

*ELBAG for promoting Just and
Democratic Governance.*

*Advance the political influence of
people living in poverty to hold
government, elites and corporates
accountable.*

act:onaid

The current context

- Without deepening democracy, elites capture decision-making processes and resources.
- For many of the poorest and most excluded groups, there is a strong connection between a lack of political space or influence and the perpetuation of poverty and injustice.
- Seeking alternatives, women, men and youth around the world are taking to the streets; using the internet; and or joining local meetings to demand proper political representation and accountability from the State for delivering on basic rights.

The ELBAG Handbooks Series

We are elaborating ELBAG Handbook Series that consists of a series of handbooks which aim to support the work of civil society activists in their struggle for Just and Democratic Local Governance to face the crises.

The series focuses on key challenge areas identified in ActionAid's governance work.

- 1. Working with democratization and accountability – an introduction
- 2.Accountability, Quality and Equity in Public Service Provision
- 3. Budgets, Revenues and Financing in Public Service Provision
- 4. Power, Elite Capture and Hidden Influence
- 5. Voice Representation and Peoples' Democracy

1. Working with democratization and accountability – an introduction

- Politicizing Human right based approach through just and democratic governance work
- Challenges for Just and Democratic Governance Work:
 - Economic hegemony remains
 - Increasing tax evasion and global financial flows steal from the poor.
 - Reducing poor quality aid
 - Women's unpaid work remains unrecognized
 - Reducing poor quality aid
 - Powerful institutions resist redistribution
 - Increasing power of Transnational Corporations
 - Persistent corruption
 - Increasing hidden powers
 - Increasing of social and cultural bias
 - Weak civil society.

1. Working with democratization and accountability – an introduction

- Key Work Areas:
 - People's Empowerment, Solidarity and Campaigns
 - Challenging Power Relations
 - Accountability and Service Provision
 - Inclusive Decision Making – Participation, Voice and Representation
 - ELBAG and Financial Governance
 - Transparency, Access to Information, Freedom of Association and Speech

2. Accountability, Quality and Equity in Public Service Provision

- Local public services – how can we improve them?
- Getting organised – becoming empowered
- Service delivery – what are your rights?
- Demanding accountability – what are the challenges?
- Gathering evidence – building solidarity
- Stating your case – campaigning for public services

3. Budgets, Revenues and Financing in Public Service Provision

- The Budget Cycle – what is really happening?
- Revenue and Taxes – the key to self-sufficiency?
- Fiscal Decentralization – a just distribution of resources?
- ELBAG: Putting it into Practice – empowerment, campaign, solidarity
- Local Revenue Justice – five analytical tools
 - Tool 1: Calculating VAT
 - Tool 2: Identifying sources of revenue
 - Tool 3: Tracking changes in a revenue source over time
 - Tool 4: Calculating per capita revenue
 - Tool 5: Comparing per capita revenue between geographical areas

4. Power, Elite Capture and Hidden Influence

- Defining and characterizing hidden power at local, national, regional and international level.
- 1. Local elites' through informal influence capture access to public resources.
- 2. Social and Cultural Powers - as ethnic, religious (church), caste, cultural and patriarchal - that perpetrate traditional power and promote the discrimination
- 3. Corporate (national and international) agenda and power abuse through influence and corruption
- 4. Media oligopoly through influence, mind and social control and manufacturing of consensus and legacies.
- 5. Military power influencing authorities, policies and creating privileges for their members,
- 6. IFIs, traditional donors and new powerful states with their agendas of conditionality and projects
- 7. Organized crimes as drug and gangs power, influencing and corrupting - authorities and exercise a parallel control of territories

4. Power, Elite Capture and Hidden Influence

- Characterizing the different types of hidden power in order to
 - Forms and applications of hidden power in public arena (their interests, tactics, etc.)
 - Sources, scope, domain, weight and cost of hidden powers.
- The impact on hidden power on the poor and excluded people
- Confronting hidden power: Based on the diverse perspectives of hidden power on participatory democracy and governance we explore options for promoting accountability of hidden power wielders.

5. Voice Representation and Peoples' Democracy

- Unpacking voice, representation and political spaces in the different discourses.
- Complimentary democratic practices and policies: right to information, freedom of speech and assembly, anti-corruption legislations, whistle blower protection policies.
- Participatory democracy experiences: local and national public policies councils, conferences and forums; participatory budget
- Synergies, conflicts and tensions between representative and participatory democracy.
- Civil society actions for enhancing and amplifying voice and representation: approaches and tools.

Towards Alternatives

- 1. Develop a methodology for developing and using alternatives.
- 2. In a participatory way, build and promote new models and processes of inclusive decision making that allow women living in poverty and excluded groups to have greater political influence.
- 3. Build Knowledge Hubs to promote and advocate the most advanced thinking and practice globally in: accountable governance, social protection, taxation, the care economy, development finance and other redistributive measures for ending poverty and injustice.

An alternative?: Participatory Budget

- ***What is it?***
- Participatory budget (PB) is a citizen's debate and decision making process on part of the local public resources

- ***Since when it exists?***
- Since the 80's in Brazilian cities such as Porto Alegre and in the 90's in cities such as Belo Horizonte

Participatory Budget

- ***Which are the objectives?***

Every year the executive power at local level send to the legislative power its proposal of a Budget Law which forecats income and expenditure.

The Participatory Budget objective is to allow citizens - organized into assemblies in different parts of the city - to allocate the forecasted budget income.

Besides it also allows the population - organized into a commission- to monitor how the resources will be actually spent along the year.

Participatory Budget

How it works and which is the institutional framework?

In districts like Belo Horizonte in Southeastern Brazil, the Participatory Budget is linked to the Secretary of Planning, Budget and Information of the city, which is home for 2,5 million inhabitants.

In BH city it is divided into three kinds of PB:

- Regional Participatory Budget,
- Housing Participatory Budget,
- Digital Participatory Budget.

Participatory Budget

Regional PB: created in 1993, its focus is the definition of investments in each one of the nine administrative regions of the city.

Every 2 years, the residents get together in their neighborhoods and in regional assemblies to choose by direct vote which constructions the City Hall should make.

Participatory Budget

Housing PB: in place since 1996, it is a tool created to respond to grassroots movements claims on housing.

It allowed the population to decide how the housing resources should be applied. Since then, the City Hall already built almost 3,000 houses, benefiting thousands of families living in the city.

Participatory Budget

Digital PB: created in 2006, in order that the citizens could choose by internet which constructions should be carried on in the city.

In this kind, all citizens who are legally voters in Belo Horizonte can participate in the voting.

Participatory Budget

In the case of the **Regional PB**, every two years the population is invited to the opening ceremony with the presence of the mayor, the secretaries, local managers and communities..

First stage:

1. Forms for requesting demands are delivered to the population
2. Mandatory presential meeting is conducted at community level to define priority demands and fill the form
3. Deliver the form in the regional secretary to be selected and appreciated

Participatory Budget

Second stage :

1. Pre-selection of until 25 requests
2. Choice of delegates that will participate in the Regional Forum of Budget Priorities. The elected delegates visit the places pointed out in the requests
3. 14 out of the 25 requests are elected to take part in a Participatory Budget Plan of Regional Actions
4. A citizen's Commission for Monitoring, Control and Disbursement (COMFORÇA) is elected
5. The Commission approves and delivers the Plan of Actions to the mayor .
6. The Commission is responsible for monitoring the disbursement. Through monthly meetings the governmental authorities and functionaries are accountable to the COMFORÇA.

Participatory Budget

Participation and election of the delegates

In the second stage the sub-regional neighbours with more of 16 years old pre-select the demands and choose their delegates for the Regional Forum (1 each 20 people if meetings have more of 400 people present)

Criteria for internet voting

Preselected proposals choose by COMFORCA and the Local Government are put in the internet for the people's choice. The proposals with more votes are elected.

Participatory Budget

Who participate?

The PB is open for all people. The people that more participate are the poor or less income people organized in some type of association or CBO.

The women are majority at the plenaries and half of the COMFORÇA members.

Participatory Budget

Main achievements

- Between 1994-2010 the PB in Belo Horizonte city expended more than 750 million in constructions benefiting poor people with less access to public services.
- In order to invert the traditional priorities in public services that benefited mainly the reach people, the local government create new instruments, such as:
 - Planning Units (PU) (micro-zones for planning for identify poor micro-areas inside reach zones)
 - Quality of Life Index (QLI) that measure the access to services, social assistance, culture, education, sport, housing, environment, health. This indicator is a key criterion for PB allocation of resources.
- The PB had key role in the urbanization of the shanty towns.
- Participatory learning for the people, mainly the poor.

Participatory Budget

Main Challenges:

- The adoption of technics instruments (PU and QLI) in the PB process implied in reduction of the participants' power choice.
- Resistance of sector of governmental bureaucracy
- Resistance of the elected town councilors
- Limits to new ideas and actors with less participation
- Vertical accountability was limited in Belo Horizonte and actually decreased over time
- PB never occupied a central role in the basic decision-making process that affects how resources and authority are distributed
- Each successive mayoral administration spent lower levels of resources on PB
- The ability of PB delegates to make decisions that would reshape their communities also diminished over time