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Civil Society Organizations, Participation and Budgeting

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To reach the Millennium Development Goals of the United Nations, governments must obtain access to more resources; more important, they must employ what funds they have wisely and with purpose. Increased spending on education, for example, will not help achieve the goal of universal primary education if funds are spent on secondary and higher education, or on primary schools in wealthy districts where attendance is nearly universal. International donors and multinational agencies alike are disappointed with budgets produced by the traditional political process. Donors are encouraging, and increasingly mandating, direct participation by civil society organisations at various stages of the budget process, from drafting to auditing. (See OECD, 2001; World Bank, 2000b; UNDP, n.d.) The expectations are that participatory budgeting will lead to greater transparency, to enhanced accountability and, above all, to pro-poor results.

This paper provides an introduction by defining terms and concepts. It addresses first the question, what is civil society? The term is used in varied ways by different writers, which makes communication difficult and impedes clarity of thought. Second, the chapter attempts to categorise and synthesizes the many ways that civil society participates in the budget process.

WHAT IS CIVIL SOCIETY?²¹

Civil society is a very old idea that has experienced a massive global revival in the past three decades. Nonetheless, it is not always clear what proponents of civil society mean by the term.²² Indeed, the very fuzziness of the term accounts for much of its universal appeal. Table 1.1 summarizes nine representative definitions, ranging from the ancient to the modern.

When people speak of ‘civil society’ today, they are almost always referring to social associations that exist outside of and independent from institutions of government. The term did not always have this meaning. For ancient Romans and

²⁰ Adil Khan provided helpful comments on earlier drafts and greatly improved the final product, but the author alone is responsible for all views and opinions expressed.

²¹ This section draws on Glasius (2001).

²² This is equally true of the related term ‘social capital’, for which “no social science has managed to impose a definition ... that captures what different researchers mean by it within a discipline, let alone across fields” (Durlauf and Fafchamps, 2004). For a detailed and critical review, see Ponthieux (2003).

Greeks, civil society was an intrinsic part of the state since, for them, participation in political institutions is what defined a people as civilized rather than barbarian. The Scottish Enlightenment thinker Adam Ferguson in 1767 sought to rekindle the Roman idea of civic virtue in *An Essay on the History of Civil Society*. Ferguson was concerned that citizens of his day were devoting too much energy to personal affairs and too little to affairs of state.

The German philosopher Georg Hegel (1770-1831) read Ferguson with interest, but radically redefined the concept of civil society. For Hegel, civil society consists of all social and economic interactions of men operating outside the state and outside the family. Hegel continues to influence thinking on this topic to this very day. *The Concise Oxford Dictionary of Politics* (McLean and McMillan, 2003), for example, defines 'civil society' in the following Hegelian way:

The set of intermediate associations which are neither the state nor the (extended) family; civil society therefore includes voluntary associations and firms and other corporate bodies. The term has been used with different meanings by various writers since the eighteenth century, but this main current usage is derived from Hegel.

Table 1.1
DEFINITIONS OF CIVIL SOCIETY

Source	Definition
Ancient Greeks and Romans, revived by Adam Ferguson in 18th century	Participation in political (civic) life, by voting, holding office, etc. Motives are altruistic, so this definition excludes 'uncivil' participation for personal gain.
Georg Hegel	All voluntary associations outside the state and outside the family, including business firms. Participants are motivated by collective well-being or personal gain.
Karl Marx	Follows Hegel, but motivation of participants is exclusively self-interest, <i>never</i> collective well-being.
Antonio Gramsci (1930s)	Associations that stand between the economic structure and the state. Excludes the economic sphere itself, but includes employers' associations and trade unions, as well as political parties, recreational associations and non-government cultural institutions.
Alexis de Tocqueville (1835), revived by Robert Putnam (1993, 2000)	All voluntary associations and social networks that make up the 'social capital' of society. Includes professional associations, choral societies, bridge clubs, family picnics. Excludes activity for purely private and commercial purposes, such as business firms, but includes family activities.

World Bank (2000b)	Defines civil society narrowly as “not-for-profit organizations and special interest groups, either formal or informal, working to improve the lives of their constituents.”
UNDP (n.d.)	Follows Gramsci by defining civil society as “non-state associations whose main aims are neither to generate profits nor to seek governing power”, adding that they operate “outside both the market and the state”.
UNU-IAS (2004)	All actors—organised or unorganised—who “promote the goals of sustainable development”. Groups that “often represent certain business interests” are explicitly excluded, as is ‘uncivil society’.
UNDP (2004)	Voluntary associations other than political parties, the military, business firms, trade unions, churches, news media and intellectuals

Hegel shared Ferguson’s concern that much of the activity of citizens is motivated by narrow self-interest rather than the public good, but he chose not to define civil society on the basis of the motivation of those who participate in it.

Karl Marx (1818-1883), who was deeply influenced by Hegel, regarded civil society as bourgeois society, so thought it self-evident that everyone at all times was pursuing his or her self-interest. Marx thus reduced civil society to its economic dimension because he found it inconceivable that any individual or group would promote broad interests of society as a whole. As Glasius (2001, p. 2) notes, had Marx’s view “remained the prevailing idea about what civil society is, we would not be talking about it today.”

The Italian Marxist Antonio Gramsci, writing his *Prison Notebooks* in the 1930s, went back to Hegel, but eliminated from Hegel’s broad definition of civil society the economic sphere itself, i.e. firms and corporations organized for the purpose of profiting from production and trade. Civil society, for Gramsci, stands between the state and the economic structure. It consists of recreational associations such as chess clubs, and cultural institutions such as churches, choral societies and schools, but it also includes political parties and *representatives* of the economic sphere such as chambers of commerce, producers’ associations and trade unions.

In the 1970s and 1980s, dissidents struggling against the authoritarian regimes of Latin America and Central Europe embraced the ideas of Gramsci. His depiction of civil society as ‘non-family, non-state and non-profit’ was strategically useful in countries where the church could be subversive as well as supportive of the established order. From Latin America and Central Europe, the idea of civil society spread widely, even to wealthy countries with no recent history of dictatorship, and was seen as a way to breathe life into apathetic citizens.

Putnam (1993, 2000), drawing on Tocqueville (1835), includes in civil society (labelled by him as ‘civic community’) family activities such as dinners and

picnics in addition to all the non-state and non-profit associations of Gramsci. The views of Putnam and other ‘neo-Toquevillians’ overlap those of Gramsci, although they never cite the Italian writer as an authority. Neo-Toquevillians and followers of Gramsci alike have come to regard civic engagement as necessary to build ‘social capital’ to sustain democracy and good governance. The key difference is that Gramsci, following Hegel, specifically excludes family activities, whereas the neo-Toquevillians include them. A core belief, in words of Putnam (2000, p. 338) is that “associations and less formal networks of civic engagement instil in their members habits of cooperation and public-spiritedness, as well as the practical skills necessary to partake in public life”. Not everyone agrees. Sceptics point to examples of vibrant civil societies that were not democratic, such as fascist Italy and Nazi Germany (Berman, 1997), and to examples of functioning democracies whose citizens are not particularly active in civil society organisations, such as Costa Rica (Bräutigam, 2004).

If academics fail to agree on what constitutes civil society, the same is true for practitioners in international organisations. The World Bank (2000b, p. 8) excludes for-profit firms when it defines civil society as “not-for-profit organizations and special interest groups, either formal or informal, working to improve the lives of their constituents.” Confusingly, the President of the World Bank in 1999 included a government institution—parliament—in civil society²³, but no one has followed up on this idea. UNDP’s Civil Society Organizations and Participatory Programme (CSOPP), in the spirit of Gramsci, defines civil society more narrowly by excluding *all* associations, for-profit or not-for-profit, that sell goods and services in the market. For CSOPP, civil society organisations (CSOs) are “non-state associations whose main aims are neither to generate profits nor to seek governing power,” and operate “outside both the market and the state” (UNDP, n.d.). Academics often follow this definition. Anheier and Carlson (2002, p. 2), for example, view “civil society as a sphere located between state and market—a buffer zone strong enough to keep both state and market in check, thereby preventing each from becoming too powerful and dominating.”

The United Nations University Institute of Advanced Studies has issued “An Agenda for Research” for its Sustainable Development Governance programme, in which civil society has a prominent place. The Report, titled *Engaging the Disenfranchised—Developing Countries and Civil Society in International Governance for Sustainable Development*, recognizes the importance of defining the term ‘civil society’:

“In turning to a discussion of civil society disenfranchisement, the definition of who comprises civil society must be clear. Though there are widely differing definitions of civil society, in this report, the term here refers to “a self-organised citizenry.” This definition includes both civil society groups—such as non-governmental organisations, transnational advocacy networks, grassroots groups

²³ “The list of participants in civil society is great, including, of course, elected parliamentary assemblies, which are included also in the government sector” (Wolfensohn, 1999, p. 26).

and issue coalitions—as well as actors not affiliated with a specific organisation, such as protesters.” (UNU-IAS, 2004, p. 8).

Civil society as “self-organized citizenry” would seem to exclude citizens who are not organized; nonetheless, with apparent contradiction, the UNU-IAS report explicitly includes unorganized protesters as part of civil society. The definition would seem also to include business firms, which are self-organized, albeit for the purpose of earning profits. Yet the Report explicitly excludes not only private business, but also associations such as chambers of commerce that represent the interests of private business:

“Though there will be some treatment of the interaction of so-called ‘business groups’ which often represent certain business interests in this project, these groups are not included in this definition of civil society. Moreover, this definition will sidestep the normative questions of so-called ‘uncivil society’, and focus only on those groups who [sic] mission is to promote the goals of sustainable development.” (footnote 8, p. 24)

By this definition, civil society is always good because its members are carrying out good works. But who decides whether a group or an individual is promoting the goals of sustainable development? No one admits to obstructing sustainable development and most people—especially owners of business firms—would argue that they promote it by providing jobs, products and services. The UNU-IAS comes perilously close to defining as civil ‘those citizens who actively support our political agenda’ while relegating all others to the category of uncivil. Such a definition would be very subjective: a group that is labelled ‘civil’ by some might be labelled ‘uncivil’ by others, solely because of differences in political philosophy. Civility, like beauty, lies in the eye of the beholder.

The UNDP report, *Democracy in Latin America: Towards a Citizens’ Democracy*, refers often to ‘civil society’. (As of August 2004 the Report is available only in Spanish, but an English translation is forthcoming.) A main concern of the Report is that, despite significant political advances over the last 25 years, democratic regimes are under threat in Latin America. An opinion poll of 18,643 citizens in 18 countries reveals that “54.7 per cent of Latin Americans would be willing to accept an authoritarian government if this could resolve the economic situation” (p. 31). The Report asserts that increased support for democracy requires implementation of “strategies to strengthen civil society and its articulation with the State and political parties” (p. 28). An entire text box (no. 32, on p. 123) is devoted to “The Role of Civil Society”. Alas, ‘civil society’ is not defined, so it is not clear what, precisely, the authors of the Report are referring.

The closest the UNDP report comes to providing readers with a clear definition is a suggestion (p. 67) that civil society is made up of “voluntary associations”. This seems to be the broad definition of Hegel, which would include business firms, but much later it becomes evident that this is not the case. A much more restricted definition of ‘civil society’ is evident from the way the Report describes the leaders its staff surveyed in 18 countries of Latin America. Of the 231 leaders interviewed,

“51 per cent are politicians. There are also important numbers of businessmen (11 per cent) and intellectuals (14 per cent). The remaining interviews are distributed among trade union leaders (7 per cent), journalists (6 per cent), civil society leaders (7 per cent), clerics (2.5 per cent) and members of the military (1.5 per cent).” (p. 155)

Implicitly then, for the authors of this Report, civil society excludes political parties, the military, private business, trade unions, religious associations, the news media and intellectuals. Yet, one cannot be certain that the same definition is applied consistently throughout the Report.

Given the myriad of definitions in use, it behoves every writer to explain precisely what he or she means by ‘civil society’, or refrain from using the term. Unless otherwise noted, we use ‘civil society’ in the Hegelian sense, meaning voluntary associations that are not part of the state or the extended family. Each civil society organisation, and its members, may be seeking to advance broad social interests, narrow group interests, or even narrower individual interests (pecuniary or recreational).

WHAT KIND OF PARTICIPATION?

It is useful to think of budget proposals (plans for government taxation and expenditure) as taking two forms: top-down (under the control of government) and bottom-up (initiated by citizens and associations of citizens). Proposals in either direction might go through parliament (the legislative assembly) or they might bypass parliament entirely. This gives rise to four ‘models’ or types of participation, as shown in table 1.2.

Table 1.2
VARIETIES OF PARTICIPATION

	TOP-DOWN (government-led)	BOTTOM-UP (civil society-driven)
Participation through parliament	Established political parties	<ul style="list-style-type: none"> •Grassroots political parties •South Africa People’s Budget •Canada Alternative Budget •Special interest groups
Participation that by-passes parliament	<ul style="list-style-type: none"> • Popular referenda, plebiscites •Ireland’s National Economic and Social Council (NESC) •Brazil’s participatory budgeting •Poverty Reduction Strategy Paper (PRSP) 	Citizen initiatives (Switzerland and some states of the United States)

The upper-left quadrant of table 1.2 (top-down, through parliament) is the usual relationship between a democratic government and its citizens, one that is increasingly seen as inadequate. Citizens are consulted by members of the ruling party only at election time, when they have the opportunity to voice their concerns and, indeed, express discontent by voting for an opposition candidate. Between elections, there is little dialogue between government and citizens.

In many countries there exist small, grassroots political parties that might focus on a single issue, such as the Green Party, Libertarian Party, Flat Tax Party or Marijuana Party. There is considerable civic participation in these parties at all times, though, admittedly, the pace does speed up during elections. Political leaders of such parties are close to their constituents and are almost always in opposition to government, so are classed in the quadrant of table 1.2 that lists 'bottom-up' approaches to reform of representative democracy.

Another bottom-up approach is for groups of concerned citizens to work specifically for budget reform. Typically these groups receive backing from other civil society organisations, such as trade unions and religious associations. The People's Budget in South Africa and alternative budgets in Canada are well-known examples of this type of civic action, and similar groups are active in countries around the world (Krafchick, 2004). Like grassroots political parties, budget groups work closely with citizens, both to learn about their problems and to educate voters, who gain a better appreciation of how government policies affect them. Rather than bypass parliament, these groups attempt to transform it, and would like nothing more than for their budget proposals to be accepted by government or by an opposition party. In at least one instance, in Manitoba, Canada, this happened. A social-democratic party (the New Democratic Party) adopted the alternative budget as its own and then went on to win general elections and form a government. The budget group disbanded after 11 years of working together; it had reached its goal so there was no further need for its existence. (See the floor discussion following the paper of Loxley in Part Two.)

Box 1.1

TWO VIEWS OF DIRECT DEMOCRACY

The fundamental paradigm that dominates our politics is the shift from representational to direct democracy. Voters want to run the show directly and are impatient with all forms of intermediaries between their opinions and public policy. This basic shift stems from a profusion of information on the one hand, and a determined distrust of institutions and politicians on the other.

—*Dick Morris, 1999*

Since the greatest popular support for direct democracy is located among citizens at the periphery of politics — the less interested, the less informed, and the adherents of extreme parties — these reforms might encourage the nativist and populist tendencies that exist in Europe today. Aspects of the Swiss and American experiences suggest that direct democracy can provide a tool for majority action against unpopular minorities.

—*Russell J. Dalton, Wilhelm Bürklin, and Andrew Drummond, 2001*

A more radical way to deal with a poorly functioning parliament is to bypass it altogether by moving to direct democracy. When citizens are free to place any initiative on the ballot, provided they collect enough signatures, this can lead to active civil society participation. Advocates of this 'bottom-up' approach argue that it is "particularly effective in raising trust between citizens and government", thus contributing to social capital (Frey, 2003, p.2). There is evidence from the cantons of Switzerland that direct democracy produces an increase in perceived well-being on the part of citizens, though not on the part of non-voting foreign residents (Frey and Stutzer, 2002). On the other hand, citizens who distrust political parties may use initiatives as a way of bypassing weak parties rather than working to strengthen them (Wyss and Widmer, 2001). Moreover, there is no evidence minorities or the poor are favoured by taxation and spending decisions passed by a majority of the electorate. (See Box 1.1.) On the contrary, there is evidence that "pro-poor participation works best through organizations, including political parties and membership-based groups" (Goldsmith, 2004).

When government decides the issues that are to be put to a vote, the popular consultation is known as a referendum. If voters are asked to express an opinion on matters already decided by government, the consultation is known as a plebiscite. Plebiscites and referenda rarely concern issues of the budget, but tend instead to address more general issues such as the decision to join a free trade or currency area, or to approve a new constitution. This top-down approach appears to be democratic, since it gives citizens the right to cast a vote on important issues, but in practice is often used by authoritarian leaders to circumvent, thus weaken, an already weak legislature (Barczak, 2001).

Sometimes governments submit issues not to the entire electorate, but rather to a select group of civil society organisations that they invite to the negotiating table. This is known as the corporatist model of governance, which has been applied with considerable success in Ireland (Brinkerhoff and Goldsmith, 2001, annex 1). In 1973 the Government of Ireland created the NESC (National Social and Economic Council), inviting a small number of employer and business organisations, trade unions and farm organisations to join. Beginning in 1987, NESC members discussed and reached agreements on wage levels and other macroeconomic variables for successive periods of three years. This macroeconomic consensus was extremely valuable, as it allowed the country to restore competitiveness, maintain industrial peace, and promote private investment and growth. These economic policies were successful in terms of growth, but they were not particularly pro-poor, reflecting the conspicuous absence from the negotiating table of representatives of unorganized workers, women and the unemployed. This began to change somewhat beginning in 1996 when community and voluntary organisations were added. A deeper criticism remains: the government is still very much in control of NESC negotiations, which bypass and weaken parliament, thus undermining the established democratic process.

A number of Brazil's states and municipalities are experimenting with an alternative top-down approach, known as participatory budgeting. Throughout

the year, citizens have the opportunity to participate in public forums designed to “confront Brazilian political legacies of clientelism, social exclusion, and corruption by making the budgetary process transparent, open, and public” (Wampler, 2000, p. 2). Those who attend these forums elect representatives to regional meetings that in turn elect citizen-delegates to a budget council that works directly with government. Participatory budgeting began in 1989 in Porto Alegre, the capital of Rio Grande do Sul, and by June of 2000 had spread to nearly 100 municipalities and five states.

The initial results of participatory budgeting, especially in Porto Alegre, were promising and attracted widespread attention. An important result is that the public meetings act as “citizenship schools” where community ties are strengthened and participants learn about their rights and their duties as citizens. Excluded citizens acquire voice—a right, for the first time, to make demands in public. In successful cases of participatory budgeting, there is also increased social spending in poorer neighbourhoods and improved transparency in public works projects. (See Wampler, 2000)

Although participatory budgeting is useful as a tool to promote political inclusion and social justice, it is no panacea. Brian Wampler (2000), a sympathetic observer, describes numerous limitations of programmes in Brazil:

- Elected members of city councils and state legislatures “have virtually no role in the policymaking procedure” because “the transfer of authority to citizens’ forums bypasses the legislative branch” (p. 18).
- “Participants ... do not propose and debate their own policies but focus on the government’s pre-existing policies” (p. 16).
- Most citizens are poorly informed and lack expertise. As a result, “broad policy decisions may be largely acts of rubberstamping as the majority of participants follow the lead of the most experienced policy advocates or the positions of the government” (p. 16). This might change with time, but it is not clear whether public learning is occurring or whether “participation is being used to legitimize the policy choices of the government” (p. 17).
- Government remains the principal actor and tends to use its power to reward “friendly” participants. “This does little to empower citizens and may just be a new form of clientelism” (p. 23).
- Participatory budgeting can be manipulated by government to advance its own agenda, through “non-disclosure of key information, the lack of implementation of selected public policies, or the weakening of citizen oversight committees”. This is more than a hypothetical concern, for “programmes in Brazil ... have been rejected by social movements and NGOs [non-governmental organizations] due to the government’s interference” (p. 24).
- The focus is on public works and once a particular project is completed, people lose interest and stop participating (p. 23).

- Participants often are interested only in short to medium term public works, and find it difficult to fathom the complexities of long-term planning (pp. 23-24).
- Emphasis is on local issues and local budgets whereas “the principal problems their communities face are often related to unemployment, violence, or the lack of educational opportunities.” Solutions to these global problems lie “far beyond the scope of participatory budgeting” (p. 24).

Even when participatory budgeting is successful, we cannot be certain whether this is due to the programme itself or to the ideology of the government in power. In the words of Wampler (2000, p. 27):

“It is not clear whether the increase in social spending stems from the PB [participatory budgeting] program or whether the increase results from the political ideology of the progressive government. While it is impossible to neatly separate the political agenda of the progressive government from the workings of the PB, it is vital to note that PB programs tend to co-exist with significant changes in the social spending”.

But surely it is possible to separate in some rough fashion the effects of participatory budgeting from the effects of ideology. A social science experiment is going on in Brazil at this very moment, for more than 100 municipalities and states that have implemented some type of participatory budgeting, and not all of these governments are controlled by parties with a ‘progressive’ political ideology.

Wampler and Avritzer (2004) focus on this ideological diversity by analysing participatory budgeting in three Brazilian municipalities: Porto Alegre (1.2 million residents), Belo Horizonte (2 million residents) and Recife (1.8 million residents). Participatory budgeting was very successful in Porto Alegre and Belo Horizonte, but “less-than successful” in Recife. It so happens that left-wing political parties control the governments of Porto Alegre and Belo Horizonte: the Workers’ Party (PT) in the case of Porto Alegre, and “a leftist-progressive coalition that includes the Brazilian Socialist Party (PSB) and the Workers’ Party” in the case of Belo Horizonte. Recife, in contrast, has been governed by “the Party of the Brazilian Democratic Movement (PMDB), a centrist-catch-all party, and the Liberal Front Party (PFL), a traditional, clientelistic party”. The researchers conclude that “clientilism continues to be associated with Recife’s PB as public officials circumvent the new institutional format in order to secure specific resources for their constituents”. We cannot be sure without information on programmes in other states and municipalities, but the evidence so far supports the conjecture of Bräutigam (2004) that participatory budgeting requires “direction and commitment from a left-of-center political party in order to make it genuinely pro-poor.”

In September of 1999 the World Bank and the IMF endorsed participatory budgeting as part of a new Comprehensive Development Framework, and mandated civil society organisation (CSO) participation in Poverty Reduction Strategy Papers (PRSPs). The PRSP is the operational expression of the Comprehensive

Development Framework in low-income countries. To apply for concessional assistance or HIPC (“highly indebted poor countries”) debt relief, an eligible country must draft a PRSP with the participation of civil society. This requirement applies, then, to about 70 low-income countries. For a country to receive concessional assistance or debt relief, the World Bank and the IMF must endorse its PRSP.

Box 1.2

MANDATING CSO PARTICIPATION: EXPECTATIONS

[S]trong civil society organizations can promote the political empowerment of poor people, pressuring the state to better serve their interests and increasing the effectiveness of antipoverty programs.

—World Bank, 2000a

The World Bank’s partnership with civil society is built upon the recognition that civil society organizations often have closer contact with the poor and can offer valuable insights and perspectives that differ from other stakeholders. CSOs may be better able than government or official actors to help the poor The World Bank is committed to helping civil society and governments ... effectively engage each other ... [and] has increased its own capacity to engage civil society

—World Bank, 2000b.

By mandating CSO participation in PRSPs, the World Bank was following the advice of scholars such as Putnam (1993, 2000) who argue that civil society builds social capital and fosters democracy by giving citizens an opportunity to abandon narrow (private) self-interests and work for the common (public) good, the common good in this instance being the goal of reduced poverty. In addition, there existed a strong belief, or at least a hope, that CSOs could empower the poor. (See box 1.2.)

The PRSP process has disappointed those who predicted large gains for the poor and inarticulate. Two researchers from the University of Antwerp, Nadia Molenaers and Robrecht Renard (2003), describe in some detail the disappointing results for Bolivia. They point out that “the recent boom in associations in Third World countries is not unrelated to the international funding opportunities the donor community has made available. A lot of civil society organisations (especially NGOs) are donor-bred and fed, hence the strength of organised civil society may be to that extent artificial and not embedded/rooted in the society in question” (p. 152). In any case, “the participation process was all along a government-led process” (p. 143) that excluded “the poor, civil society organisations out of favour with government, trade unions, indigenous communities, women’s groups, and also extremely important institutions for democracy — like Parliament” (p. 151). Bolivia, it is important to bear in mind, is held in high regard as a PRSP success story. The outcome of the PRSP consultations in other countries has generally been worse. (See box 1.3.)

Box 1.3
MANDATING CSO PARTICIPATION: PITFALLS

Experience with participatory processes suggests that the poor and the marginalized, even when invited to express their views, have no institutional outlet through which to follow up. In these circumstances, elected institutions have a key role to play in providing the vehicle through which their views are represented. Ad-hoc consultations can often be seen as little more than a justification for governments to validate their pre-set priorities. [W]ithout a clear and transparent link to elected institutions, [they] should not be encouraged.

—World Bank, 2001

In participative processes, the absence of vulnerable groups, the excluded and the poor is, in fact, not surprising. ... [P]oor people tend to be poorly organised, remain relatively voiceless ... and are quite reluctant to influence processes of policy-making affecting broader social groupings. [E]ven when the poor participate, participation might actually confirm the clientelist structures in circumstances where the poor are highly dependent upon non-poor groups.

—Nadia Moleaers and Robrecht Renard, 2003.

In September of 2001 the Secretariat of the Comprehensive Development Framework (CDF) reviewed the experience of 46 countries, many of which, though not all, were low-income, so involved in the PRSP process. The report claims that “sustained progress has been made”, but concedes that “implementation of the [CDF] principles has been difficult and uneven among these countries, not least because most of them are among the poorest countries of the world” (World Bank, 2001, p. 2). The CDF Secretariat laments that parliaments are absent from the political debate and recognize that the participatory process did not empower the poor. It recommends that in future civic participation be linked to elected legislative bodies, or not be encouraged at all. (See box 1.3, and World Bank, 2001, p. 4.) Two years later, the CDF Secretariat was still complaining that “consultations have tended to involve civil society—either citizens or their organizations—more than parliamentarians or the private sector” (World Bank, 2003, p.15).²⁴

In March of 2002 the staff of the World Bank and IMF (2002) reviewed in considerable detail the experiences of the ten countries that had completed and submitted their PRSPs by January of that year.²⁵ The authors were concerned that participation is not representative: “In some countries, not all sectoral ministries have been fully involved. More generally, engagement of direct representatives of the poor themselves has not been common. Such groups include parliaments; CSOs that are out of favor with the government; stakeholders outside of capitals, local government officials and private sector representatives; trade unions; and women’s groups” (p. 22). The Review stresses in particular the limited role of

²⁴ Note the implicit exclusion of parliament and the private sector from civil society.

²⁵ The countries are Albania, Bolivia, Burkina Faso, Honduras, Mauritania, Mozambique, Nicaragua, Niger, Tanzania, and Uganda. By January of 2003 eleven more countries had submitted PRSPs.

parliaments in the PRSP process, and points out that this “has been an expressed concern of other recent World Bank reports, such as those on the CDF, and of a number of development partners—including the Utstein group of bilateral donors (UK, Netherlands, Germany, and Norway) and the EC—as well as of individual members of parliament themselves ...” (p. 23).

CONCLUSION

Four years ago there was near consensus in the development community that it is possible for civil society to move budgets to a pro-poor position. In this spirit the World Bank, in its flagship *World Development Report 2000*, wrote:

“[S]trong civil society organizations can promote the political empowerment of poor people, pressuring the state to better serve their interests and increasing the effectiveness of antipover-ty programs. Case studies in the Indian state of Kerala and elsewhere show that a highly engaged civil society contributes to better outcomes in health and education. What is needed is an enabling institutional environment for civil society to develop and thicken”. (World Bank, 2000a, p. 114)

Disillusionment set in quickly, at the World Bank and elsewhere. The tone of the *World Development Report 2004* is much less optimistic:

“Terms such as *civil society* and *community* are sometimes used too casually. People differ in beliefs, hopes, values, identities, and capabilities. Civil society is often not civil at all; many “communities” have little in common. Individuals and households may disagree about collective objectives and work to promote their own views, both individually and through associations, sometimes at the direct expense of others”. (World Bank, 2004, p. 49)

Karl Marx was right. Members of society tend to pursue their own self-interest or, at best, the interests of their extended family or social class. The governments of Kerala (India) and Porto Alegre (Brazil) practice pro-poor budgeting not so much because their respective civil societies are “highly engaged”, but rather because the parties in power have a pro-poor ideology.

Budgets implemented by governments whose electoral base is the poor will tend to be pro-poor, with or without participation of civil society organisations. What about budgets of governments with a different electoral base? Is it possible for participation of civil society to shift them toward pro-poor taxation and expenditure? The answer appears to be a cautious yes, provided participation is bottom-up rather than top-down and provided the aim is to reform rather than bypass an elected legislature. At this very moment, budget groups around the world are attempting to influence existing political parties and, even more importantly, to educate the poor so that they understand the implications of existing budgets, and become aware of alternative budgets so that they can cast their votes wisely in

their own best interest (Loxley, 2004; Krafchik, 2004). A complementary way to accomplish the same goal is to ask parliamentary committees to hold hearings on the budget and, in the case of low-income countries, on the Poverty Reduction Strategy Papers (PRSPs). Opposition politicians would have a chance to express their views, as would a broad range of civil society organisations, including those who are working on behalf of the poor. Press coverage of these hearings would also help to educate the electorate so that the poor, where allowed to, are able to exercise their strongest weapon—the secret vote.

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