josh Lerner and Donata Secondo, “By the People, For the People: Participatory Budgeting from the Bottom Up in North America,” *Journal of Public Deliberation* 8, no. 2 (2012): article 2.

<sup>15</sup> Hollie Russon Gilman, *Democracy Reinvented: Participatory Budgeting and Civic Innovation in America* (Washington, DC: Brookings Institution Press, 2016).

“Having a fabulous facilitator was transformational! She negotiated all the committee’s issues, questions and personalities masterfully.”<sup>16</sup>

Some participants value the speed and efficiency of the results orientation, while others find it limiting and technocratic. On the flip side, some participants appreciate the process orientation for its capacity to foster consensus and creativity, while others are frustrated because it seems to make the process slow and circuitous.

The materials made available to PB facilitators and participants also affect the quality of deliberation because they help inform and structure the discussions. As with other components of the process, the materials offered differ from place to place. In response to feedback and findings from research and evaluation by the Community Development Project, organizers of the 10 New York City processes in the 2013–14 cycle of PB introduced new tools for budget delegates to help them achieve the stated goal of making public spending more equitable. This set of tools included district profiles and maps displaying racial demographics, income levels, public housing residences and other characteristics of the district and were

“designed for budget delegates to use when evaluating who in a district would benefit from a given project.” Budget delegates also received a decision-making matrix that helped them rate projects based on need, benefit and feasibility.<sup>17</sup> In the 23 NYC processes participating in the 2014–15 cycle, according to the Community Development Project’s evaluation report, 80 percent of the budget committees conducted their own field research and site visits in addition to using these tools.<sup>18</sup>

Similarly, organizers of PB in Chicago introduced new materials in the 2014–15 cycle, based on feedback from research and evaluation conducted by the Neighborhood Initiative of the Great Cities Institute, to facilitate budget delegates’ decision making. The organizers developed a guide for implementation “that includes a list of eligible...projects, estimated costs, and the type of contractual agreements needed to implement the project.” The stated purposes of the guide were to “significantly streamline the ward offices’ ability to provide accurate and timely information to participants as they deliberate on project proposals” and to “help to standardize information and pricing across the wards.”<sup>19</sup>

<sup>16</sup> Community Development Project at the Urban Justice Center with the PBNYC Research Team, “A People’s Budget: A Research and Evaluation Report on the Pilot Year of Participatory Budgeting in New York City” (New York: Community Development Project at the Urban Justice Center, 2012), 54, <http://cdp.urbanjustice.org/sites/default/files/pbreport.pdf>.

<sup>17</sup> Community Development Project at the Urban Justice Center with the PBNYC Research Team, “A People’s Budget: A Research and Evaluation Report on Participatory Budgeting in New York City, Cycle 3” (New York: Community Development Project at the Urban Justice Center, 2014), 50, [http://cdp.urbanjustice.org/sites/default/files/CDP.WEB.doc\\_Report\\_PBNYC-cycle3-FullReport\\_20141030.pdf](http://cdp.urbanjustice.org/sites/default/files/CDP.WEB.doc_Report_PBNYC-cycle3-FullReport_20141030.pdf).

<sup>18</sup> Community Development Project at the Urban Justice Center with the PBNYC Research Team, “A People’s Budget: A Research and Evaluation Report on Participatory Budgeting in New York City, Cycle 4 Key Research Findings” (New York: Community Development Project at the Urban Justice Center, 2015), 4, [https://cdp.urbanjustice.org/sites/default/files/CDP.WEB.doc\\_Report\\_PBNYC\\_cycle4findings\\_20151021.pdf](https://cdp.urbanjustice.org/sites/default/files/CDP.WEB.doc_Report_PBNYC_cycle4findings_20151021.pdf).

<sup>19</sup> Thea Crum, Jenny Baker, Eduardo Salinas and Rachel Weber, “Building a People’s Budget: Draft Research and Evaluation Report on the 2013–2014 Participatory Budgeting Process in Chicago” (Chicago: University of Illinois at Chicago Great Cities Institute, 2015), 15.

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## How deliberative is North American PB?

None of this information gives us a definitive answer to the question of whether and how deliberation is happening in North American participatory budgeting processes. This is partly because deliberation itself is difficult to measure. The best answer we can give, based on quotes from participants, organizers and officials and on local evaluation and research on processes, is “sometimes.”

But perhaps the more important question is not whether deliberation is happening, according to one definition or another, but how it could be optimized within PB processes. Fairly clearly, participants are being exposed to a great deal of information about their communities and their local governments, and budget delegates at least are spending a great deal of time and energy generating, refining and proposing project ideas, usually in collaboration with city staff and other experts. Depending on the process or results orientation of PB facilitators, some participants at least are able to share personal experiences and stories, listen carefully to others, identify broader values, explore areas of disagreement and find common ground—all hallmark activities of public deliberation.

One somewhat subtler point might be made by deliberation practitioners about the framing and goal-setting aspects of deliberation in PB.

In PB processes where the elected officials and organizers “frame” the exercise mainly as an opportunity to allocate available money and emphasize the feasibility of project ideas overall, the deliberation may be limited, in that participants spend less time articulating broader goals or shared values.

Finally, insights from Public Agenda’s in-depth interview study with U.S. elected officials about their experiences with PB provide one more piece of evidence regarding the nature of deliberation in PB: in their comments on the transition to the final vote on project ideas, a few officials pointed out the differences, and potential tensions, between deliberative and direct democracy. Having spent many hours working to boost turnout for the final vote, some officials were dismayed at the difference in knowledge between the budget delegates and the average PB voter. Many voters “didn’t really know what PB was,” lamented one official. “They didn’t know what the projects up for vote were, so they’re like, ‘Uh. Uh. Okay, um. Well, those look interesting. I’m going to check those four boxes.’” One official made it sound like he was drawing a line in the sand: “We have an interest in enhancing voter participation, and at the same time, deliberation is what matters above all else. And am I willing to boost voter participation at the expense of a deliberative process? The answer is no.”<sup>20</sup>

<sup>20</sup> Hagelskamp et al., “Why Let the People Decide?” 2016.

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In their thinking about this key juncture in their PB processes, these officials seemed to be focusing on the distinction between the two kinds of engagement: specifically, the ability of direct democracy to allow people to vote their interests and the ability of deliberative democracy to help them articulate their interests, negotiate between interests and formulate a sense of the common good that transcends all interests. Some didn't feel their processes were deliberative enough—or at least that the process had been unable to help enough people see and uphold a common good. “When people are voting, if there's a park across the street from your house and you see it on the ballot, you're going to vote for that project, right, it's very clear,” said one official. “To be perfectly honest, I believe that, you know, self-interest drives almost the entire process,” said another.<sup>21</sup>

Other officials were far more positive about the blend of deliberative and direct democracy in their PB processes. As one elected official put it,

There are definitely people who vote for the projects in their neighborhood or parents who vote for all the projects in schools, but there are definitely also people who approach it with a broader-minded and somewhat less self-interested approach. I think that's the beauty of democracy, the tension between self-interest and public interest. This is a good space for that to play out. It lets people act on both those impulses, and I think that's right.<sup>22</sup>

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

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# Recommendations for practitioners and researchers

Viscerally, it seems important that PB processes help people both articulate their interests and identify the broader public interest. But why? Looking back at the advantages of deliberation discussed above, three seem to hold particular promise for PB. First, higher levels of deliberation might produce greater empathy among citizens who hold different opinions or value different things about their communities—and greater understanding between residents and city staff. Second, more deliberative discussions would be more likely to bring to the surface issues of race, religion, class, immigration status and other differences that are always influential but seldom addressed in public life. Finally, the budget ideas produced might be more likely to represent compromises between different groups or opinions, and they might inspire greater efforts by participants to help implement them, beyond the decision to allocate public money.

PB organizers might improve the level and quality of deliberation in their processes in a number of ways:

## **1. Be more explicit about the importance of deliberation in the process.**

In PB rulebooks, in promotional language about the process and in other ways, PB organizers could highlight their intention to foster meaningful deliberation among residents, officials and staff, not just about specific budget ideas but about the broader goals, values and priorities those budget ideas represent. This might change the expectations people (including facilitators) bring to the process and raise the level of deliberation. And while it makes sense that the promotional language about PB emphasizes the right of citizens to choose projects through a vote, the offer of more opportunities to meet with neighbors also seems to bring people to the table; in the 2014–15 cycle, the tactic of holding more neighborhood assemblies was correlated with higher participation in the initial phase of the process.<sup>23</sup>

## **2. Ensure participants have the chance to share their stories.**

A meaningful step in many deliberative processes is that first opportunity for people to talk about who they are and why they care. Describing the assumptions and experiences that underlie their opinions helps people understand each other. This seems to be happening in some neighborhood assemblies and during the early phase of some of the budget committee discussions, especially when process-oriented facilitators are involved; including the expectation that this should be part of the process, allowing the time for it and training facilitators accordingly would make this aspect of deliberation more common in PB.

<sup>23</sup> Hagelskamp et al., “Public Spending, By The People,” 2016.

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### 3. Connect the PB process to a broader discussion of city and/or district goals and priorities.

The allocation of public money ought to reflect, at least in part, the broader choices people are making about their community and how they want to improve it. This discussion seems to be taking place as part of some PB processes—most obviously in Vallejo—but not in others. Ways to accommodate it are several, and they range in scale and ambition:

- Include a deliberative discussion about needs, goals or choices facing the city/district as part of the neighborhood assemblies.
- Create a “meeting in a box” kit, including information on how to contribute to the process, for deliberations that can take place as part of the regular meetings of PTAs, neighborhood associations, clubs and other groups.
- Capitalize on the presence of hyperlocal online forums, such as NextDoor, by encouraging online discussions of goals and priorities.
- Hold an online crowdsourcing process for residents to brainstorm goals and rank them, using a platform like MindMixer, IdeaScale, OpenTownHall, Peak Democracy, Granicus or Codigital.
- Connect PB to a city- or district-wide strategic planning process that generates goals and recommendations, which are then shared in neighborhood assemblies and budget committee meetings.
- Organize a parallel cycle of “thematic PB,” following the lead of many Brazilian cities, that engages citizens in setting priorities for the city budget.

Researchers might also further probe the level and quality of deliberation in PB processes in two main ways:

- Use surveys to find out from participants the extent to which they learned, shared experiences and considered different ideas and options as part of the PB process. (This research should be done selectively, and in coordination with the local evaluation team, so it does not impede the process, create unnecessary duplication of researchers’ efforts or make participants feel like they are “being studied to death.”)
- Conduct live observations and transcript analyses of neighborhood assemblies and budget committee meetings, modeling the approach used by John Gastil and Katie Knobloch in their evaluations of the Oregon Citizens’ Initiative Review.<sup>24</sup>

<sup>24</sup> K. Knobloch, and J. Gastil, “Experiencing a Civic (Re)Socialization: The Educative Effects of Deliberative Participation,” *Politics* (2014); G. Fuji Johnson, L. Black, and K. Knobloch, “Citizens’ Initiative Review Process: Mediating Emotions, Promoting Productive Deliberation,” *Policy and Politics Journal* (2016).

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## New directions for deliberation

As governments struggle to gain the trust of an increasingly educated and skeptical public, more of them may begin offering citizens a greater degree of power and authority over public decisions. Participatory budgeting will probably continue to spread, and so may other kinds of processes that give people a direct vote on policy questions. Despite examples like the Brexit vote, these variations on direct democracy could proliferate simply because they give officials a seemingly straightforward way to give the people what they want.

But as the Brexit vote has illustrated, direct democracy doesn't necessarily lead to smarter, more broadly supported policy decisions. Incorporating public deliberation in various ways may be critical not only for strengthening policymaking, but also for maximizing public satisfaction with these new forms of participation. Direct democracy assumes citizens can be effective public decision makers, and deliberative democracy assumes they can be effective learners, advisors and volunteers. Those assumptions seem compatible with one another, and, in fact, they support and may even require one another. Blending direct and deliberative democracy could be good for governance and in the process could help officials get reelected.

This is a two-way street. Organizers of participatory budgeting should consider the ideas, and ask for the assistance, of deliberation practitioners and advocates—and those practitioners and advocates may need to relax some of their definitional assumptions about deliberation and acknowledge the broader potential of PB. Through the creative exchange between people who care about public participation and approach it with different tools, assumptions and areas of expertise, we may gain the next wave of much-needed democratic reforms.

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