MARKUS HOLDO

Participatory Spaces Under Urban Capitalism

CONTESTING THE BOUNDARIES OF DEMOCRATIC PRACTICES

ROUTLEDGE RESEARCH IN PLANNING AND URBAN DESIGN

Participatory Spaces Under Urban Capitalism

Can people use new participatory spaces to reclaim their rights as citizens and challenge structures of political power? This book carefully examines the constraints and possibilities for participatory governance under capitalism.

To understand what is at stake in the politics of participation, we need to look beyond the values commonly associated with it. Citizens face a dilemma: should they participate, even if this helps to sustain an unjust system, or not participate, thereby turning down rare opportunities to make a difference? By examining the rationale behind democratic innovation and the reasons people have for getting involved, this book provides a theory of how citizens can use new democratic spaces to challenge political boundaries. Connecting numerous international case studies and presenting original research from Rosario, Argentina, this book offers a crucial corrective to previous research. What matters most is not the design of new models of participation nor is it the supposed radical imagination of political leaders. It is whether people use new spaces for participation to renegotiate what democracy means in practice.

Bridging critical urban studies and democratic theory, this book will be of interest to researchers and students in the fields of democratic innovations, political economy and urban planning. It will also provide activists and practitioners of participatory democracy with important tools to expand spaces of grassroots democracy.

Markus Holdo is Associate Professor of Political Science at Lund University, Sweden, where he teaches and does research on how citizens accomplish social change.

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Contesting the Boundaries of Democratic Practices

Markus Holdo

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Contents

Acknowledgements *vi*

1 Participation and Power Relations: Contesting Boundaries 1

2 The Boundaries of Participation 16

3 Is Participation Co-Optation? 42

4 Ethics and Deliberative Capital 63

5 Power as Leverage 85

6 A Theory of Renegotiation 109

Appendix: Methodological Reflections *126*
Index *133*

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1 Participation and Power Relations

Contesting Boundaries

What room do people have to claim their power as citizens in a world that is becoming ever more dominated by capitalism? Can the spaces created for democratic participation be used in any meaningful sense to challenge structures of power and advance the interests of people who are currently marginalized and unrecognized in political decision-making? In this book, I bring the experiences of residents in Rosario, a city 300 kilometers northwest of Buenos Aires on the shore of the river Paraná, to bear on these questions. Rosario is Argentina's third largest city and a crucial hub for the agricultural and auto industries. Its port connects the large interior of the country to Río de la Plata and the world. When democracy was restored in 1983, it became the base for the re-emergence of the Socialist Party. But while one could give various reasons why Rosario is special, in this book, I will focus on two features it shares with cities in many corners of the world. First, like many other cities, Rosario has needed to reinvent itself to appeal to businesses and financial speculators. Argentinean cities became especially exposed to global capitalism during an intense period of neoliberal policies in the 1990s. Rosario needed to compete harder for new investments while at the same time receiving increased migration flows from rural communities in the north that had become economically unsustainable. The local government upgraded the city center, turned the old harbor area into a promenade with green parks and a modern art museum and made space for new shopping malls and attractive residential suburbs. In the meantime, informal settlements – often referred to as *villas miserias* in public discourse – expanded in the peripheries. Then, just when the new millennium had started, a financial crisis threw half of the country's population into poverty. The slums grew bigger. Rosario's residents became even more unequal.

Second, while Rosario was and still is a city of tensions – with inequalities, segregation, structurally disadvantaged ethnic minorities, and wealthy business owners and financial speculators that dominate the priority-setting – it has also been a city of political imagination. As the protests escalated in the capital and forced the president of the republic to resign, people at Rosario's municipality were "hiding under their desks," as one staff member at the municipality puts it. But looking back on this moment two decades later, Rosario's municipal

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government looks, not desperate but pioneering. Similar to numerous other local governments that have faced similar predicaments more recently, Rosario's leaders saw that participation offered a way to respond to people's despair and distrust for the authorities and political leaders. It announced that ordinary citizens would get to decide how to use the city's now scarce resources – Rosario would be governed directly by the people. And the strategy worked. Within years, participatory budgeting had put Rosario on the map as a city of democratic innovation, as it had previously done for cities in neighboring Brazil.

Thousands of cities in different parts of the world today practice some form of participatory budgeting, and various other models of grassroots democracy have been invented, often in response to crowds of people protesting in the streets. Local democracy is being "reinvented," "deepened" and "reloaded" in places like Barcelona, Bologna and Berlin,[1] and participatory budgeting, in particular, has been adopted in places as different as New York City and the village of Hiware Bazar in Maharashtra, India. But at the same time, as participation is becoming the slogan of more and more local governance initiatives, democracy seems everywhere to become increasingly circumscribed and undermined through the increasing dominance of financial interests. These contradictory tendencies now shape politics in cities in many parts of the world. As participation is becoming part of the normal operations of local government, citizens do not seem to be gaining more power over decisions that shape life in their cities.

In this book, I want to re-examine what difference local participation can make in a world of global capitalism – with increasing inequality, with segregation pulling communities apart and where policymakers everywhere seem to marginalize the needs and interests of the people whose lives their decisions affect most dramatically. Two decades ago, researchers and advocates answered this question with so much confidence and excitement that participatory democracy emerged on the world stage, along with the World Social Forum and the Global Justice Movement, as the new big thing, the new cause of hope for the left. In South America, experiments with participatory budgeting proliferated fast, promoted by local leaders of the Workers' Party in Brazil and soon also by sister parties in Argentina. Having caught the imagination of scholars in North America and Europe, participatory budgets were eventually promoted as a democratic innovation that would refuel citizens' energies and solve democracy's crisis.[2]

Clearly, not all these proclamations were grounded in careful analysis of the constraints and obstacles of local politics. Skeptics regarded much of the literature as too idealistic about what small spaces of democratic activism could achieve. But at the same time, as the research field has become more sober and less prone to hyperbolic declarations, local decision-makers, left and right, have continued to embrace participatory politics.[3] Not even the recent rise of authoritarian right-wing populism in Latin America, the United States, and Europe has slowed down the spread of new inventions. The major

promoters of local participatory democracy are no longer radical leftist parties but institutions of global capitalism, such as the World Bank. Participation has become a "fast policy," easily adopted by governments of different political orientations.[4] The popularity of participation, suggest Gianpaolo Baiocchi and Ernesto Ganuza, is "paradoxical": participation is a grassroots response to democracy's crisis, yet its meaning has proved so ambiguous that it can be incorporated into any political project, including neoliberal and conservative ones.[5] These analyses echo the warning of Carole Pateman,[6] who helped found the field half a century ago, that the meaning of participatory democracy today appears so vague that it risks becoming little more than a functional part of governance practices that are deeply at odds with the project of building a more inclusive, egalitarian society.

We now have an enormous literature on participatory institutions that offers valuable lessons on what conditions are required for participation to have an impact on people's well-being, as well as on political inclusion and redistribution.[7] New studies have generated various ideas about what kind of design features may positively affect outcomes.[8] The debates, nowadays, are about carefully examining specific conditions and outcomes. But while the research field now appears more sober and mature, it also seems to be losing the spirit that once so deeply animated work on participatory democracy. Have we lost sight of the political questions that once embodied practices of participation in places like Porto Alegre, Brazil, and that awakened the democratic imagination of researchers and policymakers in many parts of the world? Has the field's development come to mirror what some see as a general depoliticization of participatory practices?

I want to return to the question of what difference participation can make in a world that, after two decades of experimentation with participatory policies, seems even less democratic than before. Taking a more critical perspective on these policies, is there still something potentially disruptive about participation? In this introductory chapter, I explain the specific aims of this book, how the perspective I adopt differs from previous research and how I will proceed with my argument: that under some carefully described conditions, the experience of participating enables people to create a new form of capital – a source of recognition that did not exist prior to participation – to use in contestations of power relations in a society. The ethical commitment to participation and this new form of capital allows people to engage in a quiet renegotiation of the terms of social cooperation.

The Aims of This Book

My aims in writing this book are threefold. First, I wanted to study experiences of local participation against the backdrop, not of idealistic theories of deliberation and empowerment but of critical perspectives on power relations and urban capitalism. Although participatory institutions appear to create new possibilities for political inclusion, they do so in a moment when

pressure from markets as well as complex technocracy severely constrain ordinary people's power. Baiocchi and Ganuza have called this the "paradox of participation."[9] As is often the case with paradoxes, this one requires us to carefully examine how the components that appear in tension are related. Why does the loss of democratic sovereignty coincide with a participatory trend? In the next chapter, I discuss global tendencies in how capitalism affects local governance and describe more specifically how it shaped the possibilities for democratic innovation in South America. I suggest that the loss of democratic sovereignty created a need for governments to look for new ways to regain the sense of legitimacy, and participation promised to provide this without encroaching too much on policymakers' wiggle room to make the decisions they see fit. For citizens, this presents a dilemma: Should they participate, knowing that this might help sustain a system that excludes most people from meaningful political influence, or should they not participate, thereby turning down ways to make a difference, even if small?

Although participation has been widely endorsed by researchers as well as politicians, many recognize that for citizens, there are strong reasons to be skeptical. Realistically, when the powerful set the terms of cooperation, they are unlikely to be interested in genuine deliberation. The only way ordinary people, without political and economic resources, can exercise power, according to influential theories of contestation, is by *withholding* cooperation.[10] Thus, ordinary citizens risk wasting time on participation that could have been more wisely spent on mobilizing collectively to force the powerful to change their priorities.[11] For those who still want to build an argument for how participation can make a difference, it is wise to pay careful attention to these arguments.

However, while critical scholars raise important and difficult questions about power and capitalism, their own pessimistic answers are not necessarily fully convincing. The logic of the argument for why people should reject cooperation with local governments is deceptively simple: participation is per definition not disruptive. But this dichotomy is misleading. The massive social movements that achieved important change historically were not always confrontative – rather, they cooperated strategically and used the mutual recognition that cooperation required as leverage to push for change. Think of the Civil Rights Movement in the USA, the Northern European workers' movements, various feminist movements, anti-colonial movements and the global justice movement. Many of these were mobilized on the basis of social practices and institutions that took decades, often several generations, to build.[12] They depended on relations of trust and a sense of shared experience that helped them mobilize, construct collective narratives and act together. They were not particularly disruptive, until one day, when the opportunity arose, they used all that capital to advance the interests of

marginalized groups. Thus, most of their renegotiation of power relations took place quietly. I argue that participatory spaces, too, provide opportunities for such quiet renegotiation.

My second aim is to convince even the most hardcore critical realists that participation does not necessarily end in co-optation – sometimes this is not even in the policymakers' interests. I explain this in general terms that realists themselves often use and show empirically that in Rosario, it would have been counter-productive to use participatory budgeting to co-opt participants. The main reason participation does not equate co-optation is, however, that participants can, under certain conditions, challenge power relations by using the spaces offered to them creatively and with enormous patience. Participation is a distinct mode of political action. It is not motivated by expectations of immediate results but by a deep appreciation for the intrinsic value of civic engagement; it requires patience with small, incremental change; and it builds collective power through social practices that many would find repetitive, frustrating and boring but that slowly establish shared norms, values and identities.[13] While others may dismiss cooperation with authorities that preserve structures of power in a society, participants may act to renegotiate the terms of cooperation through actions that construct a common sense of purpose and normative expectations, thereby creating a collective basis for demanding recognition and change.

Third, I wanted to build this argument by reflecting carefully on people's experiences of participating in Rosario and relating them to theories in a way that differs from standard political science methodology. Working *abductively*, that is, with a constant interplay between examining field notes and theorizing, I wanted to bring concrete practical knowledge to bear on theories of democracy, power and contestation.

Examining local practices of participation in places like Rosario can teach us not only to question the political rationale behind introducing new forms of participation but also about reasons for participating that we would not find in books on democratic theory. From that literature, we learn why democracy requires participation, that democracy cannot survive without it because it is only through participating that citizens can develop civic virtues, social bonds and a sense of community. The fact that more and more people are disengaging is both disconcerting and strange from this perspective. But in a system that many people find deeply unjust, these ideas of how people may improve themselves are unlikely to motivate many to participate. What is surprising is not that many people quit but that some still feel compelled to be involved in civic engagement and local politics. The experiences of Rosario's residents add something crucial not only to this puzzle but also contribute, more importantly, to our understanding of how people can claim power as citizens and accomplish change.

A Relational Perspective on Participation

My argument is that under some conditions, which I will explore in detail in this book, people can use participation as a new source of recognition, as new forms of capital, to contest patterns of exclusion and marginalization. But what does it mean, and what does it take, to do this?

The analysis developed in this book seeks to connect the various interests involved in the construction of participatory spaces with the concrete practices that take place there. Under certain circumstances, such spaces may generate practices that go beyond their political purposes, thereby expanding the possibilities to challenge political priorities and patterns of political exclusion. But to tell when this may be the case, we need an analytical framework that allows us to reconstruct the relations between concrete social interactions and the structural and institutional conditions that shape, and are reshaped by, them. As I show in Chapter 2, what participation can come to mean and achieve in a specific context depends, in particular, on political leaders' interest in re-election, economic elites' interest in profit-making and voters' preferences, all of which are in turn affected by the structural conditions that subject cities to markets. But such external factors do not, of course, completely determine what actions can and will take place as participants come together. Participants, too, have interests at stake. They demand respect, recognition and results – and justifications when the results seem insufficient. The terms of cooperation cannot, therefore, merely reflect the interests of powerful political and economic elites but must also consider the interests of participants. The relations between political and economic boundaries and the interactions that take place within participatory spaces, therefore, go both ways: participants face externally imposed boundaries, but by conditioning their cooperation, they may contest these boundaries, renegotiate them, and thereby expand the possibilities for challenging political priorities.

My analysis of participatory budgeting reflects what social theorists call a "relational" perspective.[14] It emphasizes that social interaction is not only dependent and constituted by structural and institutional conditions but also, in turn, *shapes* such conditions. Many social settings are, of course, so tightly bounded by norms, rules and conventions that they do not allow people to be spontaneous and unpredictable. The practices that take place in such static spaces only reproduce existing power relations. But not all spaces are of this kind. People frequently engage in practices that are, at least to some extent, unpredictable and that explore alternative ways of thinking and doing things. They are enabled to do so in spaces where the boundaries are renegotiable. In such dynamic spaces, people reshape expectations and norms and thereby affect the boundaries of further action (sometimes even achieving official sanctioning through laws, new resources, or built environments and infrastructure). Such unpredictable action may be conditioned on other sets of interests, but the point is that it is not merely the product of the boundaries of a participatory space but goes beyond these.

The relational understanding of participation is not in itself an original point of departure. The literature on participatory inventions includes several examples of some form of relational analysis.[15] For instance, Baiocchi's analysis of what he calls "state-civil society regimes" addresses how sets of political and social institutions, or regimes, do the following:

> create specific logics for civic engagement that encourage or discourage particular kinds of practices in civil society, and pays attention to how the structured 'turns' of state-society interactions at each round reflect the balance of power and legacies of previous turns, limiting some possibilities but also opening up other ones.[16]

Moreover, several important studies have focused on the connections between structural conditions and participatory practices without describing the analysis in relational terms.[17] Adrian Bua and Sonia Bussu have, for example, analyzed how top-down and bottom-up processes of political change sometimes interact in ways that produce democratic deepening.[18] In contrast to debates over the explanatory power of specific variables – such as resources, degrees of decentralization or "political will" – relational analyses emphasize that external factors and internal dynamics are often closely linked and mutually constitutive. They focus on the relations between particular sets of societal circumstances, power relations, ideology or traditions and the specific practices they enable and constrain. In turn, they view such outcomes in terms of their measurable or theoretically plausible significance for wider social and political patterns.

My argument in this book will, however, depart from previous analyses in several ways. First, I hope to bridge the unfortunate divide between studies of urban capitalism, focusing on how different places are located within wider structural conditions,[19] and researchers in the field of new democratic inventions, whose careful examination of institutional design details has often neglected such contextual analysis.[20] Thus, in contrast to several previous studies of local participation, this book focuses less on political ideas and inventiveness as conditions for democratic innovation and puts the emphasis, instead, on structural conditions and strategic interests. Second, in contrast to numerous studies that have sought to explain innovation and inclusion as critical outcomes in themselves, my focus is to understand how citizens can use participatory spaces to advance marginalized interests. The perspective informing my analysis is arguably both more "realistic," in the sense of seeking explanations in terms of structural incentives, and more conflictual or agonistic than is common in the field of research on participatory inventions. But this enables a kind of analysis that puts citizens' power at the center. Finally, my analysis aims to bring readers closer to the reasoning of participants. Documenting people's views about the point of participation is not an objective in itself. Rather, understanding participants' values and motives, as well as their frustration and conflicts, makes it possible to reconstruct how

practices of participation interact with structural and institutional conditions and *extend* our findings beyond the particulars of a single case.[21] It helps us understand in general terms what is at stake in participation.

Quiet Renegotiation: Ethics, Capital and Leverage

The argument of this book draws on several works of social theory that have highlighted, on the one hand, how cooperation depends on and so reproduces conventions, institutions and norms that maintain existing power relations but also, on the other hand, how cooperation involves acts of questioning such conventions, norms and institutions. It is the latter, what I call *quiet renegotiation*, that is the main focus of this book. With this term I want to draw attention to how the meaning of democracy is not a given but something to explore, debate and contest. Renegotiating means questioning how particular forms of political interaction are used politically to gain legitimacy by invoking the idea of democracy, the rule of the people.

First, my argument builds on the view, articulated by theorists of the politics of recognition, that patterns of inclusion and exclusion in a society are central concerns of democracy. Politics does not just concern "who gets what, when, and how?" as the view of the traditional political scientist suggests.[22] It also concerns who gets to participate and under what terms. To be *mis*recognized, writes Nancy Fraser, "is to be denied the status of a full partner in social interaction and prevented from participating as a peer in social life."[23] Urban politics excludes large numbers of citizens by proceeding as if their interests were not necessary to respect and their identities not worthy of esteem. Policies of participation rarely indicate an ambition to significantly change such patterns in policymaking and practices of decision-making. On the contrary, patterns of misrecognition are often reproduced even as marginalized people are brought into spaces of participation where they interact directly with administrators and local political leaders. Participation may often serve purposes of co-optation and tokenism rather than to empower and include hitherto excluded citizens in actual decision-making.[24]

Students of new forms of deliberative and participatory democracy can learn from the numerous studies highlighting ways in which cooperation can reproduce patterns of marginalization.[25] But we can also learn from cases where participants explore ways of contesting social and political boundaries. An invitation to participate implies, at least, that your approval matters, that your cooperation is somehow instrumental for accomplishing political goals or to keep the system running. For local political leaders, participatory budgeting and similar inventions serve a crucial political function as they allow them to appear as radical and innovative or, at least, as responsive and legitimate. This strategy only works, however, if ordinary citizens embrace their policies of participation. It requires that citizens cooperate. I use the term *renegotiation* to bring attention to the ways in which people condition their participation and use new democratic spaces to demand that their

interests and views are recognized. To renegotiate the terms of cooperation means refusing to perform the role one has been given by administrators, decision-makers or fellow citizens. It means "transforming tokenism into opportunities for leverage," to borrow a phrase from Andrea Cornwall.[26] The possibilities of doing this depend, of course, on various external factors that, in some cases, make it realistic that boundaries of participation can be contested while, in other cases, this seems much harder to do. This is where dynamic spaces differ from static ones.

But even in dynamic spaces, the possibilities to advance marginalized views and interests depend on participants' engagement with existing boundaries. My analysis of participatory budgeting will highlight two interrelated aspects of how people engage in renegotiation. The first is the understanding of one's place and role in society that comes from reflecting on, and cultivating, shared ethical commitments. Social cooperation in general and participatory practices in particular raise questions of difference, such as the following: Does the sense of common purpose actually reflect the views, identities, and interests of all those involved, or do they, rather, reflect the relations of power between participants? People engage effectively in collective action when processes of negotiating across differences manage to shape, without coercion, a shared sense of who they are and what they stand for.[27] To do so is not so much an intellectual task of examining and applying abstract principles, as a product of social interaction over time and devotion to a collective project, argues the feminist theorist Saba Mahmood.[28] People form a shared identity, which becomes the basis of their collective efforts, through actions that signal their acceptance and submission to shared ethical beliefs. Mahmood's work shows how women involved in a religious movement learn to adopt a shared ethical framework through the performance of religious rituals. Similarly, people involved in other kinds of movements and spaces for participation develop languages and social codes that carry ethical meaning, without which it would be significantly harder to carry out the patient, disciplined work that can ultimately accomplish change.[29] I argue that citizens participating in urban politics through such institutions as participatory budgeting develop and use distinct ethical codes that help create a collective identity and a sense of entitlement that aid them as they contest status differences and predefined political priorities.

The second aspect of renegotiation concerns what Pierre Bourdieu called *capital*. By capital, Bourdieu meant symbolic resources in the form of merits, experiences, social networks, manners and knowledge that may generate respect, esteem and prestige. The concept of capital helps explain why ethical commitments come to affect how a person is seen by others. People gain symbolic capital, in Bourdieu's sense, by embodying shared ideals and understanding of right and wrong, just and unjust. Citizens participating in local decision-making build capital, I want to suggest, by tirelessly working for the benefit of their neighborhoods, thereby embodying an ideal of being committed members of society.

My use of the concept of capital has one more aspect that needs to be emphasized. Capital is not some natural resource that exists independently of people's beliefs, traditions and institutions. On the contrary, it exists only in so far as it is recognized by people. Citizens' ethical commitments, represented through participation, can only generate capital, and thereby leverage, in so far as the social and political environment where they are situated recognizes participation as significant for a democratic society. This means that people must not only work to gain a form of capital, they must also work to defend its particular social value. They must, at the same time, play their roles well *and* make sure that their communities, political leaders and the wider society recognize the significance of their actions and commitment.

Thus, citizens should expect to gain respect and esteem only if their participation appears to others as a universal democratic value as opposed to merely expanding their own influence. It does not work if others think they are *using* participation to achieve some other end; their commitment must be seen as genuine. Perhaps, Bourdieu reasoned, people's actions are always, from a rational and objective perspective, incentivized by the advantages they may gain, but those who pursue capital successfully often do so without any conscious strategic intention.[30] In their view, they are just doing what is right. Thus, Bourdieu would agree, I think, that people who commit to participating often do so because of their appreciation for the intrinsic value of caring about one's community rather than for the purpose of gaining respect or esteem. But that is, and not accidently, precisely why others *hold them* in respect and esteem!

I argue that people challenge existing power structures when they use the legitimacy gap produced by urban capitalism to renegotiate the terms of cooperation. To examine such activism as a quiet form of politics is to focus, with theorists of recognition, on how people act to expand social and political boundaries; it is to emphasize, with Mahmood, the ethical dimension of acts of participating; and it is to examine, with Bourdieu, how people's patient engagement and commitment to ethical values give them political leverage.

Structure of the Book

Since my first embarkment to Rosario, my research on local participatory democracy has included many interviews with participants, surveys, observations, studying official documentation and firsthand accounts, and comparing and debating results with other researchers.[31] In the course of my research, I have come to appreciate aspects of people's participation that previously seemed trivial and inconsequential. Like many other scholars of politics, I had often been drawn to more spectacular acts of contestation and protest while failing to recognize the meaning of more subtle forms of citizen engagement that are also parts of how social change occurs. Patience and discipline, rather than impatience and disorder, characterized the actions of citizens in Rosario, like many historical cases of social mobilization

where people did not mobilize overnight and did not expect immediate success either. Social movements rarely achieve change through disruption alone. On the contrary, their strength depends on numerous subtle acts of solidarity that establish shared ethical beliefs and discipline and slowly build leverage through participation. Quiet renegotiation, I argue, is a crucial part of how people struggle to be recognized as equal partners in social cooperation and, therefore, how societies become more democratic.

I begin my argument in the next chapter by critically examining the participatory trend in urban politics. Why, in particular, does this trend appear at a moment when democracy is being undercut by the increasing dominance of financial interests? How should we understand the tension between, on the one hand, policies presented as a deepening of democracy and, on the other hand, the waning democratic control over agenda-setting and decision-making? A major aim of this book is to study experiences of local participation against the backdrop of critical perspectives on power relations and urban capitalism. In Brazil and later Argentina and other Latin American countries, capitalism shaped the possibilities for democratic participation more than many scholars of participation have previously acknowledged. However, focusing on participatory budgeting, I argue that the changing economic conditions for local policymaking do not merely *constrain* citizens' participation. They also enable it, in the sense that they generate a need for new and more efficient ways of producing democratic legitimacy.

I continue the analysis of power relations in the third chapter. While Chapter 2 confronts advocates of participatory democracy with a careful analysis of structural constraints, the third chapter theorizes what these constraints mean for the possibility of contesting political boundaries from within participatory spaces. For citizens, participating risks turning out to be a waste of time if decision-makers, in the end, ignore their views and input. Even worse, their participation may be counter-productive: instead of achieving change, it may legitimize the current situation by providing a democratic façade to undemocratic decision-making. The term theorists use to capture this common fate of activists is *co-optation*. It means being absorbed by powerful elites without gaining new advantages. Studies of social movements and social change suggest that elites often seek to undermine the credibility of potential agents of change. Co-optation is an appealing strategy for eliminating opposition and avoiding concessions.

As new participatory spaces are created to compensate for a loss of democratic control, thus contributing to increasingly undemocratic agenda-setting and decision-making. In Chapter 4, I turn to citizens in Rosario to examine how they experience and deal with the dilemma of participation. What space exists for renegotiating the terms of cooperation? As I show, disagreements and contestations are part of the dynamic of participation. But to understand the forms of they take, we need to recognize that much of the motivation to participate often comes from a sense not only of being able to defend the interests of their neighborhoods but also of an ethical

commitment to participating as an end in itself. Participation is an act of solidarity, a gesture that one wishes to set aside one's own personal interests for the sake of community, fairness, equality and citizenship. These terms are in fact explicitly appropriated by participants and become part of the standard by which they judge their own actions and the actions of others. On the basis of how they succeed in embodying these values, they expect and demand respect and recognition. These interviews, I argue, show that ethical commitments become a resource, a form of capital, in the sense that participants expect others to respect their views and recognize their contributions to their neighborhoods and to the city.

But what reasons do people have to expect such recognition? On what basis can they, in practice, demand something in return for their cooperation? What allows them to resist being co-opted and used merely to provide their approval and tacit support for practices of decision-making that continue to marginalize them and significant parts of the city's population? The fifth chapter answers this question by examining how participants in Rosario, after the financial crisis of 2001, were able to take advantage of the political interests that motivated the municipality to initiate participatory budgeting. Participation, of course, requires participants. Without people's cooperation, participatory budgeting cannot give the government the legitimacy it needs. It is, I argue, by conditioning their participation that people gain leverage in interactions with political and administrative elites. By examining the political interests in participatory budgeting, this chapter provides the final piece to the theory of renegotiation: participatory budgeting becomes a lever precisely because, and on the condition that, it generates a sense of democratic legitimacy that the government cannot achieve as efficiently by other means.

I end this book, in Chapter 6, by applying this analysis to a broader set of cases of participation in local governance. Porto Alegre and Rosario are, in fact, rare cases in which people have been able to use participation to contest political boundaries. Distinguishing between static and dynamic spaces, the chapter shows how institutionalized forms of political engagement affect interactions taking place within participatory spaces for participation. Participants' leverage depends in part on how urgently governments feel they need to regain democratic legitimacy. Only under certain conditions does participation offer marginalized groups a basis on which to demand recognition, advance their positions in society and challenge wider structures of power in urban politics.

Notes

1 For example, in Barcelona, participatory processes were initiated by the Indignados movement and the party, Podemos, that grew from it. See Flesher Fominaya, 2020.
2 For example, Harvey, 2012; Cohen & Fung, 2004.
3 See Baiocchi & Ganuza, 2016.
4 Peck & Theodore, 2015.
5 Baiocchi & Ganuza, 2014, 2016.

6 Pateman, 2012.
7 See, for example, Bherer et al., 2016; García-Espín & Sánchez, 2017; Touchton & Wampler, 2014; Bua & Bussu, 2021; and Wampler & Goldfrank, 2022.
8 For example, Gilman & Wampler, 2020.
9 Baiocchi & Ganuza, 2016.
10 Piven (2006, p. 20) builds on the work of Melucci (1981) to make this claim. By refusing to play along, ordinary people can disrupt social practices that have become so ordinary that they are taken for granted. Disruption activates the interdependence between actors, including how the powerful depend on those who are systematically marginalized in everyday social and political interactions. See also Hayward, 2020.
11 See, for example, Cohen & Rogers, 2003.
12 See, for example, McAdam, 2010; Daphi, 2017; Jansson, 2020.
13 In *Inventing the Future,* Srnicek and Williams write that "folk politics" has become "increasingly repetitive and boring" (Srnicek & Williams, 2016, p. 7).
14 Emirbayer (1997) uses the terms "relational," "transactional" and sometimes "interactional" interchangeably, building on the works of, among others, Dewey and Bentley 1946. See also Holdo, 2020.
15 Baiocchi (2005) and Baiocchi et al. (2011) explicitly use the term "relational" to explain the perspective informing their analyses.
16 Baiocchi, 2005, pp. 18–19.
17 See, for example, McNulty, 2019; Goldfrank, 2007. These works and others will be discussed in more detail in Chapter 2.
18 Bua & Bussu, 2021.
19 I am referring to urban critical theory and urban critical studies (see Marcuse et al., 2014) but also other research that does not fit in these fields but nevertheless has contributed significantly to the understanding of economic conditions of city politics (see, for example, Stone, 2010; Kohn, 2016).
20 For discussions of this neglect, see, for example, Baiocchi & Ganuza, 2016; Goldfrank, 2007.
21 Burawoy, 1998.
22 Lasswell, [1936] 2018.
23 Fraser, 2001, p. 27.
24 See, for example, Mohanty, 2007.
25 See, for example, Cooke & Kothari, 2001.
26 Cornwall, 2004, p. 84.
27 Jansson, 2020.
28 Mahmood, 2011.
29 Research on the US Civil Rights Movement includes numerous details of how, building on civic traditions, social institutions and specific organizations such as the Student Nonviolent Coordinating Committee, the National Association for the Advancement of Colored People and the black churches, it appropriated sources of black collective identity to the extent that participation in the movement seemed essential to membership in the black community. McAdam, 2010; see also Fligstein & McAdam, 2012.
30 As Bourdieu (1990, p. 62) puts it, actions can be "objectively organized as strategies without being the product of a genuine strategic intention."
31 See the appendix for a detailed description of my interviews, participatory observations and surveys.

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2 The Boundaries of Participation

A central concern for students of participation is the relationship between new participatory spaces and urban capitalism. In this chapter, I begin the analysis of this relationship by examining how political-economic conditions shape the boundaries of participatory spaces. I will build upon the careful work of researchers that have applied what I called in the previous chapter a relational understanding of participatory politics. I will contrast this approach to common misconceptions about, in particular, some far-going examples of participatory democracy. Porto Alegre, Brazil, has been especially prone to become subject to idealistic projections of democratic innovation and resistance to global capitalism. Excessively radical claims have in turn generated criticism from skeptics that have often been equally unnuanced. As Baiocchi and Ganuza argue, both sides base their views on prior judgment rather than careful examination of specific conditions and realistic possibilities.[1] Based on empirical research, I will argue, by contrast, that participatory spaces are both constrained and enabled by structural conditions of urban capitalism. Even in Porto Alegre, local policymakers' need to balance between contradictory interests shaped the boundaries of participatory budgeting. They needed, at the same time, to gain the support of local civil society, the votes of broad groups of citizens and the cooperation of powerful businesses. To understand the interests involved in the politics of participation is a necessary first step of analyzing how citizens can renegotiate the boundaries of participatory spaces.

Capitalism and Local Democracy

No one who wishes to understand the enormous popularity of participatory democratic experiments among local governments today can overlook the remarkable stories of participatory budgeting in South America. When the Workers' Party in Porto Alegre at the end of the 1980s launched its form of grassroots participation, it was so far-reaching that it seemed to question the common sense about the limits of democracy.[2] Within a decade, the city had become inseparable from arguments for deepening democracy through local institutional reform.[3] Porto Alegre became the symbol with which progressive

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leaders in other places would aspire to be associated. Today, thousands of cities practice some variant of participatory budgeting, while others claim to have created other forms of Porto Alegre–inspired "democratic innovation."[4]

But stories about democratic experiments often leave many questions unanswered – especially questions about the roles played by economic and political interests and structural constraints in urban politics. As participatory budgeting has continued to adapt to new places, from Berlin and Barcelona to Seoul and Bangalore, it appears increasingly urgent to understand what is at stake in the politics of participation. Despite the spread of new ways to involve citizens in decision-making, urban politics does not appear to become any more inclusive on the whole. Instead, coinciding with the participatory trend, a new global political consensus favoring free trade agreements and competition has increased the pressure on cities to adjust to the demands of businesses and investors – often at the expense of democratic control. Researchers have rarely sought to critically examine these tensions, or this "paradox of participation," to borrow Baiocchi and Ganuza's phrase.[5]

Global political-economic shifts during the last half-century have had far-reaching consequences for all levels of government. Since the 1970s, free trade agreements and liberalization policies have paved the way for increasing transnational flows of capital, labor, goods and ideas. They thereby changed the conditions for local economies too. With these shifts, national governments favored market solutions over state intervention and decentralized more responsibilities for socio-economic and political inclusion to local policymakers. Competition between cities as well as between regions consequently increased. To survive the increased exposure to global competition and attract new capital, many previously industrial cities had to reinvent themselves and become service-oriented, entrepreneurial and post-industrial. There was, of course, nothing new about economic interests dominating local politics. But what changed the conditions for democracy was that a new push for seeing increasing deregulation and privatization as "the only way" replaced discourses of justice and fairness and contestation by actors holding different political views.[6]

Cities played important roles in this development. The hollowing out of national welfare states gave local governments increased responsibility for realizing domestic and international competitiveness. At the same time, the means to compensate for increased socio-economic inequalities diminished. Whether or not a particular municipal government was ideologically committed to neoliberalism, it could not escape the pressure to follow the dictates of markets. Thus, local decision-making affecting people's access to infrastructure, security, housing and public space came to depend more heavily on financial interests.[7] This often meant, Margit Mayer observes, providing upscale services, conference facilities and tourist activities while the needs of residents with limited economic means were neglected. As the competition intensified, large corporations now got to pick and choose, "pitting localities against one another,"[8] resulting in growing differences between "winners"

and "losers" among local economies. Simultaneously, city governments faced such choices as between investing in infrastructure that allowed them to host profitable sports events and political or economic top meetings and investments needed in neighborhoods that lacked access to essential services. They, too, in turn, had to prioritize between different interests and between different areas and neighborhoods.[9] The winners were often the neighborhoods whose physical environment – most importantly their residential buildings – could be turned into financial assets, to be bought, upgraded and sold by speculators, while the losers were citizens without extraordinary economic resources, who were easily marginalized and displaced.[10]

The forms of local administration and decision-making changed too. As national governments, cities began adopting management practices from the private sector and, when viewed necessary to improve efficiency, sold out public-sector functions to private enterprises. These two features of New Public Management reforms made public administration more reliant on ad hoc agencies and temporary projects to deliver on specific political promises and policy goals, more prone to delegate responsibility to organizations and social entrepreneurs that compete for funding and more inclined to decentralize administrative tasks and treat citizens as customers and stakeholders.[11] At the same time, traditional political structures and ties between citizens and political leaders started changing. The political leverage of labor movements weakened, as traditional workers' parties sought to broaden their base and replace corporatist interest representation with new, more dynamic forms of network governance and collaboration with private sector stakeholders and civil society groups. Once crucial political assets, alliances with labor organizations had become strained and burdensome as "third way" labor parties had to attract new businesses, which expected flexible and cheap labor and a business-friendly political environment.[12]

These general trends have obviously impacted cities differently depending on their location, political context and position in the global economy. Not all political entities have been as inclined to follow the paths of Anglo-American neoliberalism. But no city can remain integrated in the world economy without adjusting significantly to the pressures of global financial markets. Latin American populations know this better than most. In the 1980s, as democracy was restored in many parts of the region, several national governments, including Brazil and Argentina, found themselves in dire economic difficulties due to the incompetent and corrupt governments that preceded them. Several became heavily dependent on loans from the World Bank and the International Monetary Fund to save their economies from collapsing. As a consequence, they were subjected to structural adjustment programs that replaced Keynesian economic policies and state-sponsored industrial development with free-market reforms that integrated them into the global market.[13] The reforms carried out during these years increased economic inequality rapidly: notwithstanding the expansive welfare reforms of leftist and "post-neoliberal" governments in the early 2000s in countries like Argentina and Brazil,

Latin America has yet to recover from the years of structural adjustment, and still remains the most unequal part of the world.

Structural adjustments affected political structures too. In Argentina, Steven Levitsky has shown, they effectively undermined the interests of the traditional trade union allies of the ruling (Peronist) *Partido Justicialista*. In their place, the Peronists built, on various levels, personal patron-client relationships that fit better with their urban supporter base characterized by high unemployment, informal sector employment and social segregation.[14] Thus, at the same time as Argentina's cities – like the cities in Brazil and other Latin American countries – were becoming increasingly polarized, with sharp contrasts in living standards between the slums inhabited by the poor (including increasing numbers of domestic immigrants looking for work opportunities) and the gated communities protecting the wealthy, the working class and the poor were further politically marginalized.[15]

During this period of intensified competition, welfare retrenchment, administrative reforms and demobilization, local governments in different parts of the world began inventing and adopting new ways to involve citizens in local decision-making. Often, the new forms of participation were developed or inspired by cities in Latin America. Porto Alegre's participatory budgeting model quickly became the most popular of these.[16] Archon Fung compares the growing interest in Latin American participatory models to how, in the 1970s, Northern European social democracies attracted attention for policies based on equality, solidarity and universal welfare. Similarly, researchers looked to Latin America for new ways of involving citizens directly in local governance.[17] By handing over decision-making about local investment priorities to local residents, participatory budgeting seemed to open up new spaces for public deliberation and for redistributing resources.[18] This came timely, moreover. The fall of the Berlin Wall and end of the Cold War had raised questions about the future direction of a democratic left. Thus, among scholars on the left, in particular, Porto Alegre acquired "a symbolically significant place in the intellectual imaginary," write Jamie Peck and Nik Theodore.[19]

Brazil's Workers' Party exemplified a new left that had emerged in Latin American cities with perfect timing for new democratic elections. With roots in student movements and unions, these parties had been operating underground during the years of dictatorship. They quickly won the sympathies of journalists, architects, teachers, other professional groups and, eventually, the working class too. These parties came to embody a local leftist opposition to national neoliberal governments while, at the same time, successfully maintaining the support of the professional class.[20] Similarly, the party's participatory policy came to attract attention internationally from various actors, not all of which belonged on the left. At the same time as Porto Alegre gained the mythical status of "capital of the global justice movement,"[21] it caught the attention of "international audiences of a quite different kind," write Peck and Theodore. These included consultants on urban policy, public sector accountants and actors associated with so-called Washington consensus

organizations, such as the World Bank and the Inter-American Development Bank.[22] The latter organizations, along with UN-Habitat and the European Union, praised participatory budgeting and offered loans to Porto Alegre and virtually every other municipality that wished to try participatory budgeting. Their support was less due to the achievement of new levels of political inclusion than to how it appeared to facilitate efficiency and transparency in financial management,[23] but the fact that participatory budgeting gained "bipartisan credibility" clearly contributed, write Peck and Theodore, to its appeal as a "policy 'brand,' establishing a form of democratic legitimacy from which downstream experiments would seek to borrow."[24]

The factors that explain the worldwide popularity of participatory budgeting are not necessarily the same as the factors that explain the role it had come to play in Porto Alegre.[25] It is a common view that participatory budgeting was watered down as it adapted to new political contexts. We should certainly be careful not to equate the former with the latter. But we need to approach stories from Porto Alegre critically too. The same researchers that tone down or dismiss the achievements of participatory inventions in other places often praise Porto Alegre's leaders as radical and innovative and portray their model of citizen participation as authentic and groundbreaking.[26] Moreover, because Porto Alegre's leaders and their model of participation appeared radical and innovative, many researchers find it "surprising" and "somewhat improbable" that participatory budgeting attracted attention from organizations associated with precisely the political orientation that Porto Alegre was seen to challenge.[27] But why would not a governance instrument claimed, among other things, to secure the conditions for economic growth, educate citizens about government financing and public administration and generate legitimacy[28] be widely attractive? What seems far more puzzling is how the original Porto Alegre model of participatory budgeting managed to accomplish broader and deeper political inclusion in a moment where cities almost everywhere else experienced increased pressure to prioritize economic competitiveness over democratic control. To understand the relationship between the structural changes of urban politics and participation, we need to examine this case more carefully. I will seek to reconstruct the conditions that explain Porto Alegre's achievement. But first, let us examine the claims about Porto Alegre that circulate in the literature on participation and the answers they imply to why local participation has become this nearly global phenomenon at the same time as capital has come to dominate local politics.

Innovation or Resistance?

While Porto Alegre has been widely claimed to have heroically defied the constraints and pressures that increasingly govern political decision-making in other places, no city can be immune to such forces. "Porto Alegre is not an oasis in the neoliberal desert," as Sérgio Baierle puts it.[29] So how did its

experiment with grassroots democracy avoid being crushed by global capitalism? If not an oasis in the neoliberal desert, how did Porto Alegre's local government find space for citizen participation in a moment of increased political domination of private sector interests?

Two perspectives dominate in the literature on participation. On the one hand, scholars claim that participation and deliberation are a rational response of innovative leaders to the growing challenges of urban governance, including citizens' dissatisfaction, disengagement and sense of powerlessness. Participatory budgeting, from this perspective, is one important example of "democratic innovation." I will refer to this view as *the innovation perspective*. By contrast, those who view participatory budgeting from the second perspective see a political rebellion by progressive local governments against the global neoliberal project. I will call this *the resistance perspective*. These two perspectives overlap. For example, both suggest that leaders play crucial roles by daring to challenge existing patterns of decision-making. Moreover, in practice, researchers often combine elements from both perspectives. It is important to note their differences, too, however. Not the least, while advocates of innovation aim to contribute to a better, more rational and sustainable democratic system of government, the resistance argument comes from scholars whose ultimate political vision is a radically different, more egalitarian world order. These two perspectives also suggest different answers to the question of how the participatory trend is related to the changing economic conditions.

According to the first view, participatory budgeting represents a major development in local governance of designing new models of democratic practice. We stand at a crossroads, this view suggests, and we can choose to reform our political systems or face a severe democratic crisis – and the brave, of course, choose innovation. Brigitte Geissel notes that "innovation" is a term "used mostly in technology and economics but [is] attracting increasing interest in the context of politics."[30] It is a term that seems to imply a conception of politics as consisting of problems and solutions, as opposed to conflicts and struggle. Like the language of entrepreneurs in high-tech companies, democratic innovation is claimed to provide new interactive problem-solving platforms, thereby bringing out the best, most creative sides of citizens and decision-makers. This perspective has proven attractive at a time when democracy is struggling to maintain people's interest and engagement. "More and more citizens as well as political scientists pin their hopes on participatory innovations as a means to cure the malaises," writes Geissel.[31]

Underlying the widespread talk of participatory budgeting as an "innovation" is a distinct perspective on the problems of contemporary democratic systems and their solutions. Graham Smith articulates this perspective when he writes that "it is only, through a detailed explanation of design characteristics that we can understand the manner in which goods are realized."[32] Characteristic of this literature is precisely the idea that it is *only* through reforming political institutions, and creating new ways for citizens to participate, that the problems underlying current crises tendencies can be addressed.

Thus, while social movement scholars tend to see cooperation and collaboration as one strategy, alongside more contentious strategies, advocates of democratic innovation tend to see participation as a means, not to advance particular, often marginalized interests but to achieve a more creative and inclusive form of collaborative problem-solving.

Baiocchi and Ganuza see the use of the term "innovation" as part of a more general tendency to depoliticize participatory budgeting, a tendency they attribute primarily to "conservative" advocates.[33] But progressive academics have contributed to this discourse, too, by generating a large number of studies that use this concept as an umbrella term to connect various new forms of participation – including citizen juries, deliberative "mini-publics" and less extensive citizen initiatives.[34] But Baiocchi and Ganuza's point is, of course, that by portraying participatory budgeting as a technical instrument, these researchers overlook how in Porto Alegre, it was part of a broader political struggle for inclusion and redistribution of resources.[35] In their view, neglecting these aspects may play into the hands of actors such as the World Bank, which promotes participatory budgeting, using terms that appear unpolitical (transparency, good governance, building trust, etc.), as part of a strategy, not of inclusion and redistribution but of imposing programs of structural adjustment.[36] Advocates of democratic innovation have tended to overlook such political interests and conflicts, often assuming that the creation of new forms of participation cannot have other motives than deepening democracy. Geissel, for example, includes such motives in the definition of democratic innovation, thereby making actual motives appear redundant to investigate: democratic innovation, she writes, is "new practice consciously and purposefully introduced with the aim of improving the quality of democracy."[37] In fact, numerous case studies seem to suggest that very few, if any, actual examples fit this definition. As we will see, not even in Porto Alegre was participatory budgeting purely a form of democratic deepening independent of partisan goals and particular political interests.[38]

In sharp contrast to this view, the resistance perspective suggests that participatory budgeting is a form of local rebellion to global neoliberal capitalism.[39] Closely associated with Latin American socialist movements, and in particular, Porto Alegre's Workers' Party, the idea that participatory budgeting is not just a governance model but part of a revolutionary struggle has been part of its story from the start.[40] Scholars sympathetic to citizens being involved in local government have seen in participatory budgeting a political project of "radically democratizing democracy"[41] and "radical imagination"[42] and a "quiet revolution."[43] In fact, even *The New York Times* has called participatory budgeting "revolutionary civics in action."[44]

This idea that participatory budgeting is a form of resistance comes in a stronger version and a softer version. The stronger version of this claim is that Porto Alegre was a place where radical leaders challenged the forces of capitalism and made what seems impossible possible. Zander Navarro comments self-critically that many early analyses of Porto Alegre's participatory budget

added to "the image of a city able to stand as an inexpugnable fortress amidst the neoliberal sea." Of course, its radical discourse was an important part of what made the Workers' Party successful in Porto Alegre, and without it, it is hard to see how participatory budgeting could have been implemented with such force and popular support. From the beginning, it was seen as a way to strengthen the link between the political party and grassroots activists. But as Navarro notes, the "ideological image" of the fortress in the neoliberal sea became an obstacle to critical analysis.[45] This image, moreover, does not consider the ways that neoliberal restructuring – otherwise, of central importance in leftist analysis of contemporary capitalism – impose not just new principles for the distribution of goods but also more profoundly, economic structures that enforce compliance. Thus, along with the eagerness to portray participatory budgeting as radical and revolutionary, there has also been a tendency to dismiss the political conditions that make participatory budgeting significant in the first place. As Baiocchi puts it, this "emphasis on the exceptionalism of the experiment and the [Workers' Party] may paint an appealing romantic picture, but it does little to advance our understanding of the lessons that the [Workers' Party] experience holds."[46]

The softer version of this claim is that participatory budgeting represents a form of resistance *within constraints*. For David Harvey, Porto Alegre is an example of what he calls "rebel cities," where the means of resistance have been consciously designed to avoid "going too far and too fast."[47] "Of course," he says, "if you try to create a total communistic city in the midst of capitalism, you're likely to invite real, violent, repression."[48] Under the circumstances of global capitalism, participatory budgeting can still, however, be a "transformative thing which deepens urban democracy."[49]

Those who hold this softer version of the resistance perspective are more careful not to project idealistic visions on places like Porto Alegre. But at the same time, it raises the question: How small and how slow can a "transformative thing" be and still be called transformative? How well-adjusted can a form of resistance be without becoming conformist? Or more straight to the point, have not these researchers merely projected their desires for a more just world onto the surface of participatory budgeting? The validity of the resistance argument must, after all, rest on some tangible evidence that participatory budgeting was not merely accommodating neoliberal capitalism. Although some researchers claim that even participatory budgeting was too radical to work in the neoliberal context,[50] the more frequent view, in particular, among the orthodox left, is that it does not go far enough and not fast enough. As Goldfrank notes, leftist critics claim that participatory budgeting merely "helps the bourgeoisie cope with the 'crisis of capitalism' by taming popular movements and teaching them to cooperate with elites rather than engage in direct action to destroy the bourgeois state."[51] Leaders of the Workers' Party, such as the former mayor of Porto Alegre, Olívio Dutra, has sought to reassure such critics within the left that they calculated the pace of the "revolutionary process" carefully to achieve their

ideological goals. Participatory budgeting was "constituted by a vigorous socialist impulse" that "facilitates critical consciousness and ties of solidarity among the exploited and oppressed, opening the way for the public appropriation of the State and the construction of a new society."[52] This is, of course, the rhetoric of a politician, but embracing even the softer version of the resistance perspective seems to imply accepting the premise of the debate, namely, that participatory budgeting in Porto Alegre was a strategy of radical transformation, however slow.

Both the innovation perspective and the resistance perspective have resonated widely among political leaders, researchers and various other advocates of participation in local government. But both miss how decisions to involve citizens in decision-making, too, have depended on power relations that structure paths of decision-making. Both portray actors that initiate participation as admirably unaffected by the very circumstances that made participatory budgeting appear "innovative" or "radical" in the first place. Political leaders' ideas and visions often play important roles in institutional change but so do, of course, the institutional environments and social structures that deeply constrain their choices and influence their preferences. As social theorist Colin Hay puts it, actors' ideas matter, of course, but their "perceptions about what is feasible, legitimate, possible, and desirable are [also] shaped by the institutional environment in which they find themselves."[53] For one, local political leaders are by the very nature of electoral politics forced to adapt to existing structures of power – the power of, for example, the media, the national government and businesses – to even compete in elections and, once in office, to be re-elected.[54] To get to power in the first place and to develop the process of participatory budgeting, the Workers' Party would have had to act skillfully to navigate through a political environment that at the outset was hostile to ideas of delegating decision-making authority to citizens.[55] Despite a number of detailed case studies, the ways that party leaders did this have been ignored in the broader literature on participation, including by advocates of democratic innovation and resistance to global capitalism.

The Story of Porto Alegre Revisited

In *The Prince*, Niccolo Machiavelli (2009) warns those who want to change the ways things are done, writing that there is "nothing more difficult to handle, more doubtful of success, and more dangerous to carry through." "The innovator," he writes, "makes enemies of all those who prospered under the old order."[56] The powerful will defend their investments, so either you got their support or you will need some very persuasive arguments – and those who try to reason with the powerful "always come to grief." I cite this passage from *The Prince*, not to endorse its cynical view of political leadership but because it raises crucial questions that students of participatory inventions often rush past: If political reforms always affect various, sometimes powerful stakeholders, then how do we explain that such actors sometimes give

their approval and support? Of course, sometimes very exceptional circumstances may be the only explanation. However, if we attribute achievements in deepening local democracy to the inventiveness or radical commitments of political leaders, and the exceptional cleverness of the instruments they put in place, the risk is that the lessons we draw will ultimately be useless for understanding the prospects of democratic deepening elsewhere.

I want to suggest three general conditions, each affected by the structural changes outlined at the beginning of this chapter, that taken together help understand the case of Porto Alegre better than either the innovation perspective or the resistance perspective.[57] My aim is not to settle the debate but to challenge readers to critically reflect on claims made in the literature on participation. These three conditions, I argue, not only help understand the particular case of Porto Alegre but may also add pieces to the larger puzzle of why the participatory trend occurs at the same time as economic interests have become increasingly dominant in urban politics.

The first condition concerns local governments' relationships to grassroots activism. In Brazil, the first half of the 1980s was a period of increased social mobilization. But Porto Alegre's combative movements, which had defended the interests of the working class, saw their political relevance decline, as negotiations with the mayor failed to produce substantive results. As in neighboring Argentina, corporatist forms of interest representation were gradually replaced by clientelism, as financial debt and economic integration made it difficult to respond to demands for redistributive policies. In fact, clientelism had played a key role in the negotiations preceding the 1988 constitutional reform, which led to decentralization. With more resources and political authority delegated to the regions and municipalities, the traditional elites hoped to consolidate local networks of power that reached all the way down to neighborhood activists. Because clientelism empowers individual brokers and undermines democratic accountability, it has a demobilizing effect on civil society groups. In 1988, combative movements hoped to regain ground by supporting a political alliance led by the Workers' Party in Porto Alegre's local elections.

As the party took over the municipal administration, its leaders sought to challenge the local establishment by creating their own mechanism of political support, using the new resources and political freedom received through decentralization. The neighborhood-based movements supported and advocated for the idea of participatory budgeting. What they did not to see, however, was that the Workers' Party was not seeking to replace clientelism with a corporatist revival. They were looking for an alternative to both. By broadening the access to political power through participation, it circumvented traditional existing structures of leadership on all levels.[58]

Several studies of participatory budgeting in Porto Alegre have observed the resentment and criticism from established civil society networks.[59] But had these actors paid attention to the party's existing modes of grassroots mobilization, they might have seen this coming. According to Rebecca Abers,

the Workers' Party had mobilized its supporters through a "pyramidal" structure. Small groups would meet at the level of neighborhoods, schools and workplaces to make decisions and elect delegates to zonal, municipal and regional party conferences.[60] Participatory budgeting meant incorporating this pyramidal structure into local political institutions. As Goldfrank and Schneider show, the Workers' Party was not alone in exploring ways to use direct citizen participation to generate grassroots support. Several parties were involved in what they call "competitive institution building," in which forms of participation were used to "advance partisan goals, including electoral success."[61] As more people got involved, the strategic advantages of participatory budgeting become increasingly apparent. It undermined the role of the opposition in the municipal council, as more and more decisions were made by members of the participatory assemblies. The notion that the mayor's budget propositions came from the people made it all but impossible for the opposition to raise objections.[62]

Our first condition can be expressed in very general terms, as it seems to apply to various contexts outside this particular city, at this particular time. After all, all parties and leaders benefit from securing loyal political support, and this is precisely what participatory budgeting achieved. In Porto Alegre, it came handy because the Workers' Party needed a source of support that could compete with those of their rivals, in particular, the clientelist practices and alternative forms of participation championed by other parties. The more that political elites depend on the support of people with limited means of political influence, the more important it becomes to provide them with a unique and reliable form of interest representation.[63]

As any significant government reform, participatory budgeting needed a few years before its full potential was realized. In particular, to work, it needed participants. The difficulty to actually get enough people willing to spend their time on participating is a crucial but often neglected part of the story of participatory budgeting. The Workers' Party did not simply open the doors to citizens waiting to participate. On the contrary, they had to recruit them. To do this, the government literally hired activists to promote participatory budgeting in the neighborhoods.[64] Abers writes that while there was no need "to convince poor Porto Alegre residents that basic sanitation, flood control, street pavement, bus service, schools, and health posts were important to their lives," many potential participants were "pessimistic (with good reason) about the will and capacity of governments to respond to their needs."[65] It did not help that the new government failed to live up to the promises made during the first year of participatory budgeting. Abers quotes an early participant who complains: "We spent the entire year of 1989 discussing and in 1990, not a single project got started." Meetings were held in various neighborhoods at which the administration would ask residents to make proposals. "Then there would be a bigger assembly," says the participant, "and they would say, 'Of the 300 priorities that you listed, we are going to do 10,' and they didn't even do those 10!" But as the Workers' Party

gradually improved the rate of implementing projects, people were given concrete incentives to engage. For a decade and half, participatory budgeting would help sustain the party's domination in local politics.

Participatory budgeting could not have played this role, however, by relying on grassroots support alone. The second condition turns our attention to another goal of the Workers' Party that was served by participatory budgeting: broadening its supporter base and gaining legitimacy for a wide range of reforms necessary to gain political momentum.[66] Socialism and populism were widely dismissed as alternatives to neoliberalism. Instead, the Workers' Party adopted a pragmatic approach that emphasized governing competently.[67] The new administration would increase transparency and clean up the municipality's financial situation, which had deteriorated during the previous administration. At the time of taking office, it had no room for new investments, as almost all of the budget was spent on salaries. Promising to prioritize new significant investments, the Workers' Party succeeded in gaining broad support for tax increases and harsher methods against tax evasion, which helped increase municipal taxes' contribution to the total budget from 48 percent to 59 percent.[68] As the financial situation improved, the Workers' Party broadened its support.

Participatory budgeting played an important role in this accomplishment. Promoting democracy and fighting clientelism had broad support. This was a time of political scandals on the national level – scandals that eventually led to the president's impeachment. Although fighting corruption can create powerful enemies among those who benefit from it, any potential opposition was undermined by the strong public opinion in favor of good governance measures.[69] The participatory budget resulted in small but highly visible projects that reminded residents of the new administration's agenda. Combined with satisfactory fiscal results, participation helped the party establish itself as competent and devoted to democracy, transparency and sound finances.

In a context where people's confidence in political leaders was very low, due to widespread corruption and clientelism, the Workers' Party was able to use participatory budgeting to prove itself dedicated to serving the broader public. In general terms, this second condition is that participation serves to broaden political support by focusing on issues that are not divisive but, on the contrary, deep concerns of the wider public, including citizens who might never participate themselves or benefit directly from its results. Part of the political context was also that national economic policy during the 1990s focused on structural adjustment to grow the economy in the long term. This strategy included a focus on privatization and attracting international capital. By 1998, the state's need for new loans pushed it to negotiate an agreement with the International Monetary Fund (IMF), which heavily constrained the government's independence in economic policymaking. "By the end of that year," writes Aurelio Vianna Jr., "both the press and public opinion believed the IMF dictated the country's economic policies."[70] By the same time, the federal government began decreasing transfers to regions and

municipalities and thereby their freedom to make large investment policies.[71] Porto Alegre, however, was able to capitalize on its status as the birthplace of participatory budgeting to gain international funding of its own. In 1996, participatory budgeting was selected by the United Nations as one of 40 urban innovations to be presented at the Habitat II conference in Istanbul. Soon after, the Inter-American Development Bank approved a substantial loan to Porto Alegre for the construction of a turnpike that also covered 100 kilometers of additional streets that would be distributed through the participatory budget.[72] Moreover, while 1998 was the first time that the national-level government accepted a wholesale structural adjustment program, on the subnational level, the state of Rio Grande do Sul, where Porto Alegre is the capital, had received loans for similar purposes from the World Bank one year earlier. In this environment of international pressure and with a middle class frustrated with corruption scandals and waste of public resources, the Workers' Party delivered a message with broad appeal. Participatory budgeting became the centerpiece in a political program that also included various initiatives with the private sector, such as creating a municipal bank in 1993, and projects aimed at stimulating technical innovation involving the municipality, the private sector and the university.

The relations with the private sector are the focus of our third condition. The introduction of participatory budgeting played an important role in winning the acceptance and support of local business elites, especially construction companies, that were initially opposed to the new administration. Part of their opposition was that the cartelistic collaboration and corruption during previous administrations had made it possible to win contracts for overpriced municipal projects. Large landowners, too, did their best to fuel aversion against the new administration, especially after a substantial property tax increase. However, their protests defused after a few years of dispute. Part of the reason was that the Workers' Party did not introduce any other significant tax increases. The only exception was a 40 percent increase in the municipal service tax, initiated, not by the party but by state capitals throughout Brazil, to equalize the service tax, thereby limiting its use in the competition over attracting businesses. The landowners could neither credibly blame the Workers' Party nor threaten to relocate elsewhere since the tax was now the same in all states.[73] Another part of the reason that significant parts of the private sector came to support the new administration was that its agenda, and in particular, participatory budgeting, meant new business opportunities. As Abers writes, from now on "they benefitted from massive and unprecedented investments in public works."[74] They also gained access to a process in which they could supply alternative variants of citizens' proposals that fitted better both with their interests and the administration's interests.[75]

Thus, this third condition is that where governments depend heavily on private investors and companies for political support, participation makes it

possible for a local government to gain democratic legitimacy while adjusting to powerful economic interests. Although the Workers' Party gained the status of a leading actor in the global justice movement, it accomplished this by *not* significantly challenge local power structures but nevertheless generate grassroots mobilization and broad support. In Porto Alegre, the initial opposition from actors in the private sector risked becoming a considerable obstacle, not the least because they owned parts of the local media, which was hostile to the new administration during its first years.[76] Several municipal administrations led by the Workers' Party had faced boycotts from local media.[77] But party leaders in Porto Alegre avoided this obstacle by building partnerships with the private sector.

These conditions explain how participation becomes strategically important for a local government – how, in other words, these political interests may constrain as well as enable possibilities for citizen involvement. They thereby serve as an important corrective to stories of innovation and resistance. Notwithstanding widespread claims suggesting that Porto Alegre's participatory budget represented something fundamentally new, even "an alternative" to "wicked neoliberalism,"[78] which somehow had escaped the constraints imposed by political and economic boundaries in other cities, participatory budgeting, this analysis suggests, was the result of strategic negotiations between the interests of influential actors in the city.

Beyond Porto Alegre

Do these three conditions help understand boundaries of participation more generally? While every analysis of participatory spaces needs to carefully consider the specific context in which they are constructed, conditions similar to the ones found in Porto Alegre often help explain participatory reforms in other places around the world. These conditions were strong in Porto Alegre, but in other cities, too, the growing dominance of private investors have made traditional forms of interest representation difficult to maintain and have led to the search for new forms of democratic legitimacy.[79] As in Porto Alegre, moreover, participation has been a way to appeal to a popular demand for transparency, and while researchers have rarely examined private businesses' interests in participatory processes, it is clear that participatory budgeting is often one of many reforms aimed to build new platforms for collaboration with both civil society and the private sector, and in some cases, notably in Europe, participatory budgeting has itself been framed as a form of public-private partnership.[80] These patterns indicate that participation has become a way to gain legitimacy by developing new relations with grassroots activists, appealing to broad demands for transparency and competence, and building collaborations with actors in the private sector.

By the beginning of this millennium, the Workers' Party in Brazil was no longer the primary promoter of participatory budgeting – the World Bank

was. Perhaps it is not by accident that the World Bank's interest in participatory budgeting took off as the Bank faced a serious confidence problem due to its role in pushing austerity programs in various countries, some of which saw their finances collapse as they attempted to pay off debts to the Bank. The protests of the anti-globalization movement peaked with enormous demonstrations in Seattle in 1999 and Genoa in 2001 as well as the launching of the World Social Forum. When did the World Bank's support for participatory budgeting supersede that of the Workers' Party? "My best guess," writes Benjamin Goldfrank, "is around 2003."[81] While participatory budgeting has remained a small expense for the World Bank, its symbolic importance is significant. It serves to establish a more positive public image while at the same time targeting local corruption, both of which are instrumental for the Bank's attractiveness as a global loan giver. Even within the World Bank, there are, writes Goldfrank, some who are "true believers in PB's transformative, democratizing, poverty-reducing potential and some who see PB as supporting a neoliberal agenda that includes efficiency in local government." But ultimately, the World Bank's support for participatory budgeting is subject to the decision of a leadership that asks itself whether "participatory budgeting does enough to support neoliberal policy or to provide other benefits to the Bank and the major donor countries."[82]

The three conditions help explain the "political will" that has often been an elusive variable in studies seeking explanations for participatory reforms. Moreover, the absence of one or more of these conditions may help explain why participatory budgeting often does not achieve similar significance in other cities. Empirical studies of other cases have pointed to the importance of political factors and resources in ways that support my argument. For example, Stephanie McNulty's research on participatory reforms in Peru suggests that the impact of any such reform rests as much, or more, on the relationship between civil society and political leaders as on the specific design of the participatory arena. Where political interest is lacking, it will not achieve the desired effects.[83] These findings are also supported by research in other places.[84] But the will of political leaders to initiate deliberation with citizens does not explain much in itself. We need to know more about the structural conditions and the sets of actors involved to understand what it is that makes it worthwhile to initiate and sustain forms of citizen participation.[85] My argument suggests where researchers should look for answers: the prospect of constructing a new mechanism of legitimization, the need to appeal to middle-class voters and the opportunity to strengthen alliances with actors in the private sector.

These conditions provide boundaries that shape spaces for participation, but they say little about participants' roles in negotiating such boundaries.[86] Previous case studies include many accounts of how participants have felt constrained and experienced a sense of being locked into a process where they are expected to play along without gaining any significant change in return.[87] In an early critical comment on the literature on new forms of participation,

Joshua Cohen and Joel Rogers warned that, in the worst case, they may "waste the time of those who can least afford its loss: those now subordinate in power."[88] The time spent deliberating, hoping that their engagement will make a real difference for their communities and city, may be time taken away from other kinds of action, including organizing independently and mobilizing citizens for a common cause. In many cases, this seems to be an accurate description of people's experiences with participation. Dennis Rodgers quotes one citizen that took part in Buenos Aires's participatory budget:

> There was so much deceitfulness and so many disappointments due to all the politicking (. . .) It became so ugly, projects were being promoted by people simply in order to gain political support, and so of course people began to withdraw from the process . . . even me. I've believed so much in it, I don't want to have anything more to do with PB; I feel as if I've wasted too much of my valuable time for nothing.[89]

The need for new sources of legitimacy help explain whether participatory reforms come to play a significant role in local politics or not. It helps explain why some participatory spaces become dynamic while others remain static – in other words, why some such spaces allow participants to affect what participation can mean and achieve while others do not. Rodgers's research from Buenos Aires suggests that in some districts, local political leaders were content with using participatory budgeting as just another instrument for reinforcing clientelist ties with individual citizens and the communities they represent. In other places, however, participation has been a search for new ways to interact with citizens – ways that do not merely reinforce pre-existing networks of power. While all participation requires participants, some initiatives reflect a more profound need to gain citizens' approval for government practices. This need is also a crucial part of what can make it strategically reasonable for citizens to participate: it enables them to renegotiate the terms of cooperation. In the next chapter, we turn to how, more specifically, they engage in such renegotiation.

Notes

1 Baiocchi & Ganuza, 2016, pp. 187–188.
2 However, the idea to delegate decisions to local participatory forums had circulated for some time among networks of leftist movements, development agencies and civil society groups. For a discussion on the trajectory of participatory budgeting, see Goldfrank, 2007.
3 On the history of participatory budgeting, see Goldfrank, 2009, and Goldfrank & Schneider, 2006.
4 See Smith, 2009; Baiocchi & Ganuza, 2014; Peck & Theodore, 2015.
5 Two notable exceptions are Baiocchi and Ganuza, 2016, and Peck and Theodore, 2015.

6 Brown, 2015, p. 34.
7 For a discussion of the harms that gentrification and segregation inflict, see Kohn, 2016.
8 Mayer, 2007, p. 94.
9 Brenner & Theodore, 2002, 2005; Hackworth, 2011.
10 Sassen, 2011; Weber, 2010.
11 See Pinson & Morel Journel, 2016.
12 During the first half of the 20th century, the rise of unions contributed significantly to the establishment of welfare states and falling economic inequality. By contrast, the neoliberal era rolled back these achievements through declining wage share and rise in profit share combined with growing financialization of income that has been widely politically sanctioned through weakened financial controls (see Shaikh, 2016; Hyde et al., 2018).
13 See Jilberto, 2004. See also Tedesco, 2013, p. 170. During authoritarian regimes, writes Alex Fernandez Jilberto (2004, p. 33), the compromise between labor and capital, mediated and regulated by the state, allowed the state to gradually integrate marginalized social groups into the economy and act as “an agent of economic transformation of society, as well as an agent of legitimacy and cohesion.” The new policies were based instead on the idea that deregulation and free trade would generate economic growth that would “trickle down” to the whole population. In Argentina, this model came to a dramatic end as the military dictatorship during its three last years, following the advice of the IMF, rapidly increased the national debt to get the foreign currency reserves deemed necessary to establish an open economic policy. As the democratic government of Raúl Alfonsín took over in 1983, there was no public record of the foreign debt. The government, therefore, accepted the demands of its foreign creditors. It also accepted to pay the private debt of the Argentinian branches of multinational companies such as Renault Argentina and Motor Ford Argentina to avoid destabilizing the democratic regime by undermining the relationship to these companies, which had benefitted from the policies of the military government. See Jilberto, 2004, p. 40.
14 Levitsky, 2003.
15 Caldeira, 2000; Portes & Roberts, 2005. In Argentina, the democratic legitimacy of this shift is also debated for reasons that have to do with the election of Carlos Menem in 1989. Menem, the Peronists’ candidate, campaigned on a platform centered on social justice and equality, but once elected, his government followed neoliberal doctrines. Among other reforms, it banned wage increases not linked to productivity and strikes in significant parts of the public sector, undermined the unions by encouraging firm-level collective bargaining and adopted policies that would help “flexibilization” of work conditions. See Auyero, 2001, p. 186.
16 See Cabannes & Lipietz, 2018; Röcke, 2014, Baiocchi & Ganuza, 2014.
17 Fung, 2011, p. 857.
18 Peck & Theodore, 2015, p. 148.
19 Peck & Theodore, 2015, p. 149.
20 “Where municipal socialists have been able to win over large segments of the poor without alienating their middle-class supporters, they have tended to stay in office,” note Goldfrank and Schrank (Goldfrank & Schrank, 2009, p. 453). The Workers’ Party (PT) in Porto Alegre, the Broad Front (FA) in Montevideo and the Socialist Party (PS) in Rosario shared the view that linking benefits to new forms of participation in government could help to mobilize grassroots supporters in poorer neighborhoods. As Benjamin Goldfrank and Andrew Schrank write, local opposition to right-wing shifts in national economic policy took a form of “municipal socialism” made up of a series of policies “designed to expand and improve municipal services, engage in redistributive spending, increase taxes,

facilitate popular participation and generally strengthen the role of the local state" (Goldfrank & Schrank, 2009, pp. 451–452).
21 Peck & Theodore, 2015, p. 147.
22 Peck & Theodore, 2015, p. 147.
23 Peck & Theodore, 2015, pp. 149–150.
24 Peck & Theodore, 2015, p. 227. See also Sintomer et al., 2008, p. 168; and Baiocchi & Ganuza, 2014. Moreover, research reports indicating that its effects on people's well-being, as well as its consequences on activists' capacity to organize independently, were difficult to judge did not slow down its global travels. See Guarneros-Meza and Geddes 2010 for a discussion. Examining the effects on living conditions, Gonçalves (2014) finds that municipalities that used participatory budgeting were more likely to invest in sanitation and health services, a change that was accompanied by a reduction in infant mortality rates. Although they could not find any clear evidence that participatory budgeting generates higher well-being, Boulding and Wampler (2010) show that it is associated with higher spending on both health and education programs. As for effects on independent organizational capacity, a large study of Brazilian municipalities (Baiocchi et al., 2011) found that participatory budgeting had a clear positive effect on civil society mobilization in places with a prior history of independent organizing. Avritzer (2006) argues, similarly, that participatory budgeting has contributed to the historical development of a Latin American public sphere. Nylen (2002) finds that even if participatory budgeting programs often engage already active citizens, they do increase sustained participation in neighborhood organizations involved in such programs.
25 Baiocchi & Ganuza, 2014; Peck & Theodore, 2015.
26 Many researchers have been bewildered by how the same policy of participation could be equally attractive to the left and to neoliberal leaders and organizations. Iain Bruce (quoted in Peck & Theodore, 2015, p. 152) remarks that it was unexpected to begin with that participatory budgeting would gain equal support from the different factions within the Workers' Party. That Porto Alegre – this "site of devotion for the left in the global justice movement" – would then earn the praise of the institutions that in the eyes of the left were their enemies, would have previously seemed unthinkable. "What exactly is it," asks Carole Pateman (2012, p. 13), "that is spreading around the globe and has caught the attention of such widely differing bodies as the World Social Forum, the World Bank, UN Habitat, UNDP, a multitude of NGOs, and municipal and local governments?" The answer commonly given is that participatory budgeting comes in different versions. One version is the radical Porto Alegre model, the "transformative project" (Peck & Theodore, 2015, p. 164). Then there is "the neoliberal variant" (Bruce quoted in Peck & Theodore, 2015, p. 152) that has been suitably "modified and diluted" (Pateman, 2012, p. 13) and is no longer concerned with social justice. By the time international organizations were promoting participatory budgeting in Asia and Africa in the 2000s, it had become "completely politically polyvalent," write Gianpaolo Baiocchi and Ernesto Ganuza. While progressives saw in it a deeply transformative potential, equally passionate right-wing leaders and neoliberal institutions promoted it as "fostering 'community cohesion,' 'innovation,' 'social entrepreneurship' and 'restoring trust' in government" (Baiocchi & Ganuza, 2014, p. 31).
27 Respectively, Sintomer et al., 2008, p. 168; Peck & Theodore, 2015, p. 215.
28 Peck & Theodore, 2015, p. 215.
29 Baierle, 2003, p. 308.
30 Geissel, 2012, p. 163.
31 Geissel, 2013, p. 8.

32 Smith, 2009, p. 28. Further illustrating the innovation perspective, Kenneth Newton writes: “Innovations are a special subset of changes that involve deliberate action to introduce new ways of doing things. They involved attempts to introduce methods and practices that are more than renovation, minor modification or reform of an existing system: ‘To innovate is not to reform,’ said Edmund Burke (1991), implying that innovation is a more radical change implying a qualitatively greater potential effect than simply tinkering around with reforms.” Newton, 2012, p. 5.
33 Baiocchi & Ganuza, 2014, p. 31.
34 For example, the Real Utopias project produced the seminal book *Deepening Democracy* (Fung & Wright, 2003), where Baiocchi himself contributed the chapter on participatory budgeting in Porto Alegre. In the introduction to that volume, Fung and Wright claim that the most significant political problems today have “more to do with the specific design of our institutions than with the tasks they face as such” (Fung & Wright, 2003, p. 4). See Baiocchi & Ganuza, 2014, pp. 30–33, for their discussion of the participatory budget’s status among Real Utopias projects.
35 Dennis Rodgers, a leading scholar of Latin American urban politics, argues (2012) that it is difficult to assess the impact that participatory spaces have in society without more careful attention to such aspects. The Latin American cities that have provided many of the most famous cases for this literature are, he points out, also among the most unequal and segregated in the world. Rarely, however, do researchers examine the ways that such structural conditions affect participatory spaces. According to Rodgers, “many contributions are imbued with a significant romantic – and sometimes even fanatical – idealism.” Their claims imply, he observes, “that participatory democratic initiatives are inherently transformative and will by the very force of their existence, sweep all before them.” Rodgers’s own research (2007), by contrast, shows that the consequences of opening up spaces for participation depend heavily on the interests involved.
36 Parkinson has similarly suggested, based on empirical research, that being included in participatory spaces may often make it more difficult to “[identify] the real locus of decision-making power, let alone getting access to it,” and in many cases, “the result is likely to be a decrease in political efficacy, not an increase” (Parkinson, 2007, p. 27).
37 Geissel, 2012, p. 164. Fung similarly begins his survey of institutional choices by directly addressing such innovators: “Suppose that you want to improve the quality of civic engagement and public deliberation and that you are in a position – through your access to a modicum of financing or state power – to carry out a project toward this end” (Fung, 2003, p. 340).
38 This point will be developed in more detail later. See Abers, 2000; Baiocchi, 2005; Goldfrank & Schneider, 2006; Wampler, 2007; Baiocchi & Ganuza, 2014. Several leading scholars take a more critical view, particularly with regard to the World Bank’s promotion of participatory budgeting. See Goldfrank, 2012; Baiocchi & Ganuza, 2014; Pateman, 2013. Peck and Theodore claim that for such actors, participatory budgeting has played the role of “legitimating the rationing of public investment, while managing the political consequences of what in Third-Way parlance were being described as ‘hard’ *but necessary* ‘choices’ ” (Peck & Theodore, 2015, p. 187).
39 See, for example, Geddes, 2014; Harvey, 2012a.
40 For discussions of the tendency to see participatory budgeting as radical and revolutionary, see Baiocchi, 2003; Rodgers, 2012; Peck & Theodore, 2015; Cabannes & Lipietz, 2018.
41 Cabannes & Lipietz, 2018, p. 67.
42 Maley, 2010.
43 Campbell, 2003.
44 Sangha, 2012.

45 Navarro, p. 252.
46 Baiocchi, 2003, p. 208.
47 Harvey, 2012b.
48 Harvey, 2012b.
49 Harvey, 2012b.
50 The story of Porto Alegre's resistance ended, suggests Mike Geddes, as participatory budgeting "faded under the pressures of the loss of power of the [Workers' Party] locally, local bureaucratisation, and national government neglect or hostility" (Geddes, 2014, p. 3152).
51 Goldfrank, 2007, p. 96.
52 Dutra quoted in Goldfrank, 2007, p. 96. The struggle will continue, Dutra says, "for a long time. That is why if anyone claims, and some do, that participatory budgeting is just a more organized form for the poor to fight over the crumbs of capitalism, or at best, that it is a slight democratic improvement totally unrelated to socialism, they would be completely mistaken."
53 Hay, 2006, p. 65.
54 Celina Souza (2001, p. 175) writes one important question we need to pay more attention to: "Why would elected representatives be willing to share their power, even in a consultative way?" Fung similarly suggests that the ideological commitment embodied by new participatory initiatives is not sufficient. "While it is easy to believe that participatory reform is unlikely without deep, even intrinsic, commitment from political agents, that commitment is easily curbed or reversed by political competition, performance imperatives, and structural constraints" (Fung, A. 2011. "Reinventing democracy in Latin America." *Perspectives on Politics*, *9*(4), 857–871. p. 861).
55 See, for example, Abers, 1998.
56 Machiavelli, N., Ch. VI, *The Prince*. Penguin.
57 These three conditions overlap with the aspects of the Porto Alegre process highlighted by Rebecca Abers (2003, pp. 202–203). Here, I extend these points and try to formulate them as general conditions, the wider relevance of which can be tested on other cases.
58 Abers, 1998, p. 518. See also DeNardis, 2011. This was possible partly because even many of the "clients" of elected leaders from other parties were strongly in favor of participatory budgeting. The Democratic Labor Party, for example, had a powerful network of clients in the neighborhood associations. But even though it had 11 seats (two more than the Workers' Party) in the city assembly, it was difficult to oppose the participatory budget because it meant that neighborhood-based investments were being made. See Abers, 2000, p. 97.
59 For example, Abers, 1998; Baiocchi, 2005.
60 Abers, R. (1998). "From clientelism to cooperation: Local government, participatory policy, and civic organizing in Porto Alegre, Brazil." *Politics & Society*, *26*(4), 511–537. p. 516.
61 Goldfrank & Schneider, 2006, p. 2. The PT in Porto Alegre had not fully developed its plans of direct citizen participation in decision-making processes when the new mayor, Olívio Dutra, took office in 1989. It was clear from the start, however, that the new forms of participation would be open to the public, rather than restricted to neighborhood association leaders. In this regard, the PT's plans differed from the participatory programs of its predecessor, which had benefitted from clientelist ties to the network of neighborhood associations around the city. Thus, keeping participation open to unorganized citizens prevented supporters of the PT's rivals to dominate in the new forums.
62 de Sousa Santos, 1998, p. 502; see also Cabannes, 2004. Wampler, 2007.
63 After winning the election for governor of the state of Rio Grande do Sul in 1998, the party sought to use participatory budgeting in much the same way at the state

level: "to weaken the ability of the opposition-controlled legislature to block the governor's program" (Goldfrank & Schneider, 2006, p. 15). Its success would depend, however, on the number of participants, and to avoid being seen as a partisan strategy, it needed to attract citizens that were not supporters of the party and needed to benefit neighborhoods that were not seen as the party's strongholds. This was a significant challenge. While most of the people turning out to participate were not members of any party, those who were members overwhelmingly belonged to the PT. Moreover, studying the different municipalities in Rio Grande do Sul, Goldfrank and Schneider show that for every 1 percent increase of membership in the PT, the percent participation in participatory budgeting meetings increased by 1.08. In the first year of state-level participatory budgeting, participation in the municipalities that were the opposition's strongholds was much lower than in the municipalities where the PT did well. By 2002, this had changed, however. The PT had succeeded in making participation in the opposition's strongholds as high as in the municipalities the party dominated. A crucial part of the increase in participation overall was the rising numbers in the poorest municipalities. Winning the sympathies of the poor was a crucial part of the PT's strategy of progressive spending both in municipalities like Porto Alegre and on the state level. Participatory budgeting also raised questions about the independence of neighborhood activists, some of whom blamed the participatory budget and the administration, writes Baiocchi, "for making 'the movement' less militant and combative and abolishing some of its principal functions" (Baiocchi, 2005, p. 134).

64 "In Porto Alegre, the government itself created a band of community organizers that played this role," writes Abers (2003, p. 205). Wampler (2007) argues that Porto Alegre's participatory budget still managed to avoid co-optation. He cites the high percentage of the total municipal budget that was subject to participants' decisions, the high degree of proposals implemented and the contentious discussions at budget meetings as proof that participants were not being co-opted. However, these could be indications not of participants' autonomy but of how the interests involved made it necessary to allocate substantial resources and implement projects effectively. These factors also contributed to raising the stakes of participation, thereby making the competitive aspects of participation more important. Wampler explains these outcomes by citing the high level of civil society organization in Porto Alegre, relative to other cities that had less successful participatory budgets, arguing that the activists resisted co-optation by implicitly threatening with public contestation. However, such public contestation against the PT never occurred in Porto Alegre. There, the PT had effectively created a form of urban governance that resembled the pyramidal structure of its own grassroots-based party. On the risk of co-optation in participatory budgeting, see Wampler, 2007; Baiocchi & Ganuza, 2014. In some cases, Teresa Caldeira and James Holston show, participatory processes have enabled affluent groups to use their advantages to impose their visions for the city. In other cases, participatory spaces seem to have had much less transformative results. The state steps back and acts as a facilitator of deliberation rather than an active agent of social justice. This, they claim, means "leaving it up to entrepreneurial citizens to organise themselves and their interests, [insisting] that individuals are equally free to use their prior differences in resources to pursue these interests and that neither the state nor the market has a responsibility to ensure an equalisation of capacities among citizens to do so" (Caldeira & Holston, 2015, p. 2013).

65 Abers, 2003, pp. 204–205.

66 See Baiocchi, 2003 (*Radicals in Power*).

67 Rhodes, 2003.

68 Rhodes, 2003, p. 227.
69 See Abers, 2000, p. 61.
70 Vianna, 2000, p. 457.
71 See Bezerra & Junqueira, 2022.
72 de Sousa Santos, 1998, p. 496. Navarro, 2004, pp. 199–200.
73 Meanwhile, the property tax increase raised costs for landowners but actually benefitted construction companies by raising revenues for public works and strengthening the incentives to build on vacant land. See Abers, 2000, p. 95.
74 Abers, 2003, p. 202.
75 Abers (2003, p. 202) mentions working with local labor cooperatives as one way in which interests may overlap. Importantly, Wampler's research indicates that in Porto Alegre, in contrast to several other Brazilian cases of participatory budgeting, most projects originated as proposals from the participating citizens, instead of being suggested by public administrators or other actors. Participatory budgeting has also served the interests of the private sector by contributing significantly to the increased recognition of the Porto Alegre city brand, playing, in particular, a central role for the decision to make the city the host of the World Social Forum three years in a row. This gave the city international exposure, increased tourism by hundreds of thousands of visitors and helped establish the city as an attractive option for hosting various international conferences and events. The World Social Forum, write Peña and Davies, was "from the outset supported by a conglomeration of interests that shared a collaborative vision of civil society, state and business relations that did not reject capitalism" (Peña & Davies, 2014).
76 Baiocchi, 2005, p. 34.
77 Abers, 2003, p. 202.
78 Baiocchi, 2003, p. 207.
79 Even well-organized labor movements have lost political relevance, as national-level policymaking has taken a right-wing turn across almost all advanced democracies. See Barradas, 2019; Marani, 2017.
80 Sintomer et al. (2016) discuss the United Kingdom and Poland as two examples of the tendency to view participatory budgeting as a form of collaboration between the state and the private sector.
81 Goldfrank, 2012, p. 2.
82 Goldfrank, 2012, p. 14.
83 McNulty, 2018, see also McNulty, 2019.
84 See Baiocchi et al., 2011. Wampler, 2007.
85 Goldfrank (2007) makes the related point that the focus on design issues have led researchers away from analyzing political conditions.
86 Case study research from Brazil and elsewhere support this view too. Baiocchi, for example, observed in Porto Alegre how citizens would often "take over" the meetings, refusing to accept the authority of public administrators, when critical questions arose with regard to citizens' possibilities of effecting change. Especially in districts where activists had other arenas at which to meet and organize collective action, they would be prepared to contest facilitators' authority to lead discussions (Baiocchi, 2005). Similarly, Wampler suggests that where citizens had a stronger sense of entitlement, often due to a more significant capacity to mobilize, they would consider open, public protests against the government as a "reserve threat" (Wampler, 2007). According to Goldfrank, moreover, activists in Porto Alegre disappointed with the Workers' Party's ambition during the initial years of participatory budgeting were able to demand, among other changes, greater decision-making authority, greater transparency and decentralization of investments (Goldfrank cited in Baiocchi, 2005, p. 36). These observations offer important clues with regard to the ways that people negotiate the terms of their cooperation.

87 Wampler (2007) notes that participatory budgeting tends to reward “those who can mobilize, and there are few mechanisms in place that recognize that certain groups face even greater challenges as they attempt to organize” (p. 66). In many cases, Wampler observes, participation has not developed “into a political space that allowed citizens to make meaningful decisions or exercise basic political rights” (p. 261). See also Baiocchi et al., 2011; Goldfrank, 2011; McNulty, 2018.
88 Cohen & Rogers, 2003, p. 248.
89 Rodgers, 2007, p. 196.

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3 Is Participation Co-Optation?[1]

In the previous chapter, I suggested that participation is mainly a strategy of generating political legitimacy. For citizens, on the other hand, participating risks turning out to be a waste of time if decision-makers in the end ignore their views and input. Even worse, their participation may be counterproductive – instead of achieving change, it may help legitimize the current situation by providing a democratic façade to undemocratic decision-making.

The term theorists use to capture this common fate of activists is *co-optation*. It means being absorbed by powerful elites without gaining new advantages. Studies of social movements and social change suggest that elites undermine contestation by undermining the credibility of potential agents of change. But in this chapter, I explain why co-optation does not necessarily occur in spaces of participation. I challenge the assumptions underlying the fear of co-optation. Attempting to co-opt actors in civil society appears rational, I want to suggest, only on the condition that cooperation is valued lower than political domination. I contend that contrary to many theorists' expectations, elite-citizen interaction may result in mutually beneficial relationships. A key component of such relationships is that citizens build their own forms of capital and use them to reject the dominance of economic and political interests.

I begin by outlining an analytical perspective for studying elites' responses to social mobilization. An important point of this perspective is that elites do not always see the defeat of others as instrumental to their own success, as do actors involved in zero-sum games. Instead, they are often capable and inclined to consider others' interests and perspectives and reinterpret or reshape the conditions that constrain their possibilities of action. In the second section, I reconstruct the logic of co-optation and specify the conditions under which this strategy would seem reasonable. In the third section, I outline an alternative perspective, according to which the powerful elites should instead support movements' formation and independence. The goal, from this perspective, is to benefit from an external source of legitimization. To achieve this, they need what we can call "conditional cooperation." Movements can provide legitimacy to the goals and power positions of the elites only if their cooperation is conditional and appears as conditional to others.

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This has been the case, I argue, not only in some forms of participatory democracy like the ones practiced in Porto Alegre or Rosario but also in cases of large-scale protest. The Civil Rights Movement in the United States serves to illustrate this point: it made change possible through conditional cooperation with a president that was not primarily interested in social change but that sought to broaden his electoral base. Conditional cooperation is thus, I suggest, a concept that can be helpful to understand a variety of cases in which actors are able to overcome zero-sum games and form strategic partnerships. It also highlights how citizens need to be constantly watchful not give anything away for free in cooperation with political elites.

Co-Optation vs. Conditional Cooperation

The term co-optation is meant to capture situations in which elite actors[2] use apparently cooperative practices to "absorb" those who seek change – to make them part of the established power relations so that they can no longer act independently. They are drawn into forms of cooperation that do not give them anything useful in return.[3] They change their positions, their demands or strategies, hoping to gain strategic advantages, but these advantages do not materialize. Instead, the elites achieve their goals as planned.[4] To understand the advantage of co-optation as a strategy, we can contrast it to other types of strategies, such as violent suppression or concessions. Both of these alternatives are in a political sense more costly. Violence often risks generating further protests or at least dissatisfaction. It can lead people to question the legitimacy of a government or ruling elite. Concessions, on the other hand, can make them look weak and may therefore also lead to further protests or pressure to change policies or reform institutions. Compared to these strategies, co-optation may often accomplish the goals of the elites without significant political cost, because the ultimate consequence of co-optation is that the challengers are absorbed and thereby become irrelevant as a force for change.

The risk of co-optation is a frequent topic of discussion in social movement studies as well as among activists. There are several important works on social movements that have aimed to conceptualize and explain co-optation.[5] By contrast, few have sought to explain *non*-co-optation, that is, why co-optation in many cases does not occur. Perhaps this seems reasonable if we want to understand how agents of change can avoid becoming the tools of the powerful. But in principle, to understand this, we need to know both how co-optation happens and why it sometimes does not occur. Perhaps, one might wonder, the focus on co-optation rather than non-co-optation is due to empirical reality, where co-optation is the more frequent outcome. One might expect, based on the focus of previous research, that co-optation occurs routinely. However, this does not seem to be the case. Studies of political contestation and participation seem to suggest the opposite. The little research we have that examines the relative frequencies of co-optation and non-co-optation suggests that co-optation is a quite rare phenomenon.[6] This

might seem surprising, given how clever the strategy of co-optation seems. Why wouldn't the powerful co-opt oppositional groups if this means gaining advantageous at low cost? My aim in this chapter is to describe some quite interesting reasons they often do not. I will show that it is not because co-optation is not possible, but that it often does not appear to be the best strategy to consolidate power.

The question I examine in this chapter is thus how co-optation does not happen or, in other words, how cooperation becomes possible on terms of mutual respect between policymakers and civil society actors.[7] A common explanation in previous research is that civil society actors are sometimes able to use some form of countervailing power to resist co-optation efforts.[8] This explanation emphasizes that the feasibility of co-optation depends, in part, on the resources and organizational skills of the challengers.[9] This may seem reasonable. However, I question a more basic assumption, an assumption made both by those who overestimate the risk of co-optation and those who claim that it is sometimes not possible to co-opt people. That assumption is that whether co-optation may be feasible or not, it is always what the elites would prefer. My claim is that sometimes elites *prefer* to not co-opt but instead act to establish a form of cooperation that can serve strategic purposes on both sides.

I want to explain co-optation and non-co-optation in the most widely applicable terms as possible. My strategy for doing this may seem odd to some. I rely on assumptions about what "rational actors" would do, assumptions that in my experience do not reflect how real people think and act. So why theorize about co-optation based on assumptions that seem false? I do this for strategic reasons – I want to convince *even* those skeptics that who based on these "realist" assumptions think that elites always wish to co-opt agents of change. In other words, I want to make my argument convincing *even* to those who think that people act on the basis of strategic calculations. In other words, my argument is that *even if* people did calculate which actions best serve their own interests, which most people do not in my view, elite actors would still often have reasons not try to co-opt civil society actors. Part of what previous research on co-optation has missed is that political leaders, as well as leaders in civil society, often are imaginative actors that refuse to simply accept the circumstances in which they act. Instead, they act to reshape such circumstances. They are often socially skilled actors who see new opportunities and new ways of approaching problems. Their actions make it less predictable how their social and political environment will affect their actions. We thus need to recognize not just, as Karl Marx emphasized,[10] that people act under circumstances that are beyond their control but also how people's actions toward each other and in relation to their surrounding sometimes change those circumstances or the ways that those circumstances appear to them and affect them. In Chapter 1, I referred to this recognition as taking a *relational* perspective on people's actions. A relational perspective acknowledges, and focuses on, the ways that objective or inter-subjective

structures and institutions interact with people and their concrete actions.[11] It works both ways: people's actions are shaped by circumstances, and people change the circumstances in which they act through action.

What does it mean, then, for this analysis that people's actions are shaped by circumstances? It means that their actions make sense to us because we recognize that we would probably have acted in similar ways if we encountered similar circumstances.[12] From this perspective, we may try to understand political leaders' preferences based on how they seem to experience the circumstances in which they act. What reasons might they have found to act in a certain way rather than another toward people engaged in the local civil society? Were there, for example, reasons to see civil society leaders as potential threats to their power or to political stability? And were there other reasons to see them, on the contrary, as actors with which they may potentially find common interests and form strategic partnerships? My argument is that political leaders sometimes have reasons to want to co-opt civil society leaders, but sometimes they do not. What differs between these types of cases is that political leaders see their circumstances differently. By trying to understand their world, we can understand why they sometimes preferred forms of strategic cooperation over co-optation.[13]

This relational perspective makes a difference for how we analyze situations where co-optation should, from the rational choice perspective, be the preferred option. The outcome of interactions between elites and civil society comes to appear to us as contingent upon the actors' interpretation of their situation. Co-optation appears preferable, I argue, only when the actors believe they are involved in a zero-sum game, where either the elites prevail or their potential challengers from civil society do. This is rarely the only way to see a specific political situation. It may certainly appear this way in contentious moments, but cooperation is often possible if the actors involved are able to think creatively about how they may act to serve the interests of both. A crucial component of my argument as to why co-optation sometimes does not appear preferable is political leaders' need for political legitimacy. In the classic definition, legitimacy refers to citizens' diffuse belief that the current order and structures of power correspond, at least in some ways, to their ideas of what is right and just.[14] The basis of this belief that society on the whole is organized in a way that is right and just rarely becomes a subject of discussion, but it circulates nevertheless in the interactions between people. It may only subtly appear in how we relate to laws, rules and norms, but if that basis disappeared – if, let us say, it weakened over time as leaders violated citizens' beliefs about what is right and just – then there would be a serious risk of crisis. Conversely, when citizens believe in the system's legitimacy, political leaders enjoy greater freedom in taking decisions they deem necessary or desirable even if they are unpopular.

The need for legitimacy influences political strategies in ways that standard rational choice perspectives would miss. Co-optation may seem reasonable because it effectively undermines opposition, but co-optation does not

generate the legitimacy upon which stable governments rest. In fact, I argue that it erodes the possibility of legitimacy by demobilizing the social bonds and structures of collective action that integrate people into society and that make them feel the political system and society as a whole reflect the values of a community of which they are part. A widespread sense of legitimacy makes it possible for political leaders to act with a sense of confidence and freedom, but the need to constantly regain this sense of legitimacy also constrain their possibilities: they need their subjects' cooperation. And here lies the key to understand how citizens can use forms of participation to renegotiate the terms of their cooperation.

To explain non-co-optation, I focus on how actors understand the interests of their counterparts, the constraints posed by the need for legitimacy and the ways in which the actors are able to establish a relationship of mutual trust that is sufficient cooperation.[15] While the relational perspective employed here is generally skeptic to prescribing specific interests to actors, legitimacy arises frequently (if not constantly) for political elites as both a constraint and an aim. Generating legitimacy through cooperation with civil society is one way in which political leaders may offset opposition from oppositional parties, mass media, lobby groups and agonistic movements and accomplish their specific political goals. Thus, the quest for legitimacy often points them toward cooperative strategies rather than co-optation because it helps building relations of trust that generate legitimacy. To refer to forms of cooperation that do not involve co-optation, I use the term "conditional cooperation." This is a form of cooperation in which the partners see the mutual respect of each other's interests as the basis for working together.[16] Neither seeks to undermine the other's status, credibility or capacity because this would negatively affect the strategic advantages of their cooperation.

When Leaders Opt for Co-Optation

The term co-optation has been used to describe the situation in which an oppositional movement or group is effectively captured by the more powerful group or organization that the actor is trying to influence. This is idea that Philip Selznick developed in his book on the Tennessee Valley Authority (TVA) and his related shorter article, *Foundations of Theory of Organization*.[17] We can be more careful, however, in describing the kinds of situations where co-optation would become relevant and possible as a political strategy. First, co-optation is usually proceeded by contestation (or alternatively, a possibility of contestation arising in response to current or planned actions). Contentious politics, moreover, is facilitated and encouraged by the perceived weaknesses of the elites. Activists respond to shifts in perceived opportunities.[18] Wars, high and long-lasting unemployment figures, financial crises and corruption scandals often create such changes in opportunity structures, whether or not they are the problems that initially caused the emergence of movement organizations.[19] The possibility and relevance

trying to co-opt these challengers seem to arise when the elites recognize that their agenda, or their legitimacy, is called into question by the movement organization.[20]

Selznick's study of the TVA illustrates this logic. As part of President Franklin D. Roosevelt's New Deal, Congress had in 1933 approved the establishment of a federally owned electric utility corporation. The point was to expand access to electricity in the American rural South by building waterpower plants by the Tennessee River. To do this, it need to find a way to manage anti-government sentiments and resistance toward interference in the South's agricultural sector. One significant obstacle to the project was racial segregation. Local agricultural institutions and organizations defended segregation practices partly through a general resistance toward large federal state projects. The federal government recognized the significant challenges facing the project and found a solution: it framed the TVA project in a way that would disarm the challengers. It made it sound like a project that was born from a process of grassroots democracy. Including Southern farm organizations directly in the project planning and implementation made it significantly less objectionable and effectively brought potential troublemakers over to the side of the federal government. The outcome was that the potential leaders of local resistance came to "own" the process; the strategic framing of TVA as a project that came from grassroots democracy created "an ideology in which everyone affiliated with the TVA deeply believed."[21]

In Selznick's study, co-optation is employed pre-emptively to thwart potential challengers before the contestation has even begun. As Selznick comments: "The organizational imperatives which define the need for co-optation arise out of a situation in which formal authority is *actually or potentially* in a state of imbalance with respect to its institutional environment."[22] The need for co-optation in this case stemmed from the perceived incompatibility between the strategic goals of the elites and the interests and beliefs of important actors in the agricultural industry. Co-optation thus serves to undermine actual or potential mobilization on the part of movement organizations, which may arise because of shifts in political circumstances. Dramatic events, such as wars, corruption scandals or financial crisis, may similarly shift the balance in favor of hitherto marginalized or irrelevant interests, "either by seriously undermining the stability of the entire political system or by increasing the political leverage of a single insurgent group."[23] As movements challenge the elites, the elites must defend their positions in ways that are effective under the circumstances. In theory, they could choose between co-optation and other strategies, such as violently suppressing protests (which in rational choice terms could be costly both financially and politically) and concession (which is also costly politically, since one risks appearing weak, as well as financially, if it implies redistribution of resources). In these terms, then, co-optation accomplishes something beneficial at relatively low cost compared to suppression and concession. The reason it would be less costly to co-opt challengers is that it only requires that

the elites skillfully appear to adopt the positions or discourse of challengers, lure them over to their side, and thereby undermine their independence, their subversive potential and status as a space or megaphone for critique and protests. Then, when the elites shift focus or make a decision that contradicts the movement's view, it has no longer any power to resist or protest. What makes co-optation different from more genuinely cooperative strategies, such as corporatism (where stakeholders are included in processes of negotiation on terms of mutual recognition) or deliberation (where the different sides meet to figure out together where, if anywhere, interests may overlap or merge) is that it brings the opposition over to the side of the elites and creates a new situation: the challengers now need to defend their alliance with the elites to survive politically.[24] Selznick writes:

> One means of winning consent is to co-opt elements [of actual or potential opposition groups] into the leadership or organization, usually elements which in some way reflect the sentiment, or possess the confidence of the relevant public or mass. As a result, it is expected that the new elements will lend respectability or legitimacy to the organs of control and thus reestablish the stability of formal authority.[25]

In other words, by bringing potential or actual opposition groups into the leadership or organization, elites hope to use the credibility of that group to its own benefit by pushing over the responsibility for the political priorities; the opposition group then "owns" the program it threatened to stop. Co-optation, says Selznick, means that the challengers share "the *responsibility* for power rather than power itself."[26] This is why they can no longer challenge, only support, the existing system and the power of the elites. At this point, the movement is effectively disarmed, at least in the capacity of challenger, because the movement or a significant part of it has shifted its goals, with the consequence that it no longer has sufficient credibility as representatives of those – within or outside the movement – who are still oppositional in relation to policymakers.

Because the goal of co-optation efforts is to undermine (actual or potential) opposition groups by tying their legitimacy as actors to structures of power, co-optation takes place in public. This is important because co-optation works only if representatives of supposed opposition groups are now seen to be part of the elite and to invest themselves in the elites' agenda. The crucial thing is not whether a movement actually is so close to the elites that they no longer have an independent agenda but whether it is perceived as such. This does not rule out, of course, that negotiations hidden from public view may be necessary to accomplish this. Moreover, that co-optation takes place in public does not mean that it is uncomplicated to judge whether an actor has, in fact, been co-opted. Examples of co-optation tend to be contested (as the value-ladenness of the term co-optation obviously stems from its association with betrayal of the cause).

The Arab Spring youth movement in Egypt after the uprising of 2011 was, I would suggest, co-opted in the sense I use the term. Having had initiated and helped organize the protests that led to the ousting of the president, General Hosni Mubarak, the youth movement had become a potentially powerful pro-democratic force. The military establishment was not only ousted from the presidential palace but also faced legal trials and investigations into human rights violations and corruption during Mubarak's rule. The Muslim Brotherhood, the main opposition group during the years of the military dictatorship, won the presidential election with their candidate, Mohamed Morsi, and promised to change the character of the state. The military establishment still had the means to violently return to power, but, to apply rational choice terms again, this would have been a politically costly option. A new opportunity for comeback emerged as youth activists, under the name of Tamarod, began to protest against President Morsi, questioning his commitment to democracy and human rights after controversial statements on the place of Islam in the new constitution and the role of women in Egyptian democracy. President Morsi also allegedly failed to handle the post-revolution economic crisis, and there were rumors of a hidden undemocratic agenda. The protests were, in themselves, compatible with the initial cause of the Arab Spring mobilization for political change but targeted the new, democratically elected administration. The military establishment, led by General al-Sisi, saw a window of opportunity. By bringing the democratic youth movement over to their side, they would gain leverage, as well as room for maneuvering. Motivated by their frustration with Morsi's administration as well as by their own elevated public recognition after the Arab Spring, the leaders of Tamarod became increasingly explicit in their support for al-Sisi and ultimately supported the military coup that restored the dictatorship.[27] Tamarod's decision to side with al-Sisi undermined the youth movement's credibility as a pro-democratic force; it had chosen to support a clearly undemocratic leader, whose first priority after securing power was to massacre and imprison political opponents.[28]

What does this case teach us about co-optation? Co-optation appears beneficial when elite groups lack sufficient legitimacy to pursue their agendas. By rebranding itself as a champion of the Arab Spring, the military elites successfully made Tamarod its ally, thereby undermining a political obstacle. Co-optation was clearly preferable to both violent suppression, which would have caused protests and international condemnation, and concession, which would mean loss of political domination. Through co-optation, al-Sisi managed to share responsibility for the outcomes with Tamarod's leaders, including massacres of political opponents. Al-Sisi did not share power, however. As a pro-democratic force, Tamarod was effectively eliminated since its credibility as such was destroyed. It could no longer credibly claim to be a watchdog for human rights abuse or authoritarianism but could only remain politically significant by continue supporting General al-Sisi. Consequently, when al-Sisi gave his support to the Syrian government's violent suppression of a

popular uprising, Tamarod applauded it. When al-Sisi banned the April 6 Youth Movement, which had played a central role in organizing the initial Arab Spring protests, and imprisoned its leaders, Tamarod gave its public approval. As a consequence of the elimination of the pro-democratic youth movement, the military government gained more freedom to suppress political opponents and carry out its agenda without resistance.[29]

Co-optation is a way to undermine opposition. Thus, it is only if this is the goal that it has relevance to elites and to scholars that try to understand the elites. It seems less costly than other options, as I have suggested, but still, it only makes sense to try to co-opt other actors if the goal is in fact to undermine their possibilities of opposing the elites. The question, then, is if there might be situations where it does not seem to be the case that elites try to achieve this. What if there are some, limited but significant, overlaps of interests between the movement organization and the elites? In such case, the elites would need to weigh the value of cooperation against the costs of not pursuing all the goals the elites have decided. And what if the elites cannot amass sufficient legitimacy on their own to carry out their policies effectively? In such cases, the elites would need to weigh the benefits of increasing legitimacy through cooperation against the disadvantage of depending on that strategic relationship. In both cases, even in rational choice terms, it may turn out that cooperation is preferable option. As this indicates, there are limits to how relevant co-optation is as a strategy. It presupposes that the costs of dependence outweigh the benefits of cooperation. If, for example, interactions with civil society groups are seen as a long-term engagement, then elites may consider their cooperation to be more valuable than the benefits of getting rid of opposition.[30]

The Alternative to Co-Optation: Conditional Cooperation

Co-optation does not occur as frequently as one may assume. Not only it is not always feasible, in certain situations elites may not even find it desirable to co-opt a movement that opposes their goals. According to the logic of co-optation, as described earlier, the end result is that the credibility of the oppositional movement as a force for change is undermined. Co-optation is aimed at undermining opposition. But this, I hope to show, is not always "rational" even from a rational choice perspective. On the contrary, rather than bringing the challenger over to the elites' side to undermine its leverage, the elites should instead, in certain situations, encourage and support the formation of an independent field of activism and help maintain its sense of independence. We can call this *conditional cooperation*. It is the opposite of co-optation. It applies to situations in which the elites aim not to undermine challengers but instead for legitimization through an external and credible source of positive evaluation. Later, I discuss the strategy of conditional cooperation in general terms. I then illustrate this strategy with two empirical examples that illustrate how actors may come to interpret their situation in such a

way that this strategy makes more sense than co-optation. I end the section, following the outline of the theoretical framework described previously, by highlighting in more general terms how their recognition of a mutual interest in legitimacy made it possible for elite actors and movement leaders in these cases to trust one another and act together while still acknowledging each other's independence.

This strategy appears rational if there are significant benefits to gain from continued cooperation, which exceed the potential disadvantages of dependence on the relationship to the movement. In this scenario, elites see the interaction with the movement as the beginning of a strategic relationship. The best possible outcome is that the parties gain legitimacy from cooperation. In some cases, cooperation never begins because the elites choose to aim to undermine opposition and not mutual legitimization. In some cases, cooperation stops, as the movement continues to attack the elites. But in the optimal case, movement leaders agree to conditional co-optation, hoping, for example, to gain credibility by publicly demonstrating political influence. The elites cooperate on similar conditions, hoping to gain legitimacy among the movement's activists and supporters.

This scenario is one in which the two sides have what Hardin calls "encapsulated interests,"[31] that is, a relationship in which one trusts the other party to reciprocate because one thinks it is in that party's interest to attend to one's own interests. In this case, both parties recognize that they have an interest in a continued strategic relationship, and they also recognize that the other side has this interest too. Cooperation with movements may have various values for elites. They may bring unique knowledge and competence to decision-making procedures or resources that make implementation more efficient.[32] What may often make elites most cooperative, however, is if movements can create opportunities for elites to strengthen their standing and political legitimacy among people with whom the goals of these movements resonate. Legitimacy makes it possible to advance a political agenda in ways that were not possible before.[33] Thus, both sides depend on the relationship. At the same time, the relationship depends on both parties' recognition of the other side's autonomy, with regard to advancing political goals and being held accountable to the interests of their respective political bases.

There are at least two scenarios in which conditional cooperation (that is, non-co-optation) should appear more reasonable than co-optation: (1) when the movement's interests overlap with the elites' interests with regard to specific policymaking and (2) when political trust is so low in general that the elites' agenda is difficult or impossible to realize unless some new and legitimate way of interacting with relevant groups of citizens can be created. In both cases, concession costs are low, either because goals overlap or because the elites' goals are unattainable without cooperation. The elites, therefore, recognize that actual or potential movements may, even if they challenge the status quo, help support developments that are in the interests of both sides. Moreover, they also recognize that actual or potential movements may play

such roles only (or at least more effectively) if the elites and the movements mutually respect one another's autonomy. Thus, the elites (e.g., the current president or the ruling party) are not expected to be acting in the name of the movement and neither is the movement expected by the elites to be acting in their name. The coordination only works if the actors are seen, and see themselves, as separate actors.

To work, the strategy of conditional cooperation requires public interaction of some form, in which each side demonstrates commitment and sincere belief in the value and potential benefits of participating in a political process of cooperation, negotiation or deliberation. However, both sides understand that the movements' participation in such interaction must be conditional and that the movement organization does not agree to "own" the process or the results, even if they invest symbolically and politically.

Interpretive Processes and Structural Conditions: A Relational Analysis

I will illustrate this strategy with two examples, drawing on previous research on elite-civil society interaction. The purpose is to illustrate how actors may come to interpret their situation in ways that favor the strategy of conditional cooperation over co-optation. It is not necessary to discuss the selection of these cases in detail, but I have intended to take examples that are at least sufficiently different to indicate that the logic of conditional cooperation should be quite widely relevant. Further research will have to specify more precisely the conditions and limitations of this strategy.

In the first scenario, the elites see the emergence of a social movement as an opportunity to gain sufficient support for a preferred, but so far unfeasible, political decision of reform. In such a case, the interests of the movement are seen to overlap with the interests of the elites, and therefore, there the elites have little interest in co-opting or otherwise undermining the movement. On the contrary, a strong and independent movement may actually be needed to achieve the elites' goals.

The continuous interactions and deliberations between President Lyndon Johnson and the black protest movement in the 1960s and, most importantly, between Johnson and Martin Luther King Jr. exemplify this first scenario. Johnson's support for the movement is partly explained by the new political opportunities that the movement opened for Johnson. In particular, by enforcing African Americans' effective rights to vote, Johnson would gain a significant electoral advantage.[34] To do this, he respected the movement's independence and encouraged it to make him respond with political action.

As commonly noted, Johnson had not previously had a record of championing racial equality, having been an opponent to all proposed bills for civil rights (including anti-lynching bills) up to 1957 as a lawmaker. However,

in making civil rights a priority and securing the 1964 *Civil Rights Act*, he gained crucial support from black voters in the presidential election of 1964, winning a still unprecedented 94 percent of the black vote. This created new possibilities for Johnson but also for King, with whom he began, in December 1964, to discuss the next step: a bill to force Southern states to guarantee the freedom to vote for African Americans. As is well-known, the two disagreed about the timing of the new bill, but they agreed about its desirability.[35] For Johnson, advocating black citizens' right to vote meant further alienating white voters in the South. But it also meant an opportunity to increase the electoral participation of African Americans, a point King stressed to convince Johnson to act. As he pointed out to Johnson, the only Southern states that Johnson had not won were the five states in which less than 40 percent of the black population had registered to vote.[36]

There was a mutual understanding between Johnson and King that the success of their cooperation depended on mutual respect for the other's commitments: as president, Johnson relied on broad support, including from white Democrats from the South, and King depended on wide support for the movement's cause, including from legitimately frustrated youths who might consider more radical alternatives (Malcolm X was one rival movement leader). The relational perspective is important for recognizing that, while the interactions between them were often complicated, they were characterized by a deep understanding of the stakes involved for the other. This is indicated, for example, in the phone call on January 15, 1965, the eve of the beginning of the marches in Selma, Alabama, in which Johnson expresses his liking for the idea of showing the public the discriminatory treatment blacks experienced as they sought to register to vote: "You find the most ridiculous illustration you can on voting, and point it up, and repeat it, and get everybody else to." As Taylor Branch comments on the conversation, Johnson had sought the following:

> to confide a crowning ambition to win the right for Negroes to vote . . . King, on his heels, had mumbled approval. He did not mention that he was headed to Selma for that very purpose – knowing that Johnson would not welcome his tactics of street protest.[37]

King understood Johnson's political motives for supporting the cause as well as the political obstacles for doing this too openly, and he understood the point of view that respecting certain political limits might favor the interests of the movement. At the same time, he sought to push those limits further by challenging Johnson through continued demonstrations. Johnson, on his part, knew that he could only gain sufficient support to get the voting rights bill passed with the help of a powerful social movement. John Lewis, who as chairman of the Student Nonviolent Coordinating Committee was among the leaders organizing the March on Washington in 1963 and the Selma

campaign in 1965, comments on the relationship between the movement and Johnson and the struggle for effective voting rights in 1965:

> It was my understanding that President Johnson wanted to wait and not move so fast. He said in effect: I have just signed the Civil Rights Act. We don't have votes in Congress. If you want me to get the bill passed – make me do it . . . . Create the political pressure, create the climate, the environment.[38]

Johnson benefitted from the legitimacy granted by King and other leaders of the black protest movement, which they were in a position to provide because of their credibility among a wider public and, in particular, black citizens. This credibility, moreover, depended on the strong commitment they showed to the black communities of the South, which allowed them to work with political elites without their loyalty being questioned. Both sides understood that this commitment was where the power of the movement ultimately rested. King's and other leaders' credibility remained strong throughout the period of close cooperation with Johnson and was later used to protest against the president's policies, most importantly the Vietnam War.

In more general terms, in this first scenario, conditional cooperation appeared reasonable to the actors involved because the movement's interests seemed to overlap with elites' interests with regard to specific policymaking; powerful elites recognized that the movement may, even if they challenged the status quo, help support developments that are in the interests of both sides. There was disagreement among elites, as there typically is, and due to such disagreement, the primary power holder, the president, needed cooperation with the movement leaders. This actor recognized, moreover, that the movement could play this legitimizing role on the condition that elites and movement leaders mutually respected one another's autonomy. In order for the cooperation to work in the interest of both, the actors must be seen, and see themselves, as separate but mutually supportive, and mutually dependent, actors.

Now, consider a different scenario, in which political trust is so low in general that elites' agenda is difficult or impossible to realize. In such cases, their interactions with activist leaders and potential or actual challengers may be characterized by a search for shared interests and increased trust. Civil society leaders may, after all, help provide new ways to regain the sense of legitimacy that political leaders have lost. They can help in this way, however, only of their cooperation is recognized as conditional. Let us explore why this is the case.

Participatory budgeting in Latin America is a case in point. The form of participation it may make possible provides what elites need in such situation, a new and legitimate form of interaction between them and groups of citizens.[39] As previous research has shown, participatory budgeting often leads to co-optation.[40] It is easy to see why because participatory budgeting builds

on a radical imagination of grassroots politics and gives crucial roles to community organizers and activists but is also usually aimed at building support for a specific political agenda.[41] As we saw in the previous chapter, participatory budgeting has often been initiated in moments of shifting power elites, after electoral victories of left-wing parties and has served to establish new power structures and capitalize on connections with leftist social movements. As the new insiders establish new forms of collaboration under the guise of radical grassroots democracy, movements face the challenge of cooperating under terms that suit their own interests too. The outcome depends on more specific aspects of the interactions between elites and civil society.

In Rosario, as we will see in subsequent chapters, the financial crisis of 2001 created the political opportunities for participatory budgeting to be initiated and to play a significant role in state – civil society relations. Citizens' distrust and even contempt for the political elites could not have been more clearly indicated, as massive protests forced the president of the republic to resign. The mobilization led to the creation of spontaneous citizen assemblies, in which citizens met to deal with urgent problems because the state's normal functions were seriously disabled. These practices helped inspire the city mayor to initiate participatory budgeting meetings (modeled on previous experiences in Porto Alegre, Brazil). From the beginning, this was a pragmatic way of dealing with intense protests and frustration with governmental institutions. Over the years of its existence, participatory budgeting has evolved into an arena for local social activists to demand changes in the government's priorities.[42]

What is particularly important to note about this form of participation is that it can only serve its purpose, for the local government as well as for the participating activists, if both sides respect, to sufficient degree, the principle that participants work *with* the government but *for* their communities. It is only as external actors that they can provide legitimacy and increase political trust. In other words, both sides need to adopt conditional cooperation as their strategy. In Rosario, elites and civil society leaders developed a common sense of the stakes involved through continuous interactions over several years. The local government came to recognize that it could gain credibility through participatory budgeting by using the citizen councilors as an external source of legitimacy, instead of trying to co-opt them. On their part, participating civil society leaders saw participatory budgeting as a way to increase both their standing within their own communities as well as their power to pressure the elites to invest in projects that would improve living conditions in the marginalized parts of the city. Both sides thus depended on the cooperation of the other to reach what was seen as the best outcome for both: sustained cooperation would lead to public recognition for participating citizens and to increased political legitimacy for the local government.

These experiences with participatory budgeting are not unique in this regard. Local governments elsewhere, too, recognize the need to work with individuals who are recognized and respected as community leaders. Winning

their trust is instrumental for increasing the legitimacy of governmental practices. At the same time, skilled political actors will recognize that community leaders can only maintain their credibility in the eyes of their communities if they are recognized as independent – as working *with* the representatives of the state but *for* the interests of the community. For this reason, it is only if this sense of community recognition is upheld that the cooperation of the movement leaders is valuable for the elites. In more general terms, participatory budgeting may be seen as a case in which low political trust, at the outset, provided new political opportunities. From a movement perspective, participatory budgeting meant applying a grassroots perspective on democracy that could encourage mobilization around demands for change of political priorities. From a governance perspective, it was seen to have the potential to change the public perception of political elites and of the opportunities for popular participation, generating legitimacy as well as stronger belief in democratic participation.

Trust, Legitimacy and Conditional Cooperation

By stressing both the strategic interests and the interactions that generate inter-subjective meanings, I have sought to explain why co-optation may not appear more frequently, despite its widely accepted rationality. Co-optation may appear preferable to both concession and suppression, but this choice presupposes that the elites are playing a zero-sum game. In the case of the Civil Rights Movement, the elites found they could benefit from an external source of legitimacy, which made it reasonable not to co-opt movement leaders. This recognition was the result of interactions with movement leaders who strategically aimed to capitalize on their ability to generate such legitimacy. They could only perform this role, however, if their cooperation was recognized as conditional. They needed to be seen as independent from the elites. The elites and the movement leaders had reasons to trust one another's intentions because each of them appeared to have an interest in promoting a favorable public impression of the other. In more general terms, the need for legitimacy and recognition functioned as structural constraints, interpreted and mediated through elite-movement interaction, that made a certain kind of strategy appear reasonable. These constraints, moreover, are themselves the results of interpretive processes by which constituencies come to trust leaders to represent their interests in interactions with the other side in a process of contention and negotiation. The relational analysis helps highlight this two-way relationship between objective structures and inter-subjective meanings, which in this case helps account for the strategic interest in conditional cooperation, instead of co-optation.

The concept of conditional cooperation captures a form of interaction that serves the interests of both elites and civil society leaders. The cooperation is conditional in the sense that civil society leaders demand something in return for helping provide the elites a sense of legitimacy. It occurs because they

trade legitimacy for something that is valuable to them, a resource, or form of capital, that enables them to accomplish their own strategic goals. In the next chapter, I examine in detail what that form of capital is, how it is created through participation and why it is useful to accomplish change.

Notes

1 A previous version of this chapter was published as an article in *Social Movement Studies* (see Holdo, 2019). I thank the Editors for permission to use the article as the base for this chapter. If you wish to cite these specific arguments, see Holdo (2019), also available online: https://www.tandfonline.com/doi/abs/10.1080/14742837.2019.1577133

2 I use the term "elites" to refer to any group or organization that has the power to make the decisions that the "challengers," in this context, a protest movement, hope to achieve through their actions. In the context of social movements, the relevant target elites are usually political elites or economic elites but could in principle be any group that fits that description.

3 Selznick, 1949, p. 34; Gamson, 1975, p. 29; Piven & Cloward, 1977, p. 30. Some treatments of the topic discuss co-optation in a narrower sense, for example, the case in which a government offers particularly powerful supporters certain benefits to retain their loyalty (Fjelde & De Soysa, 2009). Gamson, moreover, discusses "cultural" co-optation, for example, through appropriation of discourse, customs and symbolic gestures (Gamson, 2005). These are subsets of the general strategy of co-optation.

4 A note on how I approach co-optation empirically. For my purposes, it is not necessary to measure the actual extent of successful co-optation. The examples I will use serve to illustrate the general logic of the strategies of co-optation and non-co-optation, not to establish that co-optation did actually succeed in specific cases. The analysis is thus focused on the reasons for why actors would be expected to act in certain ways. For the purpose of illustration, I use cases for which documentation is publicly available through previous research and documents.

5 See, for example, Trumpy, 2008.

6 This is at least indicated by the empirical literature. Take, for example, William Gamson's (1975) classic study of outcomes of social protests between 1800 and 1945, from which social movement scholars usually take their definition of co-optation. Among his 53 cases, Gamson classifies only five cases as cases of co-optation.

7 A note on terminology. Giugni and Passy (1998, p. 83) use the slightly similar term "conflictual cooperation" to discuss forms of interaction between elites and social movements, where both sides transfer knowledge, competences and resources and work toward a shared goal and direct negotiations (see also Bozzini & Fella, 2008; Davidson, 2018). What I call conditional cooperation may overlap with conflictual cooperation in many cases, but my focus is more specific: it is on how the less powerful actor manages to establish a more balanced relationship by making use of strategic assets that the other actor needs to achieve their goals. As such, it is a concept that speaks to a general problem of inequality in citizen-state interaction. Fung and Wright (2003) discuss this problem in terms of creating a situation of countervailing power.

8 Wampler, 2010; Murphree et al., 1996; Swan & Fox, 2010.

9 Lapegna, 2014; see Gamson, 1975; Wampler, 2007; Fung & Wright, 2003.

10 I am referring to the opening sentences of *The Eighteenth Brumaire of Napoleon Bonaparte:* "Men make their own history, but they do not make it just as the

please; they do not make it under circumstances chosen by themselves, but under circumstances directly encountered, given and transmitted from the past" (Marx, [1852] 2008, p. 15).

11 Emirbayer, 1997; see also Crossley, 2001.

12 I build on the works suggesting that an assumption of "thin rationality" may help us understand people's actions: if people at least "do things for a reason," we can expect that actors "involved in comparable power games in other contexts would act and interact in much the same way" (Bengtsson & Hertting, 2014, p. 21; for a similar view, see also Hedström, 2005, p. 61).

13 My analysis thus assumes that actors behave in accordance with situation-specific reasons. In this sense, it is a rationalistic analysis, but it departs from some conventions in rational-choice-type game theory (Fligstein, 2001). First, it does not make the assumption that elites and movement leaders see the defeat of the other side as instrumental to one's own success. What goals and strategies actors decide upon are the result both of their assessments of possibilities and their interactions with others (see Emirbayer, 1997). Second, it does not assume that interactions between movement leaders and elites can be explained, and predicted, based on a static analysis of the resources available to the actors and other objective conditions (see McAdam, 2010). Structural conditions influence social and political interactions but do not determine them. As argued by political process theorists, movement leaders and elites base their decisions also on their, and others', normative ideas, which may themselves structure which actions are possible and thus become "objective" in the sense of functioning as conditions that enable and constrain actions (McAdam et al., 2001). This means that social interactions may both be *shaped by* social structures and, conversely, *shape* such structures. For example, McAdam's early work emphasized the importance of the interaction of three factors: structural changes that create new opportunities, organizational resources that help facilitate mobilization and cognitive, inter-subjective processes in which people attach meanings to their situations (McAdam, 2010, p. 105). This perspective, in contrast to earlier approaches, highlighted how the actions of movement leaders as well as elites depended not only on objective conditions but also in subjective, and inter-subjective, interpretations of their situation. An important critique of this approach is, however, that political process theorists often fail, in practice, to acknowledge that the connections between the objective, structural level and the subjective, cognitive level run both ways. As Polletta (1999) argues, inter-subjective, normative meanings may often become institutional, thereby moving to the objective, structural level (see also Holdo, 2018, and Hayward, 2013).

14 Easton, 1965; Tyler, 2006.

15 This analysis also draws on previous works that have stressed social actors' need to build relationships of trust to facilitate cooperation and how this often requires them to acknowledge a relationship of mutual dependence (Ostrom, 1990; Cook et al., 2005, ch. 3). Moreover, elite actors and social movement leaders are, in Fligstein's sense, "socially skilled actors" who "empathetically relate to the situations of other people and, in doing so, are able to provide those people with reasons to cooperate" (Fligstein, 2001, p. 112).

16 The scenarios in which elite actors and movement leaders find that they should adopt the strategy of conditional cooperation should be widely relevant to understand non-co-optation, although further research is needed to further specify its conditions and limitations. Conditional cooperation adds an analytical tool for studies of conflictual cooperation (Giugni & Passy, 1998). Previous studies have shown that such cooperation often involves repeated cooperation

and sometimes institutionalization. For example, Bozzini and Fella argue that institutionalized conflictual cooperation, in which social movement organizations share some general goals with political elites, allows them to bring their ideas and expertise to bear on political processes. The concept of conditional cooperation specifies how such cooperation is possible without undermining the interests of either side.

17 Selznick, 1948, 1949.
18 McAdam, 2010.
19 See McAdam, 2010, p. 41.
20 Selznick, 1949, p. 34; Coy & Hedeen, 2005, p. 412. Co-optation arises, in other words, as a possibility if an oppositional movement threatens to obstruct the elites' plans. In many cases, this might not be the case. In some cases, the elites' preferable choice of action may be not to respond at all, if there is a possibility that the movement may disappear or defeat itself.
21 Stivers, 2009, p. 1196.
22 Selznick, 1948, p. 260, emphasis added.
23 McAdam, 2010, p. 42.
24 This is not always seen as the ultimate consequence of co-optation (e.g., Trumpy, 2008).
25 Selznick, 1948, p. 34.
26 Selznick, 1948, p. 34. Selznick separates "formal co-optation" from "informal co-optation" in which the elites actually share power but only with a small group that does not have any significant impact on the agenda of the elites. The latter form of co-optation, writes Selznick, "is typically expressed in informal terms, for the problem is not one of responding to a state of imbalance with respect to the 'people as a whole' but rather one of meeting the pressure of specific individuals or interest-groups" (1948, p. 35). I reserve the term co-optation for what Selznick calls formal co-optation. Informal co-optation is not, strictly speaking, co-optation because it is not about "acceptance without new advantages" (Gamson, 1975, p. 29).
27 See Holdo, 2017; Abdalla, 2016.
28 Holdo, 2017.
29 Gupta (2012) offers an interesting discussion of a less dramatic example of co-optation, that of the US organization MoveOn, and shows that the perception of co-optation affected its possibilities of cooperating with the more radical Occupy movement in 2011.
30 To speak with rational choice scholars, the situation then approximates a prisoner's dilemma situation. See Hardin, 2002.
31 Hardin, 2002, p. 4.
32 See Cohen & Rogers, 2003; see also Giugni & Passy, 1998.
33 Tyler, 2006.
34 There are many other factors that contributed as well (see Luders, 2010; Morris, 1984; Eagles, 1986).
35 Branch, 2007; Dittmer, 1986.
36 Telephone conversation, January 15, 1965 (Miller Center, WH6501.04).
37 Branch, 2007, p. 14.
38 MSNBC, 2015. See also the similar account by Andrew Young, director of the Southern Christian Leadership Conference and a leader of the movement (LBJ Presidential Library, 2014).
39 See Abers, 2000; Wampler, 2010.
40 Wampler, 2010; see also Baiocchi et al., 2008.
41 See Goldfrank, 2011; Baiocchi & Ganuza, 2014.
42 See also Holdo, 2016.

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4 Ethics and Deliberative Capital

Every year in April, residents in Rosario receive an invitation from the municipality to come and discuss the problems and needs of their neighborhoods. These meetings are the first part of the annual participatory budgeting cycle. A few thousand usually attend. Some of them sign up to represent their district and their neighborhoods as "councilors" in the participatory budget assemblies that will convene weekly throughout the year. Their joint task is to develop a proposal – a list of projects – on how to use the city's budget. Although an annual public referendum ultimately decides which projects will be executed, most of the hard work required for participatory democracy to function is carried out by the councilors. Their job is time-consuming, often frustrating and, of course, unpaid. While it should be clear from the previous chapter why participation is valuable to the local government, the question is why people participate.

In the previous chapter, I argued that as the conditions for local politics have changed and made cities more exposed to pressures to compete and to carry out wide-reaching administrative and political reforms, they have come to use participatory policies to compensate for social, economic and political exclusion. But if participation merely provides a mechanism of reproduction – that is, a means to maintain power structures that marginalize many people – why should they want to participate? In this chapter, I show that people's reasons reflect another important aspect of the paradox of participation: while participation serves powerful actors' political interests, it also reveals their dependence on the cooperation of people that lack political resources. Participation becomes a means to work for change because it opens up a space not only for reproducing unequal terms of social cooperation but also for renegotiating them.

How do people engage in such renegotiation? They may do so explicitly by demanding specific concessions in return for their participation. They may refuse to cooperate unless their conditions are met. However, acts of renegotiation are often more subtle. In *Critique of Forms of Life*, Rahel Jaeggi notes that even if social practices that help maintain order in a society are mostly implicit and prereflexive, the process of adopting and participating in

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them can still be described as an active process. "For it is not just the knowledge and self-understanding embedded in the practices that can be implicit but sometimes also the negotiation mechanisms through which what is self-evident is produced in the first place."[1]

This "implicit" part of social practices becomes noticeable when tensions arise and people come to question what previously seemed self-evident – what we expect and trust others to do, know, think and feel and the social sanctions we apply together. This means that even mundane practices that meet expectations should be understood "as a continuous, if not necessarily verbal, negotiation process."[2] What I call *renegotiation* takes place through the subtle acts by which people make their expectations, beliefs and ethical commitments known and push others to recognize them. What norms should guide social practices becomes a matter to renegotiate – sometimes because people's senses of self, their *habitus*, do not fit the norms and conventions that guide social practices in the situation in which they find themselves or because reflection and deliberation with others change their normative beliefs and sense of entitlement.

This chapter will focus on two aspects of renegotiation as it occurs in spaces of participation. First, people's beliefs about what is appropriate in civic life affect their motivation and their personal affective relation to a mode of participation. I will call this aspect the *ethics* of participation. Second, people's understanding of why others value their cooperation may give them reasonable expectations to receive mutual respect and consideration. I will refer to this as participants' *capital*.[3]

Ethics and capital are two aspects of how we hope that our actions will make a difference in the world. Both our sense of right and wrong and our ideas about what impact we can realistically make are reasons to act, to get involved and to try to accomplish change. But they are reasons of different kinds. Ethics – or the lack thereof – concerns our personal motivation. Capital is instead about our capacity to act, in social situations, in ways that bring about the results we want. *Ethics* provides an answer to the question: Why do you believe that you and others *should* take a stand on an issue and *should* act in a certain way? Why do you think others *should* listen and *should* consider your views? *Capital*, by contrast, gives you a reason to expect that others, whether or not they share your ethical convictions, *will* act, *will* listen and *will* consider your views.

In Rosario, I will show, ethical convictions motivate people to spend considerable time and energy on participation. But they also expect something in return for performing this role. They expect to be taken seriously by neighbors, by other councilors, by the wider society and by the government. They expect, in other words, that their ethics will give them capital, even if power and prestige was never the explicit aim of their actions. My focus on ethics and capital differs from other ideas about how participation may empower citizens and generate political inclusion. I begin by discussing two common ideas – the learning of new skills and changing attitudes, on the one hand, and

the subversion of social norms, on the other hand. The idea that participation allows people to renegotiate the terms of cooperation captures significant insights from both but does not fit neatly into either of these perspectives. In contrast to these, my focus on ethics and capital helps us understand how people's actions relate to wider political, social and economic structures.[4]

Learning Skills, Subverting Norms

To explain why participation matters, political scientists have traditionally referred to a sense of duty: people should participate to share the responsibility for making democracy work. Forms of participation function as "schools of democracy" that allow people to strengthen their capacities for collective action.[5] People engage in processes that require, and therefore, foster, the skills of cooperating, formulating proposals and finding ways to compromise.[6]

But this functional view of participation suggests a submissive role for participants that seems at odds with the idea of grassroots participation. Should not participation be about *changing* the system rather than *sustaining* the system? Are these skills of cooperating and compromising what citizens need to learn to challenge structures of power and accomplish political inclusion? Even if they help people build a capacity for collective action, do they not at the same time also Impose norms of cooperation that make confrontation and contestation seem undesirable or illegitimate? And do not such norms shape perspectives on what should count as a "skill" and a "skillful" person as opposed to a lack of skills and people in need of empowerment?[7] If so, should we not examine whether and how participation enables people to question and challenge such norms rather than their ability to abide by them? In other words, should not subversion rather than cooperation be our focus?[8]

These are two very different perspectives on what participation may accomplish. The first sees no harm in submission to norms that guide social cooperation, collective decision-making and organizing but sees them as skills necessary to accomplish change. The second sees norms as the primary targets of actions aimed at altering structures of domination. Acts that rely on social norms, in the sense of reinvoking them, reproduce and reinforce them. By contrast, acts that express a refusal or failure to play along may disrupt routine practices and challenge the relations of power they uphold. In *Bodies that matter*, Judith Butler asks how, specifically, subversive performances of gender may help "enabling disruption, the occasion for a radical rearticulation" of patterns of social value.[9] Such patterns, which are part of social norms, affect who may speak and be heard in society. Thus, by refusing, or failing, to behave according to the norms, people challenge inequalities in social status. When, for example, in spaces of participation, subjugated groups contradict the roles assigned to them (as women, ethnic minorities, poor, etc.), question the roles given to others or other assumptions that underly the ways that interactions between people are organized, they

may expand or take over such spaces and use them for purposes other than the ones they have been created for.[10]

My own perspective, however, does not fit easily with either of these views. Rather, it borrows something from both. People build a capacity for making change possible, I argue, by acting in ways that *combine* submission to norms and subversion of norms. They accept to abide by a shared set of social norms, without which they would not be able to act together. But when they do act together, they are able to challenge patterns of exclusion more forcefully.

In making this argument, I build on the work of Saba Mahmood. In *The Politics of Piety*, Mahmood examines the rituals and beliefs of religious women in Cairo, showing that people come to build a shared identity by cultivating a positive relationship to shared ethical beliefs, which they learn to embrace, appropriate as their own and embody.[11] As Mahmood stresses, people's ethical practices become possible not through a rejection of norms and cultural practices but through people's capacities to reflect, reinterpret and reappropriate norms and practices. Through acts of submission, or rather, acts of devotion and embodiment, norms and cultural practices come to exercise power over people and at the same time become part of their sense of self and their agency. Practices of ethics, Mahmood suggests, do not take place in "a private sphere of self-cultivation, but as an effect of a modality of power operationalized through a set of moral codes that summon a subject to constitute herself in accord with its precepts."[12] In other words, they take place as people self-consciously engage with social norms, codes and practices that shape their understanding of their roles. Mahmood shows that acts of submission may allow people to use shared norms as resources for their own agency. Collectively, the women that Mahmood observed and interviewed refused to fit into a predefined dichotomy of secular/free and religious/oppressed. They refused to meet the expectation that women's agency must be expressed in secular terms.

I also build on the work of Pierre Bourdieu, which emphasizes that people's subjective sense of motivation to be part of something is often a matter of personal ethical beliefs, while their interests in being so – the advantages and disadvantages that in the long run may matter more for their sustained commitment – are more often about how their social standing is affected. To understand people's commitment to participation, I find it useful to build on Bourdieu's conception of *symbolic capital*, by which he meant sources of esteem, respect and prestige that are tied to how we are part of different social fields.[13] We often engage in various social activities and patterns of interaction because we find them meaningful and that they correspond to our beliefs about what things matter in life. But, Bourdieu added, that sense of meaningfulness does not mean that we are not, at the same time, acting strategically, that is, to gain something. When we act as we find ethically appropriate, we act in ways that correspond to the norms, codes and practices that we picked up and appropriated through processes of socialization

and subjectification. Thus, our ethics are often also strategically important. They give us capital – a reason to expect recognition from others.[14]

The significance of Bourdieu's claim is that people's engagement with the ethical principles and practices that constitute their social field may often generate strategic benefits without being motivated by any expected return. Thus, people whose actions have significant strategic consequences often do not act with an intention to achieve such consequences. Bourdieu interprets various instances of significant social change through this prism: the emergence of a cultural avant-garde and the rise of public intellectuals in 19th-century France, working-class struggles, women's movements and the establishment of democracy.[15] They were all accomplished, in part, by people whose actions were motivated by the intrinsic value of living and acting according their beliefs – and still, their actions could hardly have been more strategically beneficial. This appears reasonable if we acknowledge that people earn our recognition, and thereby gain advantages, by appearing to us as uninterested in any kind of reward. Commitment to truth and justice, as opposed to an interest in money and power, may thus generate respect and admiration. The pious believers interviewed by Mahmood seemed unconcerned with how their life choices were perceived by others – but their devotion not only gave them a sense of identity but also recognition and prestige in their community. My argument is, similarly, that councilors in participatory budgeting generally submit to an idea of citizen duties and hold a deep respect for shared civic norms that have little to do with strategic considerations – and yet it is precisely their pure intrinsic commitment to these duties and norms that give them recognition and thereby a strategic advantage.

To understand councilors' dedication to participation in society, we need to understand that being elected by one's neighbors and serving as the neighborhood's representative is a cause of pride. It is to get the responsibility to fight for one's neighborhood, one's district and one's city. It means being in constant communication with neighbors, answering their questions, responding to their skepticism and insisting, even in poor neighborhoods that have been systematically neglected, that participation makes a difference. In fact, it is in the poorer parts of Rosario that we find the greatest numbers of participants.[16] Participation requires engaging in long meetings, sometimes late in the evening, every week for eight months. They accept these sacrifices because community activism is not just something they do but a significant part of who they are – how they see themselves and how they want to be seen by others. As one councilor puts it, "It's a vocation." Had there not been a participatory budget forum, many of them would still have been community leaders. Among the councilors, we find leaders of indigenous associations, members of women's rights groups or neighborhood organizations and active members of community churches, sports clubs and cultural centers, and a few of the councilors are also grassroots activists in political parties. Participation is an essential part of an ethical way of life, a calling, something that makes

one's existence more meaningful. We thus do not need to question whether people are motivated by a will to do things for others, for society and for a higher cause to recognize that their actions often have consequences that serve strategic interests – as individuals, as a group and as members of communities that are systematically marginalized in politics. Their commitment generates capital in the form of social esteem and prestige that is directly connected to being a councilor and associated with participatory budgeting.

My focus in this chapter is on the production of a shared ethics and a shared kind of capital, but I do not wish to suggest that the stakes, motivation and perspectives are uniform within the group of councilors. On the contrary, class, ethnicity, gender and various social group identities affect in observable ways how different persons engage in a participatory space. The significance of class and ethnicity became obvious to me as I observed the differences between districts with different economic status and ethnic composition. In the wealthy districts, whose populations are predominantly descendants of European immigrants, participatory budgeting appeared as one social leisure activity among others. By contrast, in poorer districts with large indigenous populations, participatory budgeting was much more clearly political, and the stakes were high: Which neighborhoods would get pavement on the street, streetlights to make the neighborhood safer or funding for youth centers and activities? Would the particular interests of indigenous communities be recognized? And, as important from an intersectional perspective, would women's equal right to participate make the process more inclusive in practice or remain a formal principle without practical consequences? Participation comes with particularly high stakes for subordinate groups because, first, they have less reason to trust the process to be fair and inclusive, and second, the potential symbolic rewards if fairness and inclusiveness can actually be demonstrated are significant. Apart from the potential prestige of being their neighbors' representative, they also often expect being treated with respect by other similarly situated participants. Between them, there is a relationship of mutual dependence: in order for one to benefit from the symbolic rewards of being part of this social field, all councilors need to play their parts and must, therefore, mutually recognize each other. Finally, councilors use the capital produced in their field through their ethical commitments – the recognition they gain in their own neighborhoods and collectively as a group in the wider society – in interactions with the municipality. They use it, more precisely, to challenge the relations of power between them and the local government. In other words, councilors' ethical commitments allow them to acquire capital to be used to renegotiate the terms of cooperation. In the rest of this chapter, I will examine in more detail, first, the ethical commitments expressed by councilors in Rosario's participatory budget and, second, how councilors draw on these commitments as a basis on which to expect and demand recognition from others.

The Ethics of Participation

Like all forms of sustained voluntary participation, participatory budgeting requires motivation. Once a week, the councilors go to their district center for a meeting that can last several hours. This is repeated every week for eight months until the process ends with the annual referendum, in which all residents can vote for the proposals they favor. This format incentivizes councilors to work between meetings too. While participatory budgeting involves collaboration between them, hard work is required to initiate projects and gather votes. Since the completion of the first participatory budget process in 2002, many significant investments have been made in the city on the initiative of the councilors – the establishment of cultural centers, infrastructure projects, new activities for youth and children, renovation of public parks. At the same time, many proposals are never executed, either because they do not receive enough votes or because the municipal administration disqualifies them. In fact, councilors are usually most frustrated with having to deal with the experts from the municipality that provide feedback on their proposals. The key words all councilors have to learn is *factible* (feasible) and *no factible* (not feasible).

Attending meetings, discussing with neighbors and preparing for debates with the municipality demand considerable time and energy from citizens who often have several other engagements as well. "It is not easy, but one has to find the time to participate because it is important," says Cristina, a councilor in the Western district. You learn to run, she says, laughing. "I take care of the house, I take care of my work, I take care of the church, I take care of participatory budgeting." She just has to find the time, she says, because participating is her responsibility as a citizen.

For many of the councilors I interviewed, the answer to the question of why they participate appears self-evident. Some find the question provocative. "It is a citizen responsibility. It is a duty," says Ana, from the Southern district, unsmilingly. "Many people do not come because they are too comfortable, they stay in their houses and do not do anything. They will not change anything like that." Juan calls it "a vocation." "I think," he says, "that most of us come for the same reason, to help the neighborhood. There are some who might have other interests, but for the majority of us, that is what it is – the solidarity with the neighbor."

While some, like Claudia, think that people should stop being lazy and do their share of the work, many acknowledge that many people have other reasons, too, for not showing up. It is difficult to convince people that participation can make a difference, and the reason for this is simple, says Ana: "People see what is missing." People see with their own eyes the differences between different parts of the city and the living conditions between their inhabitants. People have legitimate reasons to be skeptical of the intentions of politicians that have systematically ignored the concerns of people from the poorer neighborhoods. As Ana makes clear, the fact that councilors see

participatory budgeting as a crucial way to make their voices heard does not suggest that their views of the local government is a positive one. Several say that they think that the government would do very little if it were not for the hard work of the councilors. They make the administration work by maintaining constant pressure on it. The stakes are especially high for councilors who come from the city's most marginalized neighborhoods. "People no longer believe in politics," says Miguel and adds that for him, the neighbors' distrust for the municipality and politics in general is understandable. "Politics has involved too much dishonesty. People began to see that in reality they were being deceived. They saw the dishonesty." For many of the councilors, the question is not whether their neighbors are right or wrong to distrust political leaders and their promises of working with and for the people. They are right to distrust them. The question is, rather, if there are any good alternatives to participating. Some councilors mention more confrontational tactics to pressure local decision-makers to rethink their priorities. But confrontation requires large-scale mobilization. It requires faith in the collective capacity to make change possible and is, therefore, hard in an environment where most find politics useless. Participatory budgeting at least provides opportunities to monitor the government, confront its representatives when it fails to keep its promises and achieve small victories. It is also a way to slowly change people's views about politics and civic engagement. Through participation, one can disprove the cynical view that everyone always looks after their own interests by showing that some people, at least, work for their communities and not to gain something for themselves.

The neighbors' skepticism is not necessarily limited to political leaders and the municipal administration, however. It potentially concerns all those that cooperate with them and that seem to act as if they can be trusted. If the councilors cooperate, how are their neighbors supposed to trust that they are not in on the scam? Councilors insist that participatory budgeting is not just another lie, another form of manipulation or another form of corruption. They insist that participation is a legitimate means to make the municipality listen to all citizens' needs. But they do not say that their neighbors are wrong. In a city where living conditions are so unequal, no one can honestly claim that the political leaders are working for the people. Still, the councilors insist that things can change if people act together, if people participate even when the terms are far from fair. In order to carry out this balancing act, and not be seen as part of the practices and structures that frustrate and anger their neighbors, councilors need to establish their own ethical codes – codes that are visible to their neighbors and through which they can earn their trust by separating themselves from actors in politics. These ethical codes include the virtue of sacrificing one's time and personal gains for community interests. The ethics of participating are expressed in references to "solidarity with your neighbors," "citizen responsibilities," "duties" and "caring." These suggest that participating is about defending the idea of a good society based on everyone's willingness to contribute.

To defend the citizen ideal against cynicism and resignation, councilors also insist that participatory budgeting is open to anyone who wants to get involved. While this is dictated by the rules set by the municipality, there are many potential ways that people could feel excluded at the meetings even if these are formally open to all residents. Among the various potential ways that people can be excluded at meetings, the councilors specifically brought up status differences (for example, based on previous experiences), unequal resources (including time and knowledge), specific terms used in discussions (concerning, for example, budget matters and the language of evaluating proposals' feasibility), political differences, fluency in Spanish and disrespect and unequal treatment (based, for example, on gender, ethnicity, class, age or abilities). Because the participatory budget occupies a position between the municipal government and other residents in the city, its legitimacy could easily be undermined if it appeared as an exclusive club for people with a particular background, resources, knowledge, political loyalties, gender, ethnicity, age or abilities, for example. Thus, to maintain its integrity and legitimacy, councilors counter such suspicions by insisting that participatory budgeting is open for anyone committed to the interests of the neighborhoods, the district and the city.

This insistence marks a particular sense of equality among councilors. There are norms of conduct that councilors maintain in order to guard the ideas of what participatory budgeting is about. "There are codes of respect," as Graciela from the Western district puts it. She specifically mentions that women participants expect respect from men. Some councilors find that previous experiences of participation and activism help to make others listen, and those who have participated several years can be more effective in debates. However, most of the councilors I interviewed claimed that each councilor has the same opportunity to speak and that there are no informal hierarchies or any particular knowledge required to participate. Employees of the district center play important roles as discussion leaders during meetings, but several councilors insist that they themselves make sure that every participant feels welcome and appreciated. While these observations do not, of course, prove that participatory budgeting in Rosario has been fully successful in guaranteeing every citizen's equal possibility to participate, they do suggest that councilors view its inclusiveness and equality to be part of how participatory budgeting is different from other spheres of politics and why it should be seen as legitimate.

As my assistants and I observed participatory budgeting meetings, we could not determine to what extent these norms actually structured councilors' behavior toward one another. For example, both during meetings and our interviews, some councilors would question the authority of other councilors by referring to their political sympathies, previous activism or other factors that would seem irrelevant to judge a person's standing according to the ethical codes. Moreover, some councilors obviously take more space and time than others. Some councilors are silent throughout the meetings. But at

the same time, councilors who are less vocal at meetings do not equate this with being less participative. Some councilors explain that while they remain silent during the meetings, they collaborate closely with more vocal participants so that they present projects and opinions that are shared by others. This method is seen to make it easier to participate for those who prefer not to speak in front of all the councilors. While such claims might overstate the inclusiveness of participatory budgeting, they might indicate a shared sense of the principles of participatory budgeting. In a survey (see appendix), almost all councilors stated that in participatory budgeting, their views are listened to by other councilors and that participatory budgeting functions democratically. What these findings indicate, however, is an awareness among councilors that the legitimacy of participatory budgeting as a form of interaction with the local government rests on the perception that participatory budgeting is equally open to all citizens.

Observations at meetings suggested an additional factor of importance for the status of councilors at meetings. They must show an awareness and sensitivity to the specific issues and interests that need to be represented in participatory budgeting (discrimination, deprivation, culture-specific challenges, such as low-level Spanish skills). For example, during one meeting in the Western district, a councilor suggested a campaign against wasting water, only to be reprimanded by another councilor: "Many of the people that you want to tell 'Be careful with the water' do not even have running water." In such debates, councilors take the opportunity to express their commitment to the interests of their neighborhoods and citizen responsibilities. Debates over specific projects thus turn into discussions that also concern the values of participatory budgeting and what it means to act accordingly. Such discussions also reaffirm participatory budgeting's distinctiveness in relation to other social spheres: the field of participatory budgeting as the territory of the councilor, whose credibility – that is, capital – stems from his/her sense of responsibility and demonstrated commitment to the neighborhoods.

The debates between councilors sometimes indicate that the form of capital that determine status in field is something councilors compete over, as when one councilor reprimands another. As in other social fields, the capital specific to participatory budgeting is the basis for inclusion and recognition or exclusion and denial of recognition. But considering the competitive aspects of participatory budgeting – including that in the end, not all projects will be selected in the referendum and not all councilors will appear successful – one might expect that councilors would seek ways to dominate in order to secure their own status. One might even expect that they would be content with a lower number of participants in order to secure their dominance and connections to political elites. But this does not seem to be the view of the councilors. Their view seems often to be that participatory budgeting needs to be open to all citizens to maintain its credibility. The level of participation is, therefore, indicative of the public standing of participatory budgeting. Thus, councilors need to express commitment to openness and equality

because these are values that are instrumental to the level of participation. "If you participate and there are no results, what will you do? You are not going to come anymore," says Oscar. And when fewer people come to meetings, this suggests that something is wrong with the way participatory budgeting works.

Capital

Councilors thus see participation as a way to defend the ideal of the engaged citizen by embodying this ideal and showing that it is not just an ideal but something real that people can get involved in. They fight for this ideal in a society where very unequal conditions and opportunities in life threaten to destroy people's faith in justice and solidarity. Jorge, a retired teacher, says that he worries for the kids that grow up in his part of the city – a part where the possibilities to earn a living and raise a family are very unfavorable. The greatest challenge is to maintain the idea that honest work and dedication is an honorable path, as opposed to a sign of naivety and foolishness. "The issue," he says, "is how to explain to your child that the guy who comes in a big van is a *drug dealer*, not a successful businessman, and the guy who rides a bicycle is not an idiot but an honest worker." This is what is at stake in participatory budgeting, too, he says. It is about representing an alternative to apathy, selfishness and dishonesty, even if this means committing to an ideal of citizenship that many people in his part of the city, not without reason, may find to be out of place. Participating is to not give up. It is, as Jorge's example suggests, to keep struggling for the idea of the good, caring neighbor because to not participate would mean abdicating and becoming even more powerless.

The participatory budget has become, says Silvia, "an important tool for the community" – more important, in fact, "than anything else." She signed up to be a councilor to represent the needs of her neighbors. Living in one of the informal settlements in the Western district, inhabited by members of the Qom tribe that migrated from the north of Argentina, she faced various obstacles – language barriers, prejudices and cultural differences – but continued to participate because the participatory budget proved to be one of the few ways in which they could make their voices heard. Griselda, a young councilor from the same settlement, says that speaking in public required them to overcome a deep sense of shame. Indigenous people do not usually speak in front of the non-indigenous, and women do not usually take on the role of representing their community. Usually, only men would be called on and expected to participate in important gatherings in their neighborhood. But this has changed, says Ana. "Now they call on us, because we know things they do not." In participatory budgeting, she feels that she is usually taken seriously. Although Rosario is a segregated city where indigenous people experience discrimination daily, she does not feel discriminated in participatory budgeting. Moreover, as a woman, she has often been excluded from

important discussions within her own community. “We have to struggle a lot with the issue of *machismo*,” she says. But participatory budgeting allows her to be treated fairly because “the majority of the councilors are very sensitive to the issue of gender.” Her participation, in fact, makes it possible for her to gain others’ respect and recognition also outside of participatory budgeting. While she has worked with different associations to promote gender equality and indigenous peoples’ rights in many forums, there is a specific value to participatory budgeting in that it results in projects that all members of her community can easily recognize as important. Through participatory budgeting participation, she is recognized as a leader for her community, which affects relations between men and women within the community. “It changed considerably,” she says.

For many councilors in the Western district, participation in participatory budgeting is a meaningful alternative to protest activities. Miguel, a councilor in the Western district, compares participatory budgeting with *piquetes*, blockades of major traffic lines, which are a common form of protest associated in particular with the movement of the unemployed. *Piquetes*, says Miguel, are humiliating for the people who carry them out. Participatory budgeting, by contrast, is a more worthy form of activism, one that confirms their status as citizens. Ana says that participatory budgeting means that people can take pride in speaking their views. “Instead of feeling shame, one can participate more and have an opinion.” For those who participate in the Western district, this is the way to change things. Public protests are seen as too confrontational. Protests, says Griselda, “often cause violence. Each of us has suffered the repression. One does not accomplish things that way.” participatory budgeting, she says, is a different way of working. “We put our bets on the work we have been doing, that we can accomplish things, so that our community is provided for.”

But although many councilors can talk at length about the value of participation and the specific advantages that participatory budgeting, in particular, has brought with it, they also frequently stress that it is sound to be skeptical about participatory budgeting. In fact, they themselves frequently criticize the way the process works. They complain, in particular, about projects whose implementation lag behind and about the lack of explanations. Marta, from the Northwestern district, says that people stop participating when they do not see that participation makes a difference. The government has done some good things, she says, but it puts its resources primarily into the parts of the city that have always been prioritized. “It is the city center, the city center, the city center.” In the Western district, the councilors created a special committee to oversee the implementation of projects and to put pressure on the administration. The work of the commission is as much about ensuring that councilors’ work produces results as it is about making sure that participatory budgeting’s legitimacy is not undermined. “The worst thing is not that projects are carried out late, but not to get an explanation

for why they cannot do it. Then the people who are against participatory budgeting use that against it."

It might seem contradictory that councilors criticize the government and the way participatory budgeting works but at the same time defend the value of participation. But these are two sides of the same coin. *Capital* helps us see how. While ethics is a matter of personal motivation and normative expectations about how people should act in a certain sphere of social life, capital concerns the capacity to mutually recognize one another, act together and achieve collective goals. Without downplaying councilors' genuine commitment to their neighborhoods and to participatory budgeting as a tool to advance citizens' interests, we can see that there are other reasons for defending and simultaneously criticizing forms of participation – reasons that have to do with the potential symbolic returns of participation. Councilors need both to embody ideals of citizenship *and* distance themselves from the government to gain the respect and recognition they want from neighbors as well as from other councilors, other residents and even actors within the government.

Jorge illustrates how councilors are constantly fighting on two different fronts. Often one of the most vocal critics of the way participatory budgeting works in practice, he explains, during a meeting in the special committee, that if the municipality does not speed up the implementation, the neighbors will conclude that participatory budgeting is not serious. A debate erupts over whether the neighbors would not actually be right in being skeptical. Oscar, sighing, says that maybe they should arrange a party every time the municipality actually implements their projects so that people can see that participatory budgeting actually accomplishes something. Oscar's critique reflects his concern that he will not be able to credibly defend participatory budgeting or his own participation unless it produces tangible results. Thus, he needs to fight his neighbors' cynicism and disbelief and at the same time the lack of responsiveness from the government.

Participatory budgeting does not generate recognition for the councilors merely through participation. Councilors need also to use tactics of conditioning and distancing in order not to appear, in particular, in the eyes of their neighbors, as working for the government. An important condition for participation is that participatory budgeting is different, and *perceived* as different, from other political projects aimed at increasing support for the government. Councilors thus distance themselves from the government's own interests in participatory budgeting and from participatory budgeting's shortcomings. Moreover, the legitimacy of the field of participatory budgeting, and the councilors' capital, is produced through the sense of representing their neighbors' interests. The councilors represent them in deliberation with representatives of the government, which means that the specific outcomes will be subject to various inputs and considerations. In order to produce capital for the councilors, their credibility in this regard must be continuously confirmed by both the government and the neighbors.

The councilors thus reap the symbolic rewards of participation only by embodying the values they wish people to associate with the field. As all other sources of recognition, this form of capital determines who can be recognized, and included, as a full member of the field and who will not be recognized and, therefore, excluded. Participatory budgeting, it is said, is not the place for political conflicts, not the place where some activists are able to dominate discussions and not the place where individual citizens can come to exchange favors with actors within the municipal administration. In this context, it is particularly important for the councilors to show that they are not acting in the interests of the government. The capital endowed in the title of the councilor must be earned by demonstrating a readiness to defend the interests of the neighborhood. The difference between a person who is a councilor only by title and one who knows its full meaning and acts accordingly is exemplified by Antonio, in the Western district, who calls participatory budgeting an “activist school without political color.” Despite several examples of political disputes at participatory budgeting meetings that we both witnessed, he insists that participatory budgeting “is not the place where different political positions confront each other. The councilors are *councilors*. Participatory budgeting is for our areas.” This statement must be understood normatively, as expressing what it *should* mean to be “councilors.” Actions that contradict the sense of what participation is about do not simply falsify it. Instead, they can be used to clarify what it means to say that “councilors are *councilors*.” By the same token, several councilors refer to other councilors who became “party activists,” who “crossed over to the other side” in pursuit of personal favors, instead of working for the interests of their neighborhoods. These people, in their view, did not get what it means to be councilors. Councilors who are seen as *councilors*, in this thicker sense, are thus given a deeper kind of recognition. This deeper recognition is not given to anyone who participates in the budget meetings but only to those who demonstrate the right practical understanding of what it means to really be a *councilor*. This means that the recognition stemming from the field’s own type of capital is part of a complex struggle and an internal hierarchy, while being at the same time a resource of the field itself.

Without being credible as community leaders, the councilors would also lose their distinctive importance to the government that initiates and maintain relations through participatory budgeting. As I will elaborate further in the next chapter, the municipal government uses participatory budgeting to gain democratic legitimacy. But this means that it can benefit from the institution of participatory budgeting only as long as participants are seen as credible representatives of their communities’ interests. Their work needs to be recognized and needs to be seen as motivated only by a will to help their communities. To aid them in this regard, the municipality tries to spread awareness of the councilors’ achievements. It produces maps of implemented projects that are spread among the city’s residents with the help of the councilors. They also organize inaugurations of larger projects to generate positive publicity

for participatory budgeting and its councilors. The installation of streetlights along a major street in the marginalized Western district, for example, was used as an occasion to praise the councilors from the district. A temporary stage was built by the side of the road for bands to perform, and the mayor appeared to hold a speech to thank the councilors for their commitment.

But the councilors also use the public recognition they gain when they challenge the municipality to affirm its commitment to participatory budgeting and to improve the transparency, effectiveness and fairness of how the process works. To support the view that participatory budgeting is different from other forms of political interaction, they demand that the government delivers on its promise to democratize local decision-making. In doing so, they use their status as councilors. Alberto, a councilor in the Western district, exemplifies this when during a meeting, he asks for everyone's attention in order to read out loud a letter he wishes to send to the mayor. The letter contains a list of demands for changes of participatory budgeting's way of functioning: projects that are selected through referendum several years in a row should be included in the ordinary municipal budget so that resources are made available for new projects; the mayor is asked urgently to explain why many projects decided a number of years ago still have not been implemented; the letter also demands that the indexed needs of each district, the basis for the allocation of resources, are updated, since they now lag behind with the consequence that the Western district does not get the resources it is entitled to according to municipal regulations. "I ask you all to sign it, so that the mayor can see that it represents the views of the councilors."

A councilor must defend the neighborhood by holding the municipal government accountable. When they fail in this regard, they can be harshly criticized. Marcelo in the Southern district says that participatory budgeting in his district lost its whole point partly because the other councilors do not take their responsibility. After changes in the management of his district in 2012, the new discussion leaders stop the real discussions from taking place, he says. And they do so without enough protests from the councilors. At one of the last meetings that year, Marcelo himself complains, "We do not discuss any longer. Previous years we always discussed, but not this year. Participation is about discussing!" During the interview, he explains that there are no discussions anymore; the municipality announces its decision – "feasible" or "not feasible" – and they do not even get an explanation.

Many councilors see, like Marcelo, a risk that participatory budgeting will lose its distinctive value. In the Southern district, in Marcelo's view, it might already have lost it. In the Western district, by contrast, councilors have kept on challenging the municipality. Several councilors themselves bring up the risk of co-optation to show their awareness of the political reasons behind the government's interest in participatory governance. As Oscar from the Western district puts it, "the people in the Socialist Party are not fools. They try to bring you into this machine. They handle participatory budgeting as machinists." In order to make them listen seriously, one needs

to let them know that there will be trouble otherwise. There is a difference, he says, between "lambs" and "wolfs." They listen to him, he says, because he belongs to the second category. Without "wolfs," participatory budgeting might become another means of the Socialist Party's election machinery. It is in the councilors' interest to show that they are not fools either, that they condition their participation. Only then can they maintain the specific position of the *councilor* in the field, which produces its deliberative capital.

Ethics, Capital and Renegotiation

What constitutes participatory budgeting as a field with its own production of capital is that it is seen as an expression of caring for the neighborhood. The more this understanding of participatory budgeting is established within participatory budgeting and communicated to outsiders, the more councilors can gain respect as members of the field. But, of course, participatory budgeting attracts participants of various backgrounds and motivations. A councilor in the more affluent Center district says, for instance, that she started participating after retirement because it was a way for her and her husband to leave the house and meet people. Resulting projects of neighborhood improvement help make participation more meaningful, but participatory budgeting is for her primarily a leisure activity. In the poorer districts, by contrast, the intensity of discussions as well as councilors' ways of talking about participation suggests that far more is at stake. Projects realized through participatory budgeting include streetlights and pavement of roads to funding for educational activities (computer literacy and campaigns for increased knowledge of indigenous peoples, for example) and leisure activities for children and youth. In addition to these outcomes, the process of participation facilitates exchanges of experiences and a sense of working alongside others who share the devotion to the community, the district and the neighborhoods. It draws together committed citizens from different parts of each district. More than anything else, participatory budgeting represents the belief in collective efforts for social change.

Bourdieu, writing about significantly better positioned fields of cultural production, argued that actors in those fields could increase the effectiveness of their political actions by insisting on the autonomy of the cultural fields and the distinctive values embodied by the "public intellectual" – their *cultural capital*.[17] I argue that the investments that councilors make in the capital produced in participatory budgeting are equally reasonable. Like "intellectuals" position themselves on the basis of their *cultural* capital, councilors draw on their participatory ethics to gain recognition of their positions – from each other, from neighbors and from the political elite. This alternative source of recognition provides a basis on which councilors expect recognition also outside the field of budget deliberations.

The analysis of participatory budgeting in Rosario shows how ethical practices inform participants expectations of gaining esteem and respect for

their commitment to their communities. In order to be effective, however, it needs to gain recognition from *political actors* who are in a position to grant political influence, by *neighbors* who accept that councilors represent their interests and by the *councilors themselves* who work to maintain the values of the deliberative field. Participation, therefore, involves various processes of negotiating the terms of social cooperation. These processes are complex, moreover, because they involve different, interconnected relationships. For example, councilors may gain recognition from neighbors by representing them in participatory budgeting and by demonstrating results; they gain such recognition, moreover, through their position vis-à-vis the municipality. Their importance for the municipality is due to their participation in the legitimizing practices of participatory budgeting. This means that they gain recognition from the municipality by virtue of their positions in relation to other residents – through their engagement they affect people's perceptions of the government's legitimacy and people's support for the governing party. Moreover, in the end, the recognition granted to the councilors for their commitment to the neighborhoods and to the city – their capital, if you will – is affected by their own practices of affirming the meanings of participating, of being councilors. They are aware that their status, like the legitimacy of participatory budgeting, depends on their collective ability to live up to their own claims that participatory budgeting represents a different, more democratic and less corrupt, practice of politics.

My interpretation of the practices of participatory budgeting in Rosario has focused on the values that participation has for the councilors, councilors' defense of these values, the norms of equality between councilors, their insistence on participatory budgeting's independence from the field of politics and their ways of capitalizing on the significance of participatory budgeting. Statements such as "the councilors are *councilors*" are expressions of a practical sense of the stakes of deliberation. I have sought to show that fields of citizen participation produce their own sources of social status and their own forms of symbolic capital. Seeing participatory budgeting as a field where people generate and acquire a form of capital differs from arguments made by researchers that see participation either as means to acquire civic skills or as context where norms of social skills and norms can be subverted. My argument nevertheless emphasizes critical aspects from both these perspectives. Councilors help generate and acquire capital by submitting to shared norms, including ethical views of what is appropriate in the sphere of participation. Social skills play a part of this process since it depends on social cooperation between members of the participatory field. At the same time, subversion is as important as submission to shared norms. What capital does is, I argue, to allow councilors to explore together the ways they can carry out collective action in order to *change* practices that are part of local politics. I refer to this as a process of renegotiating the terms of cooperation. It is a process that is collective and, therefore, requires submission, but because it is also strategic and oriented toward change, it requires subversion.

I have used the terms ethics and capital to describe how citizens can engage in renegotiation. Ethics is a matter of what motivates us to act. In participatory budgeting, ethical codes hold the field together and help gain the trust of neighbors who have good reasons to be skeptical of the claims made to promote participation. Capital, on the other hand, concerns the expectations we might reasonably have that others will treat us with respect and give us the recognition we need to achieve the results we want. Both these aspects are important for making participatory budgeting a meaningful space of participation and, ultimately, for renegotiating the terms of cooperation. Governments have various political reasons to create spaces for participation, but citizens can use them for their own purposes – to defend the idea of citizenship and the interests of their communities. As I will show in more detail in the next chapter, governments may often be satisfied with using participatory spaces to contain citizens' frustration or as a form of tokenism, where citizens' presence is needed but not their views. However, governments, too, can benefit from respecting participants' integrity. When participants are seen as independent, their approval and participation become more valuable as sources of legitimacy. The challenge is to use this structural interest to gain leverage.

Notes

1 Jaeggi, 2018, p. 81.
2 Jaeggi, 2018, p. 82.
3 In my previous work, I have called the form of capital constructed and acquired in participatory budgeting "deliberative capital" (see Holdo, 2016). One earns deliberative capital through negotiating a common ground with the government as well as one's neighbors and by embodying citizen duties and at the same time debating and questioning. What is deliberative about this form of capital is both that it is earned through demonstrating a deliberative stance (being public-minded, respectful, sincere and overall welcoming to other people's views; see also Holdo, 2020) and that it strengthens one's chances of being included and listened to in spheres of public deliberation. It gives a person authority and credibility as a speaker and representative. See Holdo, 2016.
4 Part of this chapter, especially its empirical basis, is a revised version of arguments put forward in a previous article in *Critical Policy Studies* (Holdo, 2016). Here, I connect the concept of deliberative capital introduced in that article to questions of ethics and to the overall question of this book: Can people use new participatory spaces to reclaim their rights as citizens and challenge structures of political power? I thank the journal for letting me use and elaborate on the arguments of the article in this book.
5 Baiocchi, 2003, Nylen, 2002, Fung & Wright, 2003, Fung, 2003, Pateman, 2012, Baiocchi & Ganuza, 2014, Talpin, 2011, Sintomer et al., 2008; Smith, 2009.
6 Fung, 2003, p. 350, see also Fung & Wright, 2003, pp. 28–29. Baiocchi, who usually takes a more critical view, suggests in somewhat similar terms that participatory budgets "have the potential to foster the participation of unlikely candidates in the public sphere. By providing material support and fostering a 'sense of the public,' these empowered settings have the potential to bring in those participants otherwise relegated to subaltern spheres" (Baiocchi, 2003, p. 69). Participatory

budgets may empower people, he suggests, by mirroring the deliberative ideal of "open-ended and public-spirited communication" (Baiocchi, 2003, p. 55).

7 Ganuza & Francés, 2012, p. 285.

8 Fraser, 1990, Young, 2002, Bohman, 1996, Olson, 2011. Several theorists of deliberation have acknowledged that capacities to participate depend on social norms. Jack Knight and James Johnson (1997) argue, for instance, that both basic "cognitive capacity" and a more specific "ability to use cultural resources" affect people's success in public deliberation (pp. 306–307). However, Knight and Johnson's argument is also typical in how it defines capacities – even culturally contingent capacities – as independent of the relationships between actors involved in social interaction. More precisely, they define this cultural ability as a capacity to effectively use "the language and concepts of the dominant groups" (p. 299). But styles of communicating and behaving function as social markers, and it is not by accident that they overlap with other forms of inequality, such as economic inequality. Such styles *communicate* social position. Suggesting that empowerment should mean learning the styles of communication that work for dominant groups has the political effect of further normalizing social hierarchies. Similar arguments have been made in previous works. See Hayward, 2004, Olson, 2011, and Holdo, 2015. Knight and Johnson's view also has other consequences, such as narrowing public deliberation to "the public reason of a single group or class, with its historically limited interpretations of the results of past deliberation" (Bohman, 1996, p. 117). Because exclusion limits deliberation, it also undermines the deliberative process's claims to rationality and legitimacy. See Habermas, 1996, ch. 7, Bohman, 1996, ch. 3, Dryzek, 2000, ch. 3, Cohen, 1997.

9 Butler, [1993] 2011, p. xxx.

10 See also Baiocchi, 2003 and Rodgers, 2012.

11 Mahmood develops her perspective by engaging specifically with the participation of women in Egypt's Islamic revival. In this context, Mahmood shows, a positive engagement with social norms allows women to develop modes of self-reflection, self-examination and ethical identity formation. Drawing on work by Michel Foucault, Mahmood suggests thinking of agency in terms of "practices of subjectification" through which people reflect on their identities, commitments and aspirations. Mahmood, 2011, p. 30.

12 Mahmood, 2011, p. 28.

13 Bourdieu, 1986.

14 See Bourdieu, 1996.

15 Bourdieu returned several times to the topic of public intellectuals (for example, Bourdieu, 1989, 1991, 1996, 2005). David Swartz (2013) discusses this aspect of his work in more detail in *Symbolic Power, Politics, and Intellectuals*. Bourdieu analyzed the possibilities and difficulties of mobilizing the working class in various works too (for example, Bourdieu, 1991). Women's subordination and struggle against patriarchy gets its most detailed analysis by Bourdieu in *Masculine Domination* (2001). He discusses democracy in *Language and Symbolic Power* (1991) as well as *Practical Reason* (1998). On the last topic, see Wacquant, 2004; Holdo, 2015, 2020; and Swartz, 2013.

16 Participatory budgeting in Rosario follows patterns found in Brazilian municipalities: it attracts, as Brian Wampler notes, "low income and poorly educated, which means that when authority is transferred to participatory budgeting, it is transferred to lower-class individuals, who have long been marginalized from policy-making venues" (Wampler, 2007, p. 74; for data on Rosario's participants, see Municipalidad de Rosario, 2009; Holdo, 2014).While councilors generally fit the idea of the "civic citizen" better than most people, it is also true that they, in socio-economic terms, often are, as Gianpaolo Baiocchi puts it, "unlikely

candidates in the public sphere" (Baiocchi, 2003, p. 69). Those who participate as councilors often have prior experiences of participation in associations of different kinds. Especially in the more marginalized districts, the most common form of associational engagement is active membership in neighborhood associations (*vecinales*), in which neighbors come together to solve common problems. 78 percent of those who responded to the survey stated that they attend meetings of neighborhood associations, and 38 percent attend such meetings every week. Being a *vecinalista* (involved in a neighborhood association) is often recognized as a sign of dedication among other councilors, as are other types of engagement, from organizations that monitor the implementation of rights of indigenous peoples to sports clubs and youth activities. Survey responses indicate in various ways that the councilors, including the newly elected, express several attitudes and commitments that are commonly associated with the "civic citizen" (Putnam, 2000, Almond & Verba, 1989). They express strong support for democracy as the best form of political organization; most of them (four out of five) stated that they are better able than others in their social environment to make political leaders listen to their views, and most believe that they have a good understanding of the country's political problems. These questions were formulated following standardized survey items. "To what extent do you agree with the following statements? Democracy may have problems, but it is better than any other type of government. I feel I have a good understanding of the political problems that Argentina is faced with." And "In your opinion, do you have greater or lesser opportunities to make politicians listen to your demands?" All three questions, which were included in a longer questionnaire, had response options in the form of a scale from 0 to 10 (from "disagree strongly" to "agree strongly" and "much lesser" to "much greater").

17 Bourdieu, 1996, p. 340.

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5 Power as Leverage[1]

According to political theorist Russell Hardin, the privilege of being powerful is that one depends much less on the cooperation of others than others depend on oneself.[2] But the mistake of the powerful is often precisely that they underestimate their dependence on others' cooperation – until, one day, the powerless choose not to cooperate. December 20, 2001, was such a moment for Argentina's political and economic elites. As protestors forced the president to resign, along with many local mayors and organization leaders in various parts of the country, it appeared urgent for Rosario's municipal government to find a response that set it apart from the political establishment. Participatory budgeting was not meant to radically transform power structures in the city. It was meant, rather, to convince citizens that Rosario's administration was different. Participatory budgeting came to play a central role in how the municipality regained citizens' trust and sense of democratic legitimacy.

To understand what participation can come to mean and what it can accomplish, we need to return to the interests involved and how they not only shape the boundaries of participatory spaces but also, in some cases, provide opportunities to renegotiate the terms of cooperation. In the previous chapter, we saw that councilors in Rosario's participatory budget construct their own set of ethical codes and basis for recognition. But the councilors risk becoming part of the government's legitimization strategy without gaining any new advantages, unless they build the collective leverage that they need to advance their communities' interests. The risk of co-optation, I argue, can be avoided if the councilors can use the government's need for legitimacy to their advantage. This need is what makes participatory budgeting strategically important for the government. But it is also what can give the councilors the leverage they need to renegotiate the terms of their cooperation.

I begin this chapter by discussing the risk of co-optation in participatory spaces. As indicated by previous research, this risk is real, but we need to be precise about why co-optation occurs and why it sometimes does not. I argue that while the strategic reasons to co-opt participants are quite obvious, there are also strategic reasons for a government to maintain their independence.

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I then examine the particular interests involved in Rosario's policy of participatory budgeting. I argue that given the purposes for which it was created, it made sense for the government to respect, even emphasize and support, the independence of the councilors. Their capacity to generate legitimacy allowed them to demand respect and recognition and, more concretely, to initiate changes of procedural rules and distribution of resources to the benefit of the most marginalized parts of the city.

The Risk of Co-Optation

The problem with participatory inventions is that they often do not empower people to take initiatives and mobilize collective action independently of the government. Instead, social activists remain dependent on political support or become even more embedded in party politics as they participate in participatory budgeting procedures.[3] At worst, participation merely serves to maintain the status quo through the co-optation of actors who might otherwise press governments towards political change.[4] If you ask the local leaders in Rosario why they decided to involve citizens in decision-making on the city's budget, they will instead say that they believed deeply, more deeply than average politicians, that citizens' participation is an essential part of the meaning of democracy. It is difficult to discern whether this was the actual reason or if it is just something a politician might say to win people's sympathies and votes. But there is no reason to assume, a priori, that participatory budgeting is just a way to co-opt leaders in civil society. Instead, we can avoid both an overly cynical view of politics and idealism by critically examining the reasons they might have for co-opting participants as well the reasons they would have not to do so.[5]

In Selznick's original definition, co-optation "is the process of absorbing new elements into the leadership or policy-determining structure of an organization as a means of averting threats to its stability or existence." When cooperative practices turn into "absorption," the power structures are simply kept in place rather than being renegotiated; it is "acceptance without new advantages."[6] For students of participatory and deliberative democracy, participation ought not preserve the existing social order but change it. However, the risk of co-optation arises when political actors that initiate such processes can set the terms of participation as they find suitable to their interests. Participants are co-opted when they can neither contest decisions within the deliberative arena nor engage in actions outside it to contest the way they work.[7] The question that needs to be examined is how participants can maintain their independence while collaborating with the government.

According to the conventional wisdom of realists, participation and deliberation cannot overcome power interests for the sake of reaching good and rational solutions. It can only mask such interests. Thus, the practices of participatory arenas can be seen as "prima facie evidence that someone is irrational" because either political actors initiate deliberation convinced that

they can maintain the status quo by incorporating potential challengers in state institutions, making them support positions that are not in their best interest, or they are throwing their money away on costly policymaking procedures.[8] There is no mystery, from this view, that collaborative governance often fails to empower those who participate. Indeed, it should be more surprising, from this perspective, if co-optation does not always occur.

Findings from research on participatory budgeting appears puzzling, then, because they indicate that state-civil society cooperation can be sustained without co-optation. In Porto Alegre, for example, participants seem to have been able to maintain their sense of efficacy and continue to contest the government's decisions in participatory budgeting deliberation without undermining the government's will to invest resources as well as prestige in it.[9] Where participants are both willing and able to combine cooperation and contestation, they may *condition* the use of deliberation as a means of legitimization.[10] However, what enables participatory budgeting participants to do this remains to be explained.

This chapter seeks to understand the mechanisms of non-co-optation through a case study of participatory budgeting in Rosario. Research on participatory budgeting has not provided satisfactory explanations for how participants may combine cooperation with contestation. In this chapter, I draw on sociological works of field theory to help explain the conditions of non-co-optation.[11] Data I collected during fieldwork in Rosario suggested that its participatory budget had overcome several problems that have been thought to indicate co-optation in other cases of participatory budgeting. On closer examination, it was found that on three measures of non-co-optation, Rosario performed relatively well: project proposals were initiated by participants, not the government; participants frequently voiced disagreements with the municipality at participatory budgeting meetings; and participants had maintained a relatively strong sense of being able to influence important decisions. The case of Rosario is certainly not immune to the temptation of co-optation, but these three features made Rosario an interesting case to scrutinize in order to understand the forces that led elsewhere than might be expected. Cases such as Rosario offer opportunities to learn how participants maintain spaces of relative autonomy from political elites that initiate participatory forums. Based on interviews with politicians and street-level bureaucrats at Rosario's municipality, the analysis of this chapter shows that three mechanisms were instrumental for maintaining the independence of participants.

The first factor is that the political crisis created incentives to invest in a new field of state-civil society interaction. The second factor is that state actors involved in creating participatory budgeting came to invest personally in the symbolic meanings and values that they believed this form of participation served. The third factor was that participatory budgeting produced legitimacy for the government by being perceived as independent. Thus, preserving participants' sense of autonomy, instead of co-opting them, was the

rational course of action. Together, these three factors give a realistic explanation that can help us understand non-co-optation in participatory arenas more generally.

Co-Optation vs. Autonomy

The conventional realist view on co-optation tells us that there is little reason to expect participatory budgeting to be anything more than a co-optation device, *unless* participants have the power to remain independent. Participatory budgeting means close cooperation and so requires that participants see a value in finding out, through deliberation, the preferred means of realizing shared goals. But it also offers opportunities for manipulation.[12] Participatory budgeting plays a strategic part in partisan power struggles and, therefore, does not have empowerment as its primary political goal.[13] Wampler's comparative study of eight Brazilian participatory budgets, the most ambitious study to date of co-optation and non-co-optation in participatory budgeting, suggests that outcomes in this regards depend on participants' capacities of combining cooperative and contentious strategies in order to gain access to a field of interaction with government officials but also distance themselves from polices that they do not agree with. In the case of Porto Alegre, it was "the combination of these practices that minimized the role of co-optation."[14] This finding is partly supported by the finding of Baiocchi and colleagues that it is unlikely that a weak civil society would benefit from participatory budgeting; whereas a civil society that already has considerable capacity to self-organize may further strengthen meaningful ways of interaction with the government.[15]

Wampler rightly assumes that political actors use participation to consolidate power. This leads him to suggest that "the antidote to co-optation appears to be the ability and willingness of participatory budgeting delegates and participants to use contentious politics, both within and outside participatory budgeting."[16] When neither cooperation nor contestation within the participatory budgeting forum works, participants must have the ability to voice their disagreements and force the government to respond.[17] This squares well with the intuition that citizen deliberation, on its own, often favors status quo rather than change.[18] However, willingness and ability to use contentious politics when conflicts of interests arise do not *explain* non-co-optation. It is rather the *definition* of non-co-optation. Unless participants and government officials are cooperating without contestation because they find their interests to intersect, participants must defend their interests or else they would in practice be working *for the government*. They would, in Selznick's terms, be "absorbed" into the government structure. In other words, while Wampler and others have contributed to our understanding of the phenomena of co-optation and non-co-optation, what enables participants to maintain their independence has not been explained.

Most observers agree that Porto Alegre during the Workers' Party's (PT) administration is so far the best example of empowerment (and non-co-optation) through participatory budgeting. Scholars have sought to understand the success of participatory budgeting in this case by examining the relationship between strong civil society associations and the state.[19] But in Porto Alegre, Wampler asserts, outside contestation against the government remained at most a "reserve threat."[20] In fact, at closer scrutiny, even this may be an overstatement. It appears as if participants and government officials had a shared understanding not to let disagreements "spill over into the broader public."[21] In fact:

> government officials expected a certain amount of contestation, but they also assumed that the delegates would not bitterly contest the mayoral administration to the extent that it undermined participatory budgeting, the mayor's ability to govern, or the PT's reelection efforts.[22]

The sense of shared interest in the participatory budget's legitimacy seems to have assured participants that the PT government would respect the spirit of participatory budgeting and rendered outside counter-actions unnecessary. Instead, they handled grievances at participatory budgeting sessions. Importantly, even as participants acted with the government to promote the public recognition of participatory budgeting, they did not lose their sense of autonomy. Participants in Porto Alegre demonstrated a strong sense that they had considerable leverage on participatory budgeting results. Their cooperation with the government did not undermine their readiness to contest its views on their proposals and even "take over" participatory budgeting meetings.[23] Rather than resistance or open contestation, what contributed significantly to the participatory budget's relative success in Porto Alegre seems to have been a mutual understanding that participatory budgeting could not serve its purpose unless the participatory budget's deliberative councils served the interests of the participants. This points to the need of a different kind of explanation, one that does not take for granted an interest of political actors in co-optation. Instead, it needs to focus on the conditions under which a different rationality would work in the interest of both sides.

Political Rationality

I build on the arguments developed in Chapter 3, where I claimed that local governments may have reasons to co-opt participants in certain situations, while in other situations, where the circumstances are different, they have reasons *not* to do so.[24] The assumption is not that co-optation and non-co-optation strategies are always, or even often, the result of explicit calculations on the part of elite actors but only that people's actions generally respond to incentives and disincentives.[25] One type of action that seems reasonable in one context may, therefore, not appear as reasonable in another, if the

conditions differ.[26] The analysis is thus focused on the reasons for why actors would be expected to act in certain ways. For the purpose of illustration, I use two cases for which documentation is publicly available through previous research and documents. In both cases, I claim that elite actors appear to have found reasons *not* to co-opt, in contrast to other cases, in which elite actors may have reasons to co-opt.

As I discussed in Chapter 3, I base my analysis on rationalistic assumptions, not because people in the real world always act to gain and maintain power, but because making these assumptions makes it possible to speak to the arguments against participation. Thus, if we can show that *even if* we agree to make the rather cynical assumptions about political life, there are still situations in which it appears more reasonable to cooperate on mutually beneficial terms than to co-opt those who have other aims and views. The analysis offered in this chapter thus assumes that actors behave in accordance with situation-specific reasons. However, the analysis departs from rational choice analyses in important ways. First, it does not make the assumption that elites and movement leaders see the defeat of the other side as instrumental to one's own success. Actors decide upon goals and strategies both by assessing possibilities and through interactions with others.[27] Second, it does not assume that interactions between movement leaders and elites can be explained, and predicted, based on a static analysis of the resources available to the actors and other objective conditions. Structural conditions influence social and political interactions but do not determine them. As argued by political process theorists, movement leaders and elites base their decisions also on their, and others', normative ideas, which may themselves structure which actions are possible and thus become "objective" in the sense of functioning as conditions that enable and constrain actions.[28] This means that social interactions may both be *shaped by* social structures and, conversely, *shape* such structures. For example, Doug McAdam has emphasized the importance of the interaction of three factors: structural changes that create new opportunities; organizational resources that help facilitate mobilization; and cognitive, inter-subjective processes in which people attach meanings to their situations.[29] In contrast to earlier approaches, this perspective highlighted how the actions of movement leaders and elites depended not only on objective conditions but also on subjective and inter-subjective interpretations of their situation.[30]

Advocates of a relational approach in the study of social action have elaborated this idea of a two-way interaction between social action and social structure.[31] I apply this perspective to situations where co-optation should, from the rational choice perspective, arise as a possibility in order to show how the logic of co-optation, and cooperation, is contingent upon the actors' interpretation of their situation. The logic of co-optation, I argue, sets in only when the actors believe they are involved in a zero-sum game, where either the elites prevail or the challengers do. This is very seldom the only

possible view of a situation, even if it may appear that way in contentious moments. On the contrary, coordinated action is often possible if the actors involved are able to think creatively about how the interests of both could be promoted at the same time. For example, stable political power must be partly based on a deep and widespread sense of legitimacy. Legitimacy is a case of an inter-subjective condition that affects what actors can and cannot do politically. In the classic definition, legitimacy is the diffuse belief that the current order and structures of power correspond, at least in some ways, to one's own ideas of what is right and just.[32] It a political resource that needs to be constantly reinterpreted and renegotiated, based on beliefs and core values, in interactions between people. The need for legitimacy influences political strategies in ways that rational choice (or "substantialist") perspectives would miss. Co-optation, by contrast, may seem reasonable because it effectively undermines opposition, but co-optation does not generate willing and habitual acceptance and obedience – the kind of unreflexive support of the governed upon which stable governments rely.[33] Instead, it decreases opposition only by undermining civil society's capacity for collective action and contention. The perspective employed here, which is still clearly rationalistic in its focus on what would make sense strategically for the actors involved, acknowledges that what is strategically advantageous in a situation depends on which actions may generate and sustain sufficient legitimacy to be able to mobilize and move collectively. Legitimacy, which is constructed and negotiated by social actors, may in this sense become part of an enabling and constraining structure.

Fields of Participation

In the previous chapter, I conceptualized participatory budgeting as a distinct field of social action. Drawing on this conceptual metaphor, I want to explore how the field's logic of action, and its strategic value for the actors that have constructed it, depends on the actions undertaken to maintain it. The idea of social field of participation points to three important conditions for creating and maintaining the distinct value of a field. The first condition is that the field is strategically significant. In this case, its significance stems from its ability to produce legitimacy where it is desperately needed. Initiatives like participatory budgeting require political investment. In contrast to co-optation strategies that merely serve to remove and incorporate oppositional voices, participatory initiatives are often more demanding in terms of implementation and uncertain in terms of outcomes and public perception. For something like participatory budgeting to even begin, there needs to be substantial interest in gaining legitimacy.

The second condition concerns the actors directly tasked with maintaining the field's independence, practices and capital. In particular, those street-level bureaucrats that facilitate meetings, update information and handle a

number of other practicalities are ultimately critical for the field's status. It helps if they find these tasks meaningful and take pride in their work. In such cases, they come to develop an interest in the field and the fields distinct ethics. They become deterred, moreover, from developing forms of interaction that could discredit the field.

The third condition is that the interest in legitimacy becomes tied to the independence of the field. Thus, apart from generating participation, the need for legitimacy also needs to produce an interest in using the field of participation as consistent, independent source of approval. This way of using participatory budgeting differs from having it serve merely as empty rhetoric. The rhetoric of participation may often be used precisely as a way to avoid responding to citizens' views and to absorb potentially inconvenient voices into the structures of power without offering them anything politically significant in return.[34] The last and most important condition for participation to avoid co-optation and produce leverage is, therefore, that the field's capacity to generate legitimacy depends on the independence of the field and its participants. In other words, precisely because the field's capacity to generate legitimacy becomes tied to its independence, participants can demand something significant in return for their participation. They are in a position to renegotiate the terms of their cooperation.

I will structure the analysis of this chapter to focus on these three conditions. First, examining the political interests that generated a need for participation, I claim that in Rosario, the crisis of 2001 made participation particularly urgent, even though the understanding that it could generate legitimacy existed prior to the crisis. Second, examining the role of street-level bureaucrats, I argue that the people directly involved in the implementation of the policy of participation often invest their own credibility and respect as they work with participants. Among the skeptics of participatory budgeting were some members of the municipal bureaucracy that felt that their professional expertise would be side-lined by the opinions of participants. However, participatory budgeting also affected the organization of the bureaucracy. A central coordination team was created with offices in the municipal building; in each municipal district center, a director would lead a team in charge of the participatory budgeting procedures. Third, examining the rationale for not co-opting participants, I claim that in Rosario participatory budgeting's most crucial function was to establish the idea that people could work with the municipality to improve their neighborhoods without becoming loyal supporters of the ruling party. On the contrary, their perceived independence seems to have been instrumental for their ability to play the roles that the government hoped they would play. In order for participatory budgeting to be perceived as a legitimate form of interaction with the government, the government promoted it as a forum for citizens acting as agents for change. Participatory budgeting participants could contribute to the legitimacy of the government by being perceived as different from it.

Evidence of Co-Optation and Non-Co-optation

My interviews, observations and survey data suggest that participants, especially in the more marginalized districts, have had a strong sense of being able to influence important decisions while also maintaining a sense of autonomy. However, co-optation and non-co-optation are relative terms, and perhaps no case of participation fits perfectly in either of these conceptual boxes. While there is no standard way of measuring co-optation and non-co-optation, most researchers agree that co-optation means a significant decrease in actors' independence vis-à-vis the organization they seek to influence.[35] I argue that in Rosario, participants were able to keep much of their independence while working closely with the municipality. To support this claim, I will discuss three indicators of co-optation developed by Wampler.[36]

First, Wampler uses portion of the municipality's budget for new capital investments as a proxy for non-co-optation because it indicates a willingness to delegate authority to the participatory budgeting councils. By this measure, Rosario's participatory budgeting performs only slightly better than São Paolo, examined by Wampler and which he concludes is a case of co-optation (15–30 percent of new capital investments delegated). However, this, on its own, is not a good proxy for co-optation. In the case of São Paolo, what actually indicates co-optation is that 70 percent of that amount consisted in projects initiated by the government.[37] Although fieldwork in Rosario did not examine this measure systematically, no government-initiated projects were observed within Rosario's participatory budgeting.[38] In another case of co-optation, Santo André, Wampler finds that a very small percentage (5–10) of projects decided in the participatory budgeting were actually implemented.[39] By contrast, an investigation of Rosario's participatory budgeting found that 75 percent of the projects were implemented.[40] Still, a major point of contention for participants in Rosario's participatory budgeting is that projects are not implemented at sufficient pace.

Second, non-co-optation can be measured by the degree to which participants actually voice disagreements.[41] In Porto Alegre, several studies emphasize the degree to which participants were willing and able to contest the government's positions at participatory budgeting meetings.[42] By contrast, in São Paulo, Wampler finds that participants were too willing to support the ruling party to effectively defend their own views and interests.[43] Participatory observations of Rosario's participatory budgeting gave mixed results in these regards. In general, contestations were more frequent in the districts where participants came from materially poorer neighborhoods. In the affluent Center district, for example, contestation arose at times over how the proposals prioritized the needs of different geographical areas. But overall, disagreements were more seldom voiced and less intensely debated than in the materially poorer Western district. There meetings could last up to three hours because of the various issues that participants felt needed to be addressed and discussed. Such issues were not restricted to specific proposals

but often concerned the overall functioning of participatory budgeting. This variation was not simply the result of the municipality's ability to stir debates. Rather, interviews with participants showed that they had different ideas of what participatory budgeting was about and what was at stake. In the Center district, participatory budgeting was perceived as a forum for consulting the municipality and developing ideas for improvements. In the poorer Western district, by contrast, participatory budgeting was more often seen as an instrument for changing the priorities of the municipality, little by little, and made sure the marginalized neighborhoods were provided for. This tells us that where stakes were higher, participants were more willing to use their capacities to contest the views of representatives of the municipality.

Third, the degree of participants' autonomy is also expressed by their feeling of effectively influencing the decisions at hand.[44] Surveys completed by members of Rosario's participatory budgeting council ("councilors") showed a rather unified picture in this regard. A large majority of participants felt that participatory budgeting functioned democratically, that their opinions were taken seriously and that they were able to influence the decisions. They also claimed that they had acquired knowledge about the way politics worked through participation, that participatory budgeting meetings dealt with important issues and that participation contributed to important changes.[45] While such results can be suspect of selection bias, as respondents are made up of participants who do continue to participate, taken together with other indicators they suggest, nevertheless, that participants feel influential through collaboration and at the same time criticize the government in their interactions.

These indications of non-co-optation resemble findings from studies of the Porto Alegre case.[46] As can be expected by participatory budgets in general, in Rosario, there were constant tensions and struggle between different possibilities of what purposes and values participatory budgeting might serve. Interviews showed that some participants had experienced actions of members of the Socialist Party that they deeply disliked, actions that suggested that some politicians viewed participatory budgeting as a means of satisfying party supporters. Some would criticize other councilors for working too closely with the municipality, thereby neglecting to keep the distance needed in order to represent the interests of their neighborhoods. Interviews showed, however, that participatory budgeting was generally regarded as separate from party politics; participants did not feel because of participatory budgeting that they had more stakes in electoral outcomes; they were councilors working for their neighborhoods, not party activists.

The findings make Rosario an interesting case for understanding the logic of non-co-optation. Participatory budgeting in Rosario had largely overcome the problems witnessed in less successful cases, where participants were neither able to influence important priorities nor condition the use of participatory budgeting as legitimization device.[47] It thus offers an opportunity to explore the conditions that made it more supportive of participants'

autonomy, rather than merely incorporating new actors in a system supporting the status quo.

The Need for Legitimacy

Participatory budgeting in Rosario was preceded by discussions in which the Socialist Party, which occupies the mayor's office since 1989, had identified "participation" as an important component of a strategy for social cohesion. Part of these discussions took place through a collaborative public-private project of developing a "strategic plan" for Rosario's municipality in 1998. Its final report describes how Rosario needs to adjust to competition under post-industrial conditions. "Neither the state, nor the market, nor the strong organizations of the civil society, on their own, can respond to the tremendous challenges that are increasingly imposed by the situation of competition."[48] Such challenges included segregation and unequal living conditions in the city that would severely worsen the years to come. As the financial crisis hit Argentina in 2001–2002, Rosario's unemployment rate reached 24 percent, and almost half of the population fell below the poverty line.[49] Lacking confidence in state institutions, many of Rosario's residents turned to self-organized neighborhood assemblies (*asambleas barriales*) to discuss solutions to common problems linked to economic vulnerability. These were formed out of necessity, but their non-hierarchical, bottom-up character gave them a political dimension, expressing a rejection of political elitism.[50] By the end of 2001, protests forced the president of the nation to resign. Political institutions on all levels were affected by the crisis, including municipalities. Many mayors in Argentina resigned, recalls a member of the administration.

> People gathered everywhere in Argentina, especially in Rosario, with much distrust for the political class. At that time we said, "Enough of theory. Let us all go together to discuss with the people what to do with the money that is left. What should we do with it?"[51]

Participatory budgeting was a way to address people's frustration. "We knew they were angry," says a member of the administration. "So we tried to provide a way for them to express themselves. Because they were angry about everything. We had to focus on the local conditions and find ways to improve them."[52] It was a way, says a former director of the Western district, "to make people part of the decisions in the worst moment for the municipality. It was not like today, that you can afford certain extra expenses. We had to choose between paying the salaries or buying medicine to the health centers. So make people part of that process . . . It was a healthy way to avoid the popular discontent . . . And it worked like that from the first moment."[53]

The participatory budgeting model of Porto Alegre resonated with the Socialist Party's political slogans: "solidarity, participation and transparency."[54] The Socialist Party of Rosario is rarely seen as a party with a radical

leftist agenda.[55] Central to the party's political messages and its ways of distinguishing itself is its vision of a different form of governance. Through "efficiency" and "honesty," the Socialist Party seeks to distance itself from politics-as-usual, in particular, the (Peronist) Justicialist Party.[56] It has gained popularity in the city (as well as in provincial and, to a lesser extent, national politics) by emphasizing its good-governance policies. Participatory budgeting became part of the message of solidarity, participation and transparency, a signal that the party was different from the leaders that had run the national government with a blend of populism and technocratic politics. At the time of crisis, the city government wished to show that it was different from the politicians that the protests demanded to leave. "Others were hiding behind their desks. We needed to be with the people," says a member of the administration.[57]

Argentina's crisis involved not just the relationship between political parties and citizens but also representation through other social institutions, such as unions, whose legitimacy had been undermined by practices of corruption, misrepresentation and misuse of public funds.[58] This was a crisis of representation as such. Members of the middle class participated in the *cacerolazo* (protest of the pans). The crisis also contributed to the rise of the *piqueteros* movement of the unemployed, which blocked big roads in protest. For a moment, Argentinians across social classes seemed united, manifestly under the slogan "piquetes y cacerolas, la lucha es una sola" ("pickets and pans, the struggle is the same").[59] The protests, writes Dinerstein, affirmed "a power to say 'Enough!' "[60] The spontaneous neighborhood assemblies, in particular, expressed the widespread rejection of vertical forms of representation.[61]

These reactions formed the conditions under which participatory budgeting was created. Because of the widespread distrust for political representatives, participatory budgeting needed to be perceived as distinct from other experiences with politics that could be associated with clientilism and corruption. Distrust for political representation forced the administration to work pragmatically when setting up the procedure of participatory budgeting. For example, in earlier discussions of creating participatory assemblies, members of the Socialist Party had seen this primarily as a way to strengthen the ties between the government and existing civic associations. Participatory budgeting was to serve as a forum for members of organizations that demanded a say in municipal priorities. However, by the time participatory budgeting was implemented, the crisis of representation was perceived as permeating the whole society all the way down to neighborhood associations (*vecinales*).[62] The crisis of representation made the government opt for a model where any resident, with or without membership in an association, could be elected to the deliberative assembly through a voting procedure. Members of neighborhood associations eventually came to play important roles for participatory budgeting; initially, however, the value of their participation was weighed against their potentially negative effect on the perception of participatory budgeting. Participatory budgeting needed, from its inception, to distinguish

itself as a new form of state-civil society interaction, unaffected by the crises of fields associated with the political sphere.

The Facilitators

Initially, skepticism of participatory budgeting came primarily from the different departments of the municipal bureaucracy, who felt that their professional expertise would be side-lined by the opinions of ordinary citizens.

> There was a bit of fear for how to deal with the process. For certain people the participatory budgeting is annoying. We have to involve all the structure of the municipality. For instance, the guy who is planning which street is going to be paved next year, he knows, or he believes, that this street, because of [issues related to] public transport . . . deserves to receive the money, and participatory budgeting means that that guy [instead] needs to do a lot of [participatory budgeting] projects, and perhaps needs to accept that people voted for something completely different from what he believes is the best for the city.[63]

Participatory budgeting affected the organization of the bureaucracy. A central coordination team was created with offices in the municipal building; in each municipal district center, a director leads a team in charge of the participatory budgeting procedures. These actors are not the kind of experts that used to dominate over implementation processes. Instead, they identify themselves with the values of participatory budgeting. Participatory budgeting, for them, is a "citizenship school" where participants and municipal employees learn to work together to improve conditions in the districts. Asked to explain what this means, a member of the participatory budgeting coordination team says:

> it is an experience of life that makes a difference between a person who has been [involved] in the participatory budgeting and one who has not. The experience of dialogues, agreements, solving problems that people have in common, to care not simply about one's own interest but also collective interests. All of these things mean that one develops a sense of citizenship, to think together.[64]

This view of participatory budgeting, she explains, developed once the process was up and running. "It is part of an evaluation in hindsight." From being a pragmatic response to the crisis, participatory budgeting became a device for creating a "culture of participation." This idea of participatory budgeting as a citizenship school reappears in several interviews with people working with the participatory budgeting in the municipal coordination team and at the participatory budgeting meetings at the district centers. It is both a skilled way to market the participatory budgeting and what gives it meaning

for those in charge of participatory budgeting at the district centers. "There are two important outcomes of the participatory budget," says a member of the participatory budgeting coordination team. "One is the projects that are decided by the neighbors. The other is the citizenship training that people participate in."[65] The second outcome, others stress, is the most important aspect of participation: "the pedagogical dimension of participatory budgeting. In what sense? It is a democratic experiment. You cannot learn citizen participation at any school or university in the world. To participate is to learn to participate."[66]

Thousands of people participate in the first round of open meetings held every year in spring. A few hundred of the participants sign up to be "councilors" (*consejeros/as*). Most of these come to participatory budgeting meetings at their district center once a week for a period of eight months to develop proposals for projects aimed at improving the living conditions in their districts. The sense that "participation" is about "citizenship," about "learning to participate," "constructing citizenship," "experiencing citizenship," is for municipal employees what animates the practices of participatory budgeting, especially the interactions with the councilors – the debates, the arguments, the expressions of anger and frustration, the laughter. "I think that people really change," says the former director of the Western district.

> They all feel involved, not with the party, but with the government. They say "I'm a councilor!" It is difficult to measure [the result] because they are not saying that they are socialists or anything like that (. . .) many of them really change their views and lives in order to feel involved and to feel important.[67]

The "experience of citizenship" is seen as a process in which participants become more confident and increase their feelings of being able to contribute to small but significant improvements of the conditions in their neighborhoods by "working all together." "That is the goal at the end of the road," says an employee at the Western district, "to make life a little better, make a square a better place to play, make a street a better place to walk. It is a good thing to do, and all the councilors feel it. An additional aspect is that many councilors cannot read and write, but they participate and they debate."[68]

These street-level bureaucrats invest in the meaning of participation. They feel pride in facilitating a process in which participants discover and develop their capacities for contributing to their communities. These actors are instrumental for communicating the message of participation to councilors and the larger communities that inhabit their districts. The feeling of being "involved and to feel important" is thought to spread through the councilors to the rest of the society, in particular, in areas where people are perceived to be most distrustful of the political elite.

The Interest in the Field's Independence

The initial motive for participatory budgeting, to deal with the crisis by opening up spaces for participation in decision-making, evolved into an institutionalized manner of prioritizing projects of urban development. In the absence of a strong, mobilized civil society with legitimate leadership, participatory budgeting became an instrument to produce credible citizen representatives. It became a field of deliberation, representing values of dedication and cooperation and inhabited by actors who seek recognition for their efforts and who help maintain the values of participation. A leader of the Socialist Party calls participatory budgeting a "mutual learning experience." "We do not simply train people. It is a reciprocal learning experience. People become more like citizens and the government becomes the people."[69] The political purpose of the participatory budgeting field is to mediate the legitimacy of the government through the participation of councilors. Members of the city administration especially appreciate the fact that many councilors are involved in other types of social activism. They claim, moreover, that participatory budgeting participation leads to more participation in other spheres. This aspect is important, they suggest, because it serves the purposes of the participatory budgeting. The idea of participation spreads more effectively if participants are active in various spheres of the society. The effect is "multiplied," says a leader of the Socialist Party.[70]

To be a councilor is, however, to represent the neighborhood in cooperation with the government, not to work *for* the government. Councilors generally identify as community leaders. To some extent, their interests coincide with the government's interest in legitimization. As social activists, they represent the idea that change is made possible by working hard and together. The risk, however, is that cooperation with the government in a context of deep mistrust for political institutions undermine, rather than strengthen, their social statuses. This risk is clearly higher in the areas of the city where residents experience political marginalization. At stake is the perception that participatory budgeting participation is an effective way to represent the interests of their neighborhoods. Councilors in the poorer districts cannot defend the participatory budgeting and their own participation to their neighbors unless participatory budgeting is seen as a different kind of cooperation. There is sharp line, some councilors explain, between cooperating with the municipality for the sake of improving their neighborhoods and "crossing over to the other side."[71]

These conditions mean, moreover, that participatory budgeting is less effective as a legitimization tool if councilors are perceived as part of the government. It is by being perceived as representative of their *neighborhoods'* interests, separate from ordinary politics, that they can make people appreciate the participatory budgeting policy. Not surprisingly, from this perspective, actions of the government express a sense of shared interest in the social recognition of participatory budgeting participants. In addition to

the various ways in which it spreads information and encourages participation, it produces maps of implemented projects for each of the district centers that are distributed to residents with the help of the councilors; they arrange public events to "inaugurate" the more ambitious projects (such as streetlamps along a major road next to one of the most neglected neighborhoods), at which they emphasize the role of the councilors in making them possible. Such actions of strengthening the status of councilors in their neighborhoods impact in turn on the councilors' positions vis-à-vis the government. Councilors work at the same time to maintain the perception that it is a worthwhile activity and to put pressure on the municipality to affirm this in action by, for example, implementing projects at a reasonable rate. Some topics of controversy are repeatedly raised at participatory budgeting meetings, such as the participatory budget's portion of the municipal budget and the distribution between districts. A former coordinator of participatory budgeting comments:

> There is always some area, some neighborhood, a group of councilors, someone, who disagrees about how one distributes the resources . . . it always generates controversies. It has been like that every year. It comes up at meetings, there are explanations, questions, the mayor comes, a secretary comes to explain, people get angry, ask questions, the mayor responds, some get less angry, it happens every year.[72]

As such discussions arise in the deliberative assemblies, the employees of the district centers find themselves in a middle position, explaining, for example, the unfeasibility of projects and defending the participatory budgeting and the government, while at the same time reaffirming their recognition of the position of the councilor. "Part of it is about my credibility," says the current director of the Western district. "As the director I cannot say 'this is black' when it is white. Sometimes I have to agree and say 'yes, you are right, but we are in a process and we are learning.' "[73]

The credibility of the people in charge of participatory budgeting and of the government depends on how well they live up to the participatory budget's promise to be a meaningful form of working together and respect the autonomy and social investments of participants. The most important challenge, explains the participatory budgeting coordinator at the Western district, is to maintain their sense that participatory budgeting is truly different, a space for people who become agents for change. "The participatory budget works if there are people who participate and who believe in the participatory budget as a tool for changing things."[74] Part of the challenge is to respond appropriately to participants' complaints, especially when too much criticism and negative opinions risk undermining the sense that participation is worthwhile. This requires affirming the legitimacy of their views while at the same time insisting on the value of participation. The people in charge of participatory budgeting need to balance between insisting that participatory

budgeting is an effective way to accomplish change and pragmatically adjusting the process in order for participants to feel that their interests are recognized. For example, responding to the concerns of councilors, the government regularly decides to move projects that result from participatory budgeting into the regular budget to create room for new participatory budgeting projects. It also changed the rule for distributing funding across city districts in order to adjust to the material inequalities between them. Participants' interests have partly coincided with the municipality's interest in legitimacy. What is required for participatory budgeting to serve both sides continues to be subject to deliberation within the participatory budgeting field.

A similar logic, supporting the rationality of non-co-optation, appears also in the Socialist Party's interactions with competing parties. The party, as discussed earlier, seeks to distinguish itself by emphasizing values of transparency and participation in order to attract voters who find these values lacking in the practices of the more established national parties. Its expressed commitment to transparency and participation makes participatory budgeting a particularly prestigious policy issue. Oppositional local parties respond to these messages by arguing that the Socialist Party fails to live up to the claims of being different. Their concern is partly that participatory budgeting might work as a means for mobilizing supporters through exchanges of favors. All oppositional parties support the idea of involving citizens in participatory governance, but several claim that participatory budgeting does not function according to this idea.[75]

The logic of the critique of oppositional *Frente para la Victoria*, for example, can be summed up as follows: If the Socialists really valued citizen participation, they would devote a greater portion of the budget to that end. Instead, the participatory budget's portion has decreased every year since 2002.[76] The effect of the alleged financial deficit is, according to them, that participatory budgeting does not attract as many participants as it could but instead functions as a means to satisfy supporters of the Socialist Party. Hence, participatory budgeting is, for the Socialists, not *about* citizen participation but a strategy of spending public resources on what is essentially an electoral campaign. Participatory budgeting in Rosario is thus not immune to suspicions of ulterior political motives. But the logic of this critique supports, at the same time, what the rationality of non-co-optation suggests: participatory budgeting risks undermining rather than increasing the legitimacy of the incumbents, unless they work to secure the public recognition of a field whose logic is different and whose participants work *with* but not *for* the government.

Power as Leverage

The risk of co-optation is a major concern of students of collaborative governance. While emphasizing the importance of participants' willingness and capacity for contestation, previous research has not explained how

participants sometimes preserve their sense of autonomy, working *with* but not *for* the government. My analysis gives a relational explanation of non-co-optation. I have sought to show that contextual conditions sometimes make it reasonable not to expect elites to want to co-opt participants. Legitimacy crisis forced Rosario's government to seek new ways to interact with civil society. Participatory budgeting also affected the organization of the city bureaucracy. State actors directly involved in the practices of the participatory budgeting field came to invest in the meanings and values of participation and identify with them. The emergent field of participatory budgeting helped legitimize the government on the condition that participants were seen as independent actors.

This explains why Rosario's participatory budget has avoided co-optation to a greater extent than might be expected. In contrast to other cases of participatory budgeting, where the councils have become forums exclusively for supporters of the incumbent party,[77] the government of Rosario could not rely on personal favors and established networks of power.[78] In Rosario, the most effective use of participatory budgeting was instead to create new forms of interaction. Participants appear able to help produce legitimacy on the condition that they preserve their autonomy.

These conditions of non-co-optation should play a role in other cases of participation too. Rebecca Abers notes, for example, that the participatory budget councils in Porto Alegre

> were created from the "top down," largely in the absence of strong pressure from autonomously organized civic groups. And yet . . . that policy promoted the empowerment of organized civil society to such a degree that new civic groups were increasingly able to challenge the very state that helped them organize.[79]

The possibility that practices of participation might serve interests in change rather than in status quo lies in the participants' ability to condition the use of participatory budgeting as a legitimization device. Participants might capitalize on the government's interest in the field of participatory budgeting. Their ability to maintain the freedom to criticize the government thus depends on a shared interest in the independence of the field. Where governments can rely on existing networks of power, that interest can be expected to be weak. Where they cannot, the interest in establishing an autonomous field of participation can be expected to be stronger. This interest is what participants use to gain the leverage the need to renegotiate the terms of their cooperation. In Rosario, participants have been able to use that leverage to accomplish small but significant changes, some symbolic and some material. Several such accomplishments were discussed in the previous chapter. The distribution of resources has changed on the initiatives of councilors so that they reflect the different needs of different districts. The monitoring of the implementation of projects has been improved and made publicly available.

While the percentage of the total budget of the municipality has decreased due to monetary expansions after the financial crisis, the absolute amount allocated to participatory budgeting has increased significantly. Not the least, the legitimacy of participatory budgeting has been solidified as more and more residents acknowledge the significance of the process and participate in the referendum at the end of each year. These changes have not radically transformed the city of Rosario. However, in one respect, participatory budgeting may have accomplished something far beyond the initial intentions. By bringing people from poor, marginalized residential areas into processes of decision-making, the government may unwittingly have provided something that people can turn into a new form of capital and use as political leverage.

Notes

1 This chapter is a revised version of an article published in the *International Journal of Urban and Regional Research* (see Holdo, 2016). I thank the journal for letting me use and elaborate on the arguments of the article in this book.
2 Hardin writes, to illustrate what it means to be unequal in power: “I depend heavily on your favor, while you depend not at all on mine. You can therefore do me substantial harm, while I can do you little or none” (Hardin, 2002, p. 100).
3 Baiocchi et al., 2011.
4 de Souza, 2006; Wampler, 2008. Critics often warn against close cooperation with political elites in general. See Meyer & Tarrow, 1998. The reason for this is the risk of co-optation. Conventional (rationalistic) social movement theory can, for example, help explain why there is a risk of co-optation when civil society cooperates with a government. But like other rationalistic explanations, it is less helpful for understanding why *non-co-optation* could be strategically advantageous in some cases. An exception is the type of field theory developed by Fligstein and McAdam 2012, which partly builds on the work of Bourdieu, 1998. Several theorists and researchers have argued that even the idea of participatory or deliberative democracy is naïve. See, for example, Shapiro, 2004; see also Mansbridge et al., 2010. Reconciling power struggle with participatory and deliberative problem-solving has remained a challenge for the literature on participatory urban governance. See Cohen & Rogers, 2003; Hernández-Medina, 2010; Rodgers, 2012; Silver et al., 2010.
5 We can learn from actors involved in the process if we use them to reconstruct structural incentives the way they might reasonably have appeared to them at critical moments of decision-making. See Bengtsson & Hertting, 2014.
6 Selznick 1949, 249.
7 de Souza, 2006; Abers, 2000; Wampler, 2007; Fung & Wright, 2003.
8 Przeworski, 1998, p. 147.
9 Abers, 2000; Baiocchi, 2005.
10 See Wampler, 2007.
11 Bourdieu, 1989, 1996; Fligstein & McAdam, 2012; Fligstein, 2001.
12 See Abers, 2000; Wampler, 2007.
13 Goldfrank & Schneider, 2006.
14 Wampler, 2007, p. 117.
15 There are also other explanations of successful outcomes of implementing participatory budgeting. For example, Goldfrank (2007, 2011) argues that successful implementation of participatory institutions depend the degree of decentralization of authority to the municipalities that adopt them and the strength of opposition

parties. In this explanation, it is already assumed that ideologically motivated parties will not seek to use participation for co-optation purposes. The power of this explanation is, however, questionable in light of the research cited earlier, which suggests that even holding constant the strength of the opposition and decentralization, outcomes vary significantly. See Baiocchi et al., 2011. While the factors Goldfrank discusses may certainly account for part of the variation between the cases he analyzes, it seems not to explain non-co-optation, specifically.

16 Wampler, 2007, p. 278.
17 Wampler, 2008, p. 68.
18 See Olson, 2011.
19 Avritzer, 2006; Baiocchi, 2003.
20 Wampler, 2007, p. 259.
21 Wampler, 2007, p. 121.
22 Wampler, p. 121.
23 Baiocchi, 2003.
24 For this paper, it is not necessary to measure the actual extent of successful co-optation. The examples used in this paper illustrate the *logic of the strategies* of co-optation and non-co-optation, not to establish that co-optation did actually succeed in specific cases.
25 See Coy & Hedeen, 2005, pp. 409–410.
26 Powell & DiMaggio, 2012.
27 See Emirbayer, 1997.
28 McAdam et al., 2001; Polletta, 1999.
29 McAdam, 2010, p. 105.
30 An important critique of this approach is, however, that political process theorists often fail, in practice, to acknowledge that the connections between the objective, structural level and the subjective, cognitive level run both ways. As Polletta (1999) argues, inter-subjective, normative meanings may often become institutional, thereby moving to the objective, structural level (see also Holdo, 2020).
31 Emirbayer, 1997.
32 Easton, 1965; Tyler, 2006.
33 Easton, 1965; Tyler, 2006.
34 See also Ahmed, 2006, on using policies of inclusion as "non-performatives." Ahmed argues that policies of diversity, for example, are often used to establish procedures and rules that are meant to create an appearance of non-discrimination and improved diversity without actually accomplishing it. They meant to diffuse responsibility and build formal structures around social practices that insulate them from complaints.
35 Trumpy, 2008.
36 Wampler, 2007.
37 Wampler, 2008, p. 74. Another possibility would be to use redistributive consequences of participatory budgeting as a proxy for co-optation. However, this would suggest that we take for granted that the purpose of participating in participatory budgeting is to affect the distribution of economic resources. Instead, it is reasonable to keep effects on economic equality separate from the issue of co-optation. As Baiocchi and Ganuza (2014) discuss, participatory budgeting is compatible with both left-wing and right-wing ideologies. As Abers (2000) show, moreover, participatory budgeting was successful in Porto Alegre partly because big corporations (especially in infrastructure) supported it for their own benefit. This does not mean that participants are co-opted. As discussed earlier, co-optation means a significant decrease of autonomy; it does not presuppose a particular interest in redistribution among participants nor would such an outcome indicate non-co-optation.

38 See also Ford, 2008, 2010.
39 Wampler, 2007, p. 206.
40 Carmona, 2011, p. 71.
41 Wampler, 2007; Abers, 2000, ch. 10.
42 Abers, 2000; Baiocchi, 2003; Wampler, 2007.
43 see Hernández-Medina, 2010, for contrasting account.
44 Compare Wampler, 2007, ch. 3.
45 The number of respondents varied from 77 to 85 and included participants from five of the city's six districts.
46 Wampler, 2007; Abers, 2000; Baiocchi, 2005.
47 See Wampler, 2007.
48 de Rosario, 1998, p. 14; author's translation.
49 Almansi, 2009, p. 21; Floriani et al., 2005, p. 4.
50 Ford, 2008.
51 Interview with Secretary General of the municipality, April 28, 2011.
52 Interview with member of the participatory budgeting coordination team, May 1, 2011.
53 Interview with former district director of Western district, April 20, 2011.
54 See Binner, 2012.
55 Goldfrank and Schrank, 2009, list Rosario as a city governed by a socialist party and discuss the meaning and political importance of municipal socialism as an alternative to neoliberalism in the region.
56 See Almansi, 2009, p. 23–24.
57 Interview with Secretary of Social Promotion, former member of the municipal assembly and former director of the Western district, April 30, 2011.
58 Villalón, 2007, pp. 140–141.
59 See Gordillo, 2010.
60 Dinerstein, 2003, pp. 192–193.
61 Dinerstein, 2003; Villalón, 2007; for a study of Rosario's *asambleas barriales,* see Ford, 2008.
62 Interview with former Secretary General, November 30, 2012.
63 Interview with former district director of Western district, April 20, 2011.
64 Interview with member of the participatory budgeting coordination team, May 1, 2011.
65 Ibid.
66 Interview with former director of the Southwestern district, April 28, 2011.
67 Interview with former district director of Western district, April 20, 2011.
68 Interview with the secretary of social communication in the Western district, September 17, 2012.
69 Interview with Secretary General of the municipality, April 28, 2011.
70 Interview with former Secretary General. November 30, 2012.
71 Interviews with participatory budgeting councilors, October 27, 2012; October 29, 2012; December 4, 2012.
72 Interview with former coordinator of participatory budgeting, November 2, 2012.
73 Interview with director of Western district, October 17, 2012.
74 Interview with participatory budgeting coordinator in Western district, October 4, 2012.
75 Interviews were made with members of the municipal council representing *Frente para la Victoria (FPV), Propuesta Republicana (PRO)* and *Partido Socialista Auténtico (PSA)*. The views of the fourth large party, *Unión Cívica Radical (UCR),* are similar to those expressed earlier, as is regularly expressed through the critique of its leader, Jorge Boasso, on his blog: http://boasso24horas.com/

76 According to official figures, participatory budgeting makes up around 5 percent of the total budget and 30 percent of the discretionary budget. While its percentage of the total municipal budget has decreased over the years, its absolute amount has increased each year. See Almansi, 2009; Municipalidad de Rosario, 2009. This can be compared to Porto Alegre, where, according to Wampler, "participatory budgeting took the municipal council out of the decision-making process by having citizens make all budgetary decisions that are considered 'new capital investment spending' " (Wampler, 2007, p. 128).
77 Wampler, 2007, ch. 6.
78 Compare Baiocchi et al., 2011.
79 Abers, 2000, p. 222.

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6 A Theory of Renegotiation

Policies of inclusion and participation often fail to accomplish actual change. Clearly, the mere decision to involve the marginalized is not sufficient. In *To Be Included*, Sara Ahmed examines similar proclamations in university environments. In response to criticisms of how university practices of selecting students and faculty, subjects and teaching methods, university boards have frequently adopted diversity policies. But these are often proclaimed, Ahmed shows, without any real intention to change how things work. In fact, such proclamations seem to be made *instead* of actually changing things and perhaps to make sure that things can stay the same. At the same time, however, a lack of genuine will to change how the university works does not necessarily determine what diversity policies can accomplish. The outcome depends, as well, on how others act in response, or as I have reasoned in this book, whether those who have an interest in change can use these policies to their advantage. Do people play along as university boards make their empty proclamations or do people use them to change their actual practices by holding them accountable? To understand what terms such as "participation," "inclusion" or "diversity" can accomplish, we need, Ahmed says, to "follow them around."[1] We need to examine not only how they are articulated, and with what interests behind, but also what they come to mean in practice.

Ahmed's argument resonates well with the argument I have made throughout this book. The significance of participation, I have argued, cannot be understood by analyzing the intentions of political decision-makers that declare a political process to be participatory. We need to examine how the spaces it opens up are used by citizens who bring with them their own views, interests and experiences. The significance of something like participatory budgeting lies, I have argued, in how it creates spaces where citizens can contest and renegotiate the terms of social cooperation. Do citizens choose to cooperate by offering their presence and their active support, even if participation does not accomplish what it suggests? Or do they qualify their cooperation and demand something back?

I claim that the significance of participation depends on how citizens use the new spaces it opens up – how, in particular, they use such spaces to renegotiate the terms of cooperation. Announcing processes of participatory

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decision-making is often an attempt to regain the legitimacy lost through policies that have privileged the interests of the powerful over shared public interests and the interests of the powerless. Citizens can use this need of legitimacy as leverage to begin a process a renegotiation.

Previous research has shown that participatory spaces, and participatory budgeting specifically, have had mixed results for people who lack political and economic resources.[2] My argument in Chapter 2 was that we need to situate participatory inventions in relation to broader changes in urban politics that on the whole seem to have circumscribed and undermined local democracy rather than deepening it. One important reason for why we see these contradictory patterns, I have argued, is that city governments are in increasing need of new ways to generate democratic legitimacy. Participatory democratic institutions can provide this at relatively low cost, as they usually do not significantly affect political agendas. But even if the reason that governments create opportunities for participation is not to generate change, this does not mean that they could not be used for that purpose by citizens. The question guiding my research on participatory budgeting has been how such political and economic interests shape citizens' possibilities of using new spaces for participation to advance *their* interests. They do so, I have argued, by taking advantage of political leaders' need of democratic legitimacy. I argue that not only do they need participation to satisfy this need, but participation actually produces deeper sense of legitimacy if those who participate maintain their integrity even as they cooperate with political leaders.

In this final chapter, I want to discuss in more detail the relationship between the interests that shape participatory spaces and interactions within such spaces. The relational approach briefly outlined in Chapter 1 helps, I suggest, to connect the external boundaries of participatory spaces to what goes on within them. Their relations go both ways: first, external conditions are imposed on participants by shaping the boundaries of participation – what participation can come to mean and what it can achieve; but second, participants also affect those conditions, either by contributing to their *reproduction* through cooperative practices that support the view that the interests and institutions dominating urban politics are legitimate, or by *destabilizing* them by conditioning their participation and *renegotiating* the terms.[3]

Whether reproduction or renegotiation becomes the result of participation is, of course, not simply up to the participants to decide. Some participatory spaces have boundaries that are renegotiable, while others do not. Some spaces are dynamic, whereas others are static. As citizens choose what kinds of participation that they want to be part of, they should pay attention to this distinction between dynamic and static spaces. Not all participation, this distinction suggests, will deepen democracy. Some forms of participation may instead help legitimize, and thereby solidify, deeply undemocratic structures. Citizens, therefore, should ask themselves not only what the purpose

of a participatory space is but whether participants are able to reshape its boundaries to fit *democratic* purposes.

In places where political leaders can survive without the legitimacy supplied by participation, the boundaries are likely to be static. This may be the case, for example, if a government has other sources of legitimacy, such as close cooperation with actors that represent sufficient numbers of citizens. In Chapter 2, I showed that Argentina and other countries in Latin America relied on corporatist structures until policies of economic liberalization made such relations difficult to maintain. But political leaders may, of course, also survive without participation because they do not rely on democratic legitimacy in the first place. Argentina's bureaucratic-authoritarian governments, from 1966–1974 and 1976–1983, relied on a combination of modern technocracy and military bureaucracy.[4] Democratic governments, finally, may not need participatory democracy to provide legitimacy if its social policies distribute welfare benefits and security in a way that citizens see as fair and appropriate. A government may still create participatory spaces. But since it does not rely on them to support its legitimacy, participatory processes may not be the primary spaces for negotiating the terms of cooperation. Conversely, where governments need participation to generate legitimacy, participatory spaces will need to reflect the interests of participants too. Participatory spaces may in such contexts become more dynamic, with boundaries that are less rigid and more negotiable.

In what follows, I will discuss this distinction between dynamic and static spaces and how the boundaries of participatory spaces interact with participants' ethics and capital in ways that sometimes provide citizens with political leverage. In discussing these three aspects of participation – the boundaries, the ethics and capital and the leverage gained in participatory spaces – I will use a broader set of examples from the literature on participation. My aim is both to explain the theory of renegotiation in more detail and to show how it can be useful for further studies of participation.

Boundaries

Democratic theorists from to Arendt to Habermas have imagined citizen deliberation as taking place in a socially constructed space – the public sphere, or the public domain – that is located outside the private sphere, the marketplace, the bureaucracy and the world of political party competition.[5] In the public sphere, in contrast to these other spheres, citizens come together to address common concerns. Moreover, theorists such as Lefebvre, Foucault and Bourdieu have developed in more detail the idea that space is constantly being produced and reproduced through social practices.[6] If we apply these ideas to *participatory* spaces, they suggest that spaces of participation rather than being constituted through political decisions and received by citizens become shaped and reshaped through the social interactions generated by an initial invitation to participate. Thus, decision-makers may open up political

spaces for participation, and invite citizens to enter, but do not necessarily have either the authority or the intention to determine the boundaries of that space. As citizens enter such spaces, they bring into it their own histories, identities, resources, perspectives and expectations, which contribute to its distinctive possibilities and constraints. As Cornwall and Coelho write:

> Spaces for participation may be created with one purpose in mind, but can come to be used by social actors to renegotiate their boundaries. Discourses of participation are, after all, not a singular, coherent, set of ideas or prescriptions, but configurations of strategies and practices that are played out on a constantly shifting ground.
>
> (2007, p. 14)

Possibilities and constraints of participatory spaces are thus negotiated on-site with participants. Participants may acknowledge and accept the intentions of decision-makers and administrators, but they may also ignore or misinterpret their intentions or refuse and challenge them.

But, of course, not all spaces are dynamic in this way. This is why we need to distinguish between dynamic spaces and static spaces. In dynamic spaces, the boundaries may expand as participants interact on the basis of participants' histories, identities, interests and views. In such spaces, facilitators may, in fact, have no interest in stabilizing the meaning and possibilities of participation. In *static* spaces, instead, the boundaries are more rigid, due to invested interests, power relations and homogenous worldviews and expectations among its occupants.[7]

Clarissa Hayward offers a useful distinction between social relations and forms of interaction that are "defined by practices and institutions that severely restrict participants' social capacities to participate in their making and re-making."[8] She contrasts such constrained relations to more empowering relations that instead allow people to be "not only the subjects, but also the architects of key boundaries that delimit and circumscribe their fields of action."[9] This distinction is useful because it highlights a critical aspect of political contestation:

> It directs critical attention, not only to the ways power relations define the capacity for action *within* their terms, but also to how they shape the capacity for action *upon* (that is, action that affects) the social limits that comprise them.[10]

I will call spaces static if they are characterized by such constrained relations as Hayward describes. Conversely, I will call spaces dynamic if they allow participants to contest boundaries and expand possibilities of action. While static spaces discourage actors from questioning boundaries, dynamic spaces allow contestation by enabling and encouraging actors to be co-producers of boundaries.

Boundaries may come in different variants. Some are ideological and impose particular political goals and values on participants. Other boundaries may concern how interests are understood: What does it mean to represent one's district or one's neighborhood, for example? There may also be boundaries that are social or symbolic and impose such distinctions as between which "kind of people" should be respected or taken seriously and which should not.[11] Baiocchi and Ganuza offer an example of *ideological* boundaries, as they describe the conditions that made it possible for participatory budgeting to travel from Brazil and Latin America to various other parts of the world. This was possible, they argue, because participatory budgeting was separated from the political project of which it was initially part. In the hands of the World Bank and other international institutions, it became merely a governance instrument, compatible with different political orientations.[12] It thus came to be used for a different set of purposes: "fostering 'community cohesion,' 'innovation,' 'social entrepreneurship' and 'restoring trust' in government."[13] At the same time as participation became open to different usages, participatory spaces became more constrained than they had been in the early variants. To be fair, leftist governments, too, used participatory budgeting to achieve particular political objectives. In the second chapter, I discussed some of the political ideas that shaped participatory budgeting in Porto Alegre.[14] Often, however, progressive or "radical" mayors have seemed to support participants' sense of having the right to question or object to boundaries that they perceive as too narrow.[15] By contrast, research shows that the agencies facilitating participatory budgeting in New York City, for instance, relied on a model of "managed participation" that privileged technical over local knowledge and minimized the deliberative aspects of participation.[16]

Apart from ideological boundaries, many case studies suggest ways in which perceptions of community interests shape practices of participation. Interest boundaries have been a concern in earlier discussion on deliberative democracy too. Deliberative theorists have often noted the risk that deliberation proceeds on assumptions about what counts as "public" interests, as opposed to narrower group or individual interests. Participatory spaces are no exception. Participants are often encouraged to focus on shared interests, even though many citizens may represent communities that are not properly included in those "shared interests."[17] Especially in static spaces, conceptions of shared interests may undermine possibilities to participate on equal terms. Because participants are not able to contest dominant actors' views about what those shared interests are, their only alternative may be to not participate. In dynamic spaces, instead, participants may still have conceptions of shared interests imposed on them, but these can be negotiated. In Rosario, I showed in Chapter 4, members of indigenous groups felt that it was a continuous struggle to make other participants and administrators see that their disadvantaged positions meant that their interests were often not included in what others believed would be best for the city or for their districts.[18] But

they nevertheless found it fruitful to use participatory budgeting to raise these concerns and to engage more broadly in how public discourse, within and outside participatory budgeting, imposed particular views about public interests without asking them. In static spaces, instead, such actions would appear less meaningful. For example, Stephanie McNulty found that in Peruvian participatory budgets, women were underrepresented because of structural obstacles to participation, including domestic obligations and organizational deficiencies.[19] Women were thereby prevented from having an equal say as to which projects would best serve their communities.[20]

The imposition of conceptions of shared interests may often reflect the different relations and status positions of participants. But facilitators play important roles by either allowing and enabling some actors' domination or intervening and holding participants accountable to shared norms. Moreover, participatory spaces are often shaped by the interests of those decision-makers that initiated them. As I discussed in Chapter 2, participatory budgeting in Porto Alegre functioned as a way to translate the Workers' Party's mode of grassroots mobilization into a mode of governing.[21] Thus, participatory budgeting meant that local popular councils would take over part of the work of political decision-making.[22] Several studies seem to indicate that in Porto Alegre, the boundaries of participation were flexible enough to allow participants to challenge facilitators when participants felt this was needed. In more static spaces, this does not happen. In Chapter 2, I used the example of some districts in Buenos Aires, where, according to Dennis Rodgers's research, participants were so disappointed by how political leaders intervened in the process that they withdrew their participation.[23]

Equal possibilities to participate may, finally, be undermined by boundaries that are social or symbolic. This is the case when participants are seen as actors that may contribute legitimacy through their mere presence while not be expected to participate actively. Even when participants are asked to share their knowledge and views, they may not be expected to have views about the process of participation.[24] Thus, in a number of ways, participants may be constrained by expectations of others on what roles they may play in participatory spaces. In static spaces, participants are unable to expand the space for participation by challenging such roles imposed by others and be recognized as actors and agents with their own critical and reflective capacities. McNulty's research in Peru, for example, demonstrates that gender roles, in particular, are crucial aspects of participation.[25] Gender equality was not promoted, she finds, because gendered patterns of participation were built into the process, which did not promote women's participation or women's organization. Specifically, there were economic barriers to participation, including getting to meetings, and social expectations that women should take responsibility for domestic duties. This made it particularly hard to participate for women in areas where poverty and patriarchy were more noticeable. Wampler finds, moreover, that in the Brazilian municipalities of Blumenau and Rio Claro, participatory budgeting only increased participation nominally; it "did not

develop into a political space that allowed citizens to make meaningful decisions or exercise basic political rights."[26] In dynamic spaces, by contrast, people challenge roles assigned to them. As we have seen, in Rosario, indigenous women participants expanded their agency within participatory budgeting by contesting expectations on them to let non-indigenous men dominate the discussions.

Ethics and Capital

In Chapter 4, I showed that Rosario's councilors develop shared ethical codes that come to function as source of esteem and recognition and thereby, I argued, as a form of capital. People bring to spaces of participation different backgrounds and previous experiences of activism, deliberation and politics. A significant aspect of interactions that take place in participatory spaces is, therefore, to negotiate an agreement across these differences with regard to the meaning and purpose of participation. As I have sought to show, councilors in Rosario came to share a language of commitment and solidarity, through which they explained their motivation to participate.

Participating, I have argued, involves both submission and subversion. People submit to norms that shape social interactions in participatory spaces. But participation also involves refusing to accept expectations and norms imposed on oneself and others by facilitators and by other participants.

On the one hand, then, participants may come to embody socially constructed norms that are particular to the field where they feel a sense of belonging, a field shared only with other activists that feel the same commitment. In participatory budgeting, they revolve around the meaning of being a councilor, who serves the interests of their community, as opposed to serving one's interest or the interests of the government. The claim of one participant that "the councilors are *councilors*" underlines the significance of submitting to the norms that *distinguish* the field of participatory budgeting from other social fields.

On the other hand, a significant aspect of practices of participation is how actors refuse and act in ways that contradict the purposes with which participatory spaces are constructed and the norms that guide social practices that take place in and around them. Such refusals and contradictions initiate, I claim, processes of renegotiation. In Rosario, I showed, people fail or refuse to play the roles they are expected to play: indigenous women "fail" to be silent, people lacking formal education "fail" to listen to the educated and the councilors as a collective refuse to accept the roles of grateful beneficiaries when they demand explanations and complain and use the title of councilor to give weight to their demands – "these are the views of the *councilors*." In these subtle and sometimes not-so-subtle ways, people renegotiate the terms of their cooperation in participatory spaces. They *use* the ethics that is the basis of their esteem and respect to produce a form of capital. As noted by several researchers, participants in Porto Alegre, as well as Rosario, have

been watchful to see that participatory budgeting works to their benefit and the benefits of their communities.[27] Many participants seem conscious of the fact that the support and esteem they enjoy in their communities depend on their capacity to promote their collective interests, not the political interests of the government.[28] In this sense, too, public interests become an object of renegotiation and contestation.

Contestation in participatory spaces concern how these ethics and this form of capital are brought to bear on issues concerned with the boundaries of participation. Participants may contest ideological boundaries by contradicting the political objectives served by participation, they may similarly challenge preconceptions about whose interests participation is supposed to serve and they may act in ways that contradict expectations concerning what roles they may play in participatory processes. Baiocchi and Ganuza claim that with regard to the political orientations of the actors initiating participation and how these affect interactions with, and between, participants, "there are myriad ways in which participants themselves tend to outrun the limits imposed on them."[29] They quote a participant in Chicago's participatory budget, who says that she, and her association, sees participatory budgeting as an opportunity for members to "learn more about the city budget and then we can press the alderman about other things he controls, and we can move on to tackle the city budget."[30] That ideologically motivated political decisions to initiate participatory budgeting cannot completely determine the uses of the space they open up for citizens is demonstrated in a number of other case studies.[31] But again, such contestation is likely to occur in dynamic spaces, while they are likely to be rare in static ones.

Dynamic spaces are more open to contestation because they allow participants to explore what brings them together, what motivates them to participate and what participation should, in their view, accomplish. They allow participants to develop a shared ethics that fit their views and interests. This ethics can then form the basis of a new form of capital. In static spaces, by contrast, the interests that led decision-makers to initiate participatory processes are so specific and shallow that there is no room for such exploration; the purpose and meaning of participation is fixed, with no possibility of renegotiation; and citizens are dominated by having roles assigned to them with particular expectations.

Conversely, in dynamic spaces, shared ethics and the new form of capital give participants a sense of entitlement that makes it possible to demand something in return for their participation. It gives them power.

Power as Leverage

In the fifth chapter, I used observations and interviews from Rosario to elaborate the idea that the political and economic interests that shape spaces of participation sometimes can be used for purposes that go beyond the initial intentions of creating such spaces. In Rosario, councilors were able to hold

the municipality accountable to implementing the projects decided through participatory budgeting. They also made the municipality change rules and make procedural changes. In various ways, councilors used the municipal government's interest in legitimacy for their own purposes. Participatory budgeting became a dynamic space, whose boundaries were affected in turn by participants' actions. Councilors challenged the boundaries by acting in accordance with the ethical codes they had established and by using the capital (the esteem, respect and recognition) they had gained as councilors. They used this capital to balance the power of more resourceful administrators and political leaders. Having been enlisted and allowed to participate mainly to produce political legitimacy for the government, participants contested the boundaries of these roles. Often, their sense of esteem was based in part on their view that they were helping to deepen democracy by serving as crucial links in the governments' interactions with ordinary citizens, especially in marginalized residential areas. In Rosario, participants were able to use their specific form of capital to hold facilitators accountable, expand the budget, increase transparency and promote minority rights. Contestation enabled them to expand the space of participation.

Similarly, contestation takes place in other cases of participatory budgeting, as participants question or contradict the roles assigned to them. For example, Baiocchi observes that participatory budgeting meetings in Porto Alegre were frequently taken over by participants who wished to address issues that went beyond specific budget concerns. These "takeovers" included organizing marches to advocate for such concerns as safety in schools.[32] Participants would respect the norm of speaking public-mindedly, he notes, but they would also use their meetings to address neighborhood concerns that were not strictly relevant to budgetary discussions and even organize actions to be carried out outside of participatory budgeting. As participants explored their own ways of taking advantage of how budgeting meetings brought together people with diverse ties throughout their district, the participatory budgeting forum assumed "a central place in coordinating collective action and [gained] symbolic importance as the place where 'the whole community' is present."[33] This, too, exemplifies how participants in dynamic participatory spaces may contest the roles assigned to them to expand the boundaries of action.[34]

Wampler notes, moreover, that participants in Brazilian participatory budgets in some places felt they had the right to criticize administrators that seemed unable to understand their perspectives.[35] Wampler comments that the participants:

> do not shy away from open confrontation with government officials . . . [but] carry themselves as emboldened, rights-bearing citizens rather than as weak, subservient individuals asking for the government's support. [They] use the institutional space afforded them under PB's rules to express their frustration and anger at how the government functions

> and manages PB. Citizens and delegates use their allotted time to explain why they believe that government officials have been negligent or incompetent.[36]

In São Paolo, moreover, the government introduced a special mechanism for increasing diversity among participants. As a consequence of this mechanism, the redistributive effects of participatory budgeting increased, according to Hernández-Medina.[37] This happened, she argues, despite the fact that the process was not initiated with the intention to address redistributive issues. With the introduction of the principle giving special priority to nine "socially vulnerable segments" (including ethnic and sexual minorities, disadvantaged age groups, women, homeless people and people with disabilities), the projects decided through participatory budgeting shifted, as representatives of the "segments" began mobilizing within the budget meetings. While part of this change was due to the way that the "segments" mechanism was consciously designed to increase the voice of underrepresented groups, another part was an effect of how the participants used this new advantage to push the boundaries further. While the city administration anticipated that participants would defend the interests of their respective "segments," participants' actions frequently went beyond such expectations. By representing marginalized groups, participants helped reinforce the sense of empowerment. Hernández-Medina quotes a homeless participant who recalls threatening staff from the housing department: "We are only asking for the law to be implemented. That's all we're asking; we're not asking for anything out of this world. And if you don't want to negotiate, then we will leave."[38]

Although many participatory spaces remain static and do not allow participants to renegotiate the terms of cooperation, these observations from case studies of participatory budgeting suggest that some spaces are more dynamic, with boundaries that are renegotiable. Recent studies of participatory spaces in Europe indicate this as well. In Spain, leaders emerging from the autonomous 15-M movement formed the Podemos party, which they claimed would be "the most democratic, capable, deliberative and transparent organization in the history of our country."[39] But disagreements quickly arose between party leaders and grassroots activists over what this would mean in practice. As Cristina Flesher Fominaya comments, the party leaders seemed to use participation to "mask the reproduction of vertical power structures and a shallow form of participation."[40] They needed people to participate to have a legitimate claim to be radically democratic but sought to control the impact that participants could have on consequential decisions. Thus, while Podemos itself emerged to contest the meaning of democracy, activists used the participatory spaces within the party structure to challenge leaders' attempts to dominate. As new platforms and parties, backed by Podemos, won municipal elections in Spanish cities in 2015 with an agenda of participatory democracy, they were forced to adjust to existing political and economic boundaries. As actors whose legitimacy depended on

grassroots support, they also had to carefully negotiate the terms of cooperation with the broader anti-austerity movement. In Madrid, activists' frustration grew as the new decision-makers failed to deliver either radical policy change or a genuinely participatory process. After four years in power, the leaders failed to generate sufficient grassroots support to win the election. The right returned to govern the city.[41] By contrast, Barcelona has become a leading force in a transnational municipalist and participatory movement. Still, however, the meaning of participation and of being a movement party has remained an issue of contestation, as party leaders face the constraints of urban politics. Importantly, continued grassroots activism within and outside participatory spaces appears decisive for gaining leverage as local democracy is being renegotiated.

The framework developed in this book is meant to be broadly relevant to analyses of participatory spaces. Importantly, it is grounded in the logic of participation as a context of social cooperation. Participation is linked with political, economic and social structures that shape political priorities as well as everyday social interactions. The role of participatory spaces in urban politics is due to its being a form of social cooperation that creates a sense of legitimacy for such societal structures. Thus, to generate legitimacy, participation needs participants' cooperation. But this creates, I have argued, a possibility for participants to *condition* their cooperation. When they do this, they use the ethics and capital constructed through participation, and the political interests invested in it, as leverage.

A Place to Stand

Years ago, I left home looking for a more radical version of democracy and ended up in rooms full of people debating, until late in the evening, details in a municipal budget. This was April 2011, and I had prepared for fieldwork in the Argentine city of Rosario by examining numerous accounts of new participatory democracy projects that had been executed, over the last decades, in places like Porto Alegre in Brazil and Kerala in India. Skeptics claimed, of course, that these new inventions only served to distract people from confronting political elites and initiating deeper political change. Advocates, instead, insisted that they were examples of democratic innovation or even that they represented local resistance to global capitalism. But these academic debates and the concrete practices of participatory democracy in Rosario seemed to me worlds apart. Urban politics, in Rosario and elsewhere, contains deep tensions between, on the one hand, the pervasive discourse of deepening local democracy through participatory innovations and, on the other hand, the loss of democratic control as political priorities are increasingly set by wealthy residents and financial investors. We cannot, I have argued, understand what it is that people are participating in unless we can resolve the paradox that defines urban politics today: how democracy can be simultaneously deepened and undermined.

As a young reporter sent to Genoa in 1922, Ernest Hemingway wrote of his first encounter with Russian revolutionaries that whether or not you sympathize with their ideas, "you must admire the way the light shone out from under the crack at the base of the door of their council room at three o'clock in the morning."[42] Like Hemingway with the Russians, many scholars have come from afar to admire, and project upon participants, an unyielding belief in the revolutionary power of participation that seems to keep them going week after week. Unlike Hemingway in Italy, however, I did not find such a belief in Rosario. The people I interviewed were neither revolutionaries nor idealists. They spoke of the importance of refusing to give up and of the symbolic significance that small material improvements could have for disadvantaged neighborhoods, especially if they came from the hard work of ordinary citizens. They did not talk, however, about realizing a radical democratic ideal. On the contrary, many would talk at length about their frustration with the local government, which in their view was too complacent with things being the way they were. As I sat through numerous meetings and interviewed people involved all over the city, I continued to ponder the meaning of participation. Why should they keep turning up, I wondered, if they know that they will never speak to the powerful on equal terms? Why, for that matter, should anyone?

Policies of participation serve to compensate for the withering away of various mechanisms of social, economic and political inclusion that have provided legitimacy in the past. These policies are, in themselves, anything but radical. But this is not all there is to say. History, one might point out, is full of remarkable examples of people discovering new ways of using things meant for one purpose to achieve something very different. "Give me a place to stand, and I shall move the earth!" proclaimed Archimedes as he proceeded to demonstrate the principle of the lever, that simple device that allows us to lift things of great weight using the weight of small things.[43] If a simple walking stick may be used to lift heavy stones, as the Ancient Egyptians had to discover to eventually build the pyramids, may small spaces of participatory democracy function as *political* levers?

From a critical perspective on the politics of participation, we need to examine more carefully what, in some cases and under certain conditions, may allow them to function that way. Porto Alegre, Rosario and Barcelona are, of course, rare cases of citizens being able to use participation to contest political boundaries. I have sought to show that the interactions that take place in participatory budgeting depend on the urgency of gaining legitimacy. Participation can neither compensate for the undemocratic consequences of urban capitalism nor produce immediate political concessions. Without combining contestation within participatory spaces with direct action by activists who refuse to cooperate, change is unlikely to occur. But at least sometimes, in some places, new democratic spaces provide citizens with possibilities to renegotiate the terms of their cooperation. They give citizens a place to stand.

Notes

1 Ahmed, 2006. The argument builds on the work of Judith Butler on performative statements. A term such as participation or diversity can become performative, in

Butler's sense, when it comes to produce "the effects that it names" (Butler, 1993, p. xii). For participation to be performative would mean that people actually become recognized as political equals through the naming of spaces as participatory. However, such a declaration will only accomplish this if it is successfully finished by "reiterative and citational practice," that is, through actions that confirm the declaration and make its consequences possible (Butler, 1993, p. xii). Ahmed's point is, however, that often, proclamations, such as deciding to make local government more participatory, are not intended, or not acted on, to bring about the intentions they express. "Nonperformatives," Ahmed writes, " 'work' precisely by not bringing about the effects that they name." People may often proclaim, for instance, their workplaces to be diverse and behave as if saying so is sufficient to make it so, Ahmed observes. However, proclaiming a workplace to be diverse may conceal practices of exclusion that continue after the statement is made. A nonperformative is not just a performative that fails to act, it is something that acts "*because* it fails" (Ahmed, 2006, p. 105). Participation risks, like diversity, to do the work of a nonperformative that pretends to include the hitherto excluded but "fails" to recognize them as people whose views and interests matter and should be brought to bear on decision-making. By making this argument, Ahmed distances herself from the idea that words always "do things," or rather, that they do the things they say they do. We should not be misled to think that documents proclaiming an institution to be "diverse," or for that matter, "participatory," actually make them so. "In a way, our task must be to refuse to read such documents as performatives, as if they bring into effect what they name" (p. 124).

2 See, for example, Heller, 2001; Sintomer et al., 2016; Montambeault, 2019; McNulty, 2015, 2018.

3 The idea to analyze participatory institutions in spatial terms appears intuitive because spatial metaphors are already part of the ordinary language used to describe and assess participation. As noted by Cornwall (2004), people who work with and study participation routinely talk about "opening up," "widening," "extending" and "deepening" opportunities for citizens to be part of democratic decision-making. The word "participation" itself "evokes images of people coming together – in lines to vote, or in circles to deliberate" (Cornwall, 2004, p. 77). In contrast to these everyday metaphorical uses of spatial terms to speak of participation, Cornwall uses the intuitive sense that participation requires space to analyze actions that affect relations of power. Her analysis draws attention to how interactions between citizens and representatives of public institutions are situated in political, historical and social contexts and how they are shaped by the expectations of the actors involved as to what they have agreed to be part of. Participation, Cornwall suggests, can be seen as a process of "creating spaces where there was previously none, about enlarging spaces where previously there were very limited opportunities for public involvement, and about allowing people to occupy spaces that were previously denied to them" (Ibid.).

4 Guillermo O'Donnell (2021) conceptualized this as "bureaucratic authoritarianism."

5 Arendt, 1958; Habermas, 2015.

6 Lefebvre (1991), Foucault (2007) and Bourdieu (1989) have developed in more detail the idea that space is constantly being produced and reproduced through social practices.

7 Gaventa (2006, pp. 26–27) distinguishes between "closed spaces," "invited spaces" and "claimed/created spaces." For Gaventa, this typology helps to focus on the questions "how they were created, and with whose interests and what terms of engagement" (p. 26). However, it makes the assumption that the interests and terms of engagement follow from which actor initiated participation, which is not necessarily true in many cases of participation.

8 Hayward, 2000, p. 5.

9 Hayward, 2000, p. 166.

10 Hayward, 2000, p. 162.
11 For a discussion about different kinds of boundaries for participation, see Holdo, 2020.
12 Baiocchi & Ganuza, 2014.
13 Baiocchi & Ganuza, 2014, p. 31.
14 Some recent research has also questioned whether leftist ideology is sufficient, or even necessary, to accomplish empowerment of citizens. See Goldfrank, 2012.
15 See Wampler, 2007; Holdo, 2015.
16 Su, 2018.
17 As Jane Mansbridge puts it, deliberation is often thought to transform people's individual concerns to a shared concern – it transforms "I" into "we" – but as it does, this may subtly impose the view of dominant actors (Mansbridge, 1990, p. 127). Moreover, critics of deliberative theory have claimed that in the real world, such subtle domination is usually the point of initiating deliberation and participation. Why else would powerful actors invite the powerless into spaces of participation? (Przeworski, 1998, p. 148). For discussions of interests in participatory budgeting, see also Abers, 2000; Baiocchi, 2005; Holdo, 2016b. When there is a stronger sense of competition, this may sometimes empower citizens to defend their interests and contest attempts of discarding them as outside the realm of public concerns, but it may also as Montambeault and Goirand (2016) show in Recife, Brazil, reinforce inequalities between groups of citizens, as it favored groups that were better mobilized. For example, Grillos's research in Solo, Indonesia, shows that biases in how shared interests are understood begin early in processes of participation, as those citizens who are better mobilized have advantages in making proposals that participants from poorer neighborhoods do not have (Grillos, 2017).
18 Holdo, 2016a.
19 McNulty, 2015.
20 Wampler claims that in general, "PB rewards those who can mobilize, and there are few mechanisms in place that recognize that certain groups face even greater challenges as they attempt to organize" (Wampler, 2007, p. 66). Moreover, while the central argument for participatory budgeting has been that it deepens democracy by making citizens part of processes where the public concerns are defined and problems are addressed, this only happens, Wampler argues, if participants are allowed to actively contest claims made by government representatives (Wampler, 2007, p. 281). In many cases, Wampler's study suggests, this has actually not been the case. On the contrary, participants are often expected to accept predefined public interests, as well as administrators' assessments of their projects' feasibility and way of organizing and leading meetings. When this happens, the way that deliberation in participatory budgeting turns "I" to "we," as Mansbridge puts it, "can easily mask subtle forms of control" (Mansbridge, 1990, p. 127).
21 Abers, 1998, p. 516.
22 Goldfrank and Schneider's analysis highlights more clearly the strategic advantages of this approach, suggesting that it was really a form of "competitive institution building" (Goldfrank & Schneider, 2006). Like many other institutions, it was intended, they argue, "to privilege the interests of certain social groups in order to advance partisan goals, including electoral success" (Goldfrank & Schneider, 2006, p. 2).
23 Rodgers, 2007, p. 196.
24 Cornwall suggests that participants in a political space may be assigned the roles of objects or instruments, whose roles are static and meant only to serve the initiators' predefined political objectives (Cornwall, 2003, p. 1327).
25 McNulty, 2015, 2018.

26 Wampler, 2007, p. 261.
27 Baiocchi, 2005; Wampler, 2007; Holdo, 2016b.
28 In Rosario, facilitators used participatory budgeting to inform citizens about their rights. In this way, public interests and public concerns become articulated. However, they are also appropriated for other purposes, within the space of participation. For example, participants use the resources available to initiate campaigns to raise consciousness about the rights of citizens, sometimes with a particular focus on indigenous peoples' rights (Holdo, 2016a, 2019).
29 Baiocchi & Ganuza, 2014, p. 45.
30 Baiocchi & Ganuza, 2014, p. 45.
31 For example, Rodgers's analysis of participatory budgeting in Buenos Aires focuses on the relations between political elites from the ruling Peronist *Frente Grande* coalition, participants and the bureaucrats in charge of the process. The political elites in the city treated participatory budgeting as an additional means of mobilizing their own loyal supporters and solidifying their power (Rodgers, 2007). This mode of organizing fitted the Peronist ideology of a popular movement party that has traditionally been organized in clientelist networks. See Auyero, 2001. However, while political elites sought to politicize the participatory budget meetings, both participants and bureaucrats defended their independence. In the end, while many of the participants were sympathetic to the ruling party, the participatory budget generated "unintentional democratization," according to Rodgers. Political leaders could not control the process of participation and the interactions it generated between participating citizens and employees at the municipality, who were more deeply committed to undistorted citizen participation. As one participant told Rodgers, participatory budgeting made it possible to interact directly with civil servants and hold them accountable (Rodgers, 2007, p. 195).
32 Baiocchi, 2005, p. 99.
33 Baiocchi, 2005, p. 100.
34 In some cases, transforming gender roles has been a priority. However, Hajdarowicz shows that women were empowered as participation affected power relations in both public and private as expectations of the roles they may play (domestically and publicly) change (Hajdarowicz, 2022, p. 15).
35 Wampler, 2007, p. 120.
36 Wampler, 2007, p. 120.
37 Hernández-Medina, 2010.
38 Hernández-Medina, 2010, p. 526.
39 Fominaya, 2020.
40 Fominaya, 2020, p. 256. As Fominaya shows, an important disagreement was over the role of the participatory "circles" that would develop proposals for both procedural and substantial policies.
41 Janoschka & Mota, 2021.
42 Hemingway, 1922.
43 Thomas, 1941, p. 35.

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Appendix: Methodological Reflections

The research presented in Chapter 4 and 5 have the overall aim to explore issues of power and inclusion in participatory budgeting. Here, I will elaborate on the methodological considerations I made in combining surveys, interviews and participatory observation to explore issues of power and inclusion in participatory budgeting.

Rosario's Participatory Budget

What initially drew me to the literature on participatory budgeting was the frequent claim that participation empowers citizens, but the empirical results had been mostly disappointing in this regard. Rosario's participatory budget appeared to be a potential exception.[1] For example, previous research had found that Rosario's participatory budget facilitated a process in which participants acquired new skills that they found valuable and changed their views both of themselves and of social and political engagement, and this had significant impacts on the city's associational life.[2] But since Rosario was also much less studied than, for example, the Brazilian cases, we still did not know much about how and why it differed from other cases in these ways.

Methods and Data

I made my first fieldtrip to Rosario in April–May 2011 and returned for a longer stay in August–December 2012, with follow-up interviews made by my collaborator, Marcela Alemandi, in June 2019. The choice of time periods allowed me to observe the beginning of the process the first year and speak to newly elected councilors as well as follow their work during the last months of meetings the second year. Three types of data are used in the study: surveys, interviews and notes from participatory observation. I combined these sources of data because each on its own is insufficient to capture the ideas and dynamics that animate participatory practices. Together, they give a better sense of what's going on.

Surveys

The surveys give a general, yet somewhat superficial, picture of participants' motivations and views of participatory budgeting. The surveys were helpful to get a general picture of the people who come to participate and how those who do so evaluate the process. Are they generally positive or negative? Are there significant differences between participants? And how do they experience participatory budgeting in this case compared to participants in other contexts? Do people who participate stand out in some ways from people in general? To make such comparisons, I used questions from a national survey. I also used questions similar to those asked in other studies of participatory budgeting.[3]

Surveys on councilors' backgrounds, expectations of participation and political views were completed by councilors in each district at the beginning of the process in 2011. At the end of the process of 2012, a second survey was completed, asking mainly the same questions but also including questions about the experience of the process. Not surprisingly, the results show that participants often have prior experiences of social activism. A common background is membership in a neighborhood association. Moreover, councilors are often active citizens, with commitments associations and collective work as well as high opinions of their own capacities for understanding politics (see Table 1).

These findings are similar to those of case studies of participatory budgets in Brazil.[4] Participatory budgeting attracts more participants in the poorer parts of the city (often quite "unlikely candidates in the public sphere," as Gianpaolo Baiocchi puts it[5]). At the same time, however, those who come to take part in participatory budgets in the more marginalized areas bring into the process of participation various experiences that inform their actions. They are usually among the most active in associations, for example.[6] In Rosario, the level of education among councilors is generally slightly higher than the national average, although there are significant differences between districts.[7]

The question guiding my research has been whether participatory budgets can affect the power relations that exclude citizens from important

Table 1 Characteristics and attitudes of PB councilors compared to national average

	PB councilors	*National average*
Participates in association every week	61 percent (127)	13 percent (1,500)
Interested in politics	68 percent (126)	35 percent (1,479)
Good understanding of political issues (self-perception)	76 percent (126)	38 percent (1,472)

Source: PB Survey 2011 (PB councilors) and the Latin American Public Opinion Project (national average).[8]

policymaking venues and public deliberation generally. The 2012 survey showed that participants generally think that participatory budgeting deals with important issues and contributes to significant changes. They also think that it functions democratically and experience that their views are seriously considered (see Figure 1 later). 18 percent of respondents suggest that the participatory budget could not function more democratically, giving it the highest value on the question of democracy. These views should not be taken as an objective measure of how democratic the participatory budget is, nor of how inclusive it is, in particular because the respondents are those who continued participating, which means they are likely to be more positive than those who did not continue. But along with interview results and participatory observations, the surveys suggest that at least the councilors have a quite shared sense of how the participatory budget has been working. Interviews suggest that it is often conceived as an exceptional arena for citizen engagement because it functions differently from other spheres of society.

Moreover, men and women answered similarly to these questions. Women, who make up 55 percent of respondents (and 60 percent of councilors in 2012, according to official numbers), felt, for example, to the same extent as did men that other councilors listened to them. Moreover, the less educated (less than finished high school) responded similarly to the more educated, except when asked whether the issues discussed in participatory budgeting were important and whether they had contributed to important changes through participation. In these regards, they were slightly more positive.[9] Overall, councilors are slightly more optimistic than people in general about the possibility of making political leaders listen to people's demands. They also consider themselves to have better opportunities than other people around them to make politicians listen.[10]

Interviews and Observations

The analyses of the study draw most importantly from 32 interviews with councilors and 27 interviews with local politicians and employees of the municipality. Interviews provided the most important basis to interpret the meanings, values and stakes of participation. Interviews with politicians include leaders of the Socialist Party as well as opposition parties, people who were directly involved in the decisions of creating the participatory budget in 2002 as well as people who had important positions at the time of the interviews. These interviews inform my interpretation of the initial rationale for creating a participatory budget as well as how the political interest in it has evolved over the years. Interviews with employees of the municipality include secretaries in charge of different municipal departments, members of the central coordination team for participatory budgeting and people working at the district centers who are in charge of the meetings of the deliberative councils. These interviews were important for understanding how the meanings

and values of participatory budgeting are understood by those who are most directly involved in its implementation.

I structured the interviews by using an interview guide, including questions and themes I wanted to cover. Interviews with politicians included questions about the background of participatory budgeting, its initial purpose and the values it serves according to the interviewee. They also included questions about the problems and critiques of the process. For interviews with municipal employees working with participatory budgeting I asked, in addition, questions about the role of the interviewee, his or her experiences as well as problems and causes of frustration in the process and, conversely, what made it meaningful and rewarding. I also asked about the interviewee's views of the participants, their motivations and what made participation meaningful for them.

For interviews with councilors, the guide included questions about the interviewees' backgrounds, other experiences with participation in politics and associations. I asked about the challenges and values of participation and their ways of making the most of the experience. I also included questions of equality: Did all participants have the same opportunity to make themselves heard? Did all contribute equally? Furthermore, I asked what the interviewee saw as the point of participating as well as whether other participants seemed to share the same view and if the interviewee had the sense that they were working for a shared interest.

The interview guides were updated during the research process. Some questions seemed less relevant to pursue and others were added after reflecting on the stories told by previous interviewees. I sought to ask questions in an open-ended way in order to allow the interviewee to speak comfortably and personally about the experience with participatory budgeting. I made sure to cover the issues of the guide but generally chose to focus on themes that seemed important for the interviewee while remaining within the themes of the thesis.

Except for two interviews in English, all interviews were done in Spanish. During most of the research process, the assistants that accompanied me during interviews translated the response to each question. Later on in the process, when my own Spanish had improved, translations were made more selectively. All interviews were recorded and analyzed at several listening sessions. In most cases, this procedure was sufficient for analyzing the interviews and taking down illustrative quotes to be used in the essays. In addition, 12 interviews with participants were transcribed in full in order to examine them along with recordings. The transcriptions were made by hired transcribers that were fluent in Spanish. The choice to transcribe some interviews and not others was made partly for practical reasons. Transcriptions are time-consuming and can often be unproductive if they are not in full of specific interest. Interviews with politicians, for example, often included long statements and digressions that were of little relevance to the research questions. Interviews with participants often included far more details that were important for understanding

the meaning of participation. When listening and reading the interviews, I had access to my assistants' translations and could also discuss particular quotes when their meanings were not obvious to me.

Participatory observation was made at 21 budget meetings. These include meetings at each of the city's six districts but were especially focused on the Western district. This choice was due to the district's particular importance for the research questions. The district is the most marginalized part of the city, with a large population in poverty, high rates of regular unemployment, deficient infrastructure (supply of drinking water, paved roads, condition of housing buildings and access to health centers)[11] and higher rates of social problems and criminality. As in other urban peripheries, the area's residents suffer the additional structural violence of stigmatization. The Western district is also the part of the city that has the highest levels of participation in the participatory budget.[12] My experience from observing meetings at the different areas of the city is that meetings in this district are more engaging than in other districts, in particular, the more affluent districts. Discussions are more intense and frequently go beyond the agenda of developing concrete projects to include also discussions about the way the participatory budget works and should work. Meetings last considerably longer compared, for example, to the wealthy Center district. Hence, the meetings in the Western district offered good opportunities for studying deliberation among the city's marginalized. In addition, I made several observations and interviews in other districts to get a more general picture of participatory budgeting and the ways practices differ depending on the context.

Observations were done in collaboration with the several local assistants from Rosario. Their collaboration was useful in several ways. First, I am not a native Spanish speaker myself. I acquired most of my knowledge and practice in Spanish during my stays in Rosario. My level of Spanish eventually improved sufficiently for doing a few interviews on my own and reading transcripts in Spanish. But it was most often not sufficient to follow the details of discussions and debates at the budget meetings. Assistants acted as interpreters, most actively at the beginning of fieldwork and more selectively later on. Second, assistants made their own notes at meetings. These significantly complemented my own, often with more careful details of statements. Third, discussing the content of meetings and its meanings with my assistants helped my understanding and allowed me to test my own preliminary findings on persons who had been on-site.

I do not quote extensively from meetings because the interviews provided material of more concrete relevance to the research questions. Interviews helped get a better sense of how participation mattered to the participants. But observations were important for understanding the process and for generating questions to ask during interviews. I frequently brought up, for example, the moments where it seemed that participants had strong disagreements or when something had happened that I believed might contradict what an interviewee had told me. For example, many councilors claim that

participatory budgeting has nothing to do with party politics. During a couple of interviews, I brought up moments in which the interviewee had been engaged in debates where party sympathies seemed relevant. This gave the interviewee the opportunity to give his or her view of what had happened and how it mattered. Participating at the meetings also allowed me to have more casual conversations with councilors without a recorder and interview guides. These often took place while waiting for a meeting to start, or after meetings, outside the assembly rooms or at the bus stop.

Notes

1 See, for example, Cabannes, 2004.
2 Ford, 2008; Lerner & Schugurensky, 2007.
3 Baiocchi, 2005; Wampler, 2007.
4 Baiocchi, 2005; Wampler, 2007.
5 Baiocchi, 2003, p. 69.
6 See Nylen, 2002.
7 A third of the respondents to the surveys said they had not obtained a high school diploma. This can be compared to 44 percent of all Argentineans who, according to the UN Human Development Report 2014, had not finished secondary education. There are important differences between different districts of Rosario, however. For example, almost half of the respondents in the Western district had only completed primary education, compared to between 0 to 10 percent in the Center district (the difference between responses in the two different surveys).
8 128 councilors participated in survey. The number of respondents on each item is indicated within parenthesis. Scales from 0 to 10 were used in the survey (see Appendix). These were recoded dichotomously to generate the numbers presented in the table. 6–10 were coded as "yes." The national averages are calculated on the basis of data provided in *The* AmericasBarometer by the Latin American Public Opinion Project (LAPOP*), www.LapopSurveys.org*. I have used data on Argentinean respondents in the survey of 2012. For the last three items in the table, the LAPOP survey uses scales from 1 to 7 (from completely disagree to completely agree). The table shows the percentage of respondents giving the value of 5 or higher.
9 The mean value given on these items by the less educated were 8 and 7,5, compared to 6,6 on both items for the more educated.
10 Responses were compared in the same way as in Table 1, on items measuring both the respondents' sense of personal capacity ("internal political efficacy") and perceptions of political leaders ("external political efficacy").
11 Martinez, 2009.
12 Municipalidad de Rosario, 2009.

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Index

abductive reasoning 5
Abers, R. 25–27, 102
action, relational perspective 45
activism 25, 29, 71; *see also* participation; protest
acts of submission 66
Ahmed, S., *To Be Included* 109
Alemandi, M. 126
Arab Spring 49–50
Argentina 25, 95–96; structural adjustment programs 19; *see also* Rosario
austerity programs 30
autonomy 98; participant 87–89, 94

Baierle, S. 20–21
Baiocchi, G. 3, 4, 7, 16, 22, 23, 88, 113, 116, 117
Barcelona 119
boundaries: ideological 113, 116; participatory space 110–111; symbolic 114
Bourdieu, P. 66, 78; capital 9–10; *see also* capital
Branch, T. 53–54
Brazil 19, 25; participatory budgeting 114–115; *see also* Porto Alegre; Workers' Party
Buenos Aires, participatory budgeting 31
Butler, J., *Bodies that matter* 65–66

cacerolazo 96
capital 3, 6, 9–10, 42, 64, 68, 72, 75, 80, 117; cultural 78; ethical commitment 12; and ethics 115–116; symbolic 66–67, 76, 79; *see also* legitimacy; symbolic capital
capitalism 1, 4, 11; and local democracy 16–20
citizenship 73, 75; "school" 97–98
civic engagement 5, 10
Civil Rights Movement 43, 52–54, 56
clientelism 25, 26
Coelho, V. S. 112
Cohen, J. 31
collaboration 22, 72
collective action 9, 46
competition 17, 95
competitive institution building 26
concession 43, 47–48, 49, 63–64
conditional cooperation 42, 50–52, 55–57; versus co-optation 43–46
consent 48
contentious politics 46–47, 88
contestation 46–47, 87, 93–94, 116, 117
cooperation 5, 6, 8, 22, 46–49, 79, 87; conditional 42–43, 46, 50–52, 55–57; political rationality 89–91; renegotiation 8–9, 10, 63–64, 80, 85, 92; withholding 4
co-optation 11, 12, 42, 47, 77–78; assumptions 44; versus autonomy 88–89; of the black protest movement 52–54; conditional 51; versus conditional cooperation 43–46; consent 48; indicators 93; legitimacy 45–46; negotiations 48; non- 43–45, 46, 87; political rationality 89–91; risks 85–88; Selznick on 48; Tamarod 49–50
Cornwall, A. 9, 112
corporatism 48, 111
corruption 18, 27, 28
councilors (author's translation of *consejeros*/as) 56, 74, 94, 98, 99–100, 115, 117; capital 68,

75; credibility 76–77; distancing 75; ethics of participation 69–73; interviews 129; leverage 85–86; motivation 69; recognition 75–76, 77, 78–79; sense of duty 67–68; surveys 127; symbolic capital 76
cultural capital 78

decentralization 25
decision-making 8, 11, 24, 90; city-level 17–18, 19; legitimacy and 45–46
deliberation 21, 30–31, 48, 52, 64, 86–87, 111; *see also* councilors
democracy/democratic 1, 5, 8, 11, 86; innovation 21–22; participatory 2–3; *see also* participation
deregulation 17
Dinerstein, A. C. 96
discrimination 74–75
diversity policies 109, 118
Dutra, O. 23–24
dynamic space 9, 12, 110–111, 112, 115, 116, 117, 118

economic inequality 18–19
Egypt, Arab Spring 49–50
elites 11, 23, 25, 28, 51; co-optation 42, 43; decision-making 89–91
embodiment 66
empowerment 88, 89, 112; *see also* power and power relations
"encapsulated interests" 51
entrepreneurship 21
ethics/ethical commitment 9–10, 11–12, 75, 79–80; and capital 115–116; councilors 68; of participation 64–67, 69–73
European Union (EU) 20
exclusion 8, 66; from participatory budgeting 71, 74–75; political 6; *see also* marginalized groups

field theory 87, 91–92
Flesher Fominaya, C. 118
Fraser, N. 8
free trade agreements 17
Frente para la Victoria 101
funding, participatory budgeting 101
Fung, A. 19

Ganuza, E. 3, 4, 16, 22, 113, 116
Geissel, B. 21, 22
gender 75; inequality 114–115; subversive performance 65–66
Global Justice Movement 2
Goldfrank, B. 23, 26, 30
governance, transparency 27
grassroots activism 2, 25, 29

habitus 64
Hardin, R. 51, 85
Harvey, D. 23
Hay, C. 24
Hayward, C. 112
Hemingway, E. 120
Hernández-Medina, E. 118
human rights 49; *see also* Civil Rights Movement

identity, shared 9, 66
ideological boundaries 113, 116
implicit social practice 63–64
inclusion/inclusiveness 7, 8, 20, 22; participatory budgeting 72; university practices 109; *see also* marginalized groups
indicators: co-optation 93; non-co-optation 93–94
indigenous groups 74, 113–114, 115; Qom 73
inequality 17, 65; economic 18–19; gender 114–115
infrastructure 18
innovation 7, 24, 29; democratic 22; perspective 21
institutions/institutional 8; participatory 110
Inter-American Development Bank 20, 28
interest, shared 113–114, 116
International Monetary Fund 18, 27–28
interview/s 10, 12, 94, 120, 128–131

Jaeggi, R., *Critique of Forms of Life* 63–64
Johnson, L. 52–54

King, M. L. 52–54

leadership 21, 24, 25, 44, 90; co-optation 46–50; councilors 67–68; legitimacy 45–46; *see also* elites
learning 99; citizenship "school" 97–98; skills 65–68

legitimacy 8, 29, 30, 45–46, 48, 51, 56, 110; gap 10; participatory budgeting 20, 71, 72, 89, 91–92, 100–101, 103
leverage 9, 10, 11, 17–18, 47, 85, 92, 110; power as 101–103, 116–119; *see also* power and power relations
Levitsky, S. 19
Lewis, J. 53–54
local democracy, and capitalism 16–20

Machiavelli, N., *Prince*, *The* 24–25
machismo 75
Madrid 119
Mahmood, S. 9, 10; *The Politics of Piety* 66
managed participation 113
manipulation 88
marginalized groups 7, 118; recognition 8
Marx, K. 44
Mayer, M. 17
McAdam, D. 90
McNulty, S. 30, 114
military bureaucracy 111

Navarro, Z. 22–23
neighborhood assemblies 95, 96–97
neoliberalism 17, 18, 23, 27
networks 31; civil society 25–26
New Deal 47
New Public Management 18
non-co-optation 43–45, 46, 87, 101, 102; indicators 93–94; participant independence 88–89; political rationality 89–91
norms 6–7, 8, 79, 115; renegotiation 64; subverting 65–68

observation 10; budget meeting 128–131

paradox of participation 4, 17, 56
participation 2, 3, 5, 6; clientelism 25, 26; commitment 10; cooperation 6; discussion 77; dynamic spaces 9; ethical commitment 11–12; ethics 10; ethics of 64, 69–73; facilitators 114; gender roles 114; managed 113; paradox of 4, 17, 56; politics of recognition 8; sense of duty 65, 67–68; symbolic capital 9–10; transformative 23
participatory budgeting 2, 4, 9, 16–17, 21, 25, 27, 54–55; central coordination team 92, 97; as citizenship school 97–98; conditions for legitimacy 91–92; contestation 117; councilors 56, 67, 69, 74, 75, 99–100, 115; ethical codes 80; exclusion 71, 74–75; funding 101; inclusiveness 72; innovation perspective 21–22; legitimacy 71, 72, 89, 100–101, 103; observation of meetings 130–131; opposition 28, 29; participant independence 87–89, 94; political legitimacy 20, 31; Porto Alegre 19–20, 95–96, 117; project maps 100; projects 74–75, 76–77, 78, 93; public speaking 73; pyramidal structure 26; relational analysis 6–8; resistance perspective 21, 22–23; right to criticize government officials 117–118; Rosario 56, 78–79, 85, 94–95, 101–102, 116–117, 126; significance of class and ethnicity 68; takeovers 117; Workers' Party 23; World Bank support 30; *see also* cooperation; co-optation; non-co-optation; Workers' Party
participatory space 6, 111; boundaries 110–111, 112–115; contestation 116; dynamic 9, 12, 110, 111, 112, 115, 116, 117, 118; static 12, 110–111, 112, 113–114, 118
Partido Justicialista 19
Pateman, C. 3
Peck, J. 19, 20
perspective: innovation 21relational 44–45, 46. *See also* relational analysis; resistance 21–24
Peru 30, 114
piquetes 75, 96
Podemos party 118–119
policy/ies 3, 11; diversity 109; liberalization 17; of participation 120
politics/political 5, 70; contentious 46–47, 88; innovation 21–22; participatory 2–3; rationality

for co-optation/non-co-optation 89–91; of recognition 8; trust 54–55; urban 8, 9, 119
populism 27
Porto Alegre 3, 12, 16, 17, 27–28, 87, 88, 94, 102, 117; participatory budgeting 19–20, 22, 95–96; Workers' Party 89, 114; *see also* participatory budgeting
power and power relations 3, 7, 24, 31, 85; cooperation 4, 5, 6, 8–9, 22, 42–43, 46–49; co-optation 11, 12, 42, 43–45, 46–49, 77–78; as leverage 101–103, 116–119; manipulation 88
private sphere 111
privatization 17, 27, 29
protest 1, 30, 95; *cacerolazo* 96; *piquetes* 75
public administration 17–18
public interest 113
public speaking 73
public sphere 111
public-private partnership 29–30

Qom 73
quiet renegotiation 8–9, 10, 11

rebel cities 23
recognition 12, 67; capital 10; councilor 75–76, 77, 78–79; politics of 8; *see also* capital
recruitment, Workers' Party 26–27
reform 24–25, 29, 30; free-market 18–19; institutional 21–22
relational analysis 6–8, 16, 44–45, 46, 52, 90–91
renegotiation 8–9, 63–64, 80, 85, 92, 110, 115; capital 9–10
resistance perspective 21, 22; soft version 23–24
Rio Grande do Sul 28
risks, of co-optation 85–88
ritual 9, 66
Rodgers, D. 31, 114
Rogers, J. 31
Roosevelt, F. D., New Deal 47
Rosario 1–2, 5, 10–11, 11, 55, 74–75, 93, 119; neighborhood assemblies 95, 96–97; participatory budgeting 56, 67–68, 78–79, 85, 94–95, 101–102, 116–117, 126; Socialist Party 95–96

Santo André 93
São Paolo 93, 118
Schneider, A. 26
segregation 47, 95
Selznick, P. 86, 88; on co-optation 48; *Foundations of Theory of Organization* 46–47
sense of duty 65; councilors 67–68
service tax 28
shared identity 9, 66
shared interest 113–114, 116
skills, learning 65–68
Smith, G. 21–22
social change 10–11, 42, 67, 99; conditional cooperation versus co-optation 43–46
socialism 27
Socialist Party 1, 95, 96; transparency 101
solidarity 11, 12, 19, 24, 70
sovereignty 4
space 111; *see also* participatory space
Spain, Podemos party 118–119
state-civil society regimes 7
static space 12, 110–111, 112, 113–114, 118
street-level bureaucrats 92, 98
structural adjustment programs 18–19, 22, 27; *see also* World Bank
Student Nonviolent Coordinating Committee 53–54
submission 66, 115
subversive performance 65–66, 115
suppression 47–48; *see also* violence
surveys 10, 127, 128
symbolic capital 9–10, 66–67, 79; councilor 76

Tamarod 49–50
technocracy 111
Tennessee Valley Authority (TVA) 46–47
Theodore, N. 19, 20
tokenism 9
transparency 29; governance 27; Socialist Party 101
trust 4, 46, 54–55, 56, 70; "encapsulated interests" 51; *see also* legitimacy

UN-Habitat 20, 28
United States, Civil Rights Movement 43, 52–54, 56
urban politics and capitalism 3, 7, 10, 11, 16–17, 20, 119

Vianna, A. 27–28
villas miserias 1
violence 43, 47–48
voting rights 52–54

Wampler, 88, 93, 114–115, 117
welfare state 17
women 9, 66, 71, 73, 75, 114; *see also* gender
Workers' Party 2, 16–17, 19, 22, 23, 24, 25; Porto Alegre 89, 114; pyramidal structure 26; recruitment 26–27; support 27, 28–29
World Bank 3, 18, 20, 22, 28, 113; support for participatory budgeting 30
World Social Forum 2, 30

youth activism 49–50
youth movements, Arab Spring 49–50

zero-sum game 42, 43, 45, 56, 90–91