PARTICIPATORY BUDGETING

IN SANTO ANDRÉ

The Challenge of Linking Short-term Problem Solving with Long-term Strategic Planning in a Brazilian Municipality

CLAUDIO ACIOLY JR.
ANDRE HERZOG
EDUARDO SANDINO
VICTOR HENRY ANDRADE

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The Challenge of Linking Short-Term Problem-Solving with Long-Term Strategic Planning

Claudio Acioly Jr.

In cooperation with
André Herzog
Eduardo Sandino
Victor Henry Andrade

IHS – Institute for Housing and Urban Development Studies, The Netherlands
SINPA-Support to the Implementation of the National Plan of Action/Bolivia
Municipality of Santo André, Brazil

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Preface

This research project is dedicated to the memory of Mayor Celso Daniel with whom we worked throughout the year of 2001. We knew Mr. Daniel as an inspiring, competent and visionary public administrator fully committed to the achievement of social justice and equity in public resource allocation in Brazilian cities. During the final writing stages, we regretfully learnt of his tragic, brutal assassination. Brazil incurred a great loss and Santo André was deprived of a political leader who persistently pursued citizen participation and transparency in the management of their city. He was not only a charismatic speaker but also an urban researcher and a critical thinker continuously engaged into the development challenges of Santo André and the Greater ABC Region.

In the beginning of 2001, Mr. Daniel visited IHS (the Institute for Housing and Urban Development Studies) where he signed a cooperation agreement with IHS and delivered a public lecture showing the innovations carried out in Santo André. In May of the same year, he delivered a keynote speech in a professional workshop organised by IHS within the framework of the IULA world congress, which focused on the challenges and opportunities of civil society participation in urban management. In July 2001, Mr. Daniel delivered an impressive lecture at the United Nations Conference Habitat II+5 depicting Santo André's social inclusion programmes and participatory approaches, the only case study selected by UNCHS to represent Brazil.

We are proud to be associated to Santo André and the ideas that Mr. Daniel and his team defend and their efforts to make their city a viable place to live and work. These ideas and principles match the global institutional mission of IHS. The municipality's unequivocal and objective resource allocation and distributive policies have gained prominence and we hope that this report will help to disseminate the experience, issues and challenges that a local government faces when it engages in participatory endeavours.

The research was financed and undertaken within the framework of the SINPA-Bolivia Project executed by IHS in co-operation with the Municipality of Santa Cruz de la Sierra, the Universidad Estatal Gabriel René Moreno, Universidad Católica Boliviana, and several civil society and non-governmental organisations. SINPA is a capacity building programme linking policy and applied research, training and advisory services to the municipality and various community, private sector and non-governmental stakeholders aiming at strengthening local governments and civil society participation in urban management.

The research is based on participants' observations and stakeholders' analysis. The work was carried out in three different working visits undertaken by the research team, involving direct interviews, participation in meetings and plenary sessions, and the analysis of key internal documents of the municipality. It also involved a review of the relevant literature and theoretical research on the theme of participatory governance and urban management. The research team was coordinated by Claudio Acioly Jr. and included André Herzog of IHS, and Eduardo Sandino and Victor Henry Andrade from UEGRM/Bolivia.

Claudio Acioly Jr. was responsible for the formulation of the final report in English while Eduardo Sandino was in charge of the Spanish version. An inception mission was carried out by Acioly followed by a mission of Herzog and Andrade, both resulting into a first draft report. Acioly and Sandino then undertook a final mission resulting into an annotated table of contents and a backstopping report addressed to the municipal staff involved with the OP and CF. This final publication is the result of a long process of report writing and fine tuning that involved continuous consultations with various stakeholders.

Acknowledgements

Many people made this research possible through their support, patience, and unconditional sharing of the information and relevant data needed for the study. First of all, we would like to thank all the community representatives who shared their valuable time and opinion with the SINPA research team, responding to all our inquiries and receiving us at home and in their workplaces even in the most unusual hours of the day. Their names are listed at the end of the publication. They are undoubtedly the main actors, the ones who make possible the participatory budgeting and strategic planning process in Santo André. We are indebted to Maria da Cocada, Maria Neuza de Lima, Marcia Zanquim, Manoel Paulino Rodrigues, Ismar Macedo Bastos, Angelina Nunes de Oliveira, Luiza Aparecida Gandra Iscardo, Wilson Ambrosio, to mention just a few. We were especially touched by their personal histories and their struggle to reach the position in which they are today.

The municipal staff with their vitality and idealism showed us a different way of dealing with 'the public' in a Brazilian municipality. In particular, we would like to thank Natalina Ribeiro, Nilza Oliveira and Terezinha Santos for their personal and institutional support throughout the various phases of the study. Pedro Pontual provided us with provocative questions, helping us to focus on some of the issues that face the municipality. Jeroen Klink made possible the link between the municipality and IHS and provided a valuable logistic and institutional support. Cid Blanco and the staff of the municipal secretariat of international relations and resource mobilisation provided us with a home within the municipality and facilitated our access and transit throughout out the study.

Mr. Claudio, a tireless driver, must be credited for showing us the various corners of Santo André and for taking us to places that not many citizens have the opportunity of visiting and for helping us find our interlocutors' home where we were received with open arms.

We would also like to express our appreciation for the sustained support offered by Maria Luisa Garnelo, the SINPA/Bolivia local project coordinator and of Maria Zwanenburg, the IHS/SINPA project manager. Without them this research could not have been realised.

The municipal staff's idealism, energy and drive in performing their tasks and obligations as public servants were a source of inspiration and motivation for us to go beyond the original scope of the research. We believe this effort to be worthwhile and hope that professionals, organisations, and residents of different places in the world will benefit from the analysis, information and lessons learned in this research.

Finally, we want to thank our families for the unconditional support and patience during the periods in which we replaced our leisure time with work time to write this publication.

Rotterdam, Cairo, and Santa Cruz de la Sierra
February 27, 2002

Participatory Budgeting in the Municipality of Santo André, Brazil:

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List of Acronyms and Portuguese Terms

ABC Region or Greater ABC Region	Part of the São Paulo Metropolitan region that contains the municipalities of Santo André, São Bernardo, São Caetano, Diadema, Mauá, Ribeirão Pires and Rio Grande da Serra. It has an estimated population of 2.2 million persons.
ACISA	Industrial and Commercial Association of Santo André
CF councillor	Representative of the population in the strategic planning process of Santo André, called Cidade Futuro; elected in the annual city conference on the basis of candidates drawn from the 9 thematic working groups.
CBO	Community-based Organisation, in Brazil commonly named Resident's Associations
CF Project	Santo André's strategic planning process, called Cidade do Futuro Project
City Conference	The annual conference gathering all citizens who have registered for participation in the strategic planning process of the CF Project
CMO	Concelho Municipal do Orçamento established by the Organic Law of the Municipality, herein called OP Council
Legislative Chamber	Chamber of the political councillors elected by the population, supervises the government and legislate with sanction of the mayor, same as Câmara Legislativa or Câmara dos Vereadores – Chamber of City Councillors
Lei Orgânica	Organic Law, equal to a municipal constitution
OP	Orçamento Participativo or Participatory Budgeting
OP Council	Council of the Participatory Budgeting, also called Municipal Council for the Budgeting
OP councillors	Representatives elected in the regional plenary sessions and sessions of the thematic working groups of the Participatory Budgeting
OP PAIR coordination committee	Coordination committee of the OP formed by 4 members of the government and 4 members of the population, called Coordenação Paritária
PMSA	Prefeitura Municipal de Santo André or Municipality of Santo André
PT	Partido dos Trabalhadores or Workers Party, political party that holds majority in the Municipal Chamber and is currently the governing party of Santo André for the second consecutive 4-year term. It has been elected for three times to govern the city.
SEMASA	Secretariat for Water, Sanitation, and the Environment
SINPA	Support to the Implementation of the National Plan of Action, a project financed by the Netherlands government and executed by IHS in Zambia, Bangladesh and Bolivia. Sponsor of the Santo André research.
Tamanduathey Axis	Eixo Tamanduathey, a flagship project identified by the CF project as the motor for the redevelopment and economic recovery of Santo André. It encompasses an area of nearly 700 ha and 10 km long.
Vereador(es)	City councillor(s) or municipal councillor(s), elected political representative(s) of

the population in the Legislative Chamber for a term of 4 years; re-election is possible.

1.
Introduction

This publication is targeted at policymakers, public sector officials, and urban practitioners interested in the idea of participatory planning, namely the establishment of a structured framework involving government and communities in priority-setting and decision-making concerning the allocation of public investments. Policymakers and public sector officials, especially at the local government level, with an interest in promoting joint government-community management of public funds will particularly benefit from the findings of this research. Similarly, the research findings are expected to be useful for NGO's and CBO's that are engaged in partnerships with local governments.

The main objective of this research is to document and critically analyse the experience of the Santo André municipality with participatory budgeting, hereafter referred to as OP (for the Portuguese Orçamento Participativo). In doing so, the research relies on extensive observation of the OP cycle, interviews with the key actors and stakeholders involved in the process, and the analysis of the municipality's internal documents. In addition, the research examines the attempt to integrate the participatory budgeting process (OP)—a short-term planning activity—with the recently initiated strategic planning process, called Cidade Futuro and hereafter referred to as CF, which aims at developing a long-term vision for the municipality.

The research aims to develop a solid understanding of the specific factors that facilitated Santo André's participatory planning experience as well as the problems and challenges facing the OP process so as to determine the extent to which Santo André's participatory planning process can be replicated in other municipalities seeking direct citizen involvement in local affairs. Lessons from the Santo André experience will be particularly useful for Bolivian municipalities, especially Santa Cruz de la Sierra. Indeed, a series of recently enacted legislation in Bolivia dealing with Popular Participation, Municipal Governments, and Sustainable Municipal Development Plans (SMDP) seems to have created an overall environment that is conducive for meaningful citizen participation in local governance and urban management affairs.[1]

Participatory budgeting—Orçamento Participativo (OP)—can be defined as an ongoing collaborative process for priority setting and decision-making in which local government officials and elected community representatives jointly decide on the allocation of public investments in their cities. The OP is a cyclical, transparent process that requires extensive community mobilization and intricate organisation of public meetings and debates in preparation for the annual municipal budget. Community delegates—elected in community-organized district and neighbourhood meetings—collaborate with local government officials in formulating an investment plan, which the municipality endorses and includes in the final municipal budget proposal.

The OP's significance in the Brazilian context lies in its effort to redistribute public investments within the city on an equal access basis and in response to real population needs, an achievement that has undermined the rooted tradition of political "clientelism" in the allocation of public funds. The OP gained prominence at the national and international level due to the pioneering experience of Porto Alegre, capital of the southernmost Brazilian

[1] The Spanish report pays a particular attention to this dimension.

state of Rio Grande do Sul, where participatory budgeting has been in place since 1989[2]. The Brazilian labour party (PT)'s rise in municipal elections over the last decade, coupled with the success and widespread dissemination of Porto Alegre's experience, played an important role in popularising the OP as an innovative model for non-state public management. The Porto Alegre and Santo André municipalities started practising the OP after the PT won the municipal elections of 1988. By the time this research was carried out in Santo André, some 138 Brazilian municipalities had already established participatory budgeting as part of their regular municipal management practices or were in the process of adopting it.

Several important preconditions must be met before participatory budgeting can be implemented as a municipal management tool. By far the most important factor is the political will among elected government officials to truly involve the citizenry in decision-making processes, which implies a willingness to hand over some control over functions that were traditionally the preserve of the public sector. The local context also matters, in particular the extent of community mobilisation and grassroots initiatives, and the degree of development of the advocacy agenda, which are necessary for the OP to function properly. In addition, the participatory process places heavy demands on the community and its legitimate representative forms, since it is based on voluntary participation. Sure enough, Porto Alegre, Santo André, and many other Brazilian cities benefited from a favourable local environment that was sufficiently mature to trigger a government-community dialogue on public resources management, one that would eventually lead to joint decision-making on the allocation of public funds.

The democratisation waves that swept through many Latin American countries in the past 20 years strengthened the claim for civil society's participation in the formulation of public policy and decision-making on public resources allocation. In highly urbanised countries such as Brazil (where 82% of the population lived in urban areas in 2001), another driving force behind the promotion of citizen participation in public decision-making has been the collective social movements emerging from deprived neighbourhoods and demanding access to serviced land, shelter and basic infrastructure, and other improvements to the living conditions of marginalized groups. Several Brazilian researchers have, since the 1980s, studied these "urban social movements," which were viewed as processes of ongoing struggle for citizenship rights and urban reform aimed at defending the right of the urban poor to enjoy a decent life in cities. Residents' associations, tenants' associations, squatters' (favela) associations, and neighbourhood-based groups, supported by several professional associations and faith-based groups created city-wide alliances—sometimes even regional federations of resident associations—to voice their demands more strongly to local and provincial governments. São Paulo, Brasilia, Rio de Janeiro, Curitiba, Porto Alegre, Santos, Diadema, Vitoria, Recife, and Santo André all witnessed such social movements.

These movements contributed to generating a nationwide demand for urban reform by progressive political forces, most notably the labour union movement, the labour party PT, and other left-wing political parties, which was articulated in the Forum for Urban Reform. The Forum, which gained much visibility at the national level, advocated legal, institutional, and political reform needed to formulate urban policies that address the problems of access to land, shelter, credit, and basic urban services. The reality of Brazilian cities by then unveiled unequivocal patterns of social exclusion. If the processes of social and spatial stratification in Brazilian cities were ever to be halted, an egalitarian distribution of public

[2] *The election of the Labour Party--"Partido dos Trabalhadores (PT)"--for four consecutive 4-year terms since 1989 is partly credited for the consolidation and success of the OP process. In addition, participatory budget planning was scaled up at the Province level following the election of Porto Alegre's first PT mayor--Olivio Dutra--as governor of the State of Rio Grande do Sul in 1998.*

investments was clearly needed. These national and local dynamics became important advocacy forces that ultimately influenced the new Brazilian constitution of 1988. Among the 1988 constitution's important achievements were setting up the principle of the social function of property and the city, requiring community participation in urban management, and further empowering municipal governments. In addition, the recently approved "City Statute"—a new legislation that empowers local governments to deal with problems of land disputes, speculation, and squatter settlements among other urban management issues—can be partially credited to the urban social movements.

The demand for transparency and participation in the design and implementation of local government policies has figured prominently on civil society's agenda since the 1970's, but it was not until the 1990's that participatory governance emerged and became widespread in Brazil. The latter is a manifestation of the increasing trend towards decentralisation and democratisation, which have been underway in Brazil for over two decades and which culminated in the form of the OP.

Another increasingly important facet of the democratisation of decision-making at the local government level is citizen participation in the strategic planning process. The emergence of participatory planning came in response to the widespread criticism of the conventional, normative planning approach, which was responsible for generating dozens of master plans during the 1970's and 1980's.

Strategic planning—the development of long-term visions and strategic plans for cities—provided a solution to the inflexibility of orthodox planning methods and a tool that would enable local governments to respond to rapidly changing, unpredictable external conditions. Indeed, limited local government finances and cuts in central government's expenditures due to economic recession, de-industrialisation, and the ensuing donor-mandated macro-economic stabilization and structural adjustment policies have prompted the search for a planning process that can match the population's short-term demands with the city's long-term development needs.

The experiences of Barcelona, Rotterdam, Boston, and San Francisco have all contributed to disseminating the strategic planning process based on public-private partnerships and a cross-sectoral stakeholder participation model. In each experience, the process aimed at creating a collective vision for the city and building the necessary synergies to overcome urban decay, increase global attractiveness, and establish the city as a magnet for local and international funding (Borja and Castell 1997, Kauffman and Jacobs 1997, Hamdi and Goethert 1998, Friedman and Jacobs 1998 and Sandercock 1998).

Santo André's two venues of participatory planning (the OP and the CF Strategic Planning process) undoubtedly represent a new frontier in local governance and consequently bring about different types of challenges to local governments. Thus, it is particularly important to unveil how these two forms of participatory planning actually work and identify the linkages that exist between them and that work in favour of the overall development of the city.

On the one hand, large segments of the population, especially the more disadvantaged groups, clearly see the merits the OP process, which they view as a channel to address their most pressing local problems. Many citizens, however, fail to see the advantages of strategic long-term planning since the process does not translate into immediate, tangible solutions to their problems. On the other hand, it is expected that the business community and upper income groups demonstrate more concern for solving the structural economic and developmental problems affecting their city as a whole. Because such segments of the population are not confronted with the scarcity of public services and basic infrastructure,

they tend not to see the OP as the optimal planning instrument with which to address their city's long-term needs.
The interviews carried out in Santo Andre also reveal the underlying nuances behind these dichotomous views and how there exists a much greater acceptance for these participatory planning venues than is often believed. It is therefore critical to understand the connections between participatory budgeting and strategic planning and to look at how these processes can be integrated into a broader model of participatory governance.

Many questions arise from Santo André's experiment with participatory governance. For instance, how can the municipal budget be split between projects addressing short-term versus long-term needs? How to analyse whether the solution of a pressing problem will trigger the resolution of subsequent mid-term and long-term bottlenecks in the city, and if so, how to convince other stakeholders of such an outcome? What communication and participatory methodologies should be adopted to promote such an integrated planning approach? What institutional framework is most appropriate to formally integrate OP and CF in Santo André and make both processes operational and efficient? What measures of capacity building are needed to render the stakeholders' participation meaningful (especially elected delegates and the citizens)? These are some of the many questions that arise from Santo André's experience with participatory governance and which this research attempts to answer.

Chapter 2 introduces the city of Santo André and its region, highlighting the prominent characteristics of this important industrial city that was once the heart of industrialisation in Brazil. The aim is to present the socio-economic and political context that surrounds the city's participatory planning experiences. The chapter also focuses on local revenue generation in the city, which is at the heart of the municipal investment plan.

Chapter 3 gives an overview of the municipal budgeting process and the relevant regulatory framework in Brazil. The aim is to develop a solid understanding of municipal governments' roles and responsibilities in the formulation of the municipal budget. The chapter also gives a historical perspective of public budgeting in Brazil, with an emphasis on the evolution of municipal budgeting from a top-down process of resource allocation to a much more engaging process, revolving around civil society's participation.

Chapter 4 discusses the evolution of public budgeting in Santo André. The chapter defines the meaning of participatory budgeting and reviews the conditions that enabled the rise of participatory budgeting in the city.

Chapter 5 provides a detailed analysis of the participatory budgeting process in Santo André. The chapter examines the OP's institutional structure and operational mechanisms, the flow of the process and its different cycles, the actors involved and their specific roles and responsibilities, the decision-making framework, and the results of negotiations about the budget. The chapter also looks at the OP's management process, particularly the prioritisation system used, the strategies of communication between the different actors, and the linkages between the OP and the planning and implementation stages of the municipal budget.

Chapter 6 presents the findings of the SINPA survey. The study uses a stakeholders' analysis methodology to produce what is commonly known as process mapping for the OP. The study relies on interviews with the key actors and stakeholders involved in the process and on documentation provided by the municipality. Such first-hand information is instrumental in unveiling how the OP process actually takes place and what type of obstacles and bottlenecks face the participants.

The research and particularly the interviews pay special attention to the costs and benefits of participation in the OP process. The objective is to understand how participants in the OP process view the time and resources that they devote to play an active role in the participatory planning process against the benefits that they achieve from participation. The study reveals an overall consensus among the interviewed stakeholders about the benefits of participation. The majority found that their direct involvement in programme and project formulation and in the process of priority setting for public investments led to a heightened self-esteem and sense of belonging, and helped them to develop a greater awareness of government functioning. Nonetheless, most participants acknowledge that the costs of participation are high in terms of the time devoted to the process and the heavy burden of civic responsibilities. Some participants have even experienced family problems as a result of their dedicated, often full-time involvement with civil participation.

Chapter 7 focuses on Santo André's Strategic Planning Process, known as the Cidade Futuro (CF) Project. The chapter examines the strategic planning process, the motivations underlying its inception, the institutional framework, the actors involved in the process, their roles and responsibilities, as well as the decision making structure.

Chapter 8 analyses the problems in tying together the OP and CF and the opportunities that are expected from coordinating these two different, yet complementary planning and urban management processes. This current challenge facing the municipality of Santo André is also one of the most recurring urban management problems confronting local governments in the developing world. At the time of the writing, the OP and CF management teams were making a serious effort to work out mechanisms that facilitate the harmonization between short-term and long-term participatory planning strategies. Such mechanisms range from simple liaison meetings to the full integration of the decision-making spheres.

Finally, the research looked at the possibilities of transferring the knowledge and lessons learnt from Santo André's experience to the Bolivian context, namely to the benefit of a municipality such as Santa Cruz de la Sierra. The research examines the preconditions for such transfer of experience created by the recent changes in legislation in Bolivia, as well as the evolution in the scope of community-based movements that may be conducive for participatory budgeting—or something of the sort—to emerge as a truly consultative and inclusive decision-making process for the allocation of municipal funds. The Spanish version of this report focuses on this issue.

Chapter 9 presents the conclusions of the research. It is argued that OP is a significant achievement towards innovative urban governance. Participants in the process from the private and public sectors, NGOs, CBOs, and community members all view the OP as a vehicle to promote active citizenship and enhance transparency in the management of public funds.

The research shows that the participatory budgeting process enables representatives of civil society organisations to set priorities and solve problems in a shared manner with the government. The research also emphasises that the full integration of the OP with the CF strategic planning process represents the greatest challenge to urban management in Santo André. The survey documented OP and CF participants' strong motivation towards such integration. Yet, if such efforts are not linked with strategic, action-oriented planning, the municipality stands to lose a unique opportunity to establish a truly participatory urban management process.

2.
The Local Context and Profile of Santo André

Santo André, one of 38 municipalities in the São Paulo metropolitan region, is located in the Southeast fringe of the region, at approximately 18 km from the São Paulo city centre. The municipality encompasses an area of 175 km² with an estimated population of 648.433 inhabitants in 2000 (IBGE 2000; PMSA, 2001b). Nearly 60% of Santo André's territory consists of environmentally sensitive areas with natural water sources and backwoods. Urban areas cover the remaining 40% of the territory. Santo André shares with adjacent municipalities well-developed petroleum-chemical and industrial sectors, which makes it difficult to isolate it from its city region in development issues (See Figures 2.1-2).

Santo André is part of an agglomeration of 7 municipalities called the Greater ABC Region.[3] The Greater ABC Region, which has the largest concentration of industries in the São Paulo metropolitan region, was the birthplace of Brazil's industrialisation in the 1950's and of the independent labour union movements in the 1970's and 1980's. The region is also the seat of the automobile industry in the national and is directly associated with the new labour and pro-democracy movements that played a pivotal role in the democratisation of Brazil. The country's largest and most organized labour unions are found in the ABC Region, especially in the metallurgic and chemical sectors, which translated into relatively higher wages than elsewhere in Brazil. The region is also regarded as the third most important consumer market in Brazil after the municipalities of Rio de Janeiro and São Paulo (REPPOL et al, 1999).

The ABC Region was the stage of important political confrontations between the labour unions and the military regime that ruled over Brazil from 1964 till 1985. It brought to the forefront most of the labour union leaders who later entered into the political arena. By far the most notable such leader is Luis Inácio da Silva (Lula) who became the most voted for candidate ever to take a post in the national congress in Brasilia and who was elected in 2003 as Brazil's President. The ABC region is also the birthplace of the Labour Party PT (Partido dos Trabalhandores) headed by Lula for many years.

The region has a longstanding tradition of collective social and political movements and solidarity groups involving religious groups, civil society organisations, political parties, and residents who resort to collective action in order to achieve a better quality of life. Local government officials performing their day-today urban management duties were often confronted with demanding residents' associations and civil society organisations. Such groups often worked in partnership, as with the "Citizenship Forum of the Greater ABC Region" founded in 1995 by 64 civil society organisations, business associations, labour unions, ecological movements and environmental groups (Klink, 2001).

Currently, the ABC region is undergoing a broad-based economic adjustment. Dramatic restructuring is taking place in the industrial production sector, with the industries and enterprises undertaking deep-rooted reform measures that range from the introduction of new techniques in organisational and production management, downsizing of the labour force, to new technologies and changes in the production line. This restructuring is directly tied to the process of globalisation and the macroeconomic changes affecting the Brazilian economy.

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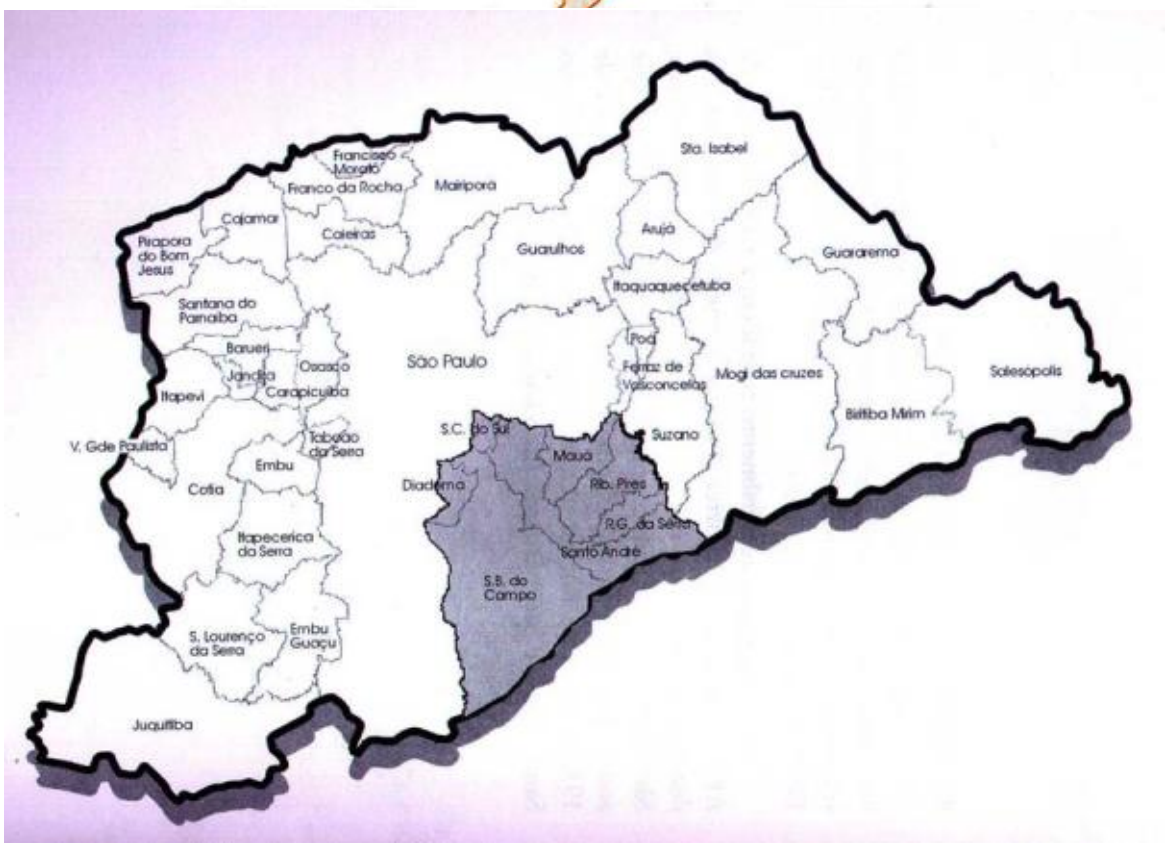
[3] The Greater ABC Region, with a population of 2.2 million inhabitants, includes the municipalities of Santo André, São Bernardo, São Caetano, Diadema, Mauá, Ribeirão Pires and Rio Grande da Serra.

Figures 2.1-2 Location of Santo André in Brazil, São Paulo State and the Greater ABC Region



Detail of the Metropolitan Region of São Paulo highlighting the Greater ABC Region

Economic growth has come to a virtual halt in the 1980's and the first half of the 1990's. During this period, industries laid off large numbers of employees. A recent study by the Greater ABC Economic Development Agency indicates that industrial growth in the region has undergone strong fluctuations in the past 20 years (ADE/ABC, 2001). Indeed, industrial growth ranged from a high of 4.5% per annum in the periods between 1984-1986 and 1993-1997 to a low of -5.3% per annum in the 1990-92 period (the 1998-1999 period also saw negative growth at -2.5% per annum). The study also shows that employment decreased by more than 30% during the 1988-1989 and 1998-1999 periods, and that 100,000 jobs were lost in these periods (78,000 jobs in the metal & mechanic sectors and 22,000 jobs in the chemical rubber sectors). Another study documented a dramatic loss of industrial jobs in the ABC region between 1988 and 1997, estimated at 14% or over 80,000 jobs (Klink, 2001). The job losses were been even more acute in sectors viewed as the foundation of the region's industrial base such as metallurgy (which lost 45% of its workforce or 20,000 jobs) and the automobile and spare parts industry with losses of 60% and 35% respectively.

This phenomenon of industrial decline has hit hard the local economy of the ABC Region municipalities including Santo André where the ICMS value-added tax on industrial activities contributes a significant share of total municipal revenues (See Table 2.1). Nearly 75% of Santo André's industrial value-added originates from chemical products (32%), rubber and plastics (21%), assembly of vehicles (12%), and basic metallurgy (9%). As a result of the problems affecting these sectors, Santo André's share of the total ICMS Value Added Tax revenues in the São Paulo State has dropped from 4.6% to 1.6% between 1975 and 2001. The implications of an industrial decline of this magnitude for the local government are particularly devastating because it implies a sustained reduction in revenues, which are necessary to keep up with the level of public services in place and to cope with increasing demand. In 1999, the per capita fiscal revenue collection in Santo André was estimated at R$ 128 (PMSA/Cidade Futuro, undated).

Table 2.1 Summary of Revenues of the Municipality of Santo André in 1999

ITEM	Value (US$)	Values (R$)	%
1. Own Revenues	**43,480,000**	**86,960,000**	**26.6%**
IPTU – Urban Real Estate Property Tax– Land and Building	14,450,000	28,910,000	8.9%
ISS – Tax on Services of any kind	19,760,000	39,530,000	12.1%
ITBI – Tax on Transfer of Real Estate Property – inter vivo	4,140,000	8,180,000	2.5%
Cleansing Tax	4,230,000	8,460,000	2.6%
Others	940,000	1,880,000	0.6%
2. Transfers from the Federal & State and Governments	**100,770,000**	**201,540,000**	**61.7%**
ICMS – Value-added Tax	50,715,000	101,430,000	31.0%
IPVA -	12,240,000	24,480,000	7.5%
FPM – Municipal Development Fund	5,855,000	11,710,000	3.6%
IRRF – Income Tax	6,230,000	12,260,000	1.8%
Unified Health Service System	13,455,000	26,910,000	1.2%
Other Transfers'	12,380,000	24,760,000	7.6%
3. Other Revenues	19,175,000	38,350,000	11.7%
TOTAL REVENUE	**163,425,000**	**326,850,000**	**100%**

Source: PMSA/Cidade Futuro, "Financiamento da Cidade" (undated)

Note: The exchange rate used in this table is US$ 1.00 = R$ 2.00. From 1998 onwards the parity between the Dollar and the Real was abolished and the currency was allowed to float within bands. At the time of the SINPA research in 2001, the rate was around US$ 1.00 = R$ 2.50

In 2001, the industrial sector alone employed more than 40,000 persons in Santo André, of which 53% worked for 12 large enterprises and some 27% were spread over 617 small and micro-enterprises (ADE/ABC, 2001). Clearly, the fact that a mere 12 enterprises employ more than half of all industrial jobs implies that any readjustment in this sector will have an immediate impact on the municipal budget and on the municipality's capacity to maintain its level of investment in public services. Industrial restructuring is also inevitably associated with a sharp increase in the level of unemployment in the city, thereby contributing to an increased demand for social services and social assistance and to an outburst in informal sector activities. The result is an increase in the demand for services paralleled with an overall decline in the volume of tax collection. In such circumstances, it is not surprising to witness an increase in poverty, social exclusion, urban violence, and social unrest. The structural adjustment process combined with the economic policy and austerity measures pursued by central government have further encouraged the growth of the local informal economy, resulting in a significant growth of the tertiary sector in Santo André as in many other cities in Brazil and elsewhere in the developing world.

Santo André is currently confronted with a dilemma in this particular moment of paradigm change. On the one hand, the municipality can no longer sustain its industrial city status, but it also cannot simply turn its back on its main source of employment and revenues. Yet, on the other hand, the growth of the tertiary sector—mainly in commerce and services—is insufficient to compensate for the losses in the industrial sector. In addition, industry and the work culture have been at the heart of Santo André identity since the beginning of the 20th Century, which makes it all the more difficult to accept the implications of economic restructuring (Livre Mercado, undated).

From the early 1990's, Santo André started experiencing the phenomena of industrial de-concentration and re-configuration, in addition to the closure of the enterprises that did not manage to restructure and achieve efficiency in the face of increased competition. These changes were motivated by central government's decision to dismantle most regulatory and fiscal barriers that impeded the opening of the Brazilian economy to foreign investment and capital inflows. The opening of Brazil's economy and its integration in the world economy has caused severe negative impacts on the ABC Region's economy particularly in Santo André. The problem becomes more acute when it is placed against a shrinking municipal budget that leaves little room for Santo André's local government to act comprehensively. Acknowledging the dilemmas facing their city, Santo André's local government together with the political and economic stakeholders have actually undertaken several endeavours to address the problem, including participatory budgeting and strategic planning processes, the so-called citizenship forum, in addition to setting up a regional chamber for economic development. All these initiatives are intended to develop creative, constituency-based alternatives.

Despite all the negative circumstances, the municipality of Santo André has managed to preserve good quality-of-life standards and to retain high infrastructure levels, especially good quality roads, wide coverage of basic services and easy accessibility. Such factors have contributed to retaining existing enterprises in Santo André and encouraged others to relocate to the city. The ADE/ABC survey reveals that the urban infrastructure, proximity to consumers, quality of life for the employees, proximity to suppliers and the access to a high quality transport system were the major reasons encouraging enterprises to settle in Santo André during the 1990's. In fact, the rates of displacement and new formation of industrial activity in the Greater ABC region remained steady even though Greater ABC holds a much higher share of industrial activity in the São Paulo State than other regions. Santo André is an exception since it reported a higher rate of displacement of industrial activities than the rate of new formation, which means that the city experienced a net loss in industrial activity in the last decade (ADE/ABC, 2001).

The Santo André local government designed a number of innovative policies to tackle the negative impacts of structural adjustment within its municipal boundaries. In addition, the local government started looking at the regional economy given that all municipalities in the Greater ABC Region had similar economic bases and were facing comparable problems. Santo André's innovative policies and broader outlook to the regional economy are credited by many to the vision of Mayor Celso Daniel, the labour party PT politician who was elected for four consecutive terms starting in 1989 and ending prematurely in January 2002 with his brutal murder.

The 1988 election created a conducive political environment for inter-municipal cooperation in the Greater ABC Region with the election of mayors affiliated to the same party (Labour Party PT) in Santo André, São Bernardo do Campo, and Diadema. In December 1990, the "Inter-municipal Consortium" was founded. In 1991, the "Permanent Discussion Forum of Santo André" was established. Towards the end of the 1990's, the "Regional Chamber of the Greater ABC Region" and the "Economic Development Agency of the Greater ABC Region" were founded (respectively in March 1997 and October 1998) and a number of activities were initiated.

All these initiatives were intended to promote local and regional economic development and to strengthen the involvement of civil society organisations, public and private sector agencies, and community-based organisations, thereby establishing clear avenues of participation at the municipal level and of inter-municipal co-operation at the regional level. Numerous public-private and public-private-community partnerships were established as part of the many programmes and initiatives originating from these institutional structures. Klink and Daniel noted how remarkable that in a relatively short period of time a number of initiatives were implemented to cope with the adverse impacts of economic and industrial restructuring, which ultimately point to a different way of handling the problems affecting municipalities in the region. In particular, the Regional Chamber represents an innovative form of regional management through which participation is rediscovered both as method and as a goal in itself (Daniel, 1999; Klink, 2001).

The municipality of Santo André itself has undergone comprehensive reforms intended to improve its revenue generating capacity and boost efficiency and rationalisation of public expenditures. The implementation of an administrative modernisation programme has led to major improvements in the quality and quantity of services provided to the citizenry. The administration compiled the necessary documents, petitions, permits, and declarations for some 500 services, published in the form a booklet called Guia Fácil, which indicates to the citizens the necessary route, duration, requirements, and cost of each service. This effort was coupled with personnel training and the set up of an telephone- and internet-based integrated municipal service (SIM) that provides the necessary of information to those in need of municipal services. An intranet linking more than 1,000 computers and users was also established and is fully operational, and a regular electronic newsletter was developed.

The municipality is increasingly making use of advanced information technologies including a sophisticated Geographical Information System (GIS) where the mapping, physical, and fiscal cadastres are unified. A modern customer service centre was created in the ground floor of the municipal headquarters where citizens have their requests professionally handled in a friendly environment. Under the so-called " Integrated Municipal Service Posts" programme (Postos SIM-Serviço Integrado Municipal), municipal services were decentralised throughout the city in order to bring them closer to the inhabitants' residence and to facilitate obtaining information on petitions and the issue of certain documents on the spot. An ombudsman system was created and is reported to become an important control of local government performance on behalf of the citizenry. All these initiatives are aimed at

achieving higher levels of efficiency, cost savings and citizen satisfaction, which in turn further encourage their involvement and ownership of the proposed programmes.

Equally important is the establishment of management procedures including matrix-type organisational charts that facilitate inter-departmental coordination and the work of the thematic groups formed within the municipal administration to streamline policymaking, implementation, and monitoring. The impact of such innovative management procedures on communication and coordination was obvious in the meetings which the SINPA research team attended, including a seminar on mechanisms to address social inclusion attended by nearly 100 municipal staff from all departments and headed by mayor Daniel himself. The research team also attended meetings of the OP government representatives, a session of the OP Council, and the executive meeting between the OP and Cidade Futuro teams. All these endeavours undoubtedly add cohesion to municipal policy and articulate the ideas and collaboration between the different teams.

The municipal government emphasized that citizen participation is a sine-qua-non condition for the city and its population to cope with all the previously outlined problems and come up with creative solutions. This premise is reinforced in practically every sector and sub-sector of municipal policies, programmes and projects. Many initiatives are geared to accomplish an “inclusive city” and citizen participation in management, planning and decision-making. One such programme for social inclusion covers four large favelas (informal settlements) and addresses upgrading, land regularisation, employment, micro-enterprise development, health, education, culture, citizen participation and children and youth development in an integrated manner. The programme was recognized by the “Fundação Getúlio Vargas” as one of the five best practices in public policies in Brazil (Avamileno, 2001).

The municipal councils for safety and public security, education, and health are also some of the channels where co-management of public services is exercised to the full extent. The citywide strategic planning process—Cidade Futuro CF—and the Participatory Budgeting—OP—are just two of the various channels of true civil society participation, through which residents and their organisations are empowered to define public policy and the future of their city in close co-operation with the local government. These two forms of participatory management are the focus of this publication and are discussed in further detail in the subsequent chapters.

3.

The Local Government System and the Municipal Budgeting Process in Brazil

Despite its continental dimension, Brazil is a country where 82% of the population live in urban agglomerations. Moreover, the country comprises 14 cities with over one million inhabitants, out of 39 such cities in the whole of Latin America. If anything, these figures indicate the significance of cities and their governance in Brazil.

Brazil is a federation formed by three completely autonomous levels of government: federal (national), state (provincial) and municipal (local). In 2001, Brazil was divided into 5,567 municipalities, each having a remarkable political, administrative and financial autonomy that are constitutionally safeguarded. In effect, Brazilian municipalities are empowered to determine their own organisation and functions of their administration, in addition to having the autonomy to exploit their revenues, to formulate their own budget and determine priority areas for public investments, and to actually develop their investment plans. Municipalities also have the mandate to develop their own municipal constitution, known as Lei Orgânica, which lays down the basic rules for local governance. The municipalities' responsibilities include but are not limited to urban planning functions, provision of urban services, public transport, primary education, primary health, collection of solid waste, etc. Some of these tasks including elementary education, urban planning, and public transport are the sole responsibility of municipal governments. Other services are provided in close cooperation with the state or federal government. Municipal governments are also empowered to give concessions to private sector or other entities to provide certain types of services on their behalf.

The 1988 constitution—regarded as a strong pro-municipality legislation—created two important directives in its chapter on urban policy. The first directive tackles speculative practices and social exclusion by emphasizing the "social use" of land and the social value of cities. The second directive requires all cities with more than 20,00 inhabitants to have an enacted urban development plan developed on the basis of popular consultation and in participation with civil society organisations. These directives were additionally reinforced with the enactment of the "City Statute" law in 2001. The City Statute further invigorates the constitutional chapter on urban policy by delineating legal instruments enabling municipal governments to intervene in the resolution of problems caused by among other things land speculation, informal and squatter settlements (favelas), and development rights in the aim of strengthening local democracy in the management of cities.

What reinforces local autonomy and participation is the fact that all citizens of 16 or more years of age are entitled to (re)elect their mayor and vice-mayor (executive officials) and the members of the legislative chamber, knows as councillors or 'vereadores' in Portuguese (legislative officials). Municipal elections involving all legally registered political parties in a city are held every four years. The number of councillors is determined according to the city's size and population (the minimum number is nine councillors). Mega-cities like São Paulo and Rio de Janeiro have the largest legislative chambers with as many as 55 elected councillors. The legislative councillors are politicians that represent their local constituency in one or more geographic areas in the chamber.

A city mayor is the key figure in local government in Brazil and holds the highest executive power in the city government. While mayors are not above the law, their political will is often viewed as "half a law", provided that there is a good basis for political negotiation to

approve it in the legislative chamber (Acioly, 2000). According to existing legislation, the mayor is empowered to sign the budget proposal and present it to the legislative chamber for approval. S/he is the only local government official authorized to initiate legislation dealing with the creation of executive posts in the municipal administration, civil servants' salaries and wages, the administrative organisation of the executive arm, and budget planning. The mayor is the key local official in charge of defining and proposing policies and plans, formulating and implementing the budget, appointing senior executive staff, initiating and sanctioning legislation, and allocating and approving contracts and loans.

The legislative chamber's main tasks are to issue legislation with sanction from the mayor and to oversee the executive arm. The exclusive competences of the legislative chamber include: (1) to set the mayor and councillors' salaries, (2) to authorize the mayor's absence from the city, (3) to inspect and approve the accounting and audit firms annually, (4) to set the chamber's internal organization, (5) to authorise or reject the executive arm's normative measures, and (6) to establish various expert or specialized committees to examine issues and problems affecting the city and/or local government. Other legislative chamber tasks, with sanction from the mayor, include issuing legislation in matters of local public interest, developing supplemental legislation to federal and state regulations and laws, and assessing the budget planning and resource allocation attributes.

The process of public budgeting is considerably regulated at all government levels in Brazil; its form, scope, dates, roles, and approval procedures are all laid down in laws. At the local level, the municipal budgeting process traditionally involves the municipality's executive and legislative arms. The municipal budget serves as "a legal instrument to control and plan government actions. It is through the budget that the municipal administration foresees what it will have to invest and how it will invest" (PMSA, 1998). The process starts with a budget proposal developed by the municipal government and presented by the mayor to the legislative chamber for approval. By law, the local executive body (the mayor and his secretariat) prepares the budget proposal, which it submits to the legislative chamber no later than September30th of each year. The legislative chamber has until November 30th of the same year to approve (or reject) the municipal budget proposal. Once the legislative body approves the budget, it is enacted into a law for the following fiscal year (January 1st to December31st).

The history of public management in Brazil shows that public budgeting has repeatedly been a source of manipulation, corruption, paternalism and political clientelism at all levels of government. At the municipal level, the allocation of resources has often been subject to political brokerage by the elected councillors who often favour public investments in the neighbourhoods where their voters are concentrated, or in the areas housing organised constituencies who may support their candidacy. Such dynamics have created a perverse process of favouritism resulting in cities that are increasingly socially and spatially stratified and with vivid contrasts in the level of infrastructure and public services between one place and the other. Such practices have also exacerbated social exclusion. Similarly, mayors often undergo intensive negotiations with the Legislative Chamber's elected councillors to have the municipal budget approved. Many a mayor offers several concessions to the elected councillors by incorporating their demands into the budget so as to build political support for his/her programmes and policies during his/her term in office. Such practices are particularly common when the mayor's political party does not hold a majority of the votes within the Legislative Chamber.

Against this traditionally top-down and biased form of public resource allocation, which has only managed to favour the economically and politically powerful and influential groups of society, the OP emerges as a democratic practice and a participatory mechanism (Albers, 1998; Fedozzi, 1997, 2000; Genro et al, 1997). In an era when Brazil has undertaken to

rebuild its democratic institutions after 21 years of military regime, the OP also emerges as a tool to recapture citizenship rights by turning public budgeting into a transparent and accountable process at the lowest level of local governments.

A decade into the practice of participatory budgeting in its birthplace—Porto Alegre—and elsewhere where it is being practised in Brazil reveals that the OP is often not a formally established process that is legally enacted or regulated by law. Rather, the OP stands as a socio-political pact between the political forces in power and civil society organisations. It acquires a self-regulated structure and decision-making mechanisms whose legitimacy is guaranteed by the mayor and his administration during the preparations for an annual public investment plan.

The OP is the result of a combination of specific political processes that differ from city to city. On the population's side, there seems to exist a popular demand for participation in local governance and public policymaking as well as articulated mobilisation for public investments in the needy areas or sectors. Such claims enhance the population's reception of the participation and consultation channels developed by progressive local governments. On the government side, the key prerequisite is the mayor and local government's political will to open up the budgeting process and to give up some of their constitutional rights and prerogatives in favour of a shared public management model, what Fedozzi (1997) coins as the "non-state public management model (gestão publica não estatal).

The idea has obviously generated a lot of controversy within the executive and legislative bodies since it relocates the actual decision-making power concerning public investments in the municipal budget from the Legislative Chamber to the Participatory Budgeting Council (OP Council). Naturally, there has been much heated opposition within the Legislative Chamber, mainly from those councillors affiliated to the traditional and more conservative political parties who used the allocation of public investments as a tool to achieve political brokerage in. The OP has also become a polemical issue among ideologues who question the sustainability of participatory democracy and representative democracy models.

The existence of an elected legislative chamber of political representatives (with a legal and constitutional mandate) next to a council of popular representatives (OP Council) elected at neighbourhood assemblies (without a legal basis but given legitimacy by the municipality's recognition) might appear as a paradox. Yet, it is exactly this coexistence that reinforces the transparency and accountability of decisions involving public spending and the public interest without challenging the legal and political mandate of the councillors elected to the legislative chamber.

Clearly, the legislative chamber councillors are put in the delicate position since decisions and priority setting concerning the allocation of public investments in the city are made by the OP Council. It becomes difficult for them to exercise their mandate and use discretion when the budget proposal and investment plan presented to them come in the form of a jointly prepared proposal by the government and the population through the participatory budgeting process and endorsed by the mayor (rather than a proposal solely prepared by the municipal executive as prescribed by law). Critics might also argue that the OP council and OP councillors may be too focused on immediate problems, thereby missing a holistic view of the city, its across-the-board problems and strategic development issues. At the end of the day, any irrational or unfounded opposition, rejection or attempt to change the budget proposal by the Legislative Chamber councillors may come at a high political price, especially risking not being re-elected. Indeed, both OP council members and community representatives follow closely the discussions surrounding the budget proposal, exerting continuous pressure on the "vereadores" to maintain their proposal intact.

Finally, a new Law on Fiscal Responsibility (Lei de Responsabilidade Fiscal, or LRF) has also contributed to reducing the political brokerage that often takes place inside legislative councils. The Law forbids the legislative chamber from modifying the municipal budget proposal presented by the executive arm except if there are grounded reasons for such modifications and revenues to cover any added costs. Under the LRF, the old practice of preparing budgets on the assumption that future revenues can be used to cover for special spending is no longer possible (Gonçalves, 2000; Mugnatto, 2001; Nunes, 2000; Xavier, 2001). The law places limits on public debt and on personnel's expenditures. The LRF aims at strengthening transparency and accountability by regulating municipal budgeting and accounting procedures and holding mayors accountable for wrongdoing with public money. In case of wrongdoing, mayors and governors stand to lose their mandate and political rights, and even end up in jail.

A survey conducted in 2001 shows that the average personnel-based expenditures in 4,215 municipalities is 43.2% of net revenues, lower than the LRF-established limit of 60% (on account of 54% for the executive arm and 6% for the legislative arm and accounting court, if any). The survey also reveals that the surveyed municipalities spend on average 26.7% of their revenues on Education (against the constitutionally mandated spending of 25%) and 21.9% on Health Services (Mugnatto, 2001).

Xavier argues that the LRF somehow stimulates the practice of participatory budgeting by reinforcing the claim for a transparent fiscal management system, one that is safeguarded by means of popular participation and public audits during the entire process of preparing the municipal budget and discussing the investment plans. The LRF also forces the chief executive (mayor, governor or president) to disclose the accounting declaration throughout the year to citizens and civil society organisations. Moreover, the LRF requires the chief executives to present formal accounting statements every four months, which must then be published within 30 days (Xavier, 2001).

4.

Participatory Budgeting (OP) in Santo André: a short-term action planning tool

Participatory Budgeting—OP—as defined by mayor Celso Daniel[4] as "a public forum which creates possibilities for the population to make their dreams, demands, and needs explicit, with emphasis placed on the specific, on the local problem, and which creates conditions and alternatives for the future". In Porto Alegre, the other bastion of participatory budgeting, the OP was defined by the present mayor as a voluntary process of direct democracy in which the population can discuss and decide on the budget of the city. In summary, the idea of co-management is the result of a combination of the *direct democracy* exercised by the population in the OP with the *representative democracy* through which the population (re)elects a mayor for their city to a four-year term (Tarso Genro, 1997). Santo André and Porto Alegre share the fact that both cities were first governed by the PT in 1989, resulting in a number of pioneering endeavours to achieve full citizen participation (e.g. the OP) and in reconfiguring municipal governance. While the OP achieved national and international recognition thanks to the uninterrupted practise in Porto Alegre since 1989, the truth is that more than 150 cities in Brazil practice it.

Participatory Budgeting (OP) can be defined as a process of priority-setting and shared decision-making through which local community representatives and local governments jointly design a concrete annual plan for public investments on the basis of the available resources (mostly originated from municipal revenues). Throughout this process, actions and goals are agreed, resources allocated, and responsibilities and a timetable defined. There are often negotiations over the citizens' priorities and demands and over the budget plan either between the population representatives and the government, or in-between the population representatives whose job is to advocate priorities from the different areas in the city. The OP is a cyclical, intricate and transparent process of organisation, public meetings and debates in support of the preparation of the annual municipal budget.

The fist experience with a system of participatory budgeting in Santo André dates back to 1989 after the election of a PT Government to govern the city for a 4-year term under the leadership of Mayor Celso Daniel. During his first term of office between 1989 and 1992, the OP was not a decision-making forum but rather a consultative mechanism to help local government to fine-tune its priorities and investment plan with those of the population. The final decision to allocate revenues and public investments remained in the hands of the executive, which sought to further the government's broad development programme for Santo André. The municipality was responsible for formulating the entire budget proposal, which was informed by the consultation with the population, and presenting it to the legislative chamber for approval (See Table 4.1).

[4] *Presentation by Celso Daniel in the Government Seminar on Social Inclusion, organised in the Municipality of Santo André on September 17th 2001 and attended by over 100 municipal staff.*

Table 4.1 The OP Process Structure between 1989 and 1992

Stage	Description
Stage1 (internal)	The municipal secretariat and departments defined a draft proposal
Stage 2 (public)	The mayor and secretariat discussed the budget proposal with the population in meetings organised throughout the city
Stage 3 (adjustment)	The budget was then matched with the available resources and fine-tuned according to the population demands, an exercise that was undertaken by the mayor, his secretariat, the financial and technical teams
Stage 4 (legislative)	The final budget was presented for approval and discussed in the Legislative chamber

Source: REPPOL *et al*, 1999

The investment priorities and the budget's technical, financial and operational feasibility were all set by the municipal staff in charge of the budget preparation and only their final proposal was presented to the population in a general public meeting. In this meeting, the municipality usually informed the population of the budget's details and investment priorities and of the subsequent discussion that is to take place within the legislative chamber. Thus, the population was only consulted and called upon to endorse the government's proposal without any power to decide what, where, and how public investments are to be carried out. Back then, the process was not as systematised as it is today; it did not have a formal structure or an avenue of participation and empowerment nor was it regulated by any norm or municipal law. The population had a much more passive role: citizens did not partake in any decision-making nor did they assume any responsibility in the process. They were informed as a means of getting them involved and building some level of ownership of the decisions made to allocate the limited resources. The way in which the OP process started in Santo André therefore stands in stark contrast with its reality today in the city and with what has been practised in Porto Alegre since its inception in 1989.

The municipal elections of 1992 brought to power a conservative government that replaced the PT Administration in the municipality of Santo André for the period 1993-1996. Most of the avenues of participation created under Mayor Daniel in the previous four years were dismantled. In the 1993-1996 period, the municipal budget was solely prepared by the executive—the mayor and his secretariat—without consultation or any form of public debate with the citizenry. Interestingly, neither the population and civil society organisations nor the politically progressive city councillors in the legislative chamber demanded the continuation of the OP nor did they put any pressure on the municipal executive to maintain the practice of the previous years. The OP, as practiced in the 1989-1992 period, was obviously not missed and there were no mechanisms in place to guarantee its continuation after the PT government was replaced.

As mentioned earlier, the OP is not created by decree nor is there a law that institutionalises its operational framework and regulates the channels for citizen participation. The OP is just a participatory arena consolidated through the level of citizen response to calls for involvement. Its only legitimacy rests in its recognition by the mayor and the municipal government and its decision-making power stems from the mandate or authority delegated by the mayor. Indeed, the Municipal Law—called Lei Orgânica—only stipulates the need to involve the citizenry and does not go beyond the definition of general concepts of citizen involvement. The Law does not enforce the implementation of the OP, its procedures and cyclical process independently from who is governing the city.

Not surprisingly, there has been much controversy about the OP's self-regulated character, as revealed from the accounts of various participants interviewed by the SINPA research team. Opinions differ about the lack of legal institutionalisation of the OP process. Some participants fear that the legal codification of the OP may freeze what is now a continuous learning process by obstructing its flexibility for adaptation and innovation. Others fear that in the absence of legal institutionalisation, the OP is not guaranteed to continue under a different municipal government other than from the PT ranks.

The question of institutionalising citizenship rights is not a new debate in Brazil. One camp argues that detailed legislation is needed to ensure and safeguard the rights of those who have traditionally been socially and politically excluded in Brazil. Only with well-developed legal instruments will the poor have their rights recognised and respected in the decision-making process on the allocation of public investments in their cities, in the same way that legislation protects, say, basic labour rights.

The other camp counters that, in Brazil, such legislation regulating citizen participation risks becoming obsolete and falling prey to political manipulation and favouritism. This would undermine the core strengths of the OP, namely its autonomy from the state, its flexibility and adaptability, and its learning process. According to this viewpoint, active citizenship is the only way guaranteed to sustain such practises as the OP and it is the only vehicle to demand from the mayor and his government that principles of governance, participation, accountability and transparency in the allocation of public resources in their cities be upheld. If this argument were to hold, it implies that the OP's continuation after a pro-OP mayor leaves office will entirely depend on the level of popular mobilisation and sustained political pressure to force the new mayor to maintain the participatory process and shared decision-making. Clearly, if a new mayor is not comfortable with "people telling him where the money should be allocated" or with this "forced delegation" of his constitutional rights and prerogatives to the citizenry, she/he is likely to act politically to undermine the social mobilisation for the OP process. At some point, the relation between government and the citizenry is bound to become conflict-ridden, which is set to undermine the notion of the social pact underlying the OP.

Those who argue against the OP criticise its "fraudulent character" and see it as the labour party PT's political wing. Critics argue that the citizenry is not represented in the decision-making of the OP. Instead, critics find that PT militants monopolise all phases of the OP and occupy leadership positions that should be assumed by people that are not necessarily politically affiliated (and certainly not with the PT). It is argued that PT militants are those responsible for keeping up the participation and for building the "pressure" on the mayor and local government. Evidence collected by Fedozzi and WM Pesquisas, respectively in Porto Alegre and Santo André, however proves that this is not the case. OP participants are affiliated to all sorts of associations or are involved in community-based movements. As for the local leadership and those elected to represent their zones of residence, these are mostly linked to resident associations, political parties, labour unions, and/or civil society organisations (Fedozzi, 1997, 2000; WM Pesquisas et al, 1999). Moreover, the SINPA research team came across militants of other (opposition) parties in Santo André who believe that the OP is a vehicle to practise citizenship rights (this issue will be analysed in more detail in the subsequent chapter dealing with the accounts on participation).

After losing the 1992 municipal election, mayor Daniel's staff allegedly carried out an evaluation of their four years in local government to understand the limitations of the approaches they implemented during the previous years in order to start preparing the programmes needed to regain the municipal government in the following election (REPPOL at al, 1999). The PT government programmes were subjected in 1996 to a wide public

debate in the city involving community groups, civil society organisations, and political groups. The debate helped to introduce the following innovations to the OP process:

1. The OP must become a decision-making forum and acquire more audacity;
2. There must be a municipal council for the OP with paired representation, i.e. having the same numbers of representatives of the population and of the government;
3. The OP process must discuss the entire budget consisting of investment, recurrent costs, and revenues;
4. Other mechanisms should be created in order to involve other sectors beyond the popular sector, e.g. youth, businessmen, shopkeepers, etc.

It became clear that the OP needed to be integrated into the overall government planning system in order to function as a true decision-making body on public investments in the city, a necessity in the face of decreasing revenues and squeezed municipal budgets (See Table 4.2). Priority-setting to support government actions became extremely important in light of the limited available resources and the restrictions imposed on the municipal government's investment capacity. Indeed, the financial constraints on the municipal budget left the local government with little room for public investments (estimated at 8-10% of the total budget in 2001), a cause of much concern to the OP process and its participants.

In order to maintain the transparency and sustain popular support for the OP process, the municipal government had no option but to involve the population right from the beginning. It also became clear that a continuous capacity building of the population involved with the OP was required so as to facilitate the discussion of the entire municipal budget within the structure of the OP. The idea was to broaden people's understanding of public budgeting, the limitations and opportunities afforded within the current revenues, the nature of public expenditures, and the process of public administration as a whole, so as to increase the quality of the debates and better inform the decision-making process. Obviously, a much greater organisational effort was thus needed from the municipality in order to accomplish such an ambitious plan of civil participation. Such daunting efforts did not deter the new administration of Mayor Daniel, who was re-elected to office for the 1997-2000 term. The administration set the goal of establishing an exemplary system of shared local governance among its top priorities. In addition, the new administration set the following priority lines: (1) Sustainable economic development with employment creation and income generation, (2) Quality, efficiency and administrative modernisation, (3) Popular participation, (4) education and professional capacity building, and (5) A more pleasant city to live in.

Table 4.2 PMSA – Municipality of Santo André: Budget Proposal for 2002

ITEM	VALUES in R$	VALUES in US$
Revenues	**328,255,000**	**131,302,000**
Expenditures	**229,100,000**	**91,640,000**
Personnel and Overhead	153,000,000	61,200,000
25% Education	74,400,000	29,760,000
Legislative Chamber	1,700,000	680,000
Other Expenditures	**99,155,000**	**39,662,000**
Operational costs	80,669,000	32,267,600
Investments	15,203,000	6,081,200
Reserve for contingencies	3,283,000	1,313,200
TOTAL EXPENDITURE	**328,255,000**	**131,302,000**

Source: PMSA/Cidade Futuro, "Financiamento da Cidade" (undated)
Note: Values for September 2001 are estimated in US$ at an exchange rate of US$1.00 = R$2.50.

The municipal government took prompt actions. The OP council became a reality only six months into Mayor Daniel's second term in office. In July 1997, the population elected their representatives to 24 large plenary sessions carried out in 18 regions[5] and to eight thematic plenary sessions, and these first "OP councillors" were sworn in. At that time, two regions failed to mobilise the minimum number of attendants to the meeting, set at 0.5% of the total population for the regional plenary sessions and 100 people in thematic plenary sessions, which meant that they elected representatives without voting power. Since its inception, the OP has mobilised considerable numbers of citizens in the discussions and deliberations of the annual municipal budget (See figure 4.1). For instance, in its first year, more than 7,000 inhabitants were directly involved in the OP and, in the following year, 1998, the number of participants reached 9700.[6] As such, Santo André's local government can be said to have transformed the OP into a process through which it shares with its citizens decision-making powers on public investment and resource allocation, thus giving rise to a number of short-term action plans.

Figure 4.1 Plenary Session at Parque Erasmo Assunção

Photo by Gilberto Garavelo

The process starts in March with open discussions with the population. Plenary sessions are organised in various regions assembling residents from several neighbourhoods and the thematic groups are also launched. The first phase is of an informative nature. The municipal government presents a public audit of its accounts to the population and informs each region of the ongoing works and the state-of-affairs regarding the actions and priorities

[5] The city was originally divided into 18 regions containing several neighbourhoods. This was later increased to 19 regions. Eight (8) thematic groups were established: (1) Economic Development, (2) Social Inclusion, (3) Housing, (4) Public Sector Reform, (5) Education, (6) Health, (7) Environmental Quality and (8) Culture. Later a new thematic was created on Urban Violence/Public Safety. For every region and every thematic plenary 2 representatives are elected to become OP councillor, the principal councillor and his/her reserve.

[6] Source: PMSA, "Orçamento Participativo", undated. PMSA, 1999.

selected during the previous OP cycle. In the following intermediary phase, organized neighbourhood-based meetings take place in which residents and grassroots organisations discuss and set their priorities. The second phase is decisive since not only are the regions' priorities set but it is also at this moment that the attendants of the plenary sessions elect their representatives to the OP Council. In this phase, three priorities for each region and two priorities for the city as a whole are set. Once the OP council is formed and installed, their work starts and, by September 30th, the budget proposal has to be delivered to the Legislative chamber. The process is explained in detail in the following chapter.

A careful analysis of the priorities set by the OP for 1998 and 1999 and in the negotiated budget plan for 2002 (PMSA/NPP, 1999; 2001) indicates that most priorities and actions agreed upon by the OP council relate to immediate needs in geographically defined areas. These include pavement of segments of streets, flood prevention measures, enlargement of the health services' capacity, improvements in the drainage system, provision of water and sewerage systems, and relocation of families living in risk prone areas. Complex and costly projects such as a favela upgrading project, a land tenure regularisation scheme, or other long-term commitments also figure in the OP. Finally, some citywide programmes such as the enlargement of vocational training opportunities, broadening the scope of the Citizen Child Programme (Criança Cidadã), and training of the municipal police to better tackle urban violence have also received a share of the final budget and investment plan. Not all of these programs or actions necessarily require direct allocation of resources from the municipal budget. Some actions are simply part of the day-to-day responsibilities of the relevant municipal departments and secretariat. This is for instance the case with a project on the primary treatment with recyclable materials in the roads of Jardim Riviera/Region Q.

An analysis of the 53 priorities set in the OP cycle of 1997 for the 1998 budget indicates that a significant amount of resources was allocated to a series of urban upgrading activities including the regularisation of informal settlements and basic infrastructure improvements. The 1998 budget also prioritised improvements to the municipal hospital, strengthening the labour force quality in the city through special professional training programmes, and the enlargement and improvement of basic education programmes including capital repairs in school buildings.

The wide scope of activities cuts across various municipal departments and agencies, which tend to operate only under sector-specific municipal programmes. This requires from the municipal government a great deal of coordination and articulation in plan formulation and implementation. Such activities often require direct participation from the beneficiaries in the form of assisted self-help efforts (mutirão), which further crystallises the government-community partnership. The municipality and government agencies all need to keep track of the horizontal linkages between the various stakeholders in the same way that they track the vertical policy coherence and ensure that the material, logistic, human and financial resources are used to maximum effectiveness.

The load placed on both residents and municipal staff is indeed significant. In the budget implementation process, a committee composed of representatives from civil society and municipal technical staff is established to monitor each project and actions approved under the OP. These committees, which usually meet on a monthly basis, engage in project design and implementation even though they have no formal or juridical status. Population representatives provide the municipal technical staff with first hand information and details of the areas affected by any given project and at times offer alternative solutions developed at the grassroots level. Citizen participation is also crucial in helping the local government to closely monitor private contractors' work in the field since their proximity and continuous presence in the project site or surrounding impact area allows them to judge whether work is proceeding according to plan. Citizen representatives are also instrumental in reducing

the population's resistance to government projects as they act as a vehicle to explain and build ownership of the projects. It is worth noting that some contractors were opposed to this partnership and the new role assigned to citizens while a few others have hired local community members to monitor their works.

This new form of citizen involvement through the OP has also affected the government's functioning. For instance, when the OP Council requests a government agency, say the Secretariat for Water, Sanitation and the Environment (SEMASA), to carry out a technical study and a cost benefit analysis of a given project selected as a priority through the OP process, the government agency finds itself obliged to thoroughly study the problem and analyse it from various perspectives. It only seems logical that SEMASA realises that this project in question is a priority set through community-government partnership, and that a "yes" or a "no" must be well sustained. In effect, an interviewed SEMASA management person indicated that civil society's active participation in problem definition and project prioritisation has affected the way in which schemes are designed and prioritised. The pure technical logic no longer seemed appropriate to deal with projects selected in a participatory manner. The SEMASA manager, however, recognises that the lack of clear-cut criteria for technical prioritisation often means that government agencies end up making decisions based on circumstantial criteria.

The survey data showing the results of the negotiation between the government and the OP Council indicates that there is indeed an internal systemic organisation process. The NPP (the Popular Participation Nucleus)—now replaced with the Municipal Secretariat for Citizenship and Participation and the Directorate for Citizen Participation—coordinates the negotiation process while highlighting the areas, types of demand/priority, the responsible municipal agencies, the technical viability, and the activity's cost (PMSA/NPP, 2001). While the SINPA research team could not ascertain how these action plans were actually put into effect, the researchers could nonetheless verify that, during the OP Council meetings, the government representatives provided detailed answers related to costs, technical feasibility and bottlenecks of the projects/priorities under discussion. The discussions were focused and reflected the immediate and short-term character of the solutions and actions proposed and agreed.

The population practically achieved 75% of its list of priorities in the surveyed OP process, the largest ever volume of priorities approved in 5 years of Participatory Budgeting. Even a favela upgrading worth R$ 2 million was approved. Moreover, for the first time, it was the population representatives, and not the government, who took the initiative of presenting the budget proposal to the OP Council. In the past, the government always took the lead in presenting the budget after assembling the priorities elected through the regional plenary sessions. At the time of the survey, the population proceeded with the filtering and came up with a well-spread and negotiated investment plan agreed among the various regions, a sign of a remarkable capacity for self-organisation. On the government side, there is also an effort to develop a method for discussing popular demands, involving the municipal secretaries and mid-level management, in order to define what priorities can be awarded by the budget. Prior to that, such functions rested with the mayor, his direct attachés, and the OP secretariat.

The OP in Santo André strengthens the process of negotiation between the government and the community, reflecting an effort to build consensus around the use of scarce and decreasing revenues. The OP must contemplate both government projects and popular demand (75%). The result is a comprehensive, yet realistic action-plan to resolve citywide problems identified at the very local level by those immediately affected by them. The OP also contemplates some crosscutting issues relevant to the city as a whole. Despite its well-grounded practise, the OP is confronted with the challenge of turning itself into an

instrument for the realisation of a strategic vision of the city by way of tackling key issues that hinder local development and urban productivity. A vision that is shared by all those who take part in the citizen-government partnership endeavours in Santo André.

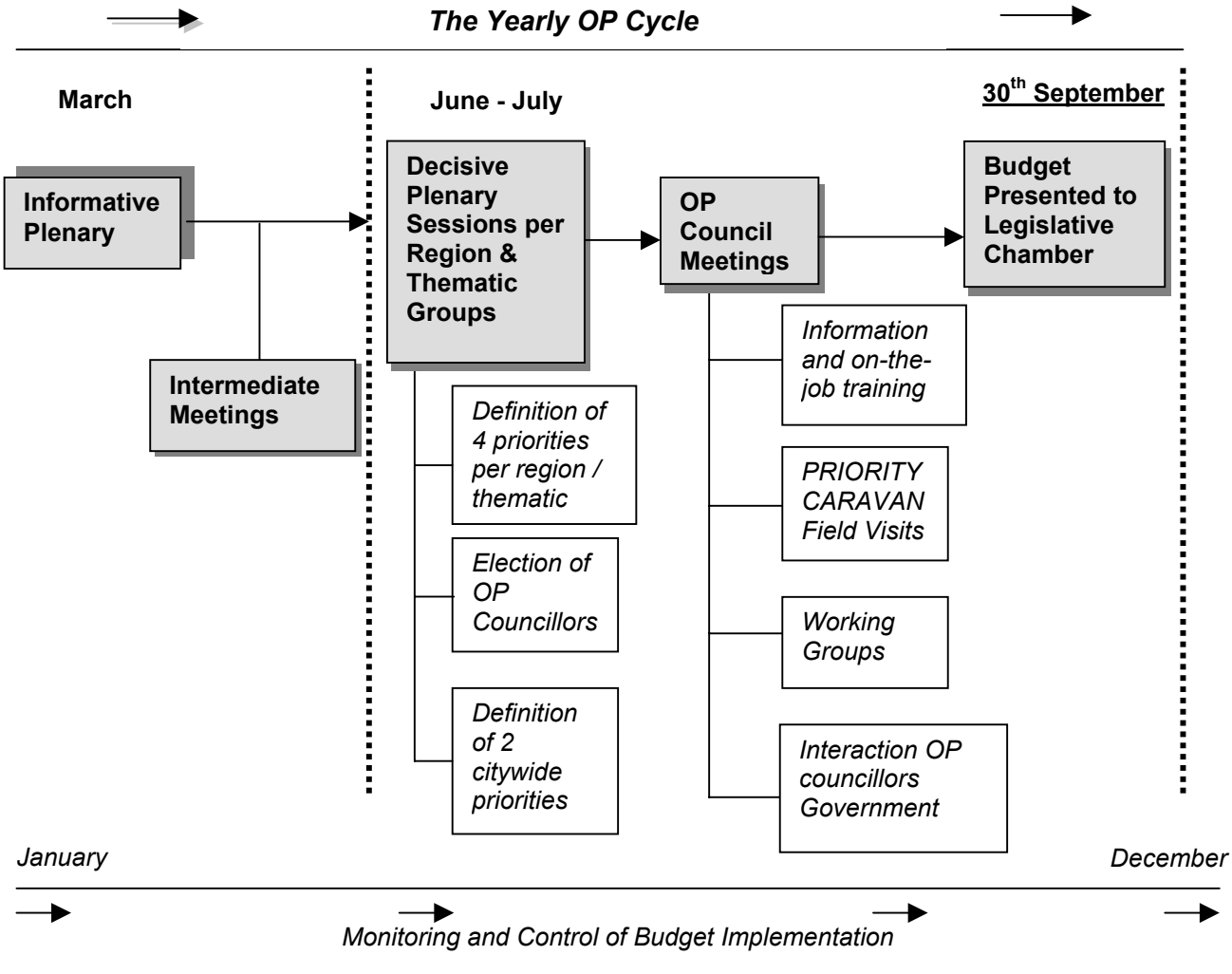
5.

The OP Process and Organisational Structure in Santo André

The fiscal year in Santo André as in other Brazilian municipalities starts on January 1st and ends on December 31st. The budget must be presented to the Legislative Chamber no later than September 30th of each year. The Legislative Chamber has until the 30th of November to approve the budget. These are the deadlines that determine the pace and scheduling of the participatory process to formulate the municipal budget and the annual investment plan in all Brazilian municipalities. The fiscal year however begins at a slow pace. January and February are summer months that are usually spent in holidays, and February is carnival month when the greatest Brazilian festivities take place, which affects the public sector's performance almost everywhere in the country.

Figure 5.1 depicts schematically how the OP process works in different cycles and Table 5.1 details the five stages of the OP process. In March, the municipal government starts presenting to the population its account of expenditures and activities undertaken in the previous fiscal year. This is done via public audits, regional meetings, and special sessions with the OP Council. The mayor usually takes the lead in making a presentation of municipal revenue generation and expenditures. This presentation helps the municipality to explain to the population the limitations and problems it faces and the potentials lying ahead for the next fiscal year. Figure 5.2 and Table 5.2 depict the OP's institutional framework.

Figure 5.1 Schematic View of the Participatory Budgeting in Santo André



In fact, the OP deliberations always take place one year ahead of the implementation of its decisions. This phase of the OP has an informative character and is open to questions from the population and their OP representatives. Once this phase is over and that all regions and thematic groups are informed of the next scheduling round, the OP process enters into the intermediary phase in which inhabitants and grassroots organisations organise region-based meetings to debate and define their most needed priorities.

During the months of June and July, the OP starts a deliberation period. Plenary sessions are organised in 19 regions and 8 thematic groups to discuss problems and vote the list of priorities by all those attending the meetings (see Figures 5.1 and 5.2). Four priorities must be elected during these plenary sessions. These meetings are open to anyone who lives in Santo André but to have the right to vote for or be elected as an OP councillor, one must be older than 16 years of age and be a resident of Santo André. In addition, attendants of the plenary sessions must choose two priorities for the city as a whole and elect representatives and their deputies (reserves) who will act on their behalf in the OP Council. For example, in 1998 while discussing the 1999 budget, the OP Council was composed of 104 councillors from which 52 from the population and 52 from the government, including their deputies. In its deliberations to define the 1999 budget, the OP Council approved 51 activities/priorities out of 130 that were set during the OP process and which were incorporated into the final municipal budget presented to the Legislative chamber on September 30th 1998. In 2002, the OP council included 56 members from civil society, 56 members from the government, and 18 civil society representatives elected in the annual city conference of the CF Project (Blanco and Pontual, 2002). Table 5.1 gives a more detailed explanation of the process.

Table 5.1 The Five-Stage Process of Participatory Budgeting in Santo André

Participatory Channel	Characteristics	Activities
1 **Informative Plenary Sessions** March	At least one informative plenary session is organised in each one of the city regions (19) and each thematic group (9)	The Deputy-Mayor participates in all informative meetings and plenary sessions. Municipal secretaries also join the government delegation. At times the mayor attends as well. The Municipality explains what is the Municipal Budget and the process and structure of the OP as a vehicle of citizen participation and decision-making. Video films and several communication means are used to explain the entire process. These plenary sessions provide a learning process as well. The Municipality explains the financial situation for the current year, the financial performance of previous year, the basis of revenues and expenditures, how resources were spent, what was realised and the potential and constraints for the next fiscal year. It presents forecasts in revenues and expenditures so that the residents become acquainted with the budget limitations, which is often the case. The residents who attend these plenary sessions are formally registered and receive identification cards that will make them eligible to vote in the next round of plenary sessions when deliberations on priorities and the election of their representatives in the OP Council will take place.
2 **Intermediate Meetings Round**	The intermediate meetings are organised independently by the population and their grassroots organisations in each	The municipal staff, civil society representatives and community leaders identify the problems and needs in their specific areas of concern and assess the technical and financial feasibility of possible solutions.

Participatory Channel	Characteristics	Activities
April – May	neighbourhood, region and thematic groups. CBO's are actively involved in assessing and prioritising their needs at the neighbourhood level/sub-regional level. The more mobilised are the residents the more quality in the discussions will be achieved.	The Agents for Citizens' Participation – APC are working in close liaison with the local population and assisting them in defining their problems, demands and priorities, and in organising the process to appoint their representatives in the OP Council. They play an active role in providing technical and financial information related to priorities under discussions.
3 **Decision-making Round** **Plenary Sessions – Deliberative Plenary Sessions** June – July	In each one of the 19 regions and 9 thematic groups there is one Deliberative Plenary session organised. Minimum attendance to validate election of representatives is 0.5% of the total population of the region and 100 persons for the plenary groups. The reference is the latest IBGE census data (1991). In the regions Q and R (environmentally sensitive areas) a minimum of 50 people must attend the meeting. The municipal staff members attending these meetings take records of the registration system, and report internally on the results and processes.	The Mayor explains each demand and their technical and financial feasibility. In many occasions he uses this time to respond to criticism about shortcomings of the municipal government that the population brings forward during the plenary sessions. When there is a demand for improvement or regularisation of an illegal settlement – on private or public land – the mayor finds himself in position to go against the community's immediate interests and demand. A debate and frank dialogue follows. Four priorities and demands defined locally in each one of the 19 regions and 9 thematic groups and 2 citywide priorities will be voted in each regional plenary session organised in these regions and in the thematic groups. The decision is per majority of the votes. Negotiations may take place before voting among the groups and residents attending these plenary sessions in order to favour equally all sub-zones (neighbourhoods) of the region. Those attending these plenary sessions elect their representatives whose main tasks will be to safeguard their interest, needs and approved priorities in the regular meetings of the OP Council. They will also be responsible for preparing the budget and annual plan of investment. One councillor and a deputy-councillor will be elected by majority of votes in the plenary session. The votes are done manually and election is by majority of votes. Second most voted is automatically appointed deputy-councillor for that specific region or thematic group. Audio-visual equipment helps informing in real-time what is happening in the plenary session. Large screens show the priorities and problems that are being addressed in order to facilitate voting.
4 **OP Council Meetings** CMO-Conselho Municipal do Orçamento Yearlong process	Public meetings open to any citizen. On Mondays, every 2 weeks from 19:00 to 22:00. For decision making a minimum 2/3 of the members of the OP council must be present. Councillors have a maximum of 3 minutes when taking the floor to express their opinions and arguments. Both councillor and his/her	Once all plenary sessions and thematic groups have elected their representative and deputies, they will formally hold the sworn statement for the mayor and formally given their seat as OP councillors in the OP Council. This is a formal ceremony. Representatives of the Legislative chamber may attend and participate in the OP Council meetings but have no voting rights. Meetings are well prepared (agenda, minutes, chairman, supporting staff, time control) by the Pair Coordination (Coordenação Paritária) formed by 8 OP councillors, 4 nominated by the representatives of the population and 4 appointed by the municipal government. The Pair Coordination prepares the calendar of meetings, calls and

Participatory Channel	Characteristics	Activities
	deputy may attend the meetings but only the councillor has the right to vote. In his absence the deputy-councillor will take over this right. Until December 2001, the OP council was formed by a total of 28 representatives of the population and an equal number of representatives of the government compose the OP Council. The OP Council has in total 112 principal councillors excluding the delegates elected in the annual city conference of the CF Project. With the full integration of CF councillors as full councillors of the OP, civil society is now in majority in the OP council from 2002 onwards. The population has now 18 councillors more than the government but this has not changed the composition of the pair-committee. The OP Council is now formed by 130 members. Mandate of councillors is one year with eligibility for one consecutive re-election. Thus maximum of 2 year mandate and he/she must step down and wait for one year more if he/she wishes to candidate again.	coordinates the meetings, present proposals to the council and presents to the mayor the deliberations of the OP Council. The Municipal Secretariat for Citizenship and Participation replaced the Popular Participation Nucleus (Núcleo de Participação Popular-NPP) taking over the executive secretariat of the OP Council. The OP falls under the direct responsibility of the Directorate for Citizen Participation. There are several informative and capacity building activities to support the development of the OP councillors as a way to prepare them to the deliberations that the OP Council will have to take. Games and psychodrama, including Augusto Boal's theatre of the oppressed techniques are used in order to increase the councillors' understand about their roles and responsibilities. Role playing exercises are also part of the set of training activities. All these activities are geared to facilitate the negotiations and the process of conflict resolution. The councillors are taken in a field trip by bus throughout the city to visit the different regions and get acquainted – in loco – with the problems and priorities elected by the plenary sessions. This is called the Priority Caravan (Caravanas das Prioridades). This helps to sensitise the councillors about everyone's problems and to build a broader understanding and holistic view of the city and its problems. Working groups are formed in support to the OP Council Coordination but with no deliberation powers. It is an ad-hoc structure that helps to detail priorities and alternative solutions. Once the budget is final and delivered to the Legislative chamber, the councillors follow-up closely the debates and process of approval. The OP council continues with its regular meetings to monitor the implementation of the actions and execution of the Municipal Budget.
5 **Debate and voting of budget proposal by the Legislative Chamber** October-November	The legislative chamber holds sessions to debate the municipal budget as proposed and presented by the government. Sessions are open to the public. The budget is submitted not later than 30th of September and must be approved not later than 30th of November. Once it is approved it is turned into a municipal law valid for the subsequent fiscal year.	The OP council submits its deliberations as a type of investment plan as part of the municipal budget. The full budget is submitted to the Legislative chamber by the municipal executive – the mayor – in which the deliberations of the OP Council are included. OP councillors attend the sessions of the Legislative chamber and follow-up closely the debates. Lay-residents also attend the sessions of the Legislative chamber. Eventually lobbying takes place as to ensure that popular deliberations remain intact during the political discussion of the Legislative Chamber. The LRF law regulates these activities. The vereadores – members of the legislative chamber – can only alter the budget and create other investments if there is guaranteed resources to cover these expenditures.

Table 5.2 The Institutional Framework of Participatory Budgeting in Santo André

OP Entity	Main Role and Responsibilites	Composition
OP COUNCIL Conselho Municipal do Orçamento – CMO	Approves the Budget Law Project to be submitted to the Legislative chamber. Analyses and gives opinion about the municipal revenue (percentage of taxes and tolls). Monitors the implementation of the Municipal Budget and provides opinion in case of cuts in investments. Approves the methodology for the OP as whole. On the basis of experience from previous years revises the structure, methods and functioning of the OP as a whole. The OP council is not regulated by law although it is inserted into the Municipal Organic Law.	One councillor as his/her deputy (reserve) for each of the 19 Regional Plenary sessions. One councillor and his/her deputy for each of the 9 Thematic Plenary Group sessions plus the councillors of the CF elected in the annual city conference resulting in civil society gaining the majority over the government by 18 councillors. Total of 130 principal councillors (56 + 56 + 18). Representatives from the Government in equal number and appointed directly by the mayor. Members of the OP council will not receive any kind of financial remuneration. Mandate of OP councillors is one year with possibility for one consecutive re-election.
OP-PAIR COORDINATION COMMITTEE (Coordenação Paritariá do CMO)	Coordinates the activities of the OP Council, organises the regular and extraordinary meetings of the OP Council Prepares and presents suggestions for the municipal budget on the basis of the priorities set by the plenary sessions, to be discussed by the OP council. Presents the deliberations of the OP Council to the Government (mayor) Reports its activities to the entire OP Council Coordinates and plans the activities of the OP Council	4 members indicated by the popular representatives in the OP Council 4 members indicated by the government.
EXECUTIVE SECRETARIAT (Secretaria Executiva)	Provides logistic and material support for the functioning of the OP Council. Organises the entire documentation required for the functioning of the OP Council.	It is under direct responsibility of the Local Government. The Directorate for Citizen Participation from the Municipal Secretariat of Citizenship and Participation assumes this responsibility.
WORKING GROUPS (Grupos de Trabalho)	Supports the work of the OP Council. Prepares detailed accounts of the priorities, their feasibility and alternative solutions. Proposes criteria for prioritisation of the approved demands/priorities.	It has no deliberation powers. Formed on an ad-hoc basis as a result of the priorities set at the plenary sessions and needs expressed by the OP Council.

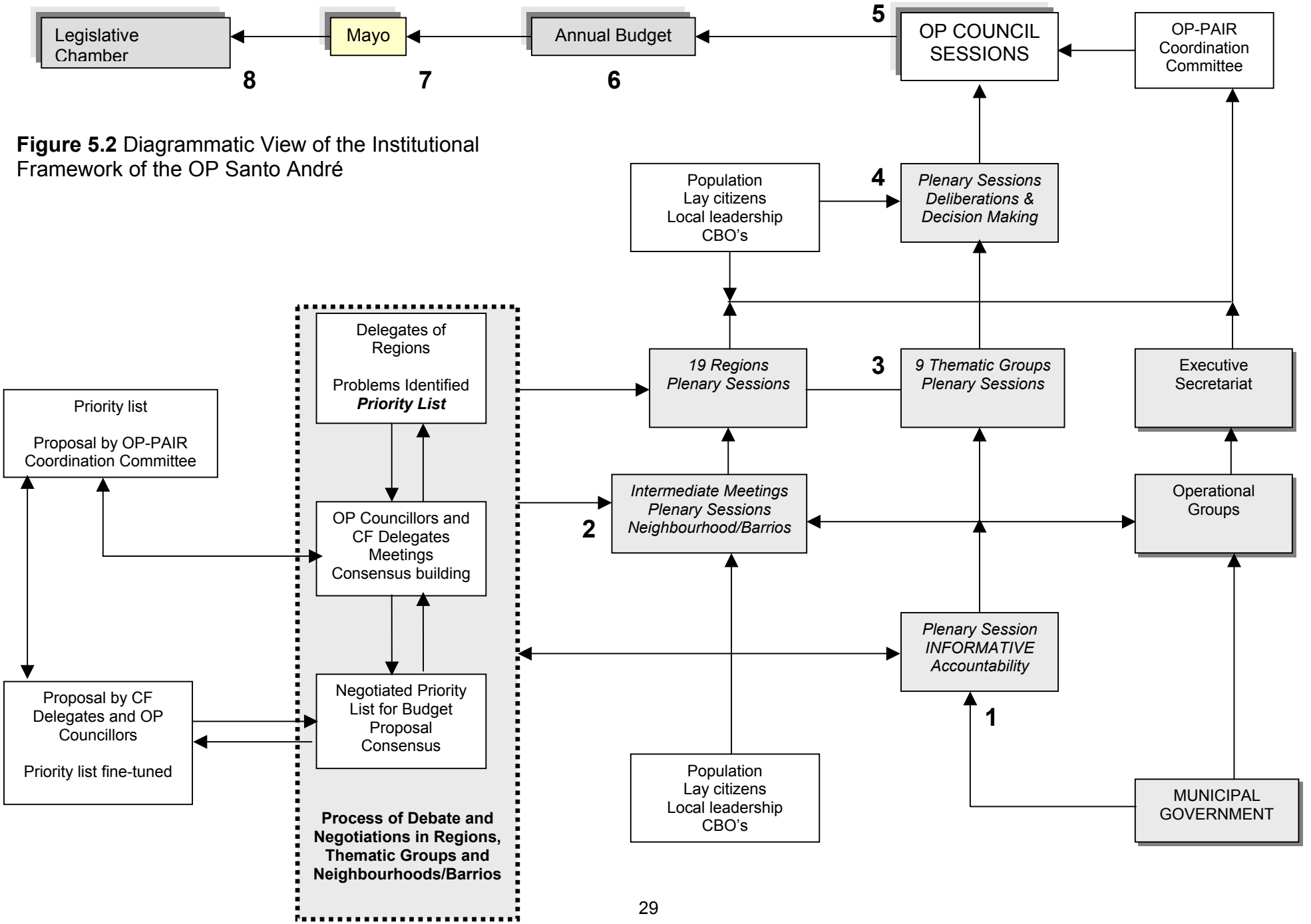


Figure 5.2 Diagrammatic View of the Institutional Framework of the OP Santo André

Table 5.3 summarises the most important stakeholders involved in the OP process in Santo André and lists their key roles:

Table 5.3 Key Stakeholders in the Participatory Budgeting Process in Santo André

Stakeholder	Key Role	Remarks
Community Stakeholders		
OP Councillors representing the population of 19 zones and 9 thematic groups.	• Votes the priorities and approves the budget proposal in the OP Council; • Monitors the implementation of the OP; • Has access to all information related to the municipal budget; • Safeguards that regional priorities are included in the budget proposal;	• Follows strictly the OP Internal Regulations and improves its content. • Informs his/her Deputy and the Directorate for Citizen Participation in case he/she will be absent from the OP Council meeting at least 2 days in advance.
Delegates	• He/she has a crucial role at the neighbourhood level; • Keeps close liaison with OP councillor of his/her region maintaining a system of regular meetings/monthly basis • He/she inspects the execution of the works/actions approved by the OP council in his/her region • He/she gives opinions and discusses with councillors and government eventual adjustments in the approved projects and works;	• This is a new actor that appears from 2001 onwards. He/she is elected in the plenary session in his/her region • At first on the basis of 1 delegate for each 50 persons attending/registered in the meeting. • Actually, in the regional plenary sessions from 1 to 50 attendees, 2 delegates; between 50 and 100, 3 delegates; for more than 100, 5 delegates. • The delegate is neighbourhood-based.
Neighbourhood-Based Organisations – CBO's	• Mobilise the inhabitants at the very local level in the various regions; • Inform the inhabitants about the OP activities and calendar; • Provides support in priority setting.	• Not formally represented in the OP but plays active role in the mobilisation of residents and priority setting at the very local level; • Many CBO members and community leaderships associated with them are active in the plenary sessions and some are elected councillors in the OP Council.
Lay citizens (residents of the city)	• Registers and attends the meetings at the barrio level and region level; • Voice his/her concerns, ideas and views about the problems and priorities during the plenary sessions and intermediate meetings; • Votes for defining the final priorities; • Candidates himself/herself for the OP council; • Informs neighbours, friends and family members about the OP process, calendar, decisions, etc.	• Active citizenship depends on the motivation and response of citizens to the participatory process; • If he/she believes that his/her problems and priorities are being addressed and resolved through the OP then the tendency is that the participation will grow;
Government Stakeholders		
Mayor	• Participates in the Deliberative Plenary sessions; • Chairs the ceremony in which chosen councillors give the oath and formally establishes the OP council. • Appoints the representatives of the government in the OP council. • Can veto points of the investment plan and budget. • Formally presents the draft budget law to the municipal chamber.	• Mayor gives "de facto" recognition of the OP council and the OP process; • Mayor gives it political legitimacy by recognising the OP as a truly organ to decide on the municipal budget. • Presence of the mayor in the meetings have a significant impact on people's belief in the OP process.

Stakeholder	Key Role	Remarks
Budget Committee of the Municipality (Comitê do Orçamento da Prefeitura)	• Points out what can be financed and what cannot be financed on the basis of LRF law. It gives the green light. It is a type of a financial control unit. • Keeps record of the expenditures and income of the municipality;	• It is not a regulated municipal body; • The committee is formed by the secretaries of Finance, Government Affairs, Participation and Citizenship, and Strategic Planning.
Municipal Secretariat for Participation and Citizenship	• Represents the municipal government in the Pair Coordination of the OP Council; • Voices the position of the government regarding technical, financial and political feasibility of priorities and demands made explicit in the OP Council. • Safeguards the quality of the process and decision-making, monitoring closely the structure and operation of the OP as a whole. • Reports to Mayor and brings suggestions for change and/or improvement.	• The secretary is a key person in the process, engaging in direct contact and discussion with representatives of the population. • He is the operational arm of the government regarding the OP. • Methodological and operational aspects of the OP are resolved by him; • Strategic principles and directions regarding popular participation and citizen involvement in municipal affairs are all dealt with by this secretariat.
Municipal Secretariat for Government Affairs	• Represents the municipal government in the Pair Coordination of the OP Council; • Keeps the cross-cut coordination of government policies; • Reports to Mayor.	• Secretary of Government keeps the government in line with policy and orientation of mayor.
Municipal Secretariat for Finance	• Represents the municipal government in the Pair Coordination of the OP Council • Provides concrete figures regarding fiscal health of the government, forecasting, etc. • Provides backup in discussion about investment capacity.	• This is a strategic stakeholder who detains crucial information about the financial health of the municipality.
Director of Citizenship Participation Department	• Represents the municipal government in the Pair Coordination of the OP Council • Chairs the meetings of the OP council and moderates the debates in close liaison with a representative of the population; • Monitors the daily routine operation of the OP as a whole; • Coordinates and supervises the supporting staff of the OP process; • Follows-up with different municipal agencies and organisations about demands and priorities spelled out by the representatives of the population.	• In the previous government term, the OP and the respective staff and capacities were grouped under a coordination status – formerly known as Nucleus for Popular Participation – NPP, and later it was raised to the status of municipal secretariat gaining more resources, capacities, political leverage and weight. • This department has a vital executive task and is essential for the horizontal and vertical articulation of participatory policies within the municipal apparatus; • It is the mentor of citizen participation and the leading stakeholder to articulate the participatory policies.
Secretariat of Strategic Planning	• Participates as observer member on behalf of the municipal government in the Pair Coordination of the OP Council; • Provides inputs to the discussion regarding the long-term vision agreed by the mayor and the municipal government as a whole.	• The involvement of this secretariat was introduced in 2001 in order to strengthen the linkages between OP (short-term planning) and CF (long-term development planning); • This is one of the measures undertaken to establish a closer link between the processes of immediate solutions with the

Stakeholder	Key Role	Remarks
		vision of the city and its strategic development choices.
Sector Municipal Secretariats e.g. Secretariat of Education, Secretariat of Public Health, etc.	• Participates in the respective Thematic Plenary Sessions and Groups • Provides issue-specific feedback to discussions and deliberations in the thematic sessions;	• The involvement of these municipal secretariats provide a sector-specific view of municipal policies as well as the current limitations; • The quality of decisions taken at the level of the plenary sessions highly depends on the active participation of these secretariats in providing substantial inputs to the debates;
OP Councillor representing the Municipal Government	• Participates and votes in the OP Council Meetings and deliberations; • Accesses all information related to the themes and issues under discussions in the sessions of the OP Council; • Provides feedback to the debates and requests from the representative of the population; • Safeguards municipal policy cohesion; • Articulates the budgeting process horizontally and vertically within the municipal apparatus; • Provides key information on technical and financial feasibility of projects, priorities, solutions, etc. • Keeps flow of information within the government.	• Abides to the Internal Regulations of the OP and attends all meetings, interacting with the representatives of the population; • The representative of the government in the OP is appointed by the mayor and has an important role in promoting active citizenship at the level of the OP. • In order to maximise the learning aspects of the OP it is important that he/she fully gets involved in the debates and plays and enabling role to empower the representatives of the population in their roles as OP councillors. This will increase the quality of discussions and of the decisions thereafter.
Agents for Citizen Participation (Agentes de Participação Cidadã – APC)	• Responsible for monitoring and supervision of the participatory processes at the lowest level e.g. neighbourhoods, regions and plenary sessions; • Responsible to make the link between the councillors, delegates and population; • Assures that the participatory process takes place in a fair and smooth manner; • Reports to the Department of Citizen Participation.	• The APC is a type of community mobilisation expert whom assures that there is a good link and good flow of information between the OP councillors, delegates and the population. • Although he/she reports to the government and is a municipal staff he/she acts on a bottom-up basis, facilitating the articulation of the population's demands and priorities and assuring that there is a continuous flow of information to the citizenry. • He/she needs to be active in the working groups where more clarification, feasibility studies and technical opinions are worked out in detail. This is information that needs to reach the population.
Political Stakeholders		
Legislative Chamber Councillors (*Vereadores*)	• He/she has the right to participate in the meetings of the OP council; • He/she can voice his/her ideas, concerns and opinions but has no voting rights; • Her/his main task is to legislate with sanction of the mayor and to present draft law and norms proposals, supervise the executive – mayor – and approve the municipal budget. • Usually he/she attends plenary sessions in his/her areas of representation in the city.	• There are many "vereadores" who are against the OP In Santo André but because the PT has a large representation in the Legislative Chamber it manages to approve the budget and other proposals through a good political negotiation. • The challenge is to abdicate from one's legal and constitutional right and become a partner of the population, giving away a bit of his/her power and share the power with the population. • Last 4 years the municipal budget was approved in the form that it was presented.

Stakeholder	Key Role	Remarks
Political Parties	• It has no formal representation in the OP process as a whole and certainly not in the OP Council. • Only the politically progressive parties get involved in the process of mobilisation particularly and advise their members and associates to support the process of citizen participation.	• There is a direct political benefit by getting involved in participatory processes, in terms of votes and political support in local elections. • The PT has a clear directive in favour of citizen participation and most of its militants and representatives in the legislative chamber do support the OP and all forms of popular participation. Other progressive and left wing parties also follow the OP closely.

The municipality is actively engaged in mass communication and in delivering information about the OP, its processes and mechanisms, and where and how the population can get involved (See Table 5.4). This is aimed at getting more people involved in the management and planning of the city. In addition, the municipality, through its Directorate for Citizen Participation and the Municipal Secretariat for Citizen Participation, regularly surveys OP participants (residents and councillors) in order to monitor the development of the participatory process. It uses these surveys to adjust the instruments and take measures to overcome bottlenecks identified by the participants.

The OP coordination body within the government however acknowledges the need to develop further communication instruments to sensitise and mobilise the population that is not involved in the OP process. It recognises that new tools and instruments need to be designed to match the specific circumstances of each population group. In general, there are three overall groups: those who know of the OP process and take part in it, others who know of the OP process but do not participate, and then there are those groups who do not know and thus do not participate in the OP.

The communication strategy towards these different groups—particularly those who do not participate—is an issue of concern that requires an in-depth analysis. It is important to understand the reasons behind the voluntary and involuntary decision to participate or stay away from a process that is explicitly committed to citizen participation in allocating public resources and in combating social exclusion in their city.

Participation in the process is ultimately an individual decision that is not only informed by the expected individual benefits but also by the individual's recognition of the collective benefits to be derived from participation. Solidarity, altruism and personal ethics all affect the level of citizen participation in the public domain. Such traits are clearly influenced by the process of individual character formation and the moral values acquired throughout one's life. Yet, participation in the public realm is also affected by external environmental factors that ultimately shape the way individuals and groups interact vis-à-vis the public domain. The day-to-day struggle for survival may not afford poorer people the time needed to reflect on the underlying causes of their poverty and marginalisation, and whether such conditions can be change via a participatory process like the OP. Ultimately, the future of any participatory approach depends on the response of the population and target groups. In this context, policy research is needed to provide answers to the above stated questions and thus help to inform the municipality's communication strategies, an achievement that can shape the future of the OP process and of its vision of building active citizenship in Santo André.

Table 5.4 Communication and Information Management Tools for the Participatory Budgeting Process in Santo André

Communication Tool	Key Functions	Comments
Journal do OP (Jornal do Orçamento Participativo)	• Informs about the OP functioning; • Informs about the agenda, place, date and time of the various OP meetings; • Informs on the decisions taken by the OP Council; • Informs on the results from executing the municipal budget;	• Publications issued by the Nucleus of Citizen Participation and distributed via the municipality. • Very informative means but suffers from lack of regularity. Research has proved that this is not the most effective way to inform and get people involved in the OP; • There is not much evidence about how much this journal is read and taken as reference by OP participants.
Brochure, booklets and leaflets	• Informs about the functioning of the OP in a pictorial manner; • Informs about many OP aspects: the role of councillors, the tasks of the OP Council, the processes and stages, the critical dates in the OP process, etc. • Informs on the implementation results of the OP	• These are also not the most effective way to get the population informed. The members of labour union report that this is the way in which they usually get inform about the plenary sessions and the OP as a whole. • There was no way to verify the efficacy of these means and whether publications are issued regularly distributed widely.
Vehicles with Audio equipment and sound boxes installed	• Vehicles drive around the regions informing about the OP and calling people to attend the plenary sessions; • These vehicles are in operation during the periods preceding the plenary sessions and important OP events.	• Since this is a common political campaign method, inhabitants tend to pay less attention to this method of information provision.
Letters from councillors of Municipal Chamber – vereadores	• Vereadores send news bulletin to the inhabitants of the regions where they have their voting basis.	• Only those belonging to the governing party are likely to use this means and spread the news about the OP.
Schools	• Children are also vehicles of the OP since schools are well informed about the process; some of the meetings take place in the premises of local school buildings	• Latest research findings show that this method is decreasing in use.
Residents' and Neighbourhood-based Organisations, and Labour Unions	• It is a strong vehicle of communication since they have their own means to inform their members	• There are evidences that this is the most effective informative means used by those who attend the meetings of the thematic groups; • Since they are closer to their constituents and have a much closer relation one could expect that this means would be stronger than they actually are.
Outdoors	• Large outdoors – static messages – seem to do little to mobilise people.	• There are records that this means is decreasing in importance, from 10% in 1998 to 1% in 1999 (WM Pesquisas et all, 1999).
Research and Survey Reports	• Apart from academic research hosted by the municipality, it contracts out surveys and applied research on the process and participants. Very effective way to unveil discrepancies and participants' expectations.	• A wealth of information is provided by those studies. The municipality is given a good basis to assess the results of its participatory policies and how it is evolving. There are reports from 1997, 1998 and 1999.

6.
Citizen Participation in the OP in Santo André

6.1 Previous Accounts on Citizen Participation in the OP

A survey conducted in 1998 by WM Pesquisas and Gestão Venturi Consultorias interviewed 1,217 persons who took part in the second round of plenary sessions for the 1999 OP. The 1998 participant profiles were then compared to those of the previous year (WM Pesquisas et al, 1999; 1999a). The survey's findings match the profiles of OP participants interviewed by the SINPA Research Team during the months of July and September 2001. Indeed, the SINPA survey showed that nearly three-fourths of the participants attending the plenary sessions have primary education while participants in the thematic groups tend to have a higher educational level. No changes were recorded relative to the situation in 1997 and 98.

In addition, there is a considerable increase of participation from people belonging to economically active groups (nearly three-fourths), compared to 57% in 1997 and 64% in 1998. The thematic group meetings continue to attract a larger proportion of economically active people (81%) than in the plenary sessions. It may then be argued that thematic issues and sectoral problems attract different types of participants, arguably those who are better prepared to discuss issues relevant to the city as a whole.

Contrary to expectation, the majority of participants in the plenary sessions (70%) are not affiliated with any association, union, syndicate or social movement. The increase in the figure relative to 1998 (63%) further confirms that the OP tends to attract people who are for the most part politically independent and who do not have a history of past involvement with collective social movements. By contrast, 43% of participants in the Thematic Plenary sessions were found to be associated with unions, syndicates or social movements. This figure is not surprising since, unlike the plenary sessions, the thematic sessions do not aim to attract geographically bound groups or those in need of basic infrastructure and services but rather those seeking policy support to their economic activities.

The situation, however, differs drastically when it comes to the OP councillors. About 82% of all population representatives and 87% of government representatives are affiliated with one or more civil society organisations, suggesting the high level of political activism among OP councillors. In effect, 42% of the population representatives and 78% of government representatives are associated with a political party. In addition, 36% of the population representatives are members of labour unions and professional associations and 24% in residents' associations.

Half of the respondents affirm that it is their first time to participate and attend OP meetings whereas one-third previously participated in 97 and 98. As for the thematic group meetings, 61% claim to participate for the first time. Such figures indicate that there is indeed renewal in the participants involved in the OP, which suggests that the municipal budgeting process is increasingly gaining visibility. When first time participants were asked how did they get to know of the OP, 42% claimed they were informed by friends or relatives compared to 31% in 1998. By contrast, the survey found that the municipality's communication strategy using pamphlets, letters, school meetings, and public announcements (via microphone-equipped cars), was much less efficient in spreading the word on the OP, which implies that the municipality needs to review its communication strategy.

When asked about their motivations to participate in the OP, 20% of the survey respondents declared that they came to discuss general improvements to their neighbourhood and city. Another 17% came because they were seeking to obtain basic infrastructure improvements (street paving, sanitation, water, and sewerage) and to know more about the favelas and housing issues in their city. Healthcare, education, public safety, and public spending were less mentioned issues in the survey. These findings seem to indicate that indeed the short-term character of the OP and its aspect of problem solving at the neighbourhood level are the strongest pull factors that get people involved in municipal budgeting.

Finally, when assessing the quality of decision-making, 59% of the respondents found that they had sufficient information at hand to allow them to vote in an informed manner. About 25% found that, at times, there were missing information about the most important issues and decisions. Clearly not everyone feels sufficiently well informed when taking decisions and voting for priorities in the OP.

6.2 Recent Findings on Civil Society Participation

The survey found that the OP continues to attract the poorest segments of society, with relative limited participation from the middle-class and more affluent groups, the private sector, and other groups such as youth. In an attempt to reverse this situation, the OP coordination incorporated several thematic groups that are more directly catered to these groups such as economic development and culture. Such changes resulted in a gradual, but nonetheless timid increase in the involvement of these hitherto absent groups. The SINPA research interviews confirm the existence of a growing interest by the private sector and middle class groups to get involved in the OP, particularly when citywide issues started being covered in the final budget.

Participants in the OP process perceive it as an important avenue to express their needs and more crucially to influence the allocation of the municipal budget towards their interest. There is a noticeably high degree of civic involvement among the participants interviewed by the SINPA research team with many persons involved in more than one civil society association. They see the inclusion of their demands and concerns in the final budget and annual investment plan as a reward for their active involvement in the participatory channels opened up by the municipal government. There are nonetheless cases in which councillors do not manage to have the population's demands and priorities included in the budget, thus creating a lot of dissatisfaction and unrest as depicted in this account of a councillor:

> *"… In 1990 there was a popular mobilisation and the land occupation got started. There were a series of illegal land transactions and the owner of the land said it would only sell the land to a residents association. We founded the association in 1991 in contrast to another association from an adjacent area called Cassaquera. Negotiation started but it was difficult to pay the debts and the owners started threatening those who defaulted. Some got killed. I was threatened several times until the gang was caught and sent to prison. In 1996 we made a petition for land regularisation and in the next year the Municipal Chamber approved a law declaring the area an AEIS II (special area for social interest) which theoretically paved the way for regularisation. 300 families have paid for their plot and 156 have no debt but the legal owners did not receive the money since the previous leadership of the association did wrongdoing with the money. It is a big problem. There are 420 families and the option will be to use the "city statute" law to get this settlement recognised and regularised. The settlement is scarcely occupied with difficult access and woodlands to be preserved. I did not get much from the OP where I have been involved since 1997. This is the region P and we have 8 delegates. I was elected in an assembly with 300 people the largest plenary session. In 1998 the OP financed the census/registration of the families and land tenure regularisation. The municipality cannot invest in land that is not regularised. But Federal law says that the municipality can provide infrastructure where people live. Every year our area is an OP priority in the region. The mayor is only involved with the beautification of the*

city and not paying attention to regularisation and to the health sector. Four (4) priorities come out of the region. Two (2) are negotiated in the plenary session and one (1) has to be included in the budget. Water and electricity was negotiated but the housing project remains out of the discussion. I abide to the decision making process. I take proposals to the municipality. I do not want anything for me. I fight for the others in condition of equality…" (MPR, president of residents association of Vista Alegre squatter settlement, born in 1942)"

In 2000, the city experienced a considerable decrease in the number of participants in the OP. Some argue that there were doubts among the population as to whether the OP would continue and whether the municipality would honour the agreed investments in case mayor Celso Daniel were not re-elected. In effect, the 2000 local municipal elections unveiled heavy political opposition to the OP from conservative groups who clearly expressed their determination to stop the OP process if elected since the OP was primarily identified with mayor Daniel and the PT.

Stakeholders' Participation and Decision-Making on what is included in the Budget

The rate of participation has not been the same since the beginning of the OP, in reflection of the dynamism that marks civic participation in public policymaking. The years 2000 and 2001 saw more community involvement in the actual organisation of the OP than in past years. One explanation is the difficulty for the government to articulate its proposals in a period of electoral campaigning when no promises can be guaranteed. An agreement had to be made with the OP councillors representing the population about the demands and priorities set at the plenary sessions and the government proposals that were included in the budget. In 2001, the government further elaborated its proposals before reaching the stage of community debate, which consequently reduced the community's role and that of their councillors in comparison to previous years. It should be noted, however, that for the first time, when discussing the 2002 budget, the OP population representatives came up with a well-prepared and consolidated format for the budget proposal, which suggests that the learning curve of the current group of councillors in the OP has been quite high.

As part of the OP Council's routine work, the government prepares a feasibility study of all community and government demands. The draft budget proposal attempts at first to grant at least one demand/priority elected by each regional and thematic plenary, and this list is negotiated down until a final consensus is reached. In case consensus is not reached, the specific priority in question is in theory voted separately. It is reported, however, that such a situation has never occurred, even if the OP Council session finalizing the 2002 budget was about to witness a first such instance.

Indeed, the OP councillor for Region P took a tough stance regarding the regularisation of the Vista Alegre settlement, refusing to see the scheme dropped from the final budget. He claimed that he would be discredited as the area representative if his region and settlement were neglected yet another time in favour of the surrounding neighbourhoods. He refused to understand that it was legal barriers that prevented his demand from being met, since the government had categorically refused to start regularising the settlement before the land disputes surrounding it were solved. The government nonetheless was prepared to initiate other projects to improve living conditions in the settlement until the legal hurdles could be surpassed. Discussion ensued and the people's representatives sat separately to negotiate a compromise. They all agreed that solving the legal issues surrounding the land would be placed as a priority. Moreover, representatives of the neighbouring zones were prepared to give up their priority for the following budget of 2003 in favour of the Vista Alegre settlement. The experience of the OP in Santo André displays instances of remarkable maturity in the negotiation process surrounding the budget, in which some form of a social pact is built around the allocation of public investments in the city.

Stakeholders' Ability to Participate and the Learning Process

The government leadership in the OP reports that capacity building is fundamental for the success of the process and it remains a continuous challenge for the technical staff that is directly involved in the OP. The latter's education levels and their accumulated experience with civil society organisations, unions and in political advocacy represent a valuable asset to the municipal government, as it strives to strengthen the avenues for participation and foster active citizenship. Despite such strengths, the type of citizen participation sought in Santo André for the purpose of empowering the population requires a different set of skills and enabling approaches that are not currently present in all municipal staff involved in the OP. The population also lacks experience in dealing with public policymaking and knows little about what a municipal budget is about and how it is organised.

In order to address these weaknesses, the municipality systematically organises training courses and seminars targeting the technical staff and the OP councillors representing the population. Before the OP Council's work begins, several training activities are organised in order to improve participants' understanding of the process, their roles and responsibilities, etc. There are also short training modules, lasting 12 hours each, to clarify how the public administration is structured, how the municipality operates, what is a municipal budget and how it is organised. These training events' assessment by the population representatives in the OP council has been extremely positive. On the whole, the OP Councillors reported a high learning impact from the training and from actual engagement in the OP Council, facts that are also confirmed by the SINPA research. New learning instruments were introduced in 2001, including role-playing exercises, psychodrama, and Augusto Boal's "theatre of the oppressed" techniques that draw on Paulo Freire's "pedagogy of the oppressed." These new tools proved to be effective in helping the OP councillors understand their own roles and those of other actors like the mayor, the OP technical staff, and community leaders. All these efforts strengthen teamwork and facilitate conflict resolution and negotiation. It was reported that communication between the government and the community councillors has significantly improved as a result of these events.

These activities have also helped the government in identifying some problems that are not easily voiced through traditional means. For instance, councillors representing civil society organisations admitted their exposure to incredible pressure from their constituents to get funds for their priorities/demands from the OP budget. Since this is not always possible, they fear "going back home with empty hands." The ensuing conflicts that arise with their communities causes the councillor to lose credibility and results in a significant loss of interest in the OP process.

The capacity building of OP councillors is currently coordinated by the government, which implies separate roles for government and civil society in the OP coordination process. The OP's executive secretariat acknowledges that this situation is unsustainable since it goes against the principle of equal responsibilities, which is at the basis of the OP. The building of an organised civil society and a responsible citizenry whose support for participatory governance is to multiply, even under a different political environment, requires a different capacity building process of a more comprehensive nature. This may explain why currently the focus is on strategies to consolidate the OP process and participatory methodologies rather than on the institutionalisation of political rights.

This is not to say that the government-coordinated programmes are the only method for capacity building in Santo André. Other channels for capacity building and transfer of the OP experience exist including numerous training programmes on participatory processes organised by the Congregation of Labour Unions (*Central Única do Trabalhadores, CUT*), the University of ABC, the Escola do Governo, in addition to other municipal programmes. These activities focus on institution building and strategic planning and provide support to

local cooperatives, new small entrepreneurs and community-based businesses. Finally, the self-learning process and transfer of experiences should not be underestimated. The OP community representative councillors would have often participated in the OP for a long time, acquiring in the process a wealth of experience in dealing with the OP (and the CF). As one former councillor puts it, "today I participate in the OP to transfer my experience to others so as to help them to meet their needs".

Measuring the Impact and Benefits from Participation

Participants view their involvement in government-citizenship activities in different ways, which often have to do with their personal histories. The OP has provided an avenue for participation and communication to population groups that were traditionally excluded from public policy. Many participants report their early involvement, dating back to the 1970's and 1980's, with community mobilisation and advocacy works to lobby the government to upgrade the *favelas* in which they live. Back then, the government displayed little tolerance towards the squatter community, with whom it did not negotiate. Police intimidation often occurred.

Celso Daniel's administration initiated some of the first contacts ever, when municipal staff organised meetings with these communities and explained the channels of participation and the opportunities made possible under the OP. Representatives of squatter settlements measure their participation positively as they have achieved government recognition and substantial improvements in living and environmental conditions where they live. They quantify the benefits of their participation by quoting the number of families that are now being supplied by water, the number of cars that circulate in their settlement, the number of kids playing in safe playgrounds, and the happy smiles on the faces of the residents.

> *"… In 1977 I started getting involved with the community movements within the favelas where I lived. I have been living for 8 years in Sacadura, and lived 7 years in Tamarutaca and 7 years in Gonçalves Arco. In 1998 I started getting involved with the OP and incorporated another struggle in my list. My motivation to work with the OP is to achieve decent housing and live in dignity. I 'dressed on the shirt of the OP' and the more I work the more I am happy. I do not have Saturday, Sunday or free day. It is all 3 years of hard work with the OP. My sons complain that they grew up and did not see their mother. I have time to leave the house but I have no time to come back. With all these personal difficulties it is worth because through the struggle you see that it has a return and benefit. You see that it is not in vain. You see the happiness of the population, it is so delightful. When I see what Sacadura was before and what has become today I become emotional. It was a struggle. Now we see the fruits of the seeds we planted. And we collected the fruits. And this was the OP. The mayor opened the doors. He prioritised the population because he does not define everything on his own. It is together with the population… (M.N.L., housewife, born in 1956)"*

The OP has also brought significant benefits in terms of improved communication channels between civil society organisations, government and other actors such as the private sector. The OP was instrumental in literally opening the local government's doors to poor people voicing their needs and in allowing close interaction during the plenary sessions between, say, the Secretary of Economic Development and small-scale entrepreneurs. Such close interactions resulted, among other benefits, in linking a cooperative with a textile industry, whose owner donated four heavy pieces of industrial machinery to the cooperative.

Clearly, there are many benefits that are difficult to quantify relative to the abovementioned ones such as the increased knowledge, becoming a better citizen, and understanding the limits of each stakeholder in the city, which helps to improve the relationship and build consensus between the different stakeholders. In the participants' words:

"Before the OP I was very critical in relation to the local government. Today I know the realities of the Mayor, secretaries, government staff and elected municipal councillors. The Mayor in not the owner of the city. Many people think that he can take land anywhere and build houses as he wishes…(A.N.O.)"

"…Until four years ago I lived in a shack at the margin of the creek. We were all in a risk and flood prone area. We formed a resident committee and 6 months ago we have turned it into a residents' association. In 97-98 we went to the OP to attain a contention of the margin of the creek to avoid landslide. In 2000 we prioritised the asphalt and the vocational school and in 2001 we prioritised the urbanisation of the central square. If you knew this neighbourhood 3 years ago and today you would see the incredible change. When it rained no one could enter here. Today the square is full of mothers bringing their children to play and before it was a dirt pavement, dark and I was really afraid to come here. Now it is full of people. It is worth all that effort and I am gratified even when I hear those who are still not satisfied. Today the school has provided education for more than 500 persons who followed their vocational training. The youth is out of the street and instead of doing nothing they now have an option. There are deceptions as well. I am poor still but it was worth getting involved in the OP … (M.Z., mother and community leader, OP councillor, member of the management board of the vocational school, secretary of the residents' association of Jardim Cristiane, born in 1966)"

Participation Leading to Better Local Area Management

Santo André's experience with the OP is resulting in better management of public services and municipal investments. Community councillors serve as watchdogs. They monitor the quality of works being implemented in the neighbourhood or sector of concern, giving suggestions and reporting back to the local government. They suggest improvements to the design and implementation of approved plans, keeping a close liaison with technical staff. Most importantly, they feel it is their mandate to act as such.

Quality review questionnaires distributed to evaluate the government projects had two direct effects on the quality of urban management. First, it brought planners and citizens closer to each other in searching for common solutions. Consequently, planners had to learn how to be more flexible and to incorporate people's knowledge and experience in municipal plans. The accuracy of plans is also increasing given the pressure that the community exercises on planners to achieve project objectives. This is a process that is not yet consolidated but which holds the potential of increasing the effectiveness of planning and management while expanding community ownership and co-management of public investment and services. Second, the population's involvement in the design, implementation, and monitoring of public policies led them to contribute from their own resources to improve the way in which the municipal budget is allocated and spent. The population's input also helped to reduce maintenance costs in several projects. It is unfortunate, however, that the municipal staff engaged in the OP coordination still has not developed appropriate indicators with which to measure the OP's effectiveness in such matters.

Time and Resources Allocated to Participation

Each regional and thematic plenary session lasts on average 3 hours, with the sessions normally taking place every two weeks starting from the beginning of the process. The population is at first registered manually, a process that takes about 30 minutes (some cities make use of IT to speed up the process). Children care facilities are provided to facilitate the participation of mothers. Multimedia is used to show the events in real time to speed up the discussion and voting process. The demands and priorities set by attending community representatives appear on a large screen while each speaker is presenting his/her specific priority. Between 20 and 30 people then voice the community's demands, a step that lasts about one hour. The time of course varies from one region to the other depending on the outcome of the preliminary community meetings, which occur in the previous intermediary phase and which are intended to facilitate discussion and prepare the region for the plenary

deliberation sessions. Regions with organised communities are more efficient in using their allotted time, and thus are more effective in getting their demands included in the OP. The level of community organisation has in effect a direct impact on the participatory process' efficiency and effectiveness.

Before each plenary session, the coordination team and volunteers organise a meeting to discuss the strategies and plan the actions that will take place during the plenary session. The organisation of the OP admits, however, that the plenary session is a time-consuming event and there is a pressing need to take better measures to manage the time that each stakeholder uses in preparing, conducting and finalising a plenary session. It is reported that in Recife, for instance, the OP has a coordination team for each of the three functions: policy, systematisation, and implementation. Time is a key resource devoted to making the OP participatory approach work. Assessing the effectiveness of time spent in the process and improving its management is key to enhance the cost-benefit ratio of participation.

> *"…The cost of participation has been high. The demand of the work has a high price. Family put aside and a serious fight with my wife. There are no real personal benefits, it is small and does not pay for what I do. In reality I am donating myself and my time, weekends and evenings, and the personal cost-benefit is very high. Though personal enrichment and the accumulated experience has no price. I am learning about the public budgeting, strategic planning, which in the future may benefit. I am getting to know other cities practising or willing to start similar participatory approaches. I have visited more than 15 cities, discussed with mayors, vereadores, etc. It is a very rich experience and a valuable learning process. The benefit is that it legitimises the proposals of government made on the basis of citizen participation. There is a gain convincing people that this process is of popular participation with the exercise of citizenship. I never had known such a process in which one exercises the citizenship. I am impressed with this type of public management"…. (JRS, government staff, Agent of Citizenship, born in 1952)*

One participant reports that she undertakes different activities related to the OP that require each week time on 1-3 days. She pays the cost of transportation from her own pocket to participate in the OP Council sessions. The SINPA research shows that many participants face difficulties in attending all meetings because of the costs involved. The researchers encountered two cases in which an OP community representative councillor actually pays for the transport of other fellow councillors from his own resources. One female participant said it was difficult for her to continue her "civic commitments" with the OP: as a woman, she has two other roles—productive and reproductive—on top of the unpaid community service and commitment to citizen participation. This conflict prevented her from participating as an OP councillor during the current process.

A high civic spirit is noticeable among the majority of participants in the OP process. This is their key to stay focused and engaged in the process of public-community partnership for the management of municipal resources. Yet, there is reason to believe that the level of voluntarism in allocating time, resources and energy—to the level that adversely affects the participants' personal life—needs careful review. Such voluntarism needs to be balanced with measures to ensure an appropriate rotation and renewal of councillors, delegates, and active participants in the OP process, which would also serve to multiply its learning effect among citizens. It is true that the OP is primarily meant to provide concrete responses to the problems brought forward by the population representatives, yet it is also hoped that the process will stimulate the population to expand its involvement in public policymaking and implementation.

> *"…The direct benefit of getting involved with the OP is the value and enrichment of the community and to prove to the people that popular participation does not die. It generates knowledge about the public sector and a personal knowledge and better understanding how a municipal government works. The OP is bringing a wide range of knowledge, from where the money comes from, how it is given a certain value and*

cost to things. Today we know about the transfers from the Federal Government, State and even European Union. The community gets enriched with the public works essential for the community life. There is a benefit and return from participation. Something concrete in the community/barrio. But there is a loss. A financial loss. How much do I gain? I gain satisfaction in getting things for the community but I have personal losses. I spend my fuel, time and I am obliged to work 24 hours/day to compensate this time and assure that my income continues coming in. It is a normal loss that we need to incur because everyone should give time to participation. We have discussed among the representatives of the population to make a fund to pay for transport. There is one councillor that I am sponsoring her transportation from my own pocket so that she can continue attending and participating in the meetings. I heard that in Porto Alegre there is basic basket and transportation provided to those heavily involved in the participation processes of the OP… (I.M.B, small scale entrepreneur, owner of small graphic workshop, born in 1969).

The Decision-Making Process

The government' staff working with the OP acknowledge that certain groups are not getting involved in the process (e.g. freelance professionals, private entrepreneurs, neighbourhood associations from the "formal" city, community sport organisations called futebol de várzea, etc). No explanations exist as to why these groups are not getting systematically involved in the OP and other channels of participation.

With regards to women, there is a great number of female citizens involved in the OP but their share is lower when it comes to the decision-making part, although the difference is not necessarily alarming. In 1998-99, 33% of the councillors representing the population and 37% of those representing the government in the OP Council were women. The ratio increases to 42% among participants in the plenary and thematic sessions (WM Pesquisas et al, 1999; 1999a).

An OP council member reports that councillors representing the population sometimes face difficulties in explaining the OP and its advantages to people that may have completely lost confidence in politics and politicians as a result of their alienation from the political sphere. Some groups may lack access to adequate information about participation venues. Others may be too focused on short-sighted strategies of individual action or political patronage to see the merits of fighting for their own interests in a collective form. Some may believe that they elect political representatives so that they can safeguard their interests and address their needs in public policymaking. Similar difficulties could be anticipated in getting poor people involved, people who have been historically excluded from public policy except in pre-election periods and whose access to information and level of education may affect their understanding and willingness to participate in a shared decision making process. The growing numbers of participants in the OP plenary sessions, however, suggests that this hurdle is being successfully surpassed.

Similarly, some councillors representing the population find that the schism between government staff's technical knowledge and their own popular knowledge has hindered the negotiation process. They acknowledge, however, that the capacity-building programmes helped to increase their knowledge and understanding and consequently boosted their confidence when negotiating with the technical staff. Yet, the language that the technical staff sometimes uses and the explanations they offer are often too complex and unsuitable, which makes it hard for the lay person to understand his/her options and exercises proper decision-making. This often-reported problem seems as a paradox since the municipal staff is experienced and well acquainted with the participatory process and many of its members enjoy close interaction with popular sectors of the population.

A common problem identified by the councillors representing the population in the decision-making process is the conflict of interest that often appears during the OP Council sessions.

Deciding what demands are to be included in the budget produces intense negotiations. In these sessions, the government councillors often share one view and vote in unison while the population representative councillors have a lot of internal divergence. The government also has its own projects and a strategic vision about the city that is equally shared by its OP council representatives. By contrast, each population councillor has an immediate and short-term view, in that he/she wants to include his/her demands and priorities into the final budget. This entrenched problem means that the decision-making process weights slightly towards the government at all times, although it should be noted that the government tries to adjust and modify the demands in such a way as to reach a consensus. The instances of negotiation place a big burden on the population representatives who often have to go back to their constituencies to find an acceptable solution and mediate on behalf of government, or alternatively mobilise their community in order to pressure the OP Council.

The population representative councillors also report that the quality and content of their decisions within the Council are sometimes affected by their relative limited access to key information on resource mobilisation and project implementation that is otherwise shared by government officials. Access to information is a key part of the process of strengthening the position of population representatives and closing the gap between them and the technical staff when the decisions need to be made.

Strengthening Civil Society Organisations

There are sufficient reasons to believe that the OP is helping to strengthen civil society organisations by clearly opening a channel of participation through which organised groups and individual citizens articulate their needs and priorities. The reported learning impact on participants, the conducive environment for public-community partnerships in policymaking, and the actual implementation of agreed projects and plans have all invigorated the urban social movements, residents' associations and civil society as whole. The re-election of Mayor Daniel has thus far guaranteed the continuation and further consolidation of this government policy of participatory governance, in addition to empowering citizens in their role as the local government's partners. Unfortunately, however, the evidence gathered by the SINPA research team led it to conclude that the OP is far from being consolidated and that an election of a different type of government is very likely to threaten the continuation of the OP.

> *"…The population sees that this government is doing more for them than any other previous government. The people sees that by discussing and loosing their demand and priorities in favour of others in the plenary sessions, but the pedagogic process is of deep nature. The number of new leaderships emerging through this process is absurdly high and with the information that they accomplished with it, they went beyond the simple attainment of their demands/priorities. It has become a conscious population and that is an important realisation for the government…. "(CM, government staff, born in 1954)*

A new leadership is emerging. People who had no track record with neighbourhood-based movements are participating in the OP and CF processes. These people are also engaging in grassroots organisations at the street and neighbourhood level, in an indication that the municipality's participatory approaches paved the way for a new form of citizenship in Santo André. This is something that should be monitored closely.

> *"…I see the OP with good eyes. The government puts aside a relative small part of its resources, small in view of the needs. The participants of the OP push the government to the needs of the mass. It is a realisation of the mass and it is an extremely positive measure. The meetings that I participated I had some restrictions because it came out with some political connotations which is normal. I fear for a political benefit. One part of society, the most needed ones started to assume a role and the women started to be more questioning and determined. Other layers – those who emerged from the category of poor – should participate more. The middle class*

is not really involved. Maybe because it does not have similar demand and level of necessity. They overcame that. It is not only the 'emergencies' that should be discussed. We need a broader view. These people have not realised that and we should involve them … (W.A., private sector leadership, born in 1937)

Decisions to Keep the Process Moving

The various programmes in which the municipality pursued its participation policies have further exacerbated the tensions between a deep-rooted '*clientelist'* tradition and citizen empowerment. At first, it was difficult to get the concept of co-management of municipal affairs into the minds and attitude of people. At that time, the common attitude was: "If I elect a mayor and I work and pay taxes, why should I spend my time discussing with the government what they should be doing?" This attitude hindered the development of the participatory approach within certain groups of the population.

Another bottleneck was the deep-rooted mistrust in government and the prevailing tendency to discredit the political process, which made several segments of the population wary of the intentions underlying the municipal government's new discourse. This dynamic is best illustrated by the difficulties encountered by the OP councillors in convincing the Favela da Sacadura community to participate in the plenary sessions. Community members feared that their participation would, as usual, yield no benefits. Some residents were resentful because early promises had never realised, which is why they did not want to register for the upgrading programme.

As a result, they did not receive housing finance from the Municipality- and the National Savings Bank (Caixa Econômica Federal-CEF)-sponsored scheme, which was set up to assist in the relocation of 200 families to newly constructed blocks in an adjacent site. People neither believed in the idea of upgrading the settlement nor in the relocation. They never believed that the housing block under construction was going to be assigned to the relocated families. What reinforced their position was that the local government had never done any similar scheme before, and thus there was no reason to believe that this time things would be different. The councillor representing the region was heavily criticised for believing in the OP and was accused of receiving special assistance to 'leave behind' her shantytown in favour of a decent neighbourhood. Eventually, participation increased and the OP-financed improvements including the integrated upgrading programme triggered strong participation and resident involvement, which meant that the community's resistance and suspicion disappeared gradually.

"…When the population speaks through the microphone they want to be satisfied in its demand and does not want to know whether there is or there is no money. But the population will only have its demand satisfied later on. But then the people will fall into inertia and deception … Ah! The government will not do it… People get averse and accommodated and will not come anymore to participate. This is happening in some situations. The reason is that only now the politicisation of the population starts to take place… (W.B., private sector, born in 1937)

The active citizenship requires a high level of political participation, including involvement in daily affairs at the neighbourhood and even at the street level. This is a long-term process because it implies a change in the inhabitants' attitude, perception and awareness of local governance issues, as well as the State and citizenry's rights and obligations. Given its many concerns, the municipality unfortunately does not pay the problem of attitude change the attention it deserves, which may have serious implications in the future. Indeed, the goal of creating active citizenship may be jeopardised if actions are not taken to tackle the problem of attitude change in a comprehensive manner.

Another reported bottleneck was the resistance of the Legislative Chamber's members to changing the way in which the municipal budget was traditionally formulated as per the

prevailing regulations in Brazil. To give away power and share their responsibilities with popular representatives (OP Council) who lack a political mandate was seen by some "vereadores" as an unacceptable concession. At first, many 'vereadores' tried to add their projects to the OP Council-approved budget, which was formally submitted to the Chamber for approval. Because the budget proposal was presented to the Chamber as a complete budget, it became difficult for the 'vereadores' to exercise political brokerage in favour of their constituents' neighbourhoods. Indeed, even though the 2002 budget was approved without changes, the process was not without intense political negotiations between the mayor's block of supporters and the opposition parties' members.

> *"…The legislative chamber is a heterogeneous power with members holding different thoughts and defending different political ideas with different political parties. The PT holds much more cohesion. One parcel of the chamber's members believes that we must be partners and become nurturing agents within the population, encouraging them to organise themselves, supporting the OP. This means to give up a parcel of our power. It is to share power, give away our legal prerogative. There are some vereadores who are against that. But in the last four years the budget proposal was approved as it was delivered to the Legislative Chamber. The government has a large block of support that manages to guarantee the approval of the government proposals through political negotiation. It was not the OP Council that had the power of persuading. The population is really supporting the OP but it is not consolidated. There is opposition to it… (C.A.A.S., elected councillor-vereador from PT, actual president of the Municipal Chamber, third term as 'vereador', born in 1963)*

To face these difficulties, the OP coordination encourages the OP councillors to attend the Legislative Chamber sessions and take part in the discussions. Some report that pressure from the OP councillors was important in convincing members of the Legislative Chamber that the budget proposal presented by the OP Council was fully supported by Santo André's population. Changing it would therefore appear as an act against the population's interests. As a result, many 'vereadores' withdrew their demands while others pushed their inputs to the following budget. Acknowledging the negative implications of such potential tensions with the Legislative Chamber, the government, and particularly the OP coordination, has systematically invited the Chamber's members to attend and participate in all OP plenary sessions and meetings, which it was reported led to improved relationships.

Government Cohesion

The OP coordination within the government found the year 2000 to be a critical moment for the OP process. The (re)election campaign, staff turnover,[7] and government's inability to prepare and incorporate its own projects in the OP and to present a consolidated financial analysis have all had an adverse impact on the participatory process. The decrease in participation may be associated with these internal issues within the local government.

The government was also faced with a severe reduction in revenues, which added internal tensions to decisions on the allocation of financial resources. In such circumstances, the secretariat of each sector attempts to maximize their share of government resources so as to safeguard their specific programmes and projects. As such, there were intense tensions regarding decisions on how to use limited resources, how to meet the population's demands and priorities, and how to implement the government's overall plan for the municipality all at the same time. Moving the resources from one area to the other could help the government to meet some of the population's priorities set in the OP, but it would be at the cost of other equally relevant government plans. Despite its internal tensions, the government acted with

[7] *It is reported that the municipality "lost" some experienced staff who were invited to join the newly elected PT governments in the surrounding municipalities. Santo André had become a fertile ground to build experience in municipal administration with mark of competence and innovation.*

maturity when it acknowledged its financial constraints to the population and convened a debate and negotiation process about what could and could not be realised. This response kept the population's expectations in check and at the same time strengthened the trust between the two camps.

The government's cohesion is continuously tested in the OP process. This is not as much about a vote of confidence as it is in the way the government's OP councillors interact with and react to situations brought forward by the population representatives. There is a lack of prioritisation methodologies to argue why should one priority be included over another in the OP budget. This issue sometimes causes critical problems. Indeed, in the first year of the OP, two councillors representing the population pulled out of the process after their demands were not included in the budget. Similarly, not all government staff are equipped to participate in the negotiation process with well-articulated technical information explaining in a convincing way why, say, a demand for a neighbourhood upgrading project was not included for lack of land titles. Indeed, land disputes or illegal occupation automatically excludes any government action in the area in question.

Another problem relates to the way government information is produced and shared with all stakeholders. On a number of occasions, information on certain projects and priorities did not reach the citizens, which created a situation of mistrust and caused unnecessary misunderstandings that disturbed the OP Council's work. The government is aware of this problem and claims to have taken measures to improve the flow and management of information within the OP system. The paradox, however, is that the administrative reform programme has dramatically improved the information flow within the municipality and from the government to the citizenry, yet it has not played a large enough role in influencing such channels of participation as the OP. There is a need to establish more flexible structures to respond to the dynamism and demands of the participatory process.

Distribution of Public Resources in the City

There were no means of measuring whether public resources were more equally distributed in the city as result of the OP than in previous years. Municipal reports indicate that not all regions have benefited equally from public investments originating from the OP. The zones and neighbourhoods that benefited most were those with immediate, critical problems to be solved. The municipal government acknowledges that the OP has an intrinsic egalitarian concern in which the regions most in need end up receiving a larger share of the municipal budget than others, as a way of narrowing some of the inequalities in place and overcoming social exclusion.

Building Citywide Understanding of Neighbourhood Problems

Field visits and excursions called "Priority Caravans" (Caravanas das Prioridades) were introduced in 2001 in order to broaden the OP Council's view of the particular needs and reality of the different regions in the city. It proved to be a powerful tool that helps regional and thematic councillors—whether from government or the population—to see on the spot the different problems and needs in all parts of the city. Many councillors got to realise that some areas were better off than their zones but that others were in a much worse situation than theirs. Since the resources available are not sufficient to cover all priorities set in the region and thematic groups, the "Caravans" proved instrumental in triggering a negotiation process among the OP councillors as to which areas were in more critical need and should therefore be prioritised over others.

> *"… This year I did not manage to approve anything to my area but I am equally happy because others managed to get their priorities satisfied. We had a caravan of 4 buses in two Saturdays and also some mini-caravans. We ended up seeing that in comparison to what somebody else's situation we live in heaven. It is shocking to see the problems and*

conditions of some people and touches one's heart, which is very human. We made a voting and agreed then that that particular zone should be awarded by the budget. This is a negotiation. During the first year there were people not willing to give up not even 1 Real in the negotiation. Then we go for a consensus with one another. I am very satisfied with what I have gained with the OP. The time invested was worthwhile. Whoever is in the OP must have free time and strong will. My daughters criticise me but I feel fine about it. My sisters complain because I cannot travel to visit the family. I am hindered to earn my money because at times there are meetings in the mornings and afternoons. The municipality could help by giving us a transport vouchers…" (M.J.C.S., small scale informal entrepreneur, single mother, born in 1956)

One important government decision was to initiate the integration between the Participatory Budgeting and the citywide strategic planning process called Cidade Futuro (CF), launched in 1998. At first, the thematic groups of the CF elected two delegates to attend meetings of the OP Council as observers who have the right to voice concerns and make suggestions but cannot vote. In 2002, when the CF is in charge of organising the city conference, the plan is to elect CF delegates who have both voice and voting rights and who become full OP councillors. In fact, these two participatory channels have their own specific dynamic and nature of discussions. The articulation between these channels can only be seen as a natural development and such integration is primarily meant to enable the CF targets and goals to be materialised in the form of investment proposals awarded through the municipal budget. Some tension is therefore inevitable since the CF sectors are not accustomed to dispute financial resources with the popular sectors within the OP. The next chapter provides an in-depth analysis of the CF.

Figures 6.1-2 OP Councillors Marcia Zanquin and Maria Neuza de Lima

Photos by C. Acioly Jr, September 2001

7.

The Cidade Futuro (CF) Project: A Long-Term Strategic Planning Tool

The Cidade Futuro Project (CF Project) is the result of a growing awareness by a wide spectrum of public, private and community stakeholders of the economic decline in the Greater ABC Region and its repercussions on the different municipalities within the region. As a result, a number of initiatives coherent with the city-region concept were developed, including the CF Project (these initiatives were discussed earlier in Chapter two). The CF project's most important feature is that it does not solely deal with urban productivity in Santo André, but rather it is concerned with the symbiosis between the city and its region. Since its inception, the project mobilised ample civil society participation. Several initiatives were crucial for setting the ground for the dialogue that culminated in the strategic planning process embodied in the CF Project. Among these initiatives were the Local Development Forum founded in 1992 and the establishment of a discussion group within the municipality in 1997 to promote an integrated vision for the future of Santo André.

The launch of the CF project owes to an initiative by Mayor Daniel in which he established a discussion group under his coordination in June-July 1991 to advise on regional economic development issues. The mayor believed that the city's economic and urban regeneration needed to be approached from a regional perspective to capitalize on the synergies within the region and to achieve concerted actions. In 1992, during his first term as Santo André's chief executive, Mayor Daniel convened an informal group involving distinguished persons and notable community members to hear their views of the city and how they imagined its future. The opinions put forth by the mayor's interlocutors reflected those of the general public and found echo within the local community. The mayor's roundtable was unique in that it brought together businessmen, industrialists, and labour unionists for the first time to discuss things other than wages or employment issues.

In August 1992, the municipality organised a seminar entitled "ABC Year 2000" to discuss the region's economic future. The leadership from both labour and industrialist groups as well as members of the academic and research community took part in this seminar that attracted an average of 1,000 persons per day. It was clear that Santo André and the ABC region as a whole needed an initiative to trigger urban and economic revitalisation and that the municipality was taking the lead role in this mobilisation. An international seminar on Economic and Social Development in the ABC Region generated in-depth discussions on the city's future and helped launch the revitalisation of the Tamanduathey Axis,[8] which was then regarded as the motor of economic and urban regeneration of the region.

The CF was officially launched in September 1999 with the establishment of working groups followed by a broad-based consultation with the city's population that lasted for 6 months. The consultation process resulted in the approval of a document entitled "Scenario for a Desired Future" (PMSA/Cidade Futuro, 2001; Livre Mercado, undated). The process is depicted further on in this chapter. As explicitly outlined by the municipality of Santo André

[8] *The Tamanduathey area (nearly 700 ha and 10 km long) encompasses a large territory between the Avenida dos Estados, the railway, and the Industrial Avenue. The area embodies the process of industrial de-concentration and technological restructuring followed by urban decay that threatens the economic future of not only Santo André but the whole ABC Region. This area is easily accessible. It holds an important urban transportation function and contains a physical artery that defines Santo André's urban structure. As such, the area has a remarkable redevelopment potential.*

"*the project's premise is to search for local autonomy generating proposals for a dynamic and sustainable development that has the community as the principal actor. The process favours the cooperation between the social actors of the city and invests in developing regional complementary ties with the other municipalities of the ABC region as well as with São Paulo's metropolitan region and policies of common interest*" (PMSA, 2001)[9].

The CF project is more than a planning proposal for Santo André. It is a city vision for the year 2020 concerned with the regional impact and developed with active participation from civil society organizations. Citizen participation is central to the CF. The municipality's efforts in the project underline the need to prepare the city, its people and economy for a future that poses serious threats to its sustainability and to its citizens' livelihoods (see Chapter 2 for more details). The municipality considers the CF Project as its Local Agenda 21 initiative, which aims at formulating an integrated, sustainable development process that comprehensively tackles its economic, social and environmental dimensions. According to the municipality, "*sustainable development means to use our unlimited capacity to think instead of our limited natural resources*" (PMS/Cidade Futuro, 2001). The involvement of civil society is actually regarded as a sine-qua-non condition for Santo André to succeed in halting the economic and social decline.

The implementation of the CF project accurately reflects the structure and methodology of the strategic planning process that is widely used in American cities and which achieved international recognition with the work of Jordi Borja and associates in Barcelona. The CF project has strong similarities with the processes and plans developed for Rio de Janeiro and Nova Iguaçu in Brazil, Rosario and Cordoba in Argentina, Saint Petersburg, Russia, and Rotterdam, the Netherlands, among other cities. These initiatives must be seen as local responses to economic globalisation and the restructuring of the urban economy in these cities and the increasing need to make planning more flexible and result-oriented. Emphasis is placed on economic development and the recovery of urban productivity.

The strategic planning process is launched through a general call to the city population to participate in developing a city vision and in assessing the city's main weaknesses and strengths as well as the opportunities and threats to its development. City consultations take place and thematic working groups are formed. External moderators coordinate the consultation process, in which key actors and stakeholders are invited to participate and share their experience and knowledge of local conditions. The process culminates in the formulation of action plans. An integrated plan promoting public-private partnerships is further developed and approved in city forums and conferences.

Civil society participation is crucial in building ownership of the process and support for local actions. In effect, "*the articulated forces of the productive sector (e.g. business, industrial, trading, etc) tend to see the strategic planning process as a concrete possibility to influence in the construction of the ideal city without having to surrender to the public sector's predominant visions vested into local governments"* (Acioly, 2000a). In such a setting, the local government is just one of the participants and co-financiers of the process. In fact, experience shows that the resulting plans are seen as a social pact between the different segments of society, and not as a government plan. In cities where social movements are articulated and organised, community groups also take an active role in developing new concepts of public-private partnerships that address their social needs (Acioly, 2000a).

As in Barcelona, Rio de Janeiro and Rosario, flagship projects are identified and used as vehicles to trigger the involvement of public and private investors while equally fostering economic regeneration and urban revitalisation. The challenge of such projects is to give equal attention to social investments and meet the needs of the poor.

[9] *Extract from a text produced by the Committee of Systematisation and Editing of the CF Project.*

The Tamanduathey Axis Project became Santo André's flagship project. Local government capitalized on the project to trigger a wide public debate about the future of Santo André city involving all groups in society. The municipality contracted a group of external advisors to assist in the preparation of studies and formulate tangible development scenarios for the city. The group was lead by Jordi Borja and was clearly influenced by his views on strategic planning and "urban polycentric developments," which were previously tested in Barcelona.

The Tamanduathey Axis was identified as a key catalyst of future urban regeneration in Santo André but with a broader regional impact. The area in question encompasses the city's traditional industrial tissue with sizeable tracts of privately and publicly owned land and large developments that are reflecting the city's rapid economic transformation (some of these were becoming obsolete, and at cases even derelict, as a result of technological transformations, restructuring and industrial de-concentration). Such decline was taking place even though the area has remarkable potential for redevelopment. Indeed, the area is actually thought as the future gateway to the capital city and to São Paulo's metropolitan region whose redevelopment will help to forge a polycentric metropolis.

The challenge therefore was to transform the "corridor" into a vital and multifunctional urban centre. The initial steps have already been accomplished with the inauguration of a modern city central bus station and the UniABC. The industrial avenue's redevelopment includes a shopping centre, a supermarket, and other urban services that have replaced some of the industries and enterprises that were once at the heart of Santo André's renown industrial centre. Clearly, the symbolism of the Tamanduathey Axis project is unquestionable (See Figure 7.1).

The project, however, generated lots of controversies. Santo André is after all a city with a tradition of strong popular mobilisation and it has been undergoing a radical change in the relation between the state and the citizenry, practising the OP, and pursuing policies of social inclusion. As such, the idea of supporting an initiative that places more attention to economic development and city marketing in the aim of attracting investment and private sector involvement did not appeal to all groups immediately.

Some municipal officials also found the project controversial. Critics argued that if the large amount of vacant and serviced land in the area—a scarce resource in Santo André—was used in complex land readjustment transfer-of-development-rights projects, the resources generated could be used to develop social housing by way of private-public partnerships. Others argued that the project should create employment opportunities and foster urban regeneration and the reuse of buildings, while resolving a critical situation of urban decay and abandonment. Relying on public-private partnerships, such a scenario would help to reintegrate the area into the city's urban fabric.

Despite the differences in opinion, the principle of public-private-community partnerships received widespread acceptance in the city. Acknowledging that the project was a complex endeavour that required broader civil society involvement, Mayor Daniel requested a project review that could (re)orient the initiative towards the various development sectors and bring forward a holistic approach to solve the problems. The final configuration of the CF Project was to a large extent the result of the review of the Tamanduathey Axis Project.

> *"… The CF Project is less a technical product and more a discussion that aggregates an integrated vision of the city. The entrepreneur and industrialist were the ones who seized the planning process. There is a problem of schooling. The population finds it difficult to engage in strategic, less tangible discussions. There is a lack of political culture inherited from the paternalistic and clientelistic practices of the past. People have a culture of the immediate demand and are to some degree short sighted even if it's understood because of the incredible social debt. Government is recapturing and reviewing the political, social*

and economic history of the city, the state (competencies), the public budget (resources), participatory management (co-responsibility) and the regional realm (regional articulation) reflecting the search for an elaborated process of capacity building of the citizenry. What motivates people to participate in this government project is (1) the expectation to solve his/her problems and (2) to take over a discussion sphere where he/she can influence the elaboration of public policies. The middle class, entrepreneurs and people with higher education tend to fall in the second category. But there are some contradictions. For example, people want actions implemented to give them the notion that it was worth all the work and time invested. It is a challenge to involve the population into a perspective for the future – a process of strategic planning…(T.S., project coordinator)

Figure 7.1 Aerial Photograph of the Tamanduathey Axis, 2001

Source: PMSA, 2001

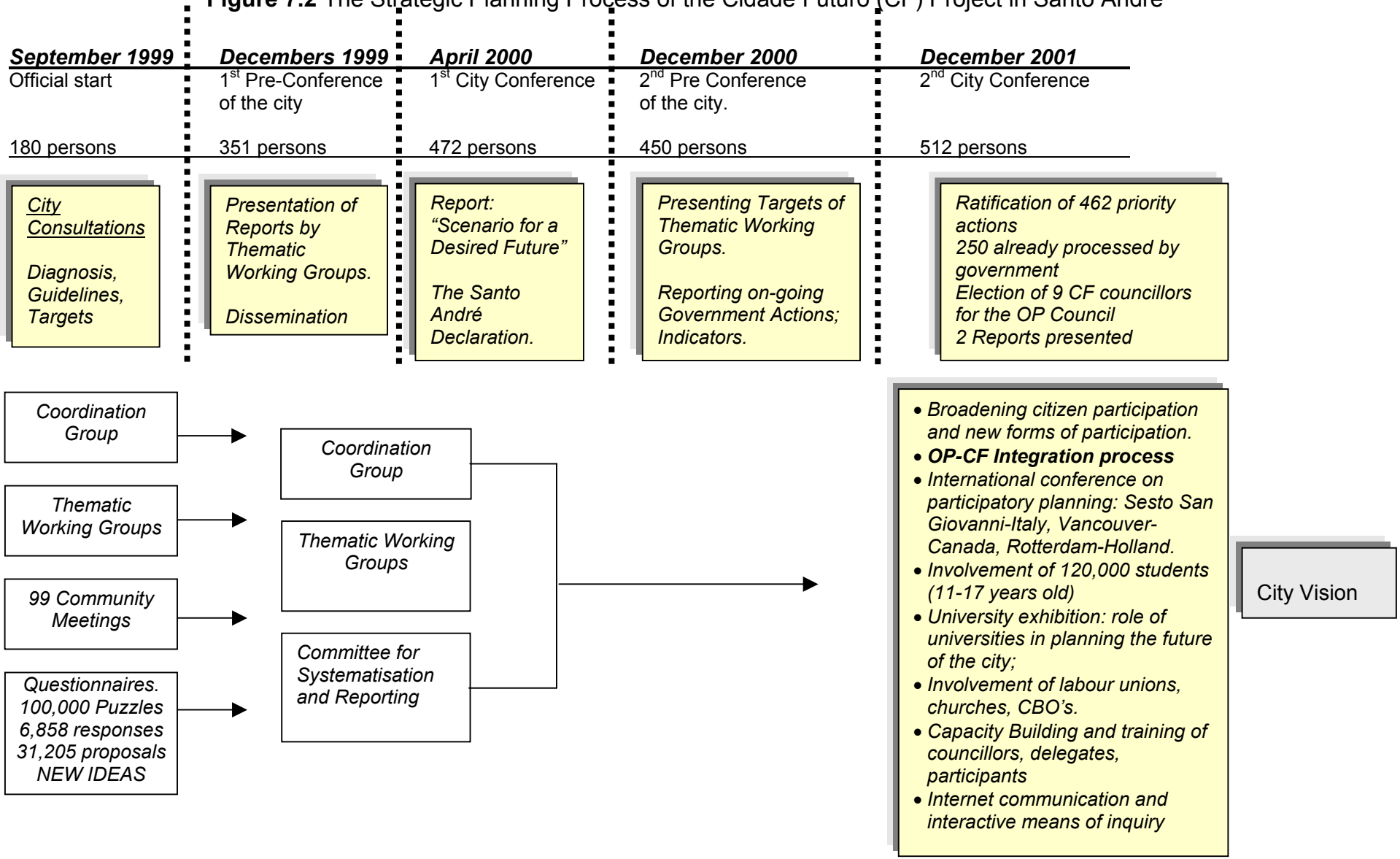
7.1 The Strategic Planning Process in the CF Project

Figure 7.2 explains the evolution of the CF Project in Santo André. It evolved from three major city conferences and the work developed on the nine key themes of (1) economic development, (2) urban development, (3) environmental quality, (4) social inclusion, (5) education, (6) cultural identity, (7) state reform, (8) health, and (9) tackling urban violence.

These themes reflect the primary concerns of the various public, private, community, and civil society stakeholders who joined the local government in a proactive approach to face the problems facing Santo André's development in the 21st century. For each of these nine dimensions, a thematic working group was made responsible for identifying key problems and defining specific actions. Each group consists of one professional specialised in the group's theme and is open to the participation of anyone interested in the issue or linked to the municipality in any form. The groups define targets for the short term (5 years), medium term (10 years) and/or long term (20 years).

Several meetings were organised throughout the city and in the 19 OP regions, attracting 3,460 persons and resulting in the election of 1,010 delegates who actively participate in the meetings and city conferences. The meetings also generated 1,961 different proposals that qualified in terms of content and relevance. These were then ranked and transformed into a series of potential action plans by the CF Project coordination team. The government then synthesised and organised the ideas under the nine themes and returned to the working groups for further elaboration, reformulation, and prioritisation. In a subsequent conference the working groups are expected to report and the 'committee for systematisation and editing' will transform these reports into a comprehensive strategic plan of action.

Figure 7.2 The Strategic Planning Process of the Cidade Futuro (CF) Project in Santo André



Stakeholders Participation and Citizen Involvement in the CF Project

The profiles of the CF delegates and councillors are quite different from those of the OP Council. There is a very positive response from civil society, and especially from the private sector, to local government's initiative. Indeed, the CF attracts a large group of participants originating from the private sector and the middle class. Regional stakeholders occasionally attend CF meetings and events given the project's visible impact on regional development policies. The municipality and the CF coordination are very attentive to the participation of regional actors so as to strengthen the links between local and regional policies while articulating the local development strategies that each municipality of the ABC region carries out. The aim is to limit undesired competition and increase regional synergies.

Private organisations participate in the CF Project to express their opinions and interests, which reinforced the configuration of the process as a natural communication channel on public policies. For instance, the ACISA representative explains that part of ACISA's role in the participatory process of the CF Project is to express its views about how the municipal government carries out its affairs and to closely monitor the decisions and actions that are of interest to its constituents. In effect, ACISA is represented in five thematic groups that promote economic regeneration and public-private partnerships such as the Tamanduathey Axis Project and the Santo André business tourism programme. ACISA also pays special attention to the issue of state reform as part of its aim to assist in increasing the municipal administration's professionalism and efficiency. It is reported, however, that the issue of state reform not always present in the public agenda.

> *"… I come from a poor family and at the age of 28 I was the manager of a company and studying at night. My compromise is with the city. I have no political compromise. I have spent 22 years working outside the city in top management positions in foreign companies and now that I am retired and back to the city I divide my time with my sons and with the community. I am presiding the ACISA-Industrial and Commercial Association of Santo André to defend the interests of the commerce and industry. I devote one full day a month to participation from 6:00 to 20:00 o'clock. The meetings are geared to improve the quality of life and these are community-based activities. The result takes time but I have to insist though the slow process can decrease the stimulus of people but we have to look ahead. I discuss, I question and the process has to be carried on. There is a return with the OP and CF. The directors have to inform about their work in the CF since it is not a remunerated work. We have family problems because of this involvement. Unfortunately not everyone is conscious of his/her role and tasks. There are many individualists. There is small parcel of people who do not have any compromise. The benefit has to be collective. I want this dream to come true. I want to live in safety and see the segregation diminished. There are many who wants to participate, have interest and are idealists with a vision and others are learning and what is important is that the problems are resolved. The process of Santo André shows a great loss of jobs in the industry. One part is now employed in the service sector and commerce that means a significant drop in salaries. This is a serious problem. But there are some opportunities with consumers network getting installed like the Shopping Plaza next to the Tamanduathey axis that is the largest in the region. There is a lot investments going to the areas of service, consume and commerce. There is a great change since the beginning of the 1990's. Before the flux of people going to work in the morning was from São Paulo towards the ABC and now is from the ABC to São Paulo. Those who worked here now is working outside the ABC. The Cidade Futuro Project is an excellent and knowledgeable proposal of Mayor Daniel with the participation of all those who make public opinion in the city. It is involving very well educated people in delineating what the city needs and what route it must follow. The ACISA is actively present in every thematic group. The CF is gathering what the government did not manage to get with the OP and created a process that has a broader development vision while the OP is more concerned with immediate questions. The CF is a medium and long-term project…" (W.A., private sector leadership, born in 1937)"*

Private sector institutions find a clear benefit in the participatory process that supports the design and implementation of the CF Project. Indeed, the project's long-term strategic vision that cuts across all political, religious and professional interests forges a solid basis for its continuation, independently from who is governing the city. The various stakeholders involved and the scope of civil society participation are in effect key elements for long-term sustainability. Indeed, the CF is not the plan of one government: it is a plan of the city and its citizenry. Another reported benefit of the process, although difficult to measure, is the mutual learning impact resulting from the close interaction between private sector, civil society, community groups and local government.

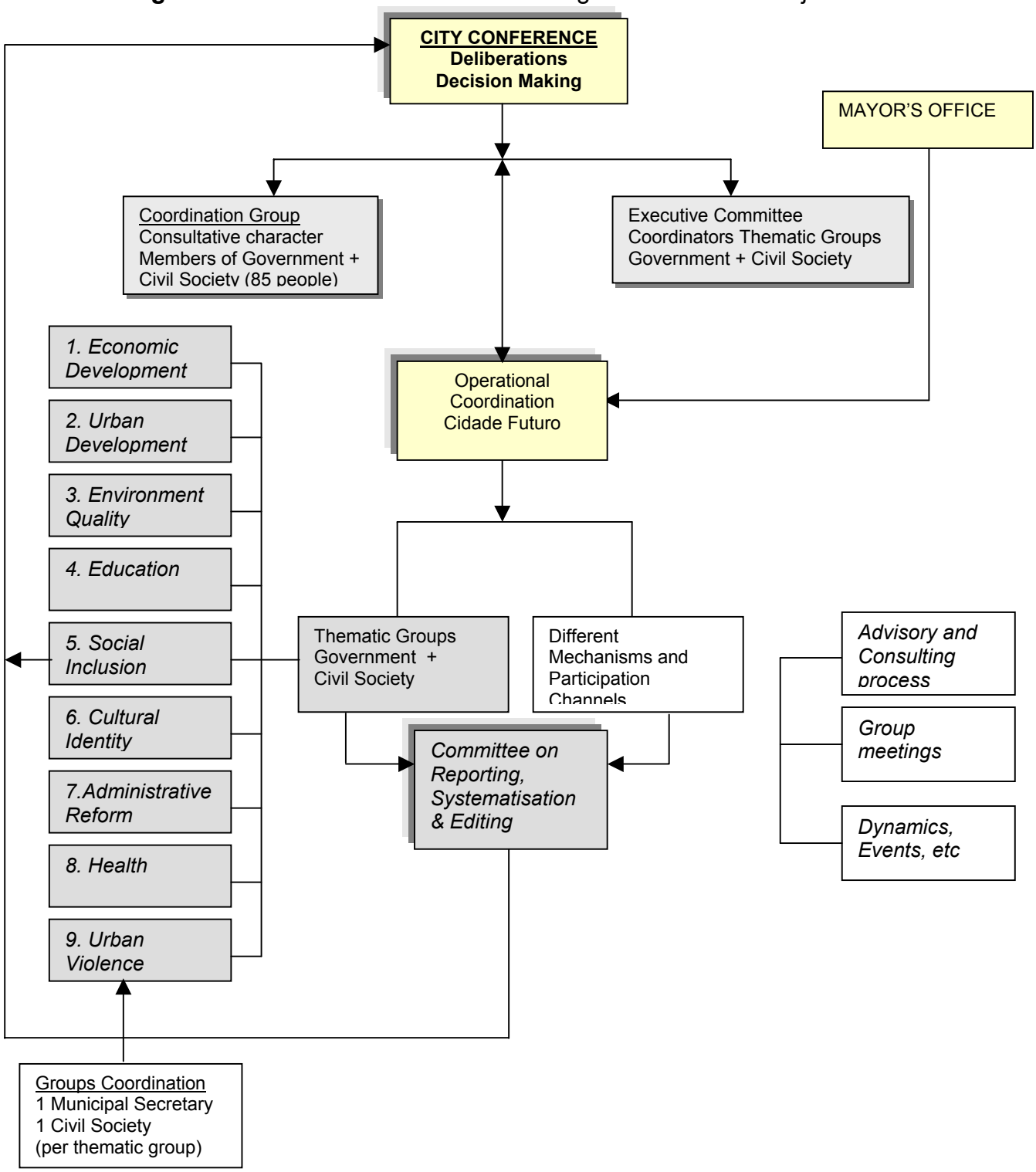
> *I have 30 years experience in the industry sector. Eight (8) years ago I took over the management of the University UNI-A. It is a different type of school that designed its curriculum in close liaison with the enterprises. The municipality had a project involving civil society and we got involved with it. In 2000 I started working in one thematic working group on economic development. We had an idea to establish a city development agency on the basis of public private partnership in order to support the entrepreneurial spirit in the city. I am now a representative of the CF in the OP. We thought that the ideas and suggestions found in consensus in the CF would naturally be implemented. We thought that the municipality would defend the deliberations of the CF in the OP. We set aside time to something that has no financial remuneration but has a chance to participate. We have a concern with civil society. We meet once a week, there is registration and reporting and lots of email. Plus we find time in lunches or special events in the city to further discuss. There is a return at a long-term period in the quality of life, income distribution and in building expertise of the people. We managed to attain some collective benefits. Some enterprises remained in the region. Forms of working were improved. The norms became more flexible and there is less bureaucracy that used to increase production costs. There is an improvement when compared to other cities. The working group is heterogeneous with people that do not have a high educational level but is full of ideas. There is a dialogue. But the process is time consuming and the actions could be implemented more rapidly. The process is slow involving lots of people and several situations. I must say that everyone is perceiving the collective benefits... (J.G., university manager, born in 1953)"*

Decision-Making in the CF Process

The city conferences are the highest level of decision-making in the CF process. In these forums, consensus is reached between local government, civil society organisations, and all stakeholders on problem identification, priorities, strategies and actions (see Figure 7.3). The process of coining these decisions starts at the thematic working groups level. These working groups' work is then transformed into policy documents and statements by the 'committee of systematisation and editing', which is then returned to the working groups for fine-tuning. This committee was formed for the specific mission of preparing and delivering the reports to the City Conference for approval and endorsement.

It is at the city conference stage that all public-private-community commitments are clearly spelled out and subsequently translated into a government programme that is endorsed by all actors involved. This is the climatic point at which the ownership of the process and its results are embraced by civil society as a whole. Indeed, at this point in time, it becomes clear that the outcome is not a government action plan but rather a plan resulting from a social pact between the different segments of society. Throughout the process, there are intensive exchanges between the thematic groups, the committee of systematisation, and the CF Coordination. The latter is responsible for reporting to the mayor while maintaining a relative subordination to the city conference. As such, the city conference and the thematic working groups become the legitimate and democratic discussion forums, in which local government presents its approaches and proposals and tries to persuade the citizens and different stakeholders of the soundness of its ideas.

Figure 7.3 Structure and Decision-Making Flow in the CF Project



7.2 Institutional framework and Channels of Participation in the CF Project

Table 7.1 describes the main entities and channels of participation in the CF Project's Strategic Planning process.

Table 7.1 CF Project entities and their responsibilities

CF Entity	*Main Roles and Responsibilities*	Composition
City Conference	• To gather stakeholders from public, private and community sectors to discuss outputs produced by thematic groups and systematised by the CF Coordination. • To approve and endorse strategic directions, action plans and to ratify government-civil society agreements about the city vision.	• Local Government, Public Agencies, Regional stakeholders, Private Sector Agents, Community-based organisations and Civil Society representatives. • Ample spectrum of representatives from the citizenry.
CF Coordination Group	• Main responsibility is to coordinate the entire process, organise meetings, review reports, and assure that all stakeholders are informed and actively involved; • To prepare the city conferences and assure that invitations and call to the citizenry are disseminated.	• It is a government-civil society partnership. Keeps close liaison with the municipal executive and with major stakeholders. • About 85 members.
Executive Coordination of the Thematic Groups	• Assures that all thematic working groups are operational; • Provides all needed support to the working groups particularly in getting their reports and outputs; • Assures coordinated and articulated efforts and outputs; • Keeps the horizontal coordination between groups and between groups and the CF Coordination Group	• It is also a government-civil society partnership. • It is formed by the coordinators of each Thematic Group.
Operational Coordination of the CF	• It is a pure government stakeholder assuring the continuity of the process, the articulation from within the government and acting on behalf of the mayor. • It reports directly to the mayor. • It is the watchdog of the process from the part of the government.	• It is a municipal team formed by one coordinator and a team of 10 people. Programme coordinators supervising all types of activities e.g. labour unions. • Articulating and giving signals to the government if any Thematic Working Group is not functioning properly.
Committee for Reporting and Systematisation	• Main tasks – as the name suggests – are to prepare the documents and reports on the basis of the draft papers and outline of reports produced by the thematic working groups.	• Government involves advisors and technical assistance in producing final documents to be presented to the City Conference. • Prepares minutes and outline of outputs from conferences and thematic group meetings and reports back to city conference, working groups, etc. • This committee was specially formed during a phase of the process, gathering people from the various groups (government & civil society), to prepare the main report endorsed by the first city conference.
Moderator / Thematic Specialist	• Main task is to take the lead in reporting and backstopping on specific issues concerning the thematic group. • He/she is responsible for systematisation of discussions and	• Normally the municipal secretary himself takes this responsibility in the Thematic Working Group falling under his thematic responsibility. He/she does this together with a civil society representative. • The government has a programme

CF Entity	*Main Roles and Responsibilities*	Composition
	organising the meetings so that the discussion remains focused and resulted oriented.	coordinator of the CF monitoring, following closely the groups' dynamics and works, acting as a watchdog safeguarding the process. • Each municipal secretariat has one specialist who responds to questions raised within his/her area of concern.
Thematic Working Groups	1. Economic Development; 2. Urban Development; 3. Environmental Quality; 4. Education; 5. Social Inclusion; 6. Cultural Identity; 7. Administrative Reform; 8. Health; and 9. Combating Urban Violence; The main tasks of these groups are: • To identify problems under their thematic responsibility, develop an understanding and formulate actions and strategies to address them within short, medium and long-term basis. • To formulate proposals and bring them to the city conference for endorsement.	• Participants vary in number and representation. Some groups gather regularly 50-60 persons while other groups less than that. • The economic development group is divided in three sub-groups focusing on industry, commerce and services. It is known to be a very active group. • Two delegates, one principal and one reserve, are appointed by each thematic group. Until December 2001 the delegates of CF had a seat in the OP council but only as observers. From January 2002 they have full voting and voice rights. The transformation of these delegates as full councillors of the CF with voting rights in the OP is in fact the first step to fully integrate the CF participatory channels into the OP channels of decision-making. • 9 principal CF councillors and 9 reserves were elected in the City Conference of December 2001.
CF Councillor	• Main task is to represent his/her thematic group and priority theme in the OP council sessions. • Report back to his/her thematic working group about the deliberations and debates taking place within the OP council.	• 1 principal and 1 reserve are selected by each thematic working group and taken to the city conference for overall voting. • A tripartite list of names was taken to the last city conference for overall election. Those who are getting the largest number of votes are finally elected as CF councillor to work in the OP council.

7.3 Key Stakeholders in the CF Project

Table 7.2 lists the main actors and stakeholders of the CF process:

Table 7.2 Key Stakeholders in the CF Project

Stakeholder	Roles and Tasks	Remarks
Civil Society		
Labour Unions	• Their main task is to articulate their constituents' needs, which focus on issues of job security, wage levels, work conditions, and solutions to the problems of industrial restructuring and technological change. Their knowledge of the labour market is an important asset to counterweight the private sector's representatives.	• Organised trade unions are not actively involved in the CF as could be expected. • There is strong activism and leadership involvement at the workplace level but not in the public realm e.g. local government, planning, economic development, etc. Much sensitisation is needed to bring their input in such issues as local economic development, and environmental quality.

Stakeholder	Roles and Tasks	Remarks
Community delegates	• Main task is to voice and safeguard local residents' needs and keep the agenda focused on local, specific, and immediate problems, although without loosing the strategic character of the process. • Individual motivation will determine their specific concerns. • There are 1,200 registered delegates, those who have once or twice attended the city conference or have attended meetings of the thematic working groups. • They are part of the database and regularly receive information on the CF process and outputs.	• The community delegates will either come from groups actively involved in the OP like popular residents associations or through the SAB-Neighbourhood Associations of the city barrios where higher income groups live. Experience shows that residents with higher income are more motivated to discuss the future of their city and neighbourhood and not to resolve scarcity of public services. • It is difficult to foresee that lay residents will simply show up in the process. • The challenge is to link citywide and neighbourhood issues (global-local) as well as strategic and immediate actions while focusing the discussion on the CF strategies and priorities. • There is need for training and capacity building. • Residents' associations can play a role in bringing strategic discussions to the level of the neighbourhood but experience shows that the discussion does not level their expectations. • One should not expect a sector approach in their contribution except if their residential areas of concern are affected by a specific activity falling under one of the thematic groups.
Universities and Academic Institutions	• To develop ideas and creative suggestions to address critical problems of the city; • Create synergies among different themes and carry out research in support to policies;	• Important for research and development; brings up the importance of knowledge in the search for Santo Andre in 2020.
Neighbourhood Societies (SAB's)	• The main task of these neighbourhood associations is to bring some global neighbourhood development issues on the strategic agenda e.g. local economic development, small business development, safety, circulation, public transport, etc.	• These SAB's are not consolidated entities and mostly appear "as strongly organised" whenever there is a serious local threat e.g. violence, flood, infrastructure problem, etc. • The challenge will be to attract a group that usually has its basic needs satisfied. • Sensitisation will be needed to mobilise and forge involvement of these organisations.
Government		
CF General Coordination	• Main task is to keep the process rolling and in full articulation with the various components of municipal policy and private sector activities. • Reporting and synthesising the outputs produced by the various groups and disseminating the results horizontally and vertically within the municipal apparatus and to the benefit of civil society organisations. • Cross-sector and inter-agency and interdepartmental coordination are fundamental tasks of the CF	• The team is relatively small for all the tasks and comprehensive scope of action. This may result in overloading and difficulties in follow-up. • Coordination may face internal difficulties intrinsic in government structures when more articulation and interface are needed for public policy implementation. • Some overlapping and cross-sector actions may raise frictions with other government departments.

Stakeholder	Roles and Tasks	Remarks
	Coordination.	
CF Government Coordination	• Main task is to maintain cohesion of government policies and strengthen cross-sector coordination and articulate municipal policies with the interests and motivations of the private and community sectors engaged into the participatory processes.	• There is a potential area for conflicts and overlapping with other sectors, plans and initiatives of the municipality if mayor does not keep the process tight. • There is a continuous burden for liaison and organisation to keep information flow and articulated action from within the government-sector secretariats and agencies.
Municipal Secretariat of Urban Development	• To guarantee that agreed strategies and actions that ultimately have a direct effect “on the ground” e.g. public works, urban growth, allocation of land for economic development, etc. are all incorporated into a cohesive and integrated urban development plan. • Assure the articulation between the “micro” plans and the “macro” plans within the process of strategic planning. • Assure that urban policies and the strategic planning are all in line with one another.	• Secretary is fully attuned with the strategic process and urban policy making within the context of citizen participation. • Normally, in most municipal governments this secretariat is averse to strategic planning processes because of its intrinsic flexible, open and less physical type of planning. • Master plans and urban development plans that are usually enacted by laws are potential barriers to strategic planning processes. • Necessary to make an auditing of current norms and legislation that may hinder the strategic planning process. • Search for flexible approaches is a must!
SEMASA	• Safeguard the environmental quality and respect to the environmental protection laws and norms. • Educate participants about the existing laws, norms and procedures enforced to safeguard environmental quality. • Provide information about the possible environmental impacts of agreed strategies and plans. • Provide measurable environmental impact indicators to decision making.	• SEMASA presents itself as an organisation fully attuned with the OP and active citizen involvement in environmental management. • This is an asset. • The organisation can play a strategic role particularly when considering that 50% of the territory consists of environmentally sensitive areas. • The risk is the environmentalism becoming a bottleneck hindering decisions on economic development.
Municipal Secretariat of Citizenship and Participation	• The main objective is to strengthen the participatory processes and integrated with all the different programmes geared to strengthen the concept of “active citizenry”. • Strengthening the OP and its symbiosis with the CF is another objective of the • Secretariat.	• This secretariat is concerned with all channels of participation. The OP is central in the secretariat. • The involvement of the government OP team needs to be better articulated into the CF particularly if actions geared to improve urban productivity and economic development are coined.
Municipal Secretariat of Social Inclusion and Housing	• The main objective of this secretariat is to safeguard the interests of those groups traditionally excluded from social policies and public investments to be included into the actions and be also targeted by the strategic planning process. • The secretariat will tend to weight the balance towards social investments against the economic development investments intrinsic in the CF and Tamanduathey Axis.	• The secretariat is focused on the integrated programmes under which housing and upgrading occupy a central part. • Secretariat is very focused on the four pilot areas of the Social Inclusion Programme e.g. Tamarutaca, Sacadura Cabral, Quilombo II and Capuava. • The secretariat will tend to critically look at the Tamanduathey project as to point out the need to capture available vacant land and address social housing needs.

Stakeholder	Roles and Tasks	Remarks
		• Other actors will probably counterbalance this.
Project Coordination of the Tamanduathey Axis Redevelopment Project	• Main objective is to attract private investments and coin public-private partnerships in the redevelopment of derelict land and obsolete buildings. • Safeguarding the flagship character of this project is a major task of this stakeholder.	• The ambition of the project is to turn the area into a gateway to the Metropolitan region. This may create a tension with other public and community stakeholders stressing the need to match economic recovery, private investments and commercial real estate initiatives with the social needs. • This stakeholder may have to play a pro-private sector involvement that is not always easy within a local government motivated by social causes.
Private Sector		
Industrialists	• The main objective is to safeguard the interests of the industry within the process of regeneration that is implicit in Tamanduathey planning process. • Their main concern will be to de-regulate public sector procedures, facilitate the establishment of new initiatives and to settle principles and understanding with the other stakeholders about the need to foster primarily economic development so that jobs can be generated. • To mobilise resources and alliances to foster private-public investments. • Local market tend to be less relevant and accessibility to other markets are more relevant meaning that attention may fall into better conditions for outlet production. • The thematic working group on local economic development is their main focus.	• The industrial sector as a whole is hard hit by the economic decline. • The Association of Commerce and Industry of Santo André is a very active stakeholder that is present in all stages of the process. • They stress the need of efficiency and less time consuming decisions and procedures of the public sector. • They are usually prepared to co-finance initiatives that are safeguarded by proper municipal policies. • Will tend to demand guarantees from municipal government and is usually horrified by politicisation of public projects. • Accustomed with “demanding” labour movements, the industrialists will tend to use the process to coin a pact with these forces. • There may exist conflicts with environmentalist groups and with grassroots associations only concerned with better salaries and better working conditions.
Commerce	• The commercial sector safeguards the interests of the small-scale retail entrepreneur and those involved in service provision of all sorts. • Safety, income and job generation and public transportation, and capacity building of the labour force will probably receive lots of attention by this stakeholder since it has a multiplying effect in consumer’s habits.	• The commerce and retail sectors are the ones who will most profit from the economic restructuring implicit in the strategic planning process. • A stakeholder that will mostly benefit from public and private investments in the redevelopment of key areas of the city. • The Tamanduathey is a clear are of concern for this stakeholder. • The thematic working group on economic development is their primary focus of concern but not limited to.
Media	• The media is more an instrument rather than a stakeholder in the process except when it comes to generate a safe, clean and pleasant urban environment that affects all in the city.	• The press, radio and TV can play an important role in getting the CF Project incorporated in the routine of the city life. • The media can play a catalytic role in mobilising opinions, disseminate ideas and critical thinking. • It can be an alert means to warn public,

Stakeholder	Roles and Tasks	Remarks
		private and community actors about shortcomings of the process.
Political Stakeholders		
City Councillors (vereadores)	• Objective will be to guarantee constituency to the process safeguarding its intrinsic electoral interests. • Will tend to link committees of the Municipal Chamber with particular actions and initiatives of the CF Project.	• The Legislative Chamber is a heterogeneous entity and most probably the vereadores tend to get involved as much as there is a response from civil society. • There is a potential for greater involvement of the Legislative Chamber but this is not reflected into the concerns of the CF coordination.

7.4 Accounts on Participation

Table 7.3 identifies the main channels and avenues of participation in the CF Project and highlights their main characteristics

Table 7.3 Channels of Participation in the CF Project

Process	*Characteristics*	*Activities*
First round of City Consultations	• 180 participants • Gathering all stakeholders who responded positively to the call for discussing and envisioning the city.	• Several meetings to define themes and strategic issues. • Formation of thematic working groups.
Fist Pre Conference of the city	• 351 participants • To identify number of priorities and presentation of findings and demands from thematic working groups.	• To present publicly the Basic Document from the 7 thematic groups, community meetings. • Present the systematisation of proposals originated from the questionnaire attached to the puzzles/map of the city with its principal landmarks.
Thematic Groups meetings	• Open meetings to discuss the city strategy in each thematic lines or subject areas. • From 40 to 60 persons per meetings.	• Groups with their own dynamics. Some attract a lot of civil society participants while other are less interesting. For example, State Reform is a relative small group mostly composed of government stakeholders and less civil society. Local Economic Development on the contrary is formed by majority of civil society representatives. • Regular meetings organised in view of the targets and outputs that thematic working groups must deliver.
Distribution of Questionnaire and City Puzzle	• Distribution of 100.000 puzzles and attached questionnaires and surveys. • Response was 6858 answers containing 31,205 proposals	• The puzzle of the city (38 cm x 64 cm) has the city's most important landmarks that people assemble to create the image of the city known to them. • People would mount the puzzle and afterwards think of the future of the city. • People indicating what is important for the future of the city. These were returned via free postal service or deposited in ballot boxes spread throughout the city.

Process	*Characteristics*	*Activities*
Community meetings	• 1961 proposal were presented during 99 community meetings that were organised during the inception phase. • Other meetings have targeted the youth living in the periphery of the city, schools and universities.	• Discuss all kinds of proposals
Internet Questionnaire	• In process of formulation.	
First City Conference	• Conference gathering nearly 500 people. • Has deliberative character. • Prepares main guidelines for CF.	• Approval of the key document elaborated on the basis of work carried out by the thematic working groups which was later systematised under the documents “Santo André Declaration” and the “Scenario for a Desired Future” (Cenário para um Futuro Desejado).
Second Pre Conference of the city	• Conference attended by 450 people. • To present the work and outputs of the Thematic Working Groups. • To define indicators for community monitoring. • General accounting of the government about the various action plans and strategic projects.	• The local government presented its account on actions, activities and projects that are on-going or in process of formulation. • Discussion of the strategies to finance the city • Discussion of the integration of OP and CF • Discussion of how to incorporate the CF proposal into the government’s projects/
Second City Conference	• Conference attended by 512 participants. • Ratified the basic proposal and accounting of the government related to 462 actions from which 250 are already undertaken by the government.	• Two reports were presented and approved. • Proposals executed or on-going. • Voting for councillors to take part in the OP Council. • Thematic Working Groups selecting priorities (maximum 6).

Bottlenecks and Capacity Building

The meetings of the CF thematic working groups are reported to have a large degree of rotation in attendance, particularly when compared to those of the OP. The process of participation in the CF is less structured than in the OP and requires a remarkable effort from the municipal government and the participating stakeholders to keep discussions going. Some thematic working groups have developed a small, consolidated nucleus of people who attend regularly and actively participate in their working group meetings. This facilitates the follow up on previous discussions and ensures the smooth continuation of work. Not all thematic working groups, however, function in such a smooth way. There are times when meetings are heavily attended but there are also times in which attendance is disappointingly low. All this reflects the flexible nature of participation in the CF Project.

It is also reported that some thematic issues do not attract much interest from civil society stakeholders such as the thematic working group on Administrative Reform. In the latter group, the representation of the population is low compared to, say, the thematic working group on Economic Development, which implies that the group composition is heavily tilted towards the public sector. Indeed, the thematic group on Administrative Reform is lead by the Municipal Secretariat of Administration and attended by members from this secretariat,

and the secretariats of Finance, Juridical Services, and Citizenship and Participation, as well as by representatives from the Legislative Chamber. By contrast, meetings of the thematic group on Economic Development attract regularly between 50 and 60 people, of which there are at most 10 representatives from the municipal government.

Unfortunately, however, representatives of labour unions and workers' movements have taken a distance from the CF process, and particularly from the Economic Development Thematic Group. This means that the private sector and business representatives take over the discussions and deliberations of this group. Participants also report that labour union representatives often refrain from giving feedback to their constituents, which limits the impact of the CF within the unions. The type of negotiation and consensus building intrinsic in these working groups appears to be less attractive to the labour unions, which are said to be more interested in results than in visions or strategies. By contrast, union leaders and their members are said to be very active in the OP's thematic groups, perhaps because the OP process is more reminiscent of the type discourse (and struggle) that they are used to in their factories and assembly plants when negotiating with industrialists.

The thematic working group meetings have their own dynamics. The calendar varies from group to group. The key trigger of participation is when a particular issue or output needs to be brought forward to the municipal government or to the city conference. The CF's flexible participation pattern contrasts with the relative formality of the OP process, thus highlighting the differences in the nature, scope, content and timing of participation in each process. The CF Project does not have a cyclical character like that of the OP. Rather, it is a long-term process that is based on mid-term targets, as opposed to the OP's that is yearly-based. Another fundamental difference between the CF and OP is in the content of discussions, which is a matter of concern to many participants and the local government. Many observers report that participants representing civil society organisations often have a relatively weak background, which hinders their ability to engage in discussions on strategic urban development and on similar subjects that have a relatively vague nature. By contrast, the OP is more straightforward and addresses tangible needs and/or urgent necessities.

The CF coordination and the municipal government have acknowledged this problem and tackled it through training. Several training activities were organised for civil society and government stakeholders in order to increase their knowledge and awareness of strategic planning, city visions, public management, regulatory frameworks (especially the LRF law), participatory urban management, and public budgeting. Some of the key staff involved in the CF Project has been sent to attend courses at the Getúlio Vargas School of Management and Administration. Another capacity building programme on these themes was scheduled in April 2002 to build the capacities of CF councillors, government staff and civil society members.

At the time of writing, the thematic working groups were meeting to prioritise six actions and projects from the package that was approved at the city conference held in December 2001. This meeting aimed at launching a discussion about how the CF councillors will work in the OP Council to get some of these priorities approved. Indeed, the integration between the OP and the CF Project is arguably one of the most important challenges facing participatory management and planning activities. As such, lessons from the Santo André experience promise to be extremely important for other cities implementing or planning to pursue similar types of programmes.

8.

Perspectives for Integrating Short and Long-term Planning Processes: the OP and CF Project

The previous chapters depicted two different but complementary participatory processes in urban management and planning. Despite the municipal government's noteworthy effort to integrate both processes, the task is clearly not an easy one. This integration effort is in fact one of the most complicated urban planning and management challenges facing the municipality of Santo André, especially since both the OP and CF differ in their institutional frameworks, processes, target groups and even in the nature of their demands. But, on the other hand, the effort to link public resource allocation mechanisms with long and short-term participatory planning processes is a unique opportunity that few other cities enjoy. Needless to say, the management of this integration requires very specific institutional engineering measures in order to maximise the benefits from this opportunity and ensure that the motivation of the various stakeholders to continue participating is not disrupted. The integration process must also safeguard the specific qualities of decision-making that exist in both channels of civil society participation.

Despite all the seeming difficulties, there is an intrinsically articulated participatory approach binding both processes and that is reflected in public policymaking and the prioritisation and allocation of public investments through the municipal budget, resulting in a consensual package of local government initiatives. Such dynamics set the grounds for the practical and operational symbiosis between the OP and CF to eventually result in a vigorous urban governance practice in which public-community-private sector partnerships, consensus building and broader civil society participation in urban management will continue to evolve. According to Mayor Daniel, "both the OP and CF are aimed at creating a new model of public co-management in partnership with the community at a large scale. In fact, this management partnership is focused on creating a new governance model characterised by decision rules which are neither exclusively determined by the market nor by classic internal bureaucratic procedures without the civil society participation at large" (Daniel, 2001).

What increases the difficulty of integrating the CF and OP is that both processes are self-regulated. On the one hand, the OP has a predictable and clearly cyclical set-up based on the allocation of public resources in the form of the annual municipal budget. On the other hand, the CF has a more open-ended character. Patterns of participation in the CF are less predictable since the process focuses on long-term development goals and broader urban strategies, even if these are clearly translated into concrete actions by the thematic groups. The year 2001 was the turning point in the actual integration of these two processes linking long-term and mid-term planning with short-term action plans defined and inserted into the discussion of the municipal budget.

The municipal government's approach to integrate the OP with the CF is equally *process-based.* At first the municipality recognised that short-term planning and the resolution of immediate and "urgent" problems in the city would not be sufficient to overcome the larger threats to the city's future imposed by economic restructuring. The need to synchronise short-term actions with a long-term strategic vision was clear from the onset, but shrinking municipal revenues was a clear threat necessitating a critical prioritisation of government interventions. The municipal government opted to increase popular participation in public policymaking as a way to build consensus and citizen ownership of local decision-making and implementation. Such a move came with the risk of endorsing policies that primarily focus on the basic needs of the excluded groups who actively participate in the OP, as

opposed to broader strategic development plans with no immediate tangible outcomes. In fact, even though the OP's thematic groups open a window of opportunity to address sector-oriented problems, these are not sufficient to attract other segments of society particularly the private sector, middle-income groups, the retail and service sector, etc.

A first important step in the direction of full integration between both processes was through the synchronisation of the themes of the OP and CF working groups, the so-called thematic working groups. The CF delegates subsequently participated in the OP Council, at first without the right to vote, but later as full councillors with voting rights. The CF Councillors brought a total of 6 priorities identified by their working groups to the sessions of the OP council, competing for funding with other priorities from the OP regional plenary sessions. This administrative integration was a decisive step in accomplishing full civil society participation in urban management.

According to the SINPA research team, there is a certain degree of awareness among the participants in the OP and CF that the merging between both processes can potentially bring about social and political conflicts given the difficulties of reaching consensus between long-term thinking and short-term problem resolution. But on the other hand, participants acknowledge that the merger can widen the spectrum of participation by attracting people whose basic demands have already been satisfied but who have a greater interest in other city development issues. The merger between both processes is also expected to deepen the participants' responsiveness to long-term planning and the resolution of critical future needs. In theory, the integration between both processes will give the OP participants the opportunity to broaden their vision towards long-term citywide development strategies. At the same time, the CF participants will come in closer contact with the basic needs and viewpoints of those who have been traditionally socially excluded. The local government hopes that this integration will help to turn both processes into more socially representative channels participation. It is hoped that the "negotiations" of the municipal budget and the possibilities of conflict between both groups of stakeholders can create an opportunity to build broad-based social, economic and political consensus in the long run.

> *Everybody will gain with the symbiosis of the Op with the CF. It will enlarge the views and horizon of the participants of the OP. Those with a lower education will be able to grow and those who have a higher education level will be able to understand the necessities and urgent needs of others. This is my viewpoint but it will be difficult to nurture this opinion because the councillors and delegates of the CF do not share this vision…" (W.A., private sector leadership, born in 1937)"*

> *"… I have attended 4 meetings of the OP as a councillor of the CF. Today my participation is without voting right. The discussions in the OP are different than in the CF. We need to find a way to show everyone the importance of the long-term projects. If not the urgent demands and immediate priorities will dominate ... (J.G., university manager, born in 1953)"*

The following table compares the main aspects of each avenue of citizen participation and highlights peculiar differences that deserve special attention.

Table 8.1 Comparison between the Main Aspects of the OP and CF Processes

ISSUE	Participatory Budgeting – OP	Cidade Futuro Project – CF
Participation	*There is continuity and predictability. CBO's, delegates and councillors maintain high level of presence in events. Bottom-up pressure from constituent basis on community representatives may sustain continuity in participation stressing accountability and*	*There is high turnover and mobility in participants since process is open to anyone thus affecting continuity. Process is more unpredictable with less pressure from constituent groups. Thematic groups lack cohesion that neighbourhood or region-based residents have. There is less visible*

ISSUE	Participatory Budgeting – OP	Cidade Futuro Project – CF
	responsiveness of representatives.	*accountability of participants towards their constituents.*
Form of Process	*Cyclical periods with predictable timing for outputs and results, some defined in law e.g. date of delivery of municipal budget proposal to Legislative Chamber. The assurance that participants may be awarded with some resources to resolve his/her problems dictates the process. Process is rather short in time.*	*Open-ended and flexible nature with dynamics being determined by outputs in preparation for the annual city conference and by individual interests and motivations of participants. Outputs are rather broad. There is no deadline fixed by any regulatory system except when the date of the city conference is fixed and made public. Process is rather long in time.*
Organisational Basis	*Geographically based, with strong ties with 19 regions and their constituent neighbourhoods. 9 thematic working groups are also part of the organisation.*	*Citywide and sector-based affiliation based on 9 thematic working groups.*
Internal Procedures for Decision Making	*Set of rules and approval mechanisms in a rather fixed structure and approved internal rules, self-regulated by the OP councillors.*	*Flexible structure of decision, less rigid procedures. Thematic groups dictate the dynamics and basis of decision-making. Municipal secretariat (top executives) in favourable position to influence decision-making.*
Focus & Targets	*Short-term and focused on locally defined problems and based on annually determined targets coinciding with the making of the municipal budgeting. Problems identified and prioritised at the lowest level of citizenship.*	*Long-term strategic targets to be accomplished within a multi-year programme with broad regional impacts and less on locally identified bottlenecks. Problems identified by 'interested groups" and corporate positions with municipal government playing an active role in defining external threats and city-region issues.* .
Finance	*Municipal budget is explicitly linked and the sole source of financing. Relies completely on the availability of resources within the municipal budget allocated for investments.*	*Rely much more on resource mobilisation from municipal budget and counterpart contribution from private sector and investors rather than solely on the municipal budget; integration with OP is to bring clearer sources of finance and to compete with explicit OP councillors' demands and priorities.*
Civil Society Participants	*Mostly representing popular sectors of society. Many linked to neighbourhood-based movements, popular leadership and CBO's.*	*More private sector and business sector representation, with professional associations more engaged in thematic discussions. There is a need to develop a survey on participants' profile equally to what was done with the OP participants.*
Role of Government	*Less prominent. Takes the leads on formulating the first budget proposal on the basis of the priorities and demands of population. Share coordination with civil society representatives and play a relevant role in technical and feasibility studies.*	*More prominent, taking initiatives and assuming relevant role in coordination of thematic working groups through municipal secretaries. Formulate policies and strategies on the basis of the spearheads defined in thematic groups. Uses the City Conferences to give account of its government actions.*
Key Actors	*The department of Citizen Participation of the Municipal Secretariat of Citizenship and Participation is the motor of the process. The OP councillors and the OP Pair Committee are the operational mechanisms.*	*The operational coordination responding directly to the mayor is the motor behind the organisation, programming, follow-up and articulation within the municipal apparatus. Elected CF councillors who will participate in the OP Council are becoming key actors who will be responsible for the actual integration*

ISSUE	Participatory Budgeting – OP	Cidade Futuro Project – CF
		between both processes.
Management	*Process requires great managerial and planning effort to match available resources with needs and priorities. There is a mismatching since the needs exceed the financial possibilities. Budget preparation is a complex exercise of budgeting, technical and feasibility analysis, inter-agency coordination and follow-up within the municipal apparatus. Government coordination overloaded with tasks of horizontal articulation, communication with citizenry and negotiation with all stakeholders.*	*Process requires a sophisticated matrix organisation to coordinate and articulate the variety of actors, interests, actions, objectives and very different sector-oriented plans and strategies. The need to attune short-term actions and immediate problem resolution with long-term strategic actions requires very accurate development management instruments. The pair-coordination of government and civil society has a rather political role apart from coordination and articulation of policies and strategies emerging from thematic working groups.*
Results	*Practical results like street pavement, water supply and basic sanitation networks, community services, urbanisation and public works in neglected areas of the city, all translated into immediate action plans defined by budget allocation, assigned responsibilities and time range, involving different municipal agencies and CBO's. Results are immediately visible.*	*Objective-oriented programmes. Programmatic approach to resolve strategic issues under specific thematic areas matching thematic working groups' priorities. Set of actions that form a holistic program in all 9 thematic areas involving local, regional, private, public and community stakeholders, demanding an active matrix-type of organisation. Results expected mostly within a term of 5 (short-term) to 10 years (mid-term).*

The integration of the CF with the OP into a successful model for citizen participation in urban management and planning in Santo André heavily depends on local government's management capacity, especially in simultaneously articulating and steering two rather different types of participatory planning processes (i.e. short-term and long-term thinking). There is a need to secure cohesion and coherence between long-term policies derived from the CF—the strategic planning and city visioning processes—and the short-term problem-solving approach and projects resulting from the OP. The integration of the OP and the CF will allow the latter to become the legitimate channel of participation in which are made strategic choices on public resource allocation and budget prioritisation.

The OP-CF integration effort is relatively recent and it is not expected to occur without problems. Indeed, the integration is an on-going process in which all participants learn by doing, a fact admitted by the government officials who are directly involved in the process. The following section lists some of the issues that need to be addressed if the OP-CF integration is to succeed.[10]

8.1 Broad-Based Civil Society Participation

The CF is not yet attracting the number of participants that was initially thought. The level and type of participation are still unpredictable. One way of reversing this situation is by fostering greater engagement of the CF councillors in the OP council and improving the way in which the outcome of their participation feeds back into the thematic working groups and citywide meetings. In parallel, the demands and priorities originating from the CF will need to be integrated in the package of public investments decided by the OP Council, if not only to sustain the motivation of CF participants. Such changes are likely to cause tension with

[10] Needless to say, the list of issues is not comprehensive, especially because the integration effort was initiated relatively recently. It was also difficult for the SINPA research team to come up with an in-depth analysis of all issues arising in the integration process because there were insufficient interviews and visits to all organisations involved in the CF. The fieldwork was unfortunately rather short compared to the ambitions of this publication.

the regional and neighbourhood-based OP councillors who tend to focus on their immediate and legitimately urgent needs. This consensus building within the new OP council, in which civil society now holds a majority vote, in turn depends on the initiation of capacity building measures (strengthening the knowledge and understanding of councillors) and ensuring broad coverage by mass communication means. If the municipality fails to take these measures, it will certainly fall short in consolidating the model it advocates.

8.2 Management of Complex Urban Operations Involving Strategic Plans and Capital Investments

The burden of the OP-CF integration on the municipal administration cannot be understated, especially since the government is already involved in many different plans, programmes and endeavours. Many of these initiatives are directly or indirectly linked via the OP or the CF, or fall within the same sector (e.g. the social inclusion programme that targets different squatter settlements, the Tamanduathey Axis project, the micro-credit programme, the administrative reform programme, etc). The need to ensure a smooth stream of information and decisions forces the municipal government to adopt a matrix-like organisational model in which authority is delegated to different levels and policymaking is kept vertically coherent. This organisational framework is still an evolving process, which is partly being addressed by the administrative reform programme although not sufficient to cause attitude change within the municipal apparatus.

These organisational changes are a sine-qua-non condition for the model of civil society participation advocated by the municipality to succeed in Santo André. The structures and practices of local governments are so deeply rooted that the establishment of a different culture of organisation becomes a very time-consuming process. As a result, the issues of strengthening the capacities of the technical and administrative cadre of the municipality and the needed institutional reforms come once again to the forefront. The change process is further complicated because the municipal government needs to tackle different problems at the same time, thus risking failure in one front and its likely detrimental effect on others.

8.3 Regulatory Planning

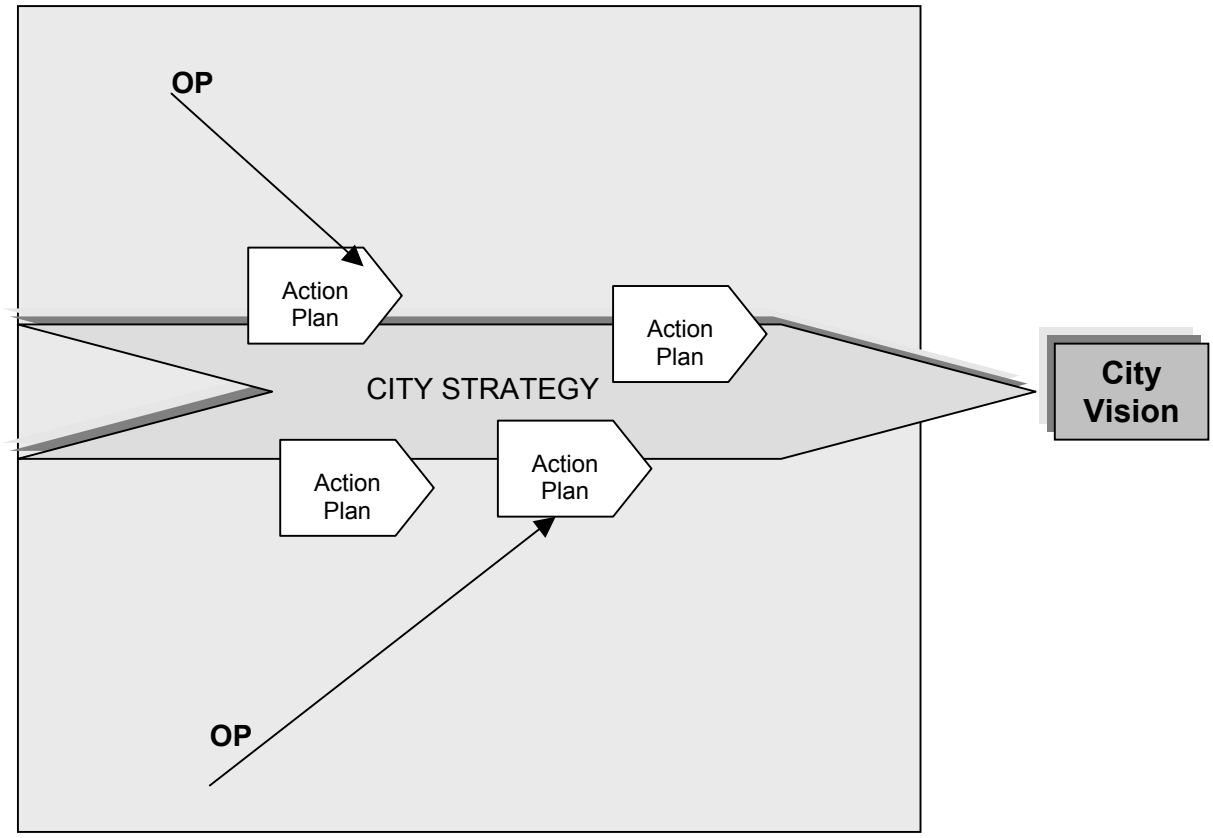
The municipality has recognised that the city master plan enacted in 1995 is an inadequate instrument with which to manage the city because it became. The master plan is currently under revision by a team headed by the two secretariats of ‘Urban Development’ and ‘Participation and Citizenship’. The fact that the municipal government is not using a legally enforced instrument to plan and manage the city is a two-edged sword. On the one hand, it is a noteworthy (although controversial) step since the land use zoning and normative rules embedded into the plan have at times conflicted with the flexible approach to planning that the municipal government has advocated. Nevertheless, an updated, reformulated master plan for the city is fundamental in linking development strategies and financial outlays with the allocation of land for economic and social activities. The challenge is to turn the plan as an enabling instrument to facilitate city building on the basis of a broad-based civil society consensus forged through the OP and CF. On the other hand, the risk is to create a rigid legal hurdle that interferes with the city’s innovative approach to urban planning and city management.

8.4 Ability to Engage in Discussions on the Realisation of the City Vision

The integration of the OP with the CF poses a difficult question to the municipality, namely if the OP councillors—from the government and civil society—have the capabilities to engage into a productive debate that culminates in the decision to endorse the city vision designed

by the CF process[11]. At the time of writing, the answer is still negative. Human resource development, training, and capacity building of councillors (from both government and civil society) are highly needed and consist an inseparable part of the CF. Until now, training is limited to the OP council members but it is essential that participants in the thematic groups also take part in these programmes. Despite of their professionalism, the municipal staff still needs training in new planning and management concepts, issues which unfortunately are not addressed in traditional university education. This is a long-term process that is needed if "active citizenship" and full ownership of the process are to be accomplished in Santo André. Another challenge linked to the capacity issue is local government's ability to integrate the various plans and decisions into a broad city development strategy. The aim is to link actions with strategies and plans with the vision (see Figure 8.1).

Figure 8.1 Conceptual link between short- and long-term planning to realise the city vision



8.5 Information Management

The absence of proper communication and efficient information management systems risk that all the municipality's efforts will end up in programmes, which albeit valid on their own, do not foster inter-sectoral and inter-agency coordination. This scenario would undermine the institutional framework and the municipality's capacity to multiply the effects of citizen participation and enhance its efficiency. The OP and the CF are fundamentally dependent on information flows from and to different municipal departments (internal communication) and from the government to the citizenry (external communication).

[11] This is depicted in the report "Scenario for a Desired Future", approved and endorsed by the first city conference from April 2000.

At the moment, the intranet, web site, the internal reporting and the synthesis documents produced by the CF constitute a good start of communication flows. Yet, despite all the transparency and information flow within the various municipal teams, each government department still has its own database, formats, and benchmarks. These discrepancies led the municipality to initiate steps towards the centralisation, systematisation, and analysis of socio-economic data. The municipality also aims to set up a strategic planning department to manage intra-departmental information. The dissemination of relevant information to the citizenry also needs to be improved through the municipality's use of mass media and other communication means to inform the population about its plans, and their successes and failures.

9.
Conclusions

The previous chapters revealed the results of the action research carried out by the SINPA team on participatory budgeting (OP) and the Cidade Futuro (CF) strategic planning project in the municipality of Santo André. Santo André's situation audit depicted in this publication relied on participants' observations of the OP and CF processes, fieldwork, and in-depth analysis of key documentation provided by the municipality. The research analysed the ongoing participatory processes in an attempt to find answers to some critical questions regarding the value-added of citizen participation in urban planning and management. The research also examined the mechanisms used by the municipality to integrate short-term problem solving (via the OP) with long-term strategic planning (via the CF Project) and the bottlenecks facing the merger effort. This final chapter spells out some of the key conclusions drawn from the research.

9.1 Costs and Benefits of Participation

There is a consensus among all those who were interviewed about the direct benefits from citizen participation in program and project formulation along with the municipal government and their involvement in investment planning through the OP and CF Project. Citizens who participated in both the OP and CF point to their increased self-esteem, self-reliance, and greater sense of belonging. Participants in the OP process report that they have acquired greater knowledge of the public sector's mechanisms and a broader understanding of its institutional structure as a result of the participatory experience. Participation has indeed triggered a learning process about the procedures and norms regulating the operations of local government, in addition to helping build a more active citizenship.

Many interviewees have nonetheless emphasised the high economic costs implicit to citizen participation, which they sustained individually as a result of their (often full-time) dedication to the ideal of co-management of public affairs. These often-overlooked costs include the time and energy devoted to participation in local governance issues, which often caused family problems. The burden of such economic costs is particularly felt among the poorer groups, the so-called popular sector. In some instances, it was reported that councillors personally covered the expenses of participation of other rather poor members of the OP Council who could not afford to pay for transportation.

The economic impacts of participation vary depending on household income, the number of dependents, housing conditions, and the level and severity of poverty. All these factors undermine participation in the OP and CF among the poorer segments of society, namely the unemployed, those who work long hours, and those who have family members that require special attention (e.g. children with special needs or elderly). Such hardships leave little space and time for poorer people to exercise citizenship in the way that the municipality foresees. The municipality insists that participation is a voluntary act open to each citizen and that it should not to be compensated in any form. Despite all the difficulties, the interviewed participants have stated that their sacrifice was rewarded.

Overall, there are noticeable positive changes in the reality and attitude of individual citizens towards the state. Yet, despite the overall positive attitude, it is important to pay attention to the practical and logistical problems reported by those who cannot afford the costs of participation so that some mechanisms can be introduced to ensure universal participation without running the risk of falling back into the traditional *clientelistic* practices. It is also

fundamental to understand and differentiate between the costs of participation encountered by men and women so as to design appropriate instruments that can reconcile the structural differences that exist among them (in productive, reproductive, constituency and community based functions) and that can create equal opportunities for participation.

9.2 Needs Identification and Problem Prioritisation

Most participants agree that the local government lacks the ability and necessary tools to address a lay audience. Technical terms and jargon are commonly used in government staff presentations. Clearly, the level of understanding varies greatly from one participant to the other depending on their practical experience and educational background. Yet, most participants argue that government staff does not make it easier for them when presenting technical and financial feasibility issues. The problem is that many councillors cannot clearly understand the reasons behind certain policy options and technical decisions made by the government.

The survey revealed that the municipality has paid little attention to project communication, namely techniques of presentation and for the visualisation of project ideas and solutions, as well as processes of interaction with the citizenry. Such techniques would have helped to translate complex problems and solutions into a simple and direct image making all these technicalities and strategies easily understood by lay residents. The municipality primarily relied on the capacity and motivation of its staff without weighing the eventual shortcomings in training and skills. Unfortunately, this important omission has only fuelled more exclusion and alienation of some residents and councillors, which led to minimising their contribution in city management and planning. Yet, such problems should not be seen as undermining the merits of the process of prioritisation and debate, which enable those more experienced councillors to pass on to 'new comers' their learning experience.

9.3 A Global Vision of the City

All participants agree that the OP Caravans[12] are not sufficient to develop a global, strategic vision of the city. Many are enthusiastic about the integration between the OP and CF, which they perceive as an opportunity to acquire the necessary analytical and practical knowledge that can help them in taking decisions with a more holistic view of the city. Some community leaders, however, question this integration since it will certainly bring inevitable conflicts derived from fierce competition for limited municipal resources.

In general, the participants interviewed by the SINPA research team argue that there is little common understanding of the problems of the city as a whole among the councillors. This problem will become more obvious with the merger of the CF and OP since both channels of participation deal with different public issues and thus attract different social classes that inevitably have different perceptions and interests. The critical problems and "emergencies" to be addressed by short-term action plans have gained more attention and interest than the development of a vision for the city through strategic, long-term planning. One reason behind this schism between the two participation channels owes to the method and process of discussion in the thematic and working groups, which again underscores the need to have proper communication strategies. The moderation of the process and the way in which presentations and illustrations (using images, language, or phenomenology) of the opportunities and threats facing the city are made leaves a lot to be desired. Only a comprehensive process of capacity strengthening involving councillors, moderators and government staff and a complete change of the way in which projects, ideas, and strategies

[12] *The municipality organises a bus tour for all councillors and delegates throughout the city in order that everyone gets acquainted with the problems of different regions, priorities and critical issues.*

are presented to the citizenry can contribute in creating a holistic vision of the city, which is at the heart of the successful merger between the OP and the CF.

9.4 From Participation to Mobilization

Santo André's local government acknowledges that the levels of participation, involvement and feedback from the citizenry are not yet optimal. The research reveals that the flow of information and quality of discussions between the citizenry and the government still need improvement in view of the consolidation of participation as a common practice. There is evidence that some segments of the population have not yet come to terms with the idea of active citizenship. Indeed, there is a noticeable tendency for the population to fall back into the position of "recipients" of ideas, proposals, and policies rather than taking the initiative through the channels of representation. This detachment adds to the burden of councillors and community representatives who are often obliged to take the role of activists and social mobilisation leaders while at the same time translating these ideas to their constituencies. Some community members report that the government is not facilitating and enabling the process as efficiently as they expected. It is also reported that, at times, when interacting with the population, a few municipal officials and government staff give the impression that citizen participation is not as important or relevant as stated in government policy. This eventual disconnect between discourse and practice usually causes alarm among popular leaders, fuelling 'antagonism' towards the government and giving rise to calls for social mobilisation to safeguard interests.

The research also unveils that there are some different views and partial disagreements about the way participation is conducted. Naturally, the understanding of the meaning, scope and objectives of participation varies, which gives rise to different ways of tackling citizen participation that range from simple consultation to empowerment. Clearly, not all government staff members are equally aware of these conceptual differences and of their immediate practical implications. This is another issue to be considered along with capacity building, moderation skills, communication tools, and organisational improvement methods that may undermine the process of building active citizenship in Santo André. The OP and CF are indeed innovative urban management instruments that call for different tools and techniques that are not found in the conventional, normative planning practice.

9.5 The Challenges of Sustaining the Momentum of Participatory Processes

The secretariat for Participation and Citizenship, and particularly the directorate for citizen participation, is key in keeping the OP process flowing. Yet, at the same time, it is the municipal department that is most subjected to the population's pressure, criticism, and demands, which ends up placing a large burden on its staff and overloads its resources. Representatives of civil society in the OP are concerned that, at times, the team handling the participatory budgeting process shows signs of fatigue due to their incredible workload and amount of responsibilities.

The OP process is by nature long. The combination of out-of-office activities (including on evenings and weekends) with administration works and office reporting demands a great deal of time and requires efficient activity planning from the municipal staff. This is not always the case, which undermines the government's ability to manage the processes efficiently. OP Participants have identified a gap in the intervals between the different phases of the process, in which the municipal staff is neither fully engaged in providing adequate feedback to the citizenry nor doing close on-site monitoring with the councillors. Such instances sometimes trigger wrong perceptions that there is fatigue and/or disinterest from the government's behalf. It is therefore important that the work organisation in this municipal unit gains more efficiency to lead such a complex process.

9.6 Communication

Many participants argue that "the government is not talking the same language," meaning that government officials sometimes display little cohesion and coherence in what they say when approached by community groups or OP councillors. Indeed, while population representatives in the OP Council find themselves capable of understanding the issues and points made by the government, they admit that they have a limited view of the content and implications of the proposals and solutions presented by the government. Such problems in communication have negative implications in the neighbourhoods. Indeed, OP councillors and delegates often face serious conflicts with their constituencies for not being able to explain government's technical and financial argumentation and for not endorsing their priority in the final budget proposal.

Creating new communication instruments with the citizenry and improving existing ones are necessary steps to facilitate the dialogue during the process of defining and approving the municipal budget. Such improvements will enable civil society's representatives to play the role that is expected for them. Better communication will also reduce internal conflicts within communities while increasing the transparency of the process as a whole.

9.7 Participants' Awareness of their Roles in the OP and CF

Surprisingly, a significant number of OP and CF councillors and participants from both the government and civil society report that they are not absolutely clear about their roles and responsibilities in the participatory processes for policy elaboration and resource allocation. One explanation is that the work pressure in such participatory channels is much higher than in usual public sector practices, which leaves little room to address weaknesses using such measures as backstopping, self-analysis, tailor-made training, capacity building, and role playing exercises. The challenge is even greater for those who have a consolidated professional experience and who tend to resist the idea of training and attitude change.

Because the political party governing the city has a tradition with popular participation, it is likely that some of those involved in the OP and CF may not be too willing to acknowledge the need to update and upgrade their skills in a subject that they have large experience. A critical analysis of these processes by those who are deeply involved with enthusiasm and commitment is likely to produce a valuable lesson for further improving the participatory process. Proper monitoring and evaluations carried out by independent researchers such as the SINPA research team are instrumental to unveil issues that are usually overlooked by those directly involved in the activities. On the population side, it is also likely that many councillors have not been able to fully grasp the concepts behind the municipal policies and the new attitude to citizenship that processes such as the OP and CF demand from community representatives.

9.8 Weaknesses, Critical Issues and the Dilemma of Institutionalisation

There is consensus among those interviewed about the relatively fragile status of the OP. The process is not yet consolidated into a deeply rooted urban management practice. The issue of continuity is a matter of grave concern and was raised in practically all interviews. The level of social mobilisation and the institutional basis of citizen participation are not yet sufficient to guarantee the policy's continuation in case the Labour Party (PT) gets replaced by another government opposed to civil society's involvement in municipal affairs. The level of support to these participatory processes is still not across-the-board. Rather, it remains directly related to the practical benefits derived by those who are taking part in the process.

It is also evident that community representatives and councillors have not managed to bring forward to the citizenry a universal message about the process of citizen participation in municipal budgeting. Not all participants are able to articulate the link between the practice of citizenship, transparency, and improved municipal services and public works, which is at the essence of participatory governance. The local government's public communication strategy is also to blame, since it does not aggressively seek to establish the relationship between citizenship participation and better living conditions.

Many population representatives in the OP reveal a rather weak consciousness about the innovative urban management practices pursued by the municipality of Santo André, which rely on public debates and participatory decision-making. Such limited understanding from the population's behalf weakens the consolidation and institutionalisation of both the OP and CF. For the OP and CF to become standard practices that are independent from the government in office, it is imperative to give full attention to the scope of the participatory processes, their specific social aim, and their practical results. Empowering the actors and the process is a sine-qua-non condition and, to do that, the municipality needs to have a more proactive attitude towards monitoring the process and advertising its successes.

The process of building a new citizenship is bound to remain fragile as long as the citizens perceive the fragility of their position. The fact that the population representatives at times perceive the government officials as speaking a different language or having a different attitude does not help. Such problems, if not overcome, help citizens to build an opinion that the participatory process is not institutionalised and consolidated yet.

The new Municipal Law recognises the Municipal Council for Budgeting (CMO), whose role is in this case assumed by the OP Council. The Law also requires that municipal budgets be elaborated on the basis of popular consultation. Yet, despite all these measures, there are no guarantees for the institutionalisation or consolidation of the OP as a standard and routine public management practice. There are not enough reasons yet to shed aside the doubts that, in the future, public mobilisation can alone sustain the continuation of the OP and CF without the PT's backing. The key questions are:

- *Whether the experience of the past years was able to forge a new leadership that is capable of building and strengthening citizen participation?*
- *Whether civil society organisations and the social movements have been sufficiently incorporated in these avenues of participation, thus helping to institutionalise and legitimise them as loci for conflict resolution and for broad-based citizen participation?*
- *Whether the entities that help to shape public opinion (e.g. local press, mass media, civil society) acknowledge and support this new approach to city management enough to ensure its sustainability even in case of government change?*

9.9 Challenges

If anything, the government's initiative to build a new governance model and to improve the quality of life in Santo André is receiving unconditional support. This explains Mayor Celso Daniel's staggering victory in the last municipal elections when he received nearly 80% of all votes in the first round. The motor behind this "social and political project" is people's willingness to participate in the process of managing municipal affairs via the channels opened by local government.

As such, the immediate challenge to local government is to capitalise on the existing opportunity and momentum to consolidate a new way of public management and to contribute towards citizenship transformation and innovation. Actions in this direction would

silence critics of Santo André's new model of governance who suggest that it is merely used as an electoral instrument to stay in office. In particular, local government needs to capitalise on enthusiasm of the private sector and other segments of society who usually less responsive to participation. The conception and materialisation of a long-term vision for the city without undermining its urgent demands and the basic needs of its population seems to be the greatest challenge facing the government of Santo André.

The second challenge concerns strengthening and institutionalising the OP-CF integration process, which is key in providing an enabling environment for the implementation of community-based action plans geared to resolve critical issues in the city. To do so, it is necessary to focus on issues that are equally relevant for the realisation of the future vision of the city and the immediate improvement of living conditions for the population. Such a pragmatic approach would bolster Santo André's sustainability in a rapidly globalising economy.

Yet, the achievement of a successful OP-CF integration requires innovative planning and management instruments that can organise the various resources and build the necessary consensus to implement short and long-term actions in a simultaneous and complementary manner. Finally, it is crucial to set up mechanisms and/or legal instruments that safeguard the existing resources and participatory channels in case of government change or political uncertainties in the future. The challenge is to ultimately institutionalise citizen participation channels to lessen the chances for "clientelistic" practices, yet without limiting the chances for their flexible adaptation.

Figure 9.1 A View of Santo André's Downtown

PMSA, 2001.

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11.

List of People Interviewed and Sessions Attended by SINPA Research Team

	Name	Occupation/Activity	Organisation	Relation with OP and/or CF	Interviewed on
1	Natalina Ribeiro	Deputy Secretary of Citizenship and Participation	PMSA	OP Gov. Councillor 2001/ Member Executive Secretary	16/07/2001
2	Teresa Santos	Coordinator of Cidade Futuro	PMSA	CF Coordinator	18/07/2001 19/07/2001
3	Angelina Nunes de Oliveira	Director	Cooperativa de Costureiras e Estamparia de Santo André	OP Community Councillor 1997	20/07/2001
4	Luiza Aparecida Gandra Iscardo	Member of the Association for Deficient People of Santo Andre	Association for Deficient People of Santo André	OP Community Councillor in Culture Thematic Group 2001 (re-elected)	23/07/2001
5	Nilza A. Oliveira	Executive Director of the Secretary of Citizenship Participation	PMSA	OP Government Councillor 2001	23/07/2001
6	José Nerivaldo de Araújo (Nerinho)	Member of the Hip-Hop Movement	Hip-Hop Movement of Santo André	OP Community Councillor in the Culture Thematic Group 2001 (new)	24/07/2001
7	Flora Lucia Marim de Oliveira	Strategic Planning Consulting for the CF Former Secretary of Strategic Planning	PMSA	Former OP Government Councillor 1999-2000	25/07/2001
8	Donato	Coordinator “Projeto Criança Cidadã”	Movimento de Defesa dos Direitos dos Favelados de Santo André	OP Community Councillor Housing Thematic Group 1997	25/07/2001
9	Pedro Pontual	Secretary of Citizenship Participation	PMSA	Coordinator of the Pair Coordination of the OP Council	25/07/2001, 17/09/2001
10	Sebastião Ney Vaz	Infrastructure Works and Planning	SEMASA -PMSA	OP Government Councillor since 1997	26/06/2001
11	Luis Antonio Sampaio da Cruz	Executive Manager	ACISA	CF Thematic Group: Administrative Reform	27/07/2001
12	Cid Blanco Junior	Assistant to the Secretary of International Co-operation and Resources Mobilisation	PMSA	OP Government Councillor	17/09/2001
13	Nilza Aparecida Oliveira	Director Department of Citizen Participation	PMSA	Executive Coordinator of OP	17/09/2001
14	Natalina Ribeiro	Deputy secretary for Citizen Participation	PMSA	Supports the work of the secretary for Citizen Participation, defines strategies, evaluation, monitoring of participatory processes.	17/09/2001 & 18/09/2001
15	Meeting Coordination OP-CF	Executive and Operational Coordination	PMSA	Teams of both OP and CF	17/09/2001
16	Government Seminar “Social Inclusion”	Seminar and debate with secretaries, mayor and municipal staff	PMSA	Articulating a practical concept of social inclusion and link the short-term immediate solutions of the OP with the long-term vision of the CF	17/09/2001

17	Session of OP councillors of the Government	All municipal staff who holds a position as an OP councillor	PMSA	Evaluating the previous sessions and preparing for the final negotiation meeting with the population on the budget	17/09/2001
18	Session of OP Council (Government and Population)	All OP councillors present	PMSA/Citizenry	Discussing the remaining problem of the region P, Vista Alegre, and finalise the negotiated budget	17/09/2001
19	Terezinha Santos	Executive Manager Cidade Futuro	PMSA	Coordinator of the Strategic Planning Process and main articulator OP-CF	18/09/2001
20	Maria José Costa da Silva / Maria da Cocada	Deputy councillor in the OP Council, informal businesswoman	Deputy Representative Region G – Sacadura Cabral	Was active member in resident association, got involved with OP in 97, was councillor in 1998.	18/09/2001
21	Maria Neuza de Lima	Councillor in the OP Council, housewife	Representative of Region G	Lived in favelas for 22 years, got involved in the OP in 1998, received 480 votes when elected.	18/09/2001
22	Márcia Zanquin	Councillor in the OP Council	Representative of Region I	2nd consecutive mandate,m Got involved in the OP in 1997.	18/09/2001
23	Manoel Paulino Rodrigues	Councillor in the OP Council	Representative of Region P	Involved in OP since 1997, elected in largest plenary – 300 people – in 2001	19/09/2001
24	Ismar Macedo Bastos	Councillor in the OP Council	Representative of Region P	Involved in OP since 1997, elected twice in 1999 & 2000, member of the Pair Coordination Committee of the OP Council	19/09/2001
25	José Rodrigues de Souza, Casquinha	APC-Agent of Citizen Participation	PMSA	Most voted councillor voted in 1998, was member of Pair Coordination of OP Council, actually delegate CF for the Region E / State Reform	19/09/2001
26	Jaime Guedes	Director of UNI-A	Private Sector / University UNI-A	Councillor Cidade Futuro, Economic Development Group, got actively involved in 1998	19/09/2001
27	Claudio Malatesta	Programme Coordinator, “Popular Entrepreneur”, Incubators of Co-operatives	PMSA	OP Councillorfrom 97 to 99, ex-member of Pair Coordination Committee of OP Council, current councillor of the Government in the OP	20/09/2001
28	Carlos Augusto Alves dos Santos (Carlinhos Augusto)	President of the Legislative Chamber, Elected councillor for the PT.	Legislative Chamber, president	Elected councillor for the Legislative Chamber in 1988., 1996 and 2000.	20/09/2001
29	Nara Argiles	Coordinator of the Thematic Groups / Cidade Futuro	PMSA	Joined the municipality in 2001	20/09/2001
30	Wilson Bottaro	Presidente CMEO/IP	NGO, deputy OP councillor Region L	Involved in community-base activities since mid 1970’s, president of the Municipal Council for Organised Entities for Public Interest of Santo André	20/09/2001
31	Edna Adele Fedel Frizzi, Marta Janete de Carvalho and Carlos Moura	Staff of the Administrative Reform Programme	PMSA	Improvement of municipal services, ombudsman and forum of citizenship	20/09/2001
32	Wilson Ambrósio	President ACISA-Industry and Commercial Association of Santo André	Private Sector	Involved in CF, attended meetings of OP, actively involved in strategic thinking	21/09/2001
33	Dalila Isael Agnela Teles Veras	Cultural entrepreneur, and small-scale businesswoman	Livraria Alpharrabio, Private Sector	Involved in the Thematic Group of Culture but took distance from OP due to disagreement with secretary of Culture	21/09/2001
34	Session of OP Council	All councillors and some deputies, with nearly 80 participants	PMSA	Information about the caravan (230 persons subscribed) Theatre exercises and role playing. Defining role of councillors.	16/07/2002