

# European cities' big cash handover

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Cities in Europe have embraced schemes that give people a say in how public money is spent — but experts are raising questions about who truly gets a say, and at what cost.

First introduced in Porto Alegre, Brazil, in the late 1980s, the participatory budget model gives residents the opportunity to propose projects they would like to see funded by their local administration, which are then put to a vote in a local referendum.

Initially, the intention was to seek input from historically overlooked, low-income residents and give them a say in how local administrations spent their cash.

“Participatory budgets were envisioned as a process to redistribute not just economic resources, but also ... political agency,” said Pietro Reviglio, who works on governance issues at Eurocities — a network of European municipalities.

The concept has become wildly popular in Europe, which counted more than 5,000 such schemes in 2019 — around half of the total number of initiatives adopted worldwide that year. Some cities allocate a set percentage of their budget to the schemes — in Paris, that amounts to 5 percent of the city's investment budget, or roughly €75 million for projects funded in 2021 — while others hand out fixed amounts of cash.

Cities often show off these schemes as signs of an inclusive and progressive agenda.

In Warsaw, the participatory budget is being used to plant a new urban forest; in the Czech city of Brno, voters allocated public cash to build a cycle path. And in Lisbon, cash from the scheme is funding the first monument recognizing Portugal's role in the transatlantic slave trade.

But if in theory the opportunity to propose projects allows for more voices to be heard in the halls of power, in practice it tends to be taken up by communities that already have a seat at the table.

“The middle class is definitely likely to engage in the participatory budget processes,” as they have more time and resources to get involved, said Giovanni Allegretti, senior researcher at the Center for Social Studies in Coimbra, Portugal.

Although participatory budget schemes typically take pains to broaden participation, they often fail to specifically target disadvantaged demographics, according to Allegretti. That means the communities with a greater need for extra cash are being passed over.

With very few exceptions, initiatives specifically designed to empower low-income residents are “essentially never carried out” in European cities, he said.

That risks creating a “boomerang effect,” according to Reviglio, with pet projects proposed by higher income residents “deepen[ing] inequalities within cities.”

## **Barriers to participation**

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Ricardo Pita, head of the citizen participation department at Lisbon City Hall, said the city has struggled to increase involvement in its participatory budget scheme since its start in 2008.

While some central districts routinely present and get backing for projects, poorer, more “socially fragile” neighborhoods rarely submit proposals, he said, citing the poorer Beato district as having notably low participation rates.

Pita chalks that up to the fact that lower-income residents are more concerned about making ends meet and don’t have the luxury of leisure time in which to come up with ideas to pitch to city administrators.

“These communities could likely only afford to take interest in public participation once they reach the point where their basic needs are fulfilled,” he said.

Estela Brahimllari, academic associate at the Freiburg School of Engineering and Architecture, said the scheme itself has become a “factor” contributing to gentrification.

Proposals that aim to make neighborhoods more livable — with more green space or better public safety, for example — also make them more attractive to prospective buyers, so gradually pricing longtime residents out of their homes, she said.

Another barrier to participation tends to be access to the voting system itself.

During the pandemic, most votes on participatory budget proposals happened digitally — a format that excluded poorer or less tech-savvy locals. As a result, people with “good ideas” were left out of the process because they didn’t “own a computer [or] don’t have internet,” said Brahimllari.

NGOs and neighborhood organizations that typically do “a lot of work on the ground and offline” to reach those groups couldn’t make direct contact with potential voters because of lockdown restrictions, said Reviglio.

In Lisbon, the city administration tried to help local groups spread the word about the participatory budget scheme as safely as possible and set up public spaces where people who had no digital access at home could vote.

Now that most coronavirus restrictions have lifted, the key will be to “get back onto the streets, go door to door, ensure that we give voice to all citizens,” said Pita.

Cities that want to keep up digital voting will need to take a hard look at the platforms they created to make them as accessible as possible, said Allegretti. He pointed out that many often lack gender-inclusive language or accommodations for disabled people, which can push away potential voters.

Formats that aren't user-friendly risk alienating people, who will stop seeing participatory budgets as "a common good" but as something designed to cater to specific groups — "that is, those middle classes with the resources to participate," he said.

## **Making it happen**

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Besides a lack of broad engagement, participatory budget schemes can also be undermined by changes in government and logistical issues.

In Porto Alegre, the defeat of the Workers' Party in 2004 proved fatal to the city's participatory budget. The new government slashed the amount of funding allocated to the scheme and eventually suspended it altogether in 2017. Discussions to reinstate it are still ongoing.

"It's important for political leaders to invest [political] capital in this process," said Reviglio. "All these practices work better when there's a strong administrative culture to manage these participatory processes."

In Romania, a lack of transparency, distrust in institutions and legislative hurdles doomed projects in Cluj-Napoca — the first Romanian city to adopt a participatory budget scheme in 2017 — and other administrations that followed suit.

For some cities, it's also a case of not having enough staff to make the projects a reality. Pita said some schemes approved by voters in Lisbon in 2013 were still waiting to be executed.

"Our team only consists of six people, a relatively small machine to make big urban infrastructure projects happen," he said. "But even then these delays are a matter of deep concern for us and we're trying hard to make things move faster so that people can actually see what they voted for as quickly as possible."

In Paris, municipal leaders faced with similar challenges have attempted to save time by capping the number of participatory budget projects approved every year.

"It's best to focus on doing five projects well than 15 projects less well," said Anouch Toranian, deputy mayor for citizen participation. "We chose quality over quantity."

Pita said Lisbon is also looking at ways to streamline the process and keep residents informed and engaged in a project's progress.

"We want citizen participation to extend even after the voting process has ended," he said. "That's one way we can keep everyone involved in these policies, which are a way of building communities while building up our city."

