PARTICIPATORY BUDGETING
Opportunities, Successes, and Organisational Constraints

CASE STUDY

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EUROPEAN INVENTORY
OF CULTURAL VALUES

Participatory Budgeting – Opportunities, Successes, and Organisational Constraints

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Abstract

This case study examines an example of participatory budgeting in the City of Zurich that aimed to achieve greater inclusion of population groups that are otherwise less well integrated into the political process. A special dividend from the *Zürcher Kantonalbank* made 540,000 Swiss francs available for the pilot project. City residents could use this as a basis to submit ideas for projects requiring less than 10,000 Swiss francs in the summer of 2021. The proposed ideas were then voted on in a digital process in a second step in the fall of 2021. In 2022, the accepted proposals could be implemented.

In our case study, we examined the extent to which the goal of inclusion could be achieved in the pilot project. Our analysis shows that the idea of inclusion was clearly addressed in the projects. However, more marginal population groups, such as people with a migration background or socially disadvantaged groups of people, were hardly addressed. Also, the projects accepted in the voting tended to be supported by specific interest groups and focused thematically mainly on environmental sustainability. One explanation for this result could be that it is primarily academically educated with an urban left-wing orientation and thus privileged people who are enthusiastic about such projects. They are then more likely to bring in topics and addressees strongly shaped by the discourse in the academic milieu.

The pilot project mobilised many committed people in the city who generated diverse and creative ideas. In this way, the budgeting process, which is usually top-down, could be opened up to the needs and wishes of the city's residents. However, it became clear here that another challenge of participatory budgeting is to fit the diversity and creativity of ideas into the city administration's regulations and responsibilities.

Keywords: participatory budgeting, inclusion, administrative organisations

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Introduction

This case study focuses on an example of participatory budgeting in the City of Zurich that was carried out in 2021 and 2022. This was the *Stadtidee* (city ideas) project, in which city residents were invited to contribute their own suggestions for events, infrastructure, and other changes in their neighbourhood during the summer of 2021 (more precisely for the period extending between July 10th, 2021, and September 4th, 2021). The focus was on ideas that deal with the topics of climate and environment, as well as children and young people. Projects requiring a budget of less than 10,000 Swiss francs could be submitted. As a first step, the proposed ideas were checked for feasibility by the municipal administration. The population could then vote on the feasible projects online in the fall of 2021 (October and November 2021). A total of 540,000 Swiss francs was available for this pilot project, financed by a special dividend from the *Zürcher Kantonalbank*. In parallel, another pilot project in participatory budgeting took place, the *Für Züri* project, which had a larger budget. Here, too, citizens could submit proposals for projects, but a panel of experts decided on them. Both projects were intended as pilot projects to test forms of participatory budgeting, taking into account digital forms of participation in Zurich and testing their suitability for the future.

The background for developing the concept of *Stadtidee* was various political discussions and civil society activities in the city of Zurich, partly from associations and neighbourhoods. The models were participatory budgets in Brazil, Paris, Helsinki, Barcelona, and Lausanne. This gave rise to the basic idea of creating the lowest possible threshold for participation. However, one has to consider that Switzerland's political system is already organised along direct democratic lines.

In this case study, the project was analysed in more detail using a mix of methods (evaluation of the homepage of *Stadtidee* as well as the projects, research of newspaper articles, and expert interviews with the responsible employee in the administration). The primary question is to what extent the inclusion expectations associated with a participatory budget were fulfilled. In addition, the study will also discuss which central processes that are currently shaping cultural development (globalisation, migration, and digitalisation) were addressed in the projects. Finally, we will also reflect on whether this is a project of cultural politics. This analysis will focus on the role of administrative rules and processes since ideas brought in by residents, in all their diversity, also have to be integrated into municipal bureaucratic regulations and routines. On the one hand, these enable cultural innovations, but on the other hand, they can also act as restrictions.

The case study was chosen because *Stadtidee*, as a project of participatory budgeting, clearly aims at greater participation of the city's inhabitants and thus also at the inclusion of population groups that are usually not involved in the political process. Moreover, the budget

process addressed a central variable of cultural policy. Therefore, this case study can explore the central possibilities and the limits of a participatory cultural policy.

Policy context

The concept of participatory budget development was developed in the 1980s, particularly by the Brazilian Workers' Party. It was first fully implemented in the city of Porto Alegre (Sintomer et al., 2010). Since then, this concept has spread mainly in South America but has also been taken up in communities in numerous European countries. Such a form of decision-making about the distribution of public funds aims to make the decision-making process more inclusive. This means that ordinary residents can actively participate in the proposals' development and be involved in decision-making. This should also result in groups of people, otherwise underrepresented or marginalised in politics, being more involved in political decision-making processes. In most cases, low-threshold, often digital forms of participation are used to enable as many people as possible to participate.

Participatory budget development is of outstanding importance, especially in the field of cultural policy, as it potentially responds to the challenges of contemporary society, such as globalisation, migration, greater cultural diversity of societies, digitalisation, and demands for greater participation and proximity to citizens. Given the stability prevailing in cultural offerings (Glasow & Heinze, 2022), participatory budget development could lead not only to greater inclusion of previously marginalised population groups but also to greater innovation and diversity in the cultural field, as the population can spontaneously contribute its ideas and preferences to the discussion.

However, in the context of Switzerland's strongly direct-democratic political system, in which citizens regularly have the opportunity to vote on substantive political issues, the issue of inclusion may be less critical, except for people with foreign citizenship, who in most cantons do not have the opportunity to vote in elections, referendums, and initiatives. This political context must be taken into account when interpreting the results.

Methodology

The case study *Stadtidee* drew from various sources. First, using quantitative content analysis, the project's homepage (https://mitwirken.stadt-zuerich.ch/processes/stadtidee) was systematically evaluated. This page contains not only central information about the course of the project but also detailed information about all proposed ideas, the number of votes cast on the ideas, and thus information about whether the projects were accepted. This allowed us to conduct an exploratory analysis of the characteristics of projects adopted by those who voted. Second, a guided expert interview was conducted with the responsible person in the city administration. This interview lasted about an hour. It was recorded, and detailed notes were prepared. Finally, the press coverage of the project was included, although it could have been more informative overall.

Participatory budgeting in Zurich

In the *Stadtidee* project, a total of 176 proposals were entered in the various city districts. Of these, 135 were released for voting after an administrative feasibility check. In the voting, a total of 61 ideas were accepted. In the first step, we now turn to the results of the content analysis of the submitted proposals. In the second step, this is followed by an in-depth analysis of the successes and limitations of participatory budgeting based on the guided interview.

Chart 1 provides information on the themes and goals pursued in the submitted project ideas. In the analysis, we focused on the societal megatrends investigated in the INVENT project (globalisation, digitalisation, migration, and social inequality) and used a content analysis of the project ideas to consider whether these megatrends were also addressed in the proposals. As a framework condition, however, it must also be taken into account here that the *Stadtidee* project primarily wanted to promote ideas related to children, youth, and sustainability. When looking at Chart 1, it is evident that ideas regarding globalisation or migration were hardly submitted. The low focus on migration is astonishing since Zurich has a proportion of foreigners of over 32% of the population (Stadt Zürich, 2022). The question here would be why more ideas focused on migrant youth were not submitted. The topic of digitalisation is somewhat more strongly represented, appearing in around 12% of the projects. It should also be noted here that digitalisation was generally a central topic for the *Stadtidee* project, as the project proposals and voting took place digitally. However, in about 20% of the ideas, the issue of inequality was addressed in different ways. In nearly 50% of the proposals, the idea of bringing population groups together and networking was formulated in a relatively general way. This can certainly be understood in terms of the non-specific idea of the inclusion of larger populations. The most important topic area, not surprisingly given the call for *Stadtidee*, is the topic of environmental sustainability. This was addressed in almost 60% of the ideas submitte

Figure 1: Topics
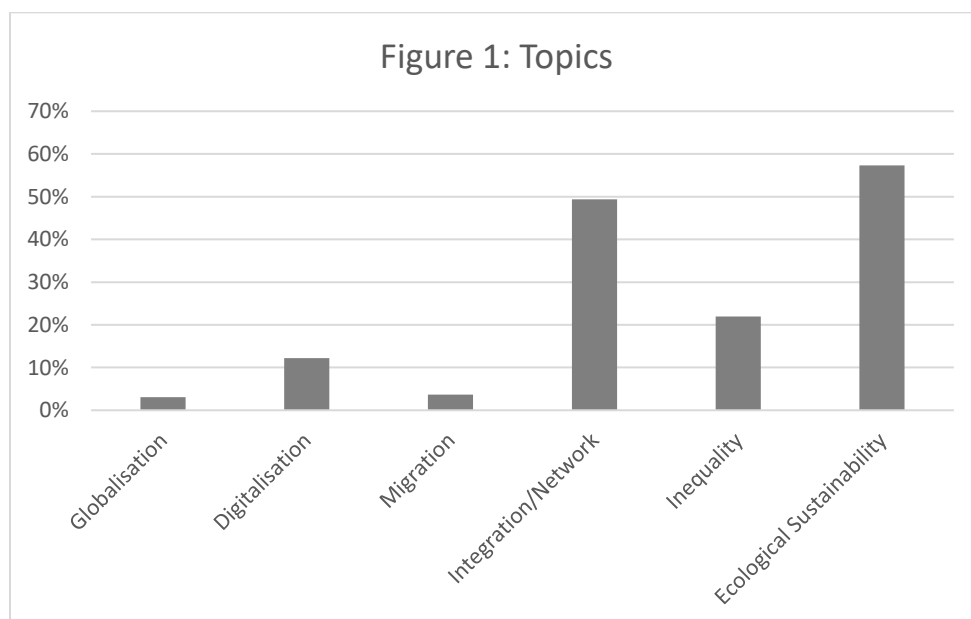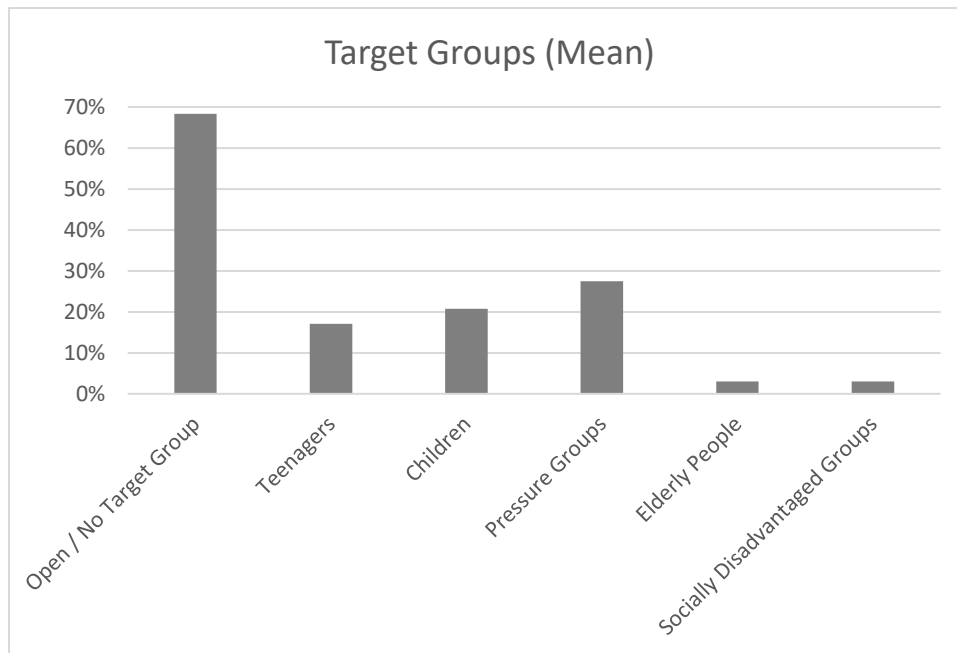
Target Groups (Mean)

We now turn to whether the ideas are aimed at specific target groups and, if so, which ones. The vast majority of ideas did not have a particular addressee, around 70%. In almost 30% of the projects, specific interest groups were named as the focus of the projects, e.g., residents of a street or cyclists. Children and young people, who are generally the focus of *Stadtidee*, are mentioned in almost 20% of the ideas. This includes a group that cannot usually participate in the political process. Older people or socially disadvantaged groups are mentioned in a few projects in each case, with issues of gender and sexual identity being addressed here in particular. Thus, the socially disadvantaged category did not relate primarily to people from the working class or poor people.

Overall, the topics and target groups of the projects definitely express an abstract idea of inclusion. However, this hardly includes older people, people with a migration background, and socially disadvantaged people. Instead, the focus is more on integrating children and adolescents, in line with the project focus; in addition, gender issues and questions of sexual identity are more prominent.

Following this descriptive analysis of topics and addressees of the projects, we investigated whether there was a statistical correlation between these topics and addressees on the one hand, and the number of votes and the acceptance of the projects, i.e., the success in the voting, on the other hand. We examined this with linear and logistic regression models. Tables 1 and 2 each show trimmed statistical models. The number of votes is statistically significantly higher for ideas that have environmental sustainability as a theme. This is also true for projects that target specific interest groups or attempt to contribute to the integration and interconnectedness of diverse populations. These have mobilised a larger number of voters. However, the acceptance probability of ideas depends only on their support by interest groups and their thematic focus on environmental sustainability. Other variables show no covariation with the likelihood of adoption.

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In these analyses, it is clear that mainly proposals with a specific thematic focus, namely environmental sustainability, were successful in the voting. In addition, ideas supported by specific interest groups and seeking further networking also had a higher chance of acceptance. The focus on specific other groups, be it children, young people, persons with a migration background, or socially disadvantaged persons, was not relevant to the voting success of the ideas.

Table 1: Linear Regression on votes

Votes	Coef.	Std. Err.	t	P>t	[95% Conf.	Interval]
Pressure Groups	39.59035	10.73629	3.69	0	18.38621	60.79448
Integration/Network	21.04834	9.373346	2.25	0.026	2.536015	39.56066
Ecological Sustainability	19.27689	9.802003	1.97	0.051	-0.0820338	38.63581
Inequality	9.689111	11.93955	0.81	0.418	-13.89145	33.26967
Constant	64.65661	10.07292	6.42	0	44.76263	84.55059

Table 2: Logistic Regression, dv: project chosen or not

Chosen	Odds Ratio	Std. Err.	z	P>z	[95% Conf.	Interval]
Pressure Groups	2.51563	0.945083	2.46	0.014	1.204658	5.253273
Integration/Network	1.178207	0.3979862	0.49	0.627	0.6077072	2.284277
Ecological Sustainability	2.172336	0.7844607	2.15	0.032	1.0704	4.408671
Inequality	0.7316121	0.3321998	-0.69	0.491	0.3004552	1.781485
Constant	0.2781898	0.1077304	-3.3	0.001	0.1302294	0.5942557

Following the evaluation of the data from the content analysis of the *Stadtidee* homepage and the proposed ideas, we now deepen the analysis based on the guided expert interview with the head of the pilot project. The latter affirmed that the basic idea of participatory budgeting at *Stadtidee* was to create an offer that was as low-threshold as possible and in which people could participate regardless of citizenship, age, and migration status. Therefore, the project was carried out digitally, and it was possible to participate by specifying a district and a cell phone number only. However, the low threshold referred mainly to participation in the voting. Proposing and implementing an idea once it was accepted required a high level of commitment from the people involved. An attempt was made to reach groups of voters and proposers through broad, predominantly digital communication, i.e., posters, social media, media releases, advertisements in neighbourhood centres, migrant organisations, and youth work.

Overall, the head of the project considers this pilot project on participatory budgeting in Zurich successful. Many people with exciting ideas participated, and these ideas were also implemented with outstanding commitment. There were delays or changes in the modalities of implementation for individual ideas. In the end, however, according to the observations of our interviewee, the project was successfully implemented practically everywhere and met with lively interest in each case. As a rule, the neighbourhoods concerned or the groups addressed benefited from this. Only a few ideas were not implemented. The press critically discussed one of these proposals to imply that the overall project was wasting money (NZZ,

10.11.2022). However, in cases where a project has not been implemented, *Stadtidee* will reclaim the money from those who proposed the idea. The pilot project's underlying intention was the possibility of introducing many ideas without subjecting them to a complex process of bureaucratic control. In the view of the project's leader, this was also very successfully achieved.

An excellent example is the idea to hold a tent night in an outdoor swimming pool. The management of the targeted outdoor pool was initially somewhat sceptical because they feared damage to the lawn. After the event took place, however, the enthusiasm was so great that a repetition was planned. In addition, it must be noted that the committed individuals contributed a great deal of voluntary work, time, and skills in a very decentralised manner to realise the ideas. For the first time, the city's residents could propose their preferences in a creative bottom-up manner, whereas the administrative process is usually more top-down. However, all projects still have to submit a report at the end. Unfortunately, these final reports were not yet available when writing this case study, so no quantitative assessment can be made yet.

Many of the social processes and challenges investigated in the INVENT project were also relevant for developing the *Stadtidee* concept. Central to this was the idea of participation, which should also enable marginal groups to be included in the project process. The idea was also to reach people with a migration background, so all project documents were also offered in English. The predominantly digital implementation of the project process was also intended to enable the broadest possible participation. In this respect, this was also a pilot project designed to explore the role of digital offerings on the part of the city. For the administration, this was somewhat of a challenge because open-source software was used for the implementation (an open-source software first used in the city of Aachen), which is somewhat unusual for the municipal administration. In addition to inclusion, however, the main aim was to turn the standard political process upside down to a certain extent and to allow residents to contribute their needs and ideas.

In the interview with the head of the project, the question was also raised as to whether *Stadtidee* is culture or cultural policy. The interviewee answered this question from the perspective of the municipal organisation: she argued that culture is precisely what falls into the field of culture according to the guidelines of the municipal administration and the responsible departments. Many ideas within the framework of the city idea would probably fall more into the field of socio-culture, which again is not the responsibility of the culture department. One of the proposed ideas illustrates this nicely. It is an object that should regularly display the emissions in the air on a busy square. The proposers obviously understood this idea as a kind of engaged action art. However, based on its regulations, the municipal department for culture has decided that although this is an exciting object that addresses a timely issue, it cannot be called art or culture since no artistic design intention is evident here. Thus, from the perspective of the city's Department of Culture, this object would fall more within the purview of the Department of Air Quality. This example shows that the definition of culture is not solely dependent on individuals and actors but is also anchored in bureaucratic regulations and routines. It must be added that the decision to accept the proposal did not depend on its classification as culture. The Culture Department makes a

classification but does not assume a gatekeeper function. In this respect, the *Stadtidee* project allowed residents to contribute a diversity of their cultural ideas to a participatory budget.

In addition to the undoubted successes of the *Stadtidee* project, however, limitations to achieving its objectives must be noted at specific points. If one considers the goal of inclusion, above all concerning relatively marginalised population groups such as persons with a migration background or socially disadvantaged persons, one can say it has largely not been reached. This concerns especially the voting, since only a tiny percentage of the city's population was reached (the number of votes cast was 1,804). This is surprising because the requirements for voting participation were very low. It seems that projects like this one reach mainly those groups of the population that are already engaged. It is possible that digital access to voting was a barrier for some groups. However, it could also be that many people did not learn about the project. It would therefore be essential to go into the neighbourhoods in person to inform people about the project and mobilise them for ideas. However, this would require a much greater effort, which is probably hardly possible for the municipal administration.

Another point raised in the interview was the organisation of the municipal administration. This is differentiated into various departments with their respective responsibilities. However, residents' ideas often concern entirely different areas of responsibility. For example, other departments are responsible for building permits or placing plants in public spaces. This has also been shown above for the area of culture, where the question of what belongs to culture is negotiated according to a bureaucratic principle. In the end, the creative energy of citizens must always be fitted into bureaucratic regulations and routines to implement them.

Summary and Discussion

In this case study, we presented an instructive example of participatory budgeting. This pilot project in the city of Zurich was intended to achieve greater participation of the city's residents and inclusion of otherwise marginalised groups. We examined this pilot project based on information on the homepage, a content analysis of the submitted proposals, press coverage, and a guided expert interview with the city manager of the project. In what follows, we comment on several points that crystallised in our research.

Concerning the goal of participation and inclusion, the project must be judged ambivalently. The fact that many people have submitted exciting ideas and have also realised them with outstanding commitment can be chalked up to success. Participatory budgeting thus generates ideas about the diversity of people's needs and preferences in Zurich. On the other hand, if we look at the number of people who participated in the vote, it did not turn out to be as high. However, it must be taken into account here that Switzerland has a political system of direct democracy anyway, in which citizens can decide directly on political issues, so that a certain voting fatigue is to be expected.

Lastly, if we look at the included groups and topics, it is noticeable that migration, older people, and socially disadvantaged people are rarely addressed. It should certainly be taken into account here that the groups most likely to get involved in such projects are those who

are also involved in other ways, primarily people with higher education and an urban left-wing orientation. While males of higher age are generally more likely to volunteer, in urban areas, younger individuals with a more balanced gender profile are expected to do so (Lamprecht et al., 2020). In the context of the pilot project, individuals with such volunteer profiles presumably also take up the typical topics of the academic milieu, ecological sustainability, gender issues, and LGBT. At the same time, classic disadvantaged groups are given relatively minor consideration. This clearly shows the possibilities and limits of participatory budgeting in a direct democracy.

The pilot project also showed very clearly that any form of participatory budgeting, in which citizens' needs and preferences emerge bottom-up in a creative way, must necessarily be incorporated into the routines and regulations of the municipal administration. This involves questions of responsibility, which are usually not considered by the people who develop ideas, or questions of the classification of projects. The latter is shown by the fact that the question of what belongs to culture is also shaped by administrative regulations and political models, and not only by the ideas that committed people bring into the discourse.

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