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## The Politics of Subnational Decentralization in France, Brazil, and Italy

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# The Politics of Subnational Decentralization in France, Brazil, and Italy

## Abstract

Decentralized political institutions increasingly play a substantial role in the lives of people, implementing services deriving from influential (elected) bodies of governance, and influencing the relative degree of civil society access to policy-making. The following paper challenges pluralist and social capitalist claims of how decentralized institutions arise and differ in their ability to function. Robert Putnam, Robert Leonardi, and Raffaella Nanetti's (1993) book *Making Democracy Work: Civic Traditions in Modern Italy* will provide the base from which this paper departs, utilizing comparative historical analysis to argue instead that subnational or otherwise regional and local governments entail dialectical relations within and between different levels of state institutions. Overall, this paper argues that the struggles over decentralization ultimately depend on ideological opponents and the balance of power in the struggle for political change, simultaneously affecting both political institutions and civil society participation. This paper briefly unfolds Putnam et al.'s arguments regarding the relationship between democratic institutions and civil society, followed by two case studies – France and Brazil – explaining several macrofactors influencing the processes, outcomes, and implications of decentralization. Thirdly, decentralization and multi-level governance is tied to civil society participation. Lastly, decentralization in relation to partisan objectives is discussed with reference to participatory budgeting.

## Keywords

decentralization, civil society, democratic participation, Putnam

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In discussing the different elements of the decentralized structures of nation-states it has become clear that the decisions that need to be made about those structures are political rather than technical...The outcomes in the form of working federations or systems of regional and local government are the result of political forces in conflict...The distribution of power between levels of government, as well as the choice of institutions for decentralization, are the outcomes of political conflicts at the centre which originate in group and class interests which sometimes have a territorial identity but which also unite and mobilize people regardless of region. (B. C. Smith, 201-202).

## INTRODUCTION

Sixty-three of seventy-five populations with over five million people in the world have undergone decentralization in the 1980s and 1990s, including developed and developing nations in Europe, Latin America, Africa, and Asia (Selee, 3). In fact, 95 percent of countries considered democratic had subnational units of administration or government by the late 1990s (Cheema and Rondinelli, 8, 10; see also Rodriguez-Pose and Gill). The relevance of this cannot be understated as intermediary levels of government now play a substantial role in the lives of millions of people, influencing the quality of services deriving from now influential (elected) bodies of governance, and the relative degree of civil society access to policy-making. There is a complex reality of newly created regions and government bodies presiding over populations that have never had extensive authority or resources to govern their jurisdictions. The difference between success and failure has depended on a combination of factors, including the distribution of political and economic power across a country.

The following paper challenges pluralist and social capitalist claims of how decentralized institutions arise and differ in their ability to function. Robert Putnam, Robert Leonardi, and Raffaella Nanetti's (1993) book *Making Democracy Work: Civic Traditions in Modern Italy* will provide the base from which this paper departs, utilizing comparative historical analysis to argue instead that subnational or otherwise regional and local governments entail dialectical relations within and between different levels of state institutions. These authors explain the elements that account for differences in the development and performance of new (decentralized) political institutions through a micro-civic level of analysis in contrast to a macro-structural analysis. They argue that successful representative institutions rely upon the degree to which society approximates an ideal civic community, and have generated a revolution in the study of how associational networks play an essential role in the health of democratic politics. At the same time, *Making Democracy Work* remains a mainstay of critical debate in terms of its applied methodology and the broader substantive social-political implications arising from its claims.

It is important to recognize how *Making Democracy Work* is relevant in its attempt to take the relations between civil society and newly developed or reformed political institutions seriously. In fact notwithstanding particular studies, current research on democratic participation in civil society (whether through a focus on civic associations, deliberative minipublics, or participatory budgeting), are often divested of broader multi-level and macro-political dynamics. Similarly, much of the literature on political decentralization is even less focused on what it looks like on the ground, or in relation to particular institutions of democratic participation.

Overall, this paper is an excursus of how the struggles over decentralization ultimately depend on ideological opponents and the balance of power in the struggle for political change, simultaneously affecting both political institutions and civil society participation. This paper will unfold first by introducing Putnam et al.'s arguments regarding the relationship between democratic institutions and civil society. Consequently, Putnam et al. note that their findings reach beyond the borders of Italy, having important implications in understanding the operation of democratic institutions in nations from the developing *and* developed world (Putnam et al., 7, 159). Speaking to this claim, the second section focuses on two case studies – France and Brazil – to explain the macrofactors that influence the processes, outcomes, and implications of decentralization. An important part of comparative analysis consists in the appropriate design of the study, conceptually and in the pairing or choosing of cases. The reason France is selected here is that it has been regarded as the forefront of institutional design for many states, including Italy. Italy in the 1860s to 1870s underwent unification, bringing together disparate city-states into a central whole, modeled after the Jacobin system in France. Brazil on the other hand is a federation with constitutional provision for regions and municipalities. It is pertinent to this study, as decentralization occurred in the 1980s, both to overcome bureaucratic authoritarianism and include democratic involvement at the local level, having implications for a comparison with Italy regarding institutional design and civil society engagement. Third, these cases will be placed in a cross-national analysis with Putnam et al.'s Italian example to compare how decentralization and multi-level governance is tied to civil society participation. The last section discusses how decentralization in relation to partisan objectives ties into one form of democratic participation and civil society, participatory budgeting.

### **THE ITALIAN EXPERIMENT IN *MAKING DEMOCRACY WORK***

It should be noted that this paper will not provide an exegesis of social capital theory, nor of Robert Putnam's work. While a focus is on *Making Democracy Work*, it is hoped that the following paper will contribute to a much larger and

broader discussion of how to understand the complex relationship between decentralization, democratic struggle, and civil society.

Against the backdrop of the development of new regional governments and administrative bodies in Italy during the post-World War II period Putnam et al. seek to explain variations in decentralized institutional capacities and performances. They take particular aim at an institutionalist focus, stating, “Two centuries of constitution-writing around the world warn us...that designers of new institutions are often writing on water. Institutional reform does not always alter fundamental patterns of politics” (Putnam et al., 17). Through various quantitative and qualitative measures Putnam et al. claim that Italy has a strong North-South differentiation with Northern regional governments being consistently more successful than their Southern counterparts. Two forms of analysis are used to explain this: one deals with socioeconomic modernity and the other with civic community networks.

Following modernization theory, it has been argued that effective democracy is correlated with socioeconomic modernization. When applied to Italy this perspective highlights how the North had a head start when compared to the South, because the North is wealthier and can rely on human and institutional resources including data processing, as well as an advanced economy. The South on the other hand faces the problems of underdevelopment and little local help (Putnam et al., 85-86). Putnam et al. claim that though high performance public institutions are associated with economic modernity, they take issue with this paradigm for overemphasizing financial resources in the success of government functioning (Putnam et al., 86). For them, resources cannot be everything as fiscal redistribution in Italy follows a formula favouring poor regions through full-cost funding and economic redistribution (Putnam et al., 70, 86). Hence Putnam et al. urge that the modernization approach cannot indicate how poor ‘have-not’ regions fare worse in institutional performance.

The second level of analysis is where the study unfolds a sociocultural approach. The authors follow a theoretical tradition of communitarianism, claiming that the performance of public institutions rests on civic community networks, that is, patterns of civic participation in public affairs and social solidarity (Putnam et al., 85-86, 98). Putnam et al. argue that interest and participation in public affairs is primarily due to an individual’s civic virtue; thus, a civic community entails public regarding citizens, attuned to the public interest. Moreover, citizenship in a civic community entails equal rights and obligations for everyone, and people are bound together by horizontal relations of reciprocity and cooperation, rather than vertical relations of authority and dependence. In the end, the more politics comes to mirror the ideal embodied in norms of reciprocity and democratic self-government, the more it represents a civic community (Putnam et al., 87-88). The norms and values imbued in the civic community are

embodied and reinforced by social structures and practices of trust, which is the only way to overcome self-interested opportunism, clientelism, and amoral familism. Civil associations contribute to the internal effect on members by reinforcing particular skills and habits, and have an external effect on the broader relations taking place within society via associational collaboration (Putnam et al., 89). It should be noted that Putnam et al. reduce associational life primarily to voluntary associations, such as soccer clubs, choral societies, hiking clubs, bird-watching groups, literary circles, hunting associations, and the degree to which newspapers are read (Putnam et al., 90; Siisiäinen, 4). In the last instance, norms of reciprocity, trust, collaboration for the public good, and the ideal networked civic community get boiled down to the notion of social capital, that is, features of social organization that improve the efficiency of society (Putnam et al., 167). To be sure, voluntary cooperation in a community results from the inherited stock of social capital of the past (Putnam et al., 167).<sup>1</sup>

*Making Democracy Work* also follows a pluralist perspective by claiming “government institutions receive inputs from their social environment and produce outputs to respond to that environment” (Putnam et al., 9). Thus institutional performance rests on a model of governance that entails from the start, bottom-up societal demands → political interaction → government (via political party articulation) → policy choice → implementation (Putnam et al., 9). Political involvement in Italy according to Putnam et al. then differs region by region where citizens in certain parts *choose* to be actively involved in politics, while in others they disengage. As it turns out this coincides with the North-South regional disparity in institutional performance (Putnam et al., 94). Politics in less civic regions like Calabria tends to be elitist and characterized by vertical relations of authority and dependency, whereas regions like Emilia-Romagna and Lombardia are far more prone to grassroots democracy (Putnam et al., 101-102). Where associationalism flourishes, and citizens are attentive to community affairs, voting on issues, and not behaving as clients, then leaders tend to follow suit believing in democracy, and are more willing to compromise and partake in horizontal versus hierarchical political relations (Putnam et al., 102).

*Making Democracy Work*, along with theorists of both social capital and pluralism, continues to have a significant influence in the mainstream study of political institutions and democratic participation. However, substantive criticisms of Putnam et al. have been put forth, and two of these are particularly relevant here: they place a strong emphasis on grassroots voluntarism (Mouritsen, 656), and they sideline factors of power (including class, political parties, and state relations) (see Tarrow). The next two sections will expand the discussion by addressing political connections between decentralization and civil society.

## SUBNATIONAL DECENTRALIZATION IN FRANCE AND BRAZIL

While *Making Democracy Work* deals with decentralization in Italy, decentralization as an analytical concept was under-theorized. The authors cite that institutional design is held constant, meaning the development of regional governments all came in at the same time with similar organizational structures (Putnam et al., 10). This creates a methodological problem because they also note that they do not seek the influences of institutional design on organizational performance (Putnam et al., 10). This view of decentralization neglects how certain aspects of the political, legal, or institutional variation that exists in different Italian regions not only came as a result of the decentralization process, but also impacts civil society top-down. Edoardo Ongaro points out that “the impacts of devolution depend on a range of concurrent factors that operate in conjunction with the quality of both the design and implementation of the devolution reform itself. Such factors include, inter alia, the function of the national and local political systems; the status of previous and contemporaneous administrative reforms; and the specific policy contents and process of the sector affected by devolution” (Ongaro, 738). Therefore, devolution as a political, procedural, and fiscal process has the potential to lead to equity concerns, such as producing and reinforcing regional inequalities in income, tax bases, service supply, or reinforcing politically stronger sub-national units (Calamai, 1130-1132).

Decentralization is often broken into several forms: administrative, political, fiscal, and economic (Cheema and Rondinelli, 6-7). Comprehensively, decentralization entails multiple dimensions: the first is the role of party systems and ideological dynamics. As a reform decentralization is like other adjustments in the political arena, entailing competing interests for and against the greater centralization of power and maintenance of the status quo, or the broader diffusion of power and balancing of the centre (regarding Europe see Toubeau and Massetti; in terms of Latin America see O’Neil). Left and Right political parties for example are particularly important when it comes to what gets included in decentralization packages, and also with the (lack of) consistency in implementing reforms. Second, decentralization is highly tied to inter-governmental relations. Decentralization encompasses the transfer of power, authority, and responsibility within government, as well as the sharing of authority and resources for shaping public policy. According to Bolleyer and Thorlakson state institutions assign legislative and administrative competencies and fiscal resources to more than one level of government, creating incentive structures and forms of interdependence that intervene in in key governmental relations and operations (Bolleyer and Thorlakson, 2). This means decentralization does not simply entail a balanced equilibrium of political forces.

Subnational tiers of government may gain broad decision-making powers in allocating public services within jurisdictions, but central state governments still operationalize measures that influence local and regional level policy formation and implementation. As a result, it is important to assess the extent to which decentralization redistributes power within the state by giving local and regional government's political authority, fiscal autonomy, and economic transfers (Selee, 4). Third, bureaucratic administration needs to be accounted for in the degree to which decentralization comes with public service resistance or support, as well as the subsequent level of personnel being trained, transferred, and capable of operating new tiers of government. Lastly, it is necessary (and often neglected) to seek how much deconcentration in decision-making has occurred between the state and *citizens*. The link decentralization has with civil society depends on expanding the scope and depth of citizen participation in public decision-making; this means incorporating previously marginalized groups, along with a wider range of social and economic issues, into the public domain of politics (Heller, 140). Overall, a balanced view must be taken because decentralization is no panacea, nor does the effectiveness of decentralized institutions simply result and rely on strong networks of associational trust within civil society.

## FRANCE

One way to assess decentralization is used by Jean-Claude Thoenig. This paper will not deal with Thoenig's index systematically but will touch on several of the following analytical categories throughout both comparisons: 1) the institutional, 2) the central state and the local, 3) competition between public authorities, 4) inter-institutional mechanisms, 5) democratic participation, 6) constraint, and 7) constitutional reforms. Until the 1980s centralization remained the dominant force in French politics despite failed attempts of certain reformers in the past, and the spirit of decentralization took a long time to penetrate the political and administrative culture of France's ruling elites (Thoenig, 186). In 1981 a socialist president was elected, followed shortly by the election of a socialist majority in the national legislature. The Left was to lead a socialist experiment that would change the distribution of power and resources within French society for the first time under the Fifth republic (Hall, 192). On March 2, 1982, the first law that set off a wave of decentralization reforms was implemented and by 1986 there were 40 laws and 300 decrees (Loughlin and Seiler, 189).

The goal of decentralization in France was first and foremost to break the cycle of the *état-providence* or welfare state mentality, and ensure that industrial and urban development would entail dynamism rather than *dirigisme*. It further sought to revitalize the periphery politically, administratively, and economically,



and make local government more effective. The concomitant political result was to force local politicians to become more responsible for their decisions, and to have enough productive jobs in the periphery that fewer people would depend on social assistance (Schmidt, 105-106). France is vertically sub-divided into four main levels: communes, inter-communalities, *départments*, and regions (Thoenig, 687). Particularly relevant are the communes, *départments*, and regions, which serve as democratically elected jurisdictions and can generate revenue from taxes (Thoenig, 688). The first stage of decentralization immediately transferred the traditional powers of the prefect to newly created regions, and to the historic *départments*, both of which became local forms of government with decision-making powers. Regions and *départments* gained freedom in elaborating the internal organization of technical services, and the communes which had historical powers of execution under mayors, gained subtle changes, most of which strengthen the traditional duties of mayors. While the loss of power was dramatic, the prefect still remains the sole representative of the central state's interest in the periphery, which is significant considering that the centre has an authoritative position regarding the status of subnational institutions (Schmidt, 115-116; Thoenig, 688). The second phase of decentralization was the transfer of administrative functions to subnational government, specifically tied to economic development. The regions are now in charge of regional economic planning and policy, industrial development, and professional education; the *départments* are responsible for the delivery of health and social services, construction and maintenance of public infrastructure, and transportation; communes retain traditional duties regarding municipal services, with the addition of land-use plans and issuing of building permits (Schmidt, 121).

As Peter Hall points out, a reforming regime faces constraints in the existing organization of society, as well as the position the nation has in the international economy (Hall, 192). France's economy was entrenched in the world economy affecting its export-oriented strategy, as well as its currency. Hall notes that problems with the economy in France which hindered the Mitterrand government in achieving its microeconomic strategy, especially its nationalization of industry program, came from the inherited debt of the previous government and the rising American dollar. Both political struggle between political elites, and institutional path dependency in the form of legal separation of responsibilities influenced the choices that the French government made. Tradeoffs, pragmatism, and the outcome of decisions were rendered dependent in some instances on forces that could not be entirely controlled. Even within the Left, there were debates between Marxists and Keynesian social democrats, with Mitterrand in the latter camp. From the right hand side of the spectrum, the idea that the traditional power of the prefect was to be removed was represented as a threat to national unity and a removal of the state from the periphery.

What is disappointing is that the socialist government turned to austerity measures, disciplining the workforce and cutting social spending. The reorganization of society under the French Left contained two projects: one, the autogestionnaire project of replacing hierarchical modes of decision-making, widespread in France, with participatory institutions; two, to change the balance of power in civil society and strengthen the position of trade unions, left-wing political parties, and other organizations representing the working class (Hall, 218). Overall, both projects were unsuccessful. Despite a solid electoral mandate and firm control over state fiscal and regulatory capacities, difficulty in mobilizing support was troublesome as deep ideological differences as well as weaknesses in the Left hindered its use of social organization. Moreover, as decentralization came into play, the political Right immediately came to realize the importance of this shuffling of power, and became a powerful force in the new regional administration; by 1986, very few of the decentralization laws that had been passed, were reversed (Schmidt, 106-107).

The goal of making government more efficient has not ensued in France, as there has not been a deconcentration of central ministries to the benefit of prefects. Moreover, office holders tend to hold multiple positions (upwards of three), making it difficult to dilute the power. Intergovernmental relations are often ad hoc, as central personnel prefer to deal only with their own internal ministries, and thus centralized administration has not been reduced appreciably (Schmidt, 129-130). The Ministry of the Interior at the national level retains control of formally designing the standard plans that communes have to enforce for public agencies.<sup>2</sup> Subnational administration has been complicated for several reasons, including the increased number of public authorities with different legal statuses, while sometimes there are as many as five different authorities who belong to different levels, funding and providing goods or services to a territory, which the public now has to deal with. At the commune level certain aspects have impacted how politics functions in the decentralized era. It has been argued that municipalities, especially big cities, have gained a substantial level of power (Loughlin and Seiler, 191). Mayors fully control municipal agencies as well as the agenda of the municipal council, and there are no limit to the number of times a mayor can be re-elected (Thoenig, 696).

What does this situation point to? Public affairs are governed in a highly centralized manner, and power dynamics and asymmetric relations still exist in French politics. There is a polarization of power at the municipal level, as well as between political parties at the national level. Here it is important to highlight that “the politico-administrative context and the tradition of governance of a country have a central importance in explaining public sector reforms” (Ongaro, 740). This fact ties into the most relevant aspects of this paper – civil society and democratic participation. It is well known that France does not rank among

countries that experience enlivened democratic participation (Ibid, 692). “It could be argued that local democracy in France consists of little more than some functions of government being assigned to territorial communities and managed by elected members whom the state provides with resources (Loughlin and Seiler, 193).” While decentralization has created polycentric relations between local and national authorities, Thoenig claims that it can be described as a “half reform because transfer of power from the state to territorial institutions did not include transfer of power from the local political class to citizens (Thoenig, 686).” How this in turn impacts civil society will be left until the following section.

## **BRAZIL**

Brazilian history is marked by cycles of decentralization and centralization. In 1964 a military regime took control of Brazil’s state apparatus and centralized public revenue. At the time the state-led import-substitution industrialization (ISI) model collapsed under the weight of severe debt, economic inflation and later stagnation (Goldfrank, 3), which was combined with political instability and regime illegitimacy. This prompted populist protesting and massive strikes on the one side; on the other side, middle and bourgeois class intolerance of the working class and rural poor led to the support of the military elite which was already concerned with yearly declining budgets (see Soares). As a developing nation, Brazil experienced a dramatic level of urbanization and consequent impoverishment of popular sectors and the working class. It was a decade after the coup when defeats in state and federal legislatures saw a military-led liberalization process begin that was often contradictory. As major cities continued to grow, poverty became tremendous and shantytowns popped up in peripheral areas all over the country. One response to severe urban living conditions was popular pressure in organized and unorganized forms, and a second was the voting in of progressive political parties and mayors. In 1982, municipal elections were held through direct votes, such that governors were able to recover some sources of power that they held prior to the regime, and to build up alliances with local leaders and urban masses (Ribeiro and Pinto, 81). Social movements were mobilizing against limited reforms and conservative transformation, while Left parties began altering vanguardist notions of politics, and sought substantive inclusion of the populace in policymaking (Diniz, 71; Goldfrank, 4). By the mid-1980s a serious push toward decentralization had taken place and was done in the name of deeper democracy. The diagnosis of bureaucratic authoritarianism also came from within opposition circles such as intellectual elites. Also, the Constituent Assembly of 1988, which was a coalition of centre-left and centre-right parties, pushed through a new constitution and negotiated pacts (most of which left private property and prerogative intact) that

secured military departure (Melo and Rezende, 40-41; Hagopian, 149). Excessive bureaucracy and extremely centralized decision-making processes needed to be tackled by institutional autonomy, as well as the permeability of both sectoral and interests of the poor. Thus, decentralizing and restructuring intergovernmental relations by granting more fiscal autonomy and decision-making capacities to states and municipalities was part of a macro-process geared towards transparency and the restoration of a democratic state premised on the rule of law and social rights (Melo and Rezende, 41; Ribeiro, 820).

The constitution came in at a time when the organization of decentralized management of public policies was taking place in the context of macroeconomic adjustment. Core competencies of central, state, and local governments that are located in the constitutional framework of 1988 signaled the devolution of public resources and increasing fiscal autonomy of subnational units. This enshrinement has brought levels of funding that legislative acts for decentralization in several countries has not (Melo and Rezende, 51). Fiscal decentralization was consolidated by 1995 with states and municipalities collecting 34 percent of the global tax burden and spending 44 percent of it (Ribeiro, 821). This constitution entrenched subnational government autonomy, which can be seen by the fact that 65 percent of federal funds were spent by these governments, including states taking on the responsibilities of education and healthcare, and municipalities for basic infrastructure and services (Ribeiro, 821-822; Selee, 14-15).

As pointed out with France, while democratic reform in Brazil has been buttressed by leftist governments, external relations factor into domestic politics; national macroeconomic policy is influenced by international market pressure. Contradictions emerge between voter interests for greater government spending and multinational corporations or international governmental organizations seeking economic stabilization. Not even the much-lauded left-wing Partido dos Trabalhadores Party (PT) has been fully able to isolate its social justice agenda from convergence to the centre, as was seen with President Luiz Inácio 'Lula' da Silva (Amaral et al., 137-138; Ottmann, chapter 2). The relevance is that just as municipalities were recognized as constituent members of the federation, the responsibilities of meeting growing social demands placed on local governments increased, and the provision of taking care of entrenched social rights was directly assigned to these localities by the constitution. Yet serious challenges have come with this as budget constraints force local governments to seek the rationalization and efficiency in managing public resources. Moreover, earmarked transfers and intense negotiations that take place between competing interests for limited funding has affected the ability of municipalities to prioritize the needs of citizens (Ribeiro and Pinto, 98). What this indicates is that the mixture of federal and regional government transfers in the direction of local governments does have a limiting effect on the degree of autonomy it is granted formally. Different

subnational governments have different capacities, moreover, to generate revenue, especially more urban and industrial regions like the South and Southeast of Brazil, which can take advantage of opportunities of being inserted into the global economy and use more extensive revenue bases for the provision of social welfare (Selee, 15-17). Most municipalities in fact are dependent on other orders of government.

Part of the difficulty that governments face is due to how disorganized decentralization was, and to the absence of inter-governmental institutions of cooperation even after the constitution was adopted (Ribeiro and Pinto, 82). Institutional weakness in public administration can be seen in the development of Metropolitan Regions (MRs), which were created to support national development planning and to play an administrative role in coordinating the provisions of services to states and municipalities in regional and local planning. These MRs have no authoritative decision-making power, and in-so far as they cannot interfere with municipal autonomy, MRs created to oversee organizational and operational integration of public services remains more administrative rather than political or legislative (Ribeiro and Pinto, 98-99). The lack of incentives for cooperation between municipalities and between them and states has on occasion induced autarchic behaviour when confronting issues beyond formal jurisdictions (Ribeiro and Pinto). This is compounded by the fact that Brazil has not shed its clientelistic-patronage past; certain areas and municipalities remain strongholds of particular groups and families by using decentralization as a way to maintain influence (Selee, 23). Indeed, one of the major concerns of decentralization in general has been the idea of elite capture of newly autonomous political bodies. Moreover, serious contradictions also have remained with entrenched power and influence of the military, despite the transition (see Hagopian).

Given the above, it can be claimed that “as the centralized state was a tapestry of varied configurations of state-society relations, so too is the increasingly decentralized state (Selee, 27).” Yet, just as there have been issues with governmental collaboration, scarcity of resources, and the potential entrenchment of elites, there has also been serious democratic innovation. Organic laws passed at the federal, state, and municipal level have opened space for politicians and local governors to experiment with democracy. Tripartite councils in which civil society institutions have a seat together with business and government in a large arena of different sectors have been notable throughout Brazil. Local authorities now have a large role in establishing democratic governance, which has been aided by the election of leftist political parties.

## THE MACROFACTORS OF DECENTRALIZATION, CIVIL SOCIETY AND DEMOCRATIC PARTICIPATION

Given the complexity attached to decentralization, one important question that is often under-examined is, how does civil society relate to multi-level governance? How civil society is conceptualized in *Making Democracy Work* has been noted to be problematic:

Putnam's analysis of civil society and social capital in Italy focuses one-sidedly on grassroots voluntarism, thus neglecting macrofactors. Above all, it ignores the rise of the modern state, the process of unification and centralisation, and the emergence of class-based movements and parties...Local administration and quality of life may certainly improve where civic roots are deep. But, historically, Putnam misses two things. First if unfertile southern civil soil permits only clientelism and 'amoral familism' to grow, this is not because people in the *Mezzogiorno* refuse to pull themselves up by their bootstraps. It is the outcome of structural underdevelopments and dependency (Mouritsen, 656).

This ties into a broader debate revolving around voluntary associations, social capital, and the vibrancy of democratic societies. It is not that civic associations do not offer increased social connections and counteract feelings of social exclusion, or do not aid in creating democratic competencies (Maloney and Roßteutscher, 6). To be sure, civic participation as well as the idea of the civicness of a community being connected to the quality of governing institutions is not in dispute here. The debate concerns the claim that civil society networks are overarching in determining the quality of political institutions. Civil society *is* important in decisively aiding governments with strong mandates and support bases to carry out political agendas, as well as in growing the roots of civic collaboration from the ground up. Yet, the picture needs to account for the prevalence of political conflict and imbalances of power in the greater or lesser ability of democratic institutions to function, and the concomitant influence this has on civil society. For example, viewing civil society from a lens of voluntary associations exiles organizations related to class, which have been historically embedded in political struggles over the control of legislative institutions. Per Mouritsen points out that Putnam et al.'s civil society is not in the sphere of economic class conflict (Mouritsen, 651). Yet, civil society even from a working class perspective contra voluntary associations like soccer clubs, bowling leagues, and bird-watching clubs, do not simply cumulate into powerful transformative capacity. The rise and consolidation of neoliberal and neoconservative policies influenced by global financial capital has aimed to hollow out social welfare and

corporatist relations. This notes that varieties of capitalism with peculiar state-regional economic relations also reflect upon citizenship-civil society relations. Regulatory and redistributive instruments favouring progressive social groups, movements, and societal needs are often affected as a result.

Reflecting on Italy, John Loughlin claims that the uncomfortable alliance between the North and South between 1860 and 1870 gave rise to major political, social, and economic problems, because of the serious disparities between the modernizing North and the feudal-like South that was marked by oligarchic control and institutional incapacity (Loughlin, 211-212). A disparity between regions still remains today despite certain sociocultural changes and state funding of the South that has taken place. Following World War II the Committee of National Liberation was a coalition between six political parties that sought the transition from fascism to democracy through the creation of a new constitution in 1948. It was here that regions were created, but never implemented until the 1970s, and the reason was because the Christian Democrats (DC) dominated the national political scene (Loughlin, 215-216). It would be a mistake to simply say that the political Right is the only source of power that aimed for centralization. In fact prior to being expelled in 1948 from the national unity government the Communists shared in political power, and thinking they would stay there, refused any sort of decentralization that the political Right was actually seeking. Once they lost the election in 1948 the tables were turned as the Right saw how the Left could gain power if regions were given political autonomy, and thus held on as long as they possibly could before conceding power in the 1970s (Gundle, 71). However, with the onset of the Cold War the strongest element of the political Left, the Communists (PCI), were all but excluded from national politics. For decades the PCI both governed and simultaneously fought the political Right from the subnational level. Local government was where the PCI could show its administrative alternatives to the DC party. The Communists came to embrace the theme of local autonomy, and thus the campaign for regional assemblies, the autonomy of communes, the abolition of prefects, and the curtailment of centralized powers were key battles fought for until the process of decentralization took place (Gundle, 72).

Regionalization in Italy (and France) stems from party reactions to social and electoral challenges, as well as strategic behaviour to enhance party power; moreover, local political voice and associational life has been influenced by national socio-political cleavages and communication channels (Mazzoleni, 214; Agnew, 78). The First Republic has seen a territorialization of Catholic and Communist subcultures. The PCI dominated in Emilia-Romagna, Tuscany, and Umbria, and the DC in the Northeast, but also in the South. The 'red belt' of Italy (especially in cities like Bologna), was notable for democratic innovation, seeking neighbourhood councils and wider participation in public policy (Gundle, 79;

Loughlin, 214). Yet, the picture of Italian democracy has been complicated by its political-administrative professional-technocratic structures. Policy groups were historically forced to take on clientelistic form, and the party system itself perpetuated this. Party domination at national and subnational levels influenced the extent to which the public was included in policy-making; and with respect to inter-governmental relations, the central state has shown a significant level of reluctance to immediately cede extensive powers to subnational levels of government.

Decentralization in Italy has gone through several fiscal and political reform laws in the 1970s and 1980s, including law 638/1972 which aimed to reduce subnational autonomy in order to decrease interregional differentials in public expenditure, forcing previous local revenue streams into the central domain; reform law 43/1978 which attempted to control budget deficits of the local administrations, focusing more on constraint via law than equity among governments horizontally; and law 131/1983 which modified the way in which public grants were offered to local administrations. It was in the 1990s that the second phase of decentralization took place. The preliminary series of structural reforms in the direction of real devolution took place starting with law 142/1990, and by 1993 the introduction of the direct election of provincial presidents and city mayors took place (Calamai, 1131-1133). Serious issues related to a venal political system clouded the 1990s due to the Tangentopoli bribery scandals in Italy, and catapulted the Northern League into pushing for a strong programme of devolution. The Northern League joined the electoral alliance of the Right with Forza Italia and gained power in 1994. However, Prime Minister Berlusconi, the leader of Forza Italia ignored demands for federal reform, ultimately leading to in-party fighting over the next couple of years, and separation of the coalition. At the time, the centre-left supported modest decentralization to the regions (Sorens, 264). The third phase of decentralization came in 1997 with the Bassanini reform and Constitutional Law 3 in 2001 which led to formal powers of intermediary and local governments being in charge of most public functions, with state-level responsibilities limited and explicitly listed, ultimately solidifying the principle of subsidiarity in Italy (Ongaro, 743).

The whole process has been slow going and it is evident that there are various dilemmas in having new institutional settings placed into full effect. By 2005, out of the seventeen sectors that reform was prescribed for, only three saw the governmental personnel fully transferred, while in four sectors none were moved, and the remaining saw only a fraction. The point is that the reallocation of staff from one government to another has come with different levels of resistance, and in some cases the transfer was abandoned (Ongaro, 744). This view argues that institutional culture influences institutional capacity, especially when considering the claimed loss of prestige that comes with lower tier government



jobs and less favourable labour contracts. Fedele and Ongaro note how 73 percent of civil servants since 1995 have come from the South and see devolution as potentially increasing regional disparities, whilst weakening redistributive politics of the central state (Fedele and Ongaro, 89). Thus, while local political institutions have been increasingly recognized as the vehicles for the implementation of policy fields, they have also come to see circumstances where an administrative legal tradition prevails in hollowing out the formal implementation of decentralization. Moreover, in terms of intergovernmental relations Bobbio and Piperno point out that metropolitan authorities were entrenched in the constitution in 2001 to be governing bodies alongside communes, provinces and regions. However, the creation of metropolitan governments within the nine areas laid out has been hindered by provincial resistance against major cities being removed from their jurisdiction (Bobbio and Piperno, 127).

Gundle has claimed that there has been a general failure in Italy to maintain contact with the populace in the resolution of major issues and the formalization of this into a network of decentralized administrative units (Gundle, 90-91). Even the PC has struggled to establish a new electoral base through the creation of new democratic forms of action on social issues, part of which is influenced by the reality in which inter-governmental relations exist in financial lopsided fashion, while part is political will in shifting its technocratic political culture to a more horizontal and inclusive mentality (Gundle, 86, 89).

Further intricacies can be sought when trying to understand civil society participation in systems of multilevel governance. We can learn from France and Brazil (just as in Italy) that decentralization takes place amidst various relations that are often vertical and competitive. Civil society has played a large factor in acting as a support base for political parties in the struggle for decentralization. However, civil society has showcased different abilities with regard to participation in policymaking depending on the context and (de)centralization policies.

In France, new social movements awoke an anti-statist tradition in the 1970s and 1980s against the Jacobinic interpretation of the top-down state-society-citizen relationship. With the socialist victory in 1981, for the first time since Nazi occupation, social movements gained the right to associate. Groups like the *sans* (withouts), the *sans-emploi* (without jobs), *sans-papiers* (without papers), women's, environmental, immigration, and antiglobalization became part of this (Saurugger, 395). French civil society takes on a form that is either controlled by the state (statist), or protest in anti-establishment (anti-statist) fashion. Sabine Saurugger argues that three indicators at the macro level are important when trying to understand how civil society operates: 1) legal-formal or

regulatory associational access to policymaking, 2) resource provisions granted by the state, and 3) actual grassroots participation in policymaking.<sup>3</sup>

Saurugger notes that pluralists fail to see that access to civil society requires public intervention to guarantee equal representation and provide opportunities for the enhancement of participatory democracy. In considering this it can be seen that the French state establishes ambiguous relations with various associations. The state often disqualifies groups that use the collective action of protest and is uninterested in groups that disagree with French administration. French governance is premised on an arcane ideal that only the state is meant to provide the general interest of the public. First of all, there is no access regulation for organized civil society; secondly, the state contributes disproportionately to the resources of civil society leading to a strong dependency on the state; and lastly, civil society has been forced to professionalize its operations in order to garner institutionalization in politics (Saurugger, 394-395, 399). It has been suggested that localities have used legislation not simply in promoting change but in preventing it as well (Goldsmith and Page, 5). To be sure, there are attempts at altering how democracy works in France. With regard to access regulation, the national public debate commission was granted independent status in 2002, increasing the domain for citizen association, and the 1982 Decentralization Act gave associations a role in implementing welfare and health programs (Saurugger, 394-295). In terms of grass-roots participation, the national Parliament voted for an institutional arrangement aimed at establishing commune district councils with a population over 80,000 inhabitants to be inclusive of the public (Thoenig, 692). French society does engage in public debate. Yet much of it occurs on discretionary initiatives of communes (i.e. the mayor), and moreover, within a broader neoliberal era where the French state has significantly disengaged from civil society associations, politically and especially fiscally (Saurugger, 395, Thoenig, 692).<sup>4</sup>

In new democracies, poor institutionalization and weak channels of political integration combine to undermine citizens and the effectiveness of democracy, which is something Putnam et al. do not give much credence to. The extensive powers conferred on executives and legislatives, especially regarding budgetary matters, have a huge impact on societal conditions. One way to attenuate centralized power is to experiment with institutional forms of democratic participation, and Brazil has been a pioneer in such practices. The empowerment of subnational government was a key banner of leftist parties. Moreover, the democratizing of government processes has largely taken place at the local level; municipalities became loci for political transformation in the 1980s and 1990s notably with the election of the PT or Workers Party (Melo and Rezende, 45, 50).

In conjunction with this, the 1988 Constitution introduced the concept of local democratic administration with several instruments of popular participation

in mind. One was in the form of organic laws of municipalities, which had to establish the cooperation of representative associations in municipal planning.<sup>5</sup> Two other instruments of participation have been increasingly used in local governance, namely municipal councils and participatory budgeting (Ribeiro and Pinto, 97; Melo and Rezende, 45). Municipal councils are local institutions comprised of citizens or civil society representative organizations, and the importance of these heavily lies in the fact that they have become a permanent nationwide institution (Ibid.). From 1990-1999 there were 28,000 tripartite sectoral councils, and by 2001 there were 35,000 across Brazil, with the mandate to authorize the allocation of money regarding health and urban development (Melo and Rezende, 45). Participatory budgeting (PB) has garnered a serious amount of attention. It has provided new opportunities for civil society actors to engage and affect local state policies.<sup>6</sup> By 1997 more than 103 municipalities in Brazil had adopted participatory budgeting (Baiocchi, Heller, Silva, 912). To this point, from 1989 to 2004 the PT held office, but by that time political opposition did not attempt to abolish PB because it was sufficiently institutionalized and popular (Sintomer et al. (2012), 5). It has been argued that PB changed the political culture of civil society from protest and confrontation to one of conflict and negotiation; in addition, the executive's role in the PB has radically changed the nature of the professional staff to be more techno-democratic rather than techno-bureaucratic (Santos, 482, 500). An example of the effects of PB can be seen in the provision of basic social services that came as a result of its processes: by 1996 98 percent of households had water and 85 percent had a sewage system, whereas in 1989 only 49 percent were covered (Santos, 485). This improvement needs to be qualified however with the fact that overall, the democratization process in Brazil has not attenuated income inequality and poor quality schooling, such that the already extreme income gap had worsened from 1990-1999, and in terms of performance its schooling is considered to be among the worst in Latin America (Ottmann, 21-22, note 44, page 21).

## **DISCUSSION AND CONCLUSION**

How and why governments seek political change remain important questions for political scientists. Decentralization offers political actors a way to seek macro-level change in governing mechanisms and processes; it also offers researchers a methodological way to examine the adoption and impact of reform policies within and across countries. In thinking about civil society, policies that arise from public deliberation in political forums, entailing community or city-wide necessities, are a good way to assess the potential of citizen participation. But to understand this we must recognize how partisan government actors, decentralized institutions, and writ law shape opportunities of public participation,

rather than neutrally responding to bottom-up pressures for greater political inclusion. Political systems thus articulate mechanisms for exercising power (Lane and Ersson, 181).

The following uses participatory budgeting as a lens to more broadly discuss how civil society and democratic participation is nested within tiered or decentralized political and governmental relations. Analyses of participatory budgeting have come to a point of applying standard criteria across a broad range of cities undertaking PB, allowing for generalizations to be made on the lessons learned from these experiences. A global phenomenon has been influenced by the practices of Porto Alegre. The first decade of the twenty-first century saw participatory budgeting take root around the world. In Europe alone (including France and Italy) the number rose from 6 in 2000, to 55 in 2005, 100 by 2008 and by 2010 there were over 200 practices taking place in more than 200 cities (Sintomer et al. (2008), 168; Sintomer et al. (2102), 3). Globally there were roughly 1200 municipalities that had initiated PB by 2007 and there were upwards of 1470 participatory budgets in 2010 (Pinnington et al., 458; Sintomer et al. (2012), 3).

For the purposes of this discussion, two indicators regarding how politics influences democratic participation via PB are relevant. First, regarding political will, the institutionalization of strong parties is a large factor in the direction that public participation and participatory budgeting takes, as certain political parties can undermine or promote the democracy-enhancing benefits of decentralization (Baiocchi et al., 914). We can see the importance of local participatory inclusion with the fact that in Brazil, the Worker's Party is the strongest predictor of the adoption of PB (Baiocchi et al., 917). This is similarly the case in France and Italy (and Europe more generally) where participatory budgeting has been *mostly* taken up by the Left (Sintomer et al. (2008), 175). In Italy for example, the Rifondazione Comunista Party was a significant contributor in promoting PB in Pieve Emanuele starting in 2003; later on however, the newly elected centre-right party came to dismantle PB in Pieve Emanuele in 2007, indicating that reliance on the party in power is problematic (Bassoli, 10-11). In France, the election of Alain Juppé in Bordeaux in 1995 helped lead to the development of neighborhood councils, and later on a participatory governance committee; these were not developed simply as a programmatic partnership with civil society, but also as a form of opportunism (Bherer, 293, 296). Second, there are legal-constitutional elements to be considered in relation to the above. As Laurence Bherer points out, political will ties into exogenous factors, namely those political intergovernmental relations that are part of a decentralized multi-level governance system. Local explanations are necessary, but not sufficient in recognizing how two higher levels of government – the national and supra/inter-national - are directly linked to participatory bodies. The 2002 Law on Neighborhood Democracy, for

example, requires the establishment of neighborhood councils in France for all cities with 80,000 or more residents (Bherer, 298; Allegretti and Herzberg, 6). Similarly, the Consolidated Act for Local Authorities of 2000 multiplied at the local level the instruments to transform participation in Italy (Allegretti and Herzberg, 14). At another level, the European (Union) Urban program provides a significant amount of funds to cover costs of urban megaprojects in European cities only so long as organized participatory measures are clearly established (Bherer, 299).<sup>7</sup> Thus the study of civil society or democratic participation also needs to factor in meso-level influences.

The rise of popularity in PB lies in reconfiguring the relationship between representative and direct democracy. Unlike purely ad hoc voluntary associations, participatory budgeting has the potential to afford all citizens recurring opportunities to identify priority projects that neighbourhoods, communities, and even cities need. This entails a collective process of deliberation regarding the diagnosis, prioritizing, and subsequent implementation of concrete objectives, working within budgetary constraints (Pinnington et al., 457-458). With regard to political collaboration, it has been noted that certain experiences do produce consistently progressive practices over durable periods of time, where an active civil society alongside a local administration and executive have learnt to cooperate and make necessary compromises. However, 28 percent of PB experiences have a tendency not to survive past experimental phases (Bassoli, 5), and many occurrences have not compared to the extensive processes and outcomes that participatory budgeting produced in Porto Alegre. What must be kept in mind is that meaningful local participatory institutions are facilitated best where decentralization brings both resources and responsibilities to local governments (Goldfrank, 9).

While some municipalities like Porto Alegre and Belo Horizonte have come to embed participatory budgeting in civil society, they do not represent Brazil as a whole. Numbers of participants in specific cities vary anywhere from 2 to 7 percent of the total population (Cabannes, 36). Even where reformers enjoy the capacity to make political change, reform efforts are often compromised by issues of compliance, elite resistance, or the absence of civil society partners. This limitation also applies to the experiences taking place in Europe. Most academics effectively argue that there must be a close association between civil society associations which retain a level of autonomy from state co-optation, but must be linked with popular political parties, which formulate alliances and utilize their social base to garner political reform and later the institutionalization of democratic participation. In regard to this, a dynamic is at play in Europe which is different from what has been notable in Porto Alegre; the organizational force of the third sector *could* be a potential brake on participatory budgeting processes, especially in the earlier stages of PB (Allegretti and Herzberg, 17).

How does this issue tie into the aims of this paper? The complexity of the relations between civil society and the state are so dynamic that certain windows of opportunity or socio-political conjunctures lead to the emergence of PB, and this does not automatically ensure the potential for social control of the municipal budget (Bassoli, 17; Sintomer et al. (2012), 4). Moreover, the global appeal of PB is that it is polyvalent, which coincides both with empowered democracy *and* neoliberal new public management (Ganuza and Baiocchi, 1). Thus, rather than utilize a social capital or pluralist approach as a model of analysis vis-à-vis civil society and political institutions, we should turn to other influences, particularly forms of embedded political power. Yetano et al. note that there is a trade-off when governments move towards citizen participation. This occurs between promoting citizen decision-making and undermining their own power, which is why there is a limited willingness to expand citizen participation (Yetano et al., 787). Similarly, civil society associations ranging from neighbourhood and district-level organizations to unions also have a political stake in participatory processes, especially where political institutions are required to decentralize certain levels of authority. Where governments are moving a welfare-state citizenship model towards a neoliberal, individual consumer-based model for example, this can easily be seen as a threat to forms of entrenched influence. Even the originating PB in Porto Alegre completely altered citizen representation; it de-emphasized the role of associations in favour of individuals and forced all social demands through the PB (Ganuza and Baiocchi, 4).

Though citizen participation is occurring in more inclusive or direct ways worldwide, such practices are not nearly developed to the same extent. Following Cabannes in regard to context, clarifying different political systems and traditional models of governance is important in understanding aspects of how participatory budgeting operates. While a manifestation of civil society, PB is also directly tied to representative democratic institutions. The originating factor of PB often stems from the mayor or executive branch of a municipality. This structure varies between the direct elections of mayors or within municipal councils, meaning the mayor and legislature are separate (former), or unified (latter). The ramifications are apparent if we consider the manifold ways in which PB are conducted. Participatory budgets can be carried out either through direct, indirect, or combined participation, that is, citizens and/or by representatives from communities, unions, rural parish associations, and so on. One model of PB thus entails the consolidation and oversight of budget decisions within civil society councils, creating new political relations with the executive branch. A second model has the municipal council approving the budget first, which is then discussed by the executive alongside social organizations, utilizing existing political relations to integrate or dilute PB. A third approach addresses how decisions over the PB are carried out by the mayor. Thus veto powers are often

conferred on the executive branch, and it is important to ask who takes the final budget decision and what political body is in charge of decision-making. These issues have a bearing on processes as well as outcomes, as executive and legislative branches might have the potential to (dis)approve budgets agreed upon by civil society actors (Cabannes, 28-29, 36-37).

There are also financial dimensions affecting budget-to-inhabitant ratios, such as when municipalities have very limited resources compared to others, or are differentially affected by neoliberal economic restructuring (Pinnington et al., 459). This issue ties to forms of subsidiary and regulatory frameworks, as some cities (constitutionally or politically) have more control over their budgets, especially in the share of locally collected taxes and revenues they can generate. Intergovernmental relations are now more than ever heavily influencing the extent to which decentralized functions reach local levels (Goldsmith and Page, 12). Dependency on transfers from the central government can affect annual budgets, and these often vary with caps or changes in political authority. Even with financial autonomy over municipal budgets there are differences in resource allocations to participatory budgets and investment resources ranging from 2 to 10 percent of the overall budget. This variable is further tied to the percentage of the budget that is determined by civic councils - upwards of 100 percent as in Porto Alegre (Cabannes, 34-36). Lastly, legal and institutional dimensions of PB vary greatly, as some practices are actually formalized through resolutions, decrees, and laws, while others are not (Cabannes, 40).

Overall, variegated contexts afford different individual citizen entitlements, and broader neighborhood association inclusion in public deliberations, and in the election of delegates to finalize communal priorities in the budget (Cabannes, 28). Large differences can be noted between developed and underdeveloped areas, both within nations and between them. Many Latin American countries that practice PB, in contrast to Europe, have far different immediate needs, especially in terms of infrastructure, when compared to the relative affluence of certain European countries (Pinnington et al., 459). This difference does not imply that more money is put into PB per inhabitant, since European cities can contribute substantially less than Latin American cities do (see Cabannes). Nor does it mean there is greater oversight or inclusion in PB. Some cities make it a point to try and create parity between marginalized segments of society, but this remains one aspect continuously in need of promotion. It does recognize that the ability to garner sustaining practices of PB will often require diverse considerations different in Latin America than in Europe (see Allegretti and Herzberg).

Thus, just from an analysis of participatory budgeting we can see that it is not an isolated phenomenon; fundamental differences in processes and results stem from struggles between civil society, bureaucracy, and executive and legislative government institutions.<sup>8</sup> What should be taken from this paper is that

politics has a role in the effectiveness of civil society participation and citizen inclusion in policy processes. Politics is also a factor in the direction and extent of decentralization, which influences the level of inclusion and development of participatory practices involving civil society associations and individual citizens. In the end, the sort of struggle and outcome that occurs between elitism, technocratic, bureaucratic top-down politics and horizontal, inclusive, and popular participation can be seen as the extent to which either democratic transformation or the status quo will result. Brazil, France, and Italy all have interesting political contexts and histories which show how this dynamic has and continues to play out.

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<sup>1</sup> Arguments about the hollowing out of this term's critical features found within Pierre Bourdieu's development of the concept are well developed and not the focus here (see for example Putzel; Siisiäinen; and Somers). Two points should be made, however: first, in attempting to showcase the process of devolution in Italy, Lapo Calamai argues that it's not simply a lack in social capital, but the existence of a negative social capital, a social fabric based on clientelistic and family-centered ties, that has promoted an environment of corrupted governance and the evolution of a fragmented and economic isolated society. However, the social fabric now seems to be evolving in an opposite direction due to cultural homogenization across the regions via decentralization that allows voluntary associations to flourish in the Southern periphery (Calamai, 1142). What is telling here is that Putnam et al. establish that social patterns are clearly traceable from early medieval Italy to today, "turning out to be decisive" in explaining why some communities are better able than others to manage collective life and sustain effective institutions (Putnam et al., 121). Yet Calamai points out that more than 70 percent of these associations have been established since 1980 and 17 percent between 1990 and 1992 (Calamai, 1142). Regarding the second point, conceptualizations of social capital lack attention to class factors including the role of antagonism and conflict within 'economic modernity' and capitalism. The relevance here is in how social capital via Bourdieu is attached to economic capital, and the benefits that derive from the sorts of power and imbalance that flow from it. Bourdieu posits that

economic capital is at the root of all the other types of capital and that these transformed, disguised forms of economic capital is at their root...the convertibility of the different types of capital is the basis of the strategies aimed at ensuring the reproduction of capital (and the position occupied in social space)...thus the (apparent) incommensurability of the different types of capital introduces a high degree of uncertainty into all transactions between holders of different types...everything which helps to disguise the economic aspect also tends to increase the risk of loss (particularly the intergenerational transfers). (Bourdieu, 54-55).

<sup>2</sup> National ministries operate at the peripheral level with 95 percent of state employees working outside Paris, and thus field agencies are spread across France, each having a monopoly over the way it handles a given area (Thoenig, 688-689).

<sup>3</sup> Access regulation entails the allowance of representative groups by the state into decision-making procedures, based on the group structure. The second relates to the procedure that once groups are allowed access to policy procedures, they should be provided with financial resources



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in order to allow for equal opportunities to influence debate. Third, civil society organizations should be judged to the extent that they are inclusive and take on wide participation (Saurugger, 388-389).

<sup>4</sup> With this in mind, it should be noted how economic interests are particularly privileged in the form of trade associations or especially firms. At the EU level, the Commission lists more than 80 percent of its associations as being professional employers or trade organizations. The possession of greater organization, financial strength, staffing, and access points tends to garner greater legitimacy in the EU (Saurugger, 394).

<sup>5</sup> The Constitution also makes a provision for public initiative in presenting bills by means of support with 5 percent of the electorate (Ribeiro and Pinto, 97).

<sup>6</sup> Four principles can be cited: 1) it gives citizens a direct role in city governance, by allowing the public to articulate and debate needs; 2) it links participatory inputs to the actual budgeting process through rule-bound procedures; 3) it improves transparency in budgeting by increasing the range of actors; and 4) it incentivizes agency by providing tangible returns for participating (Baiocchi et al., 914).

<sup>7</sup> Another example is the Congress of Local and Regional Authorities (CLRAE) which represents over 200,000 European municipalities and regions, composed of elected representatives, having a large role in the creation of two conventions and a charter for standards of local participation in Europe (Alger, 65-66).

<sup>8</sup> Yetano et al. note four propositions pertaining to the function of participatory arrangements: 1) as citizen participation challenges existing power relations, a decoupling of state objectives and real uses of citizen participation is likely to appear; 2) the enactment of legislation requiring citizen participation can create an urgency for the introduction of citizen participation mechanisms; 3) the existence of punishments or rewards for not using participation creates this urgency; and 4) power mechanisms within governments such as a specific department, budget and personnel to oversee citizen participation is a significant factor in determining the effectiveness of citizen participation (Yetano et al., 787-788).

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