

Accountability and Transparency Initiatives – an overview from Latin America¹

Peter Spink
Center for Public Administration and Government
Getulio Vargas Foundation – São Paulo

Background:

Less than 30 years ago, the vast majority of Latin American countries were beginning to shake themselves free of various forms of military, totalitarian or single party regime (the great exception being Costa Rica which continues to be the longest standing stable democracy in the region). Many of these regimes had been established in the 1960s as abreactions to attempts to introduce more open democracies and move away from the earlier and equally dominant populist regimes of the late 40s and 50s. If the military regimes were by and large technocratic, developmentalist in a restricted sense and often violent, populism was characterised by charismatic leaders providing social benefits to the formally registered working population through coopted or official trades unions.

A more nuanced version of this opening paragraph would require many pages and extensive footnotes², but the basic characteristics and their importance for the comparative discussion of accountability and transparency initiatives would remain the same. That is, that the ruptures and regime changes that form a major part of Latin American political history, have produced very different state-civil society relations than those present in the more established representative democracies, especially those with solid, extensive and relatively inclusive welfare states. In these, the early Marshall (1950) perspective of the evolution of rights from the civil, then the political, to the social and the more diffuse rights of today's environmental concerns was also to embrace public policy and policy analysis as one of the keystone practices of strong representative democracy. In contrast, in many Latin American countries the situation is reversed with significant periods in which political rights have been withdrawn and, still today, a weak coverage of very basic civil rights. Absence of documentation, problems with access to justice, imprisonment without trial and a lack of public security are still, sadly, part of daily life for many. Social rights, even

¹ This text was prepared for the Institute of Development Studies review organized by Rosemary McGee and John Gaventa on: The Impact and Effectiveness of Transparency and Accountability Initiatives, IDS Sussex, September 2010. It draws on data available from the Latin American Observatory on local Public Innovation (Chile), the on line Scientific Library data base for Latin America (SciELO) which covers the main Latin American academic journals, the data bases of the Innovations Programs for Subnational Government in Peru, Mexico, Chile and Brazil and work carried out as part of the Logolink initiative on popular participation and civil society development. It has also drawn on work that took place as part of the Latin American Social Policy project (CLASPO) at the University of Texas-Austin and a study by the author and Marco Antonio Teixeira on social accountability in public purchasing for the World Bank Institute (2009). The author is based in São Paulo, Brazil.

² See for example: Spink, P.K. reforming the reformers: the saga of public administration reform in Latin America 1925 – 1995. Swedish International Development Cooperation Agency (SIDA), 2001.

though they advanced, were often tied to formal work relations and in a continent where informal work could run at over 60% for non-rural settings, also hardly inclusive.

From country to country, in different ways and in different settings – from the high density urban populations in self-built housing without basic services to rural migrant workers and river bank dwellers – this virtual absence of the state in other than negative terms, would also serve as a challenge for people to seek support in their own communities: organizing their own basic services, their own security, building livelihoods and identifying their own leadership. Whilst they were and continue to be prey of clientelist ward bosses – and at times organized crime – they represent a social resilience that is another mark on the Latin American social and political landscape. Strengthened in a number of countries by the Catholic Church's liberation theology movement³ and its outreach agencies and later by activist NGOs, they were to become powerful forces in the various attempts at constitution building and, more importantly in local forums where service provision was under discussion.

As the military period drew to a close, these movements tended to express their concerns in terms of rights rather than policies. Indeed to discuss policy would be to legitimate rather than change, for the policy discussions of the military period were very much an internal affair between the military, the technocracy, business and the landed elites. In many places health was at the forefront of the rights agenda both for obvious community based reasons, but also supported by the Latin American professional public health movements and the “health for all” clarion call following the Alma-Ata international conference on primary health care in 1978. Housing and urban affairs were on the agenda as was the perpetually explosive issue of land reform. Relationships with the public security arena were explosive, for the police had been directly or indirectly drawn into the forces of repression. Public education, welfare would be later arrivals, for most people had learned to survive without them and it would take a long time before the searchlights of democracy would focus on the judiciary⁴.

The result would be different from country to country, in part depending on country, theme, political practice and timing but – again seeking to draw on common threads – it would often entail some kind of participation or co-determination through thematic councils, open meetings or bottom-up representation by community leaders or spokespeople, even at times direct pressure and conflict, but it would certainly be concerned with creating effective external control of services and public sector actions. However, as many were to find out as the transition continued and improvements began to take longer and longer, mobilising to get services is very different to mobilizing for performance (including the expansion of existing services).

³ The evangelical churches that boomed in the 1980s and 1990s were less outwardly social in orientation and their capital growth was far more economical than social. See: Lehmann, D. A milagrosa economia da religião: um ensaio sobre capital social (Religion's economic miracle: an essay on social capital). *Horizontes Antropológicos*. 13,27,69-98.2007

⁴ See, as an example, recent papers from Chile by: Bordalí Salamanca, A. El derecho fundamental a un tribunal independiente e imparcial en el ordenamiento jurídico chileno (Fundamental right to an independent and impartial court in the Chilean Legal System). *Revista de derecho de la Pontificia Universidad Católica de Valparaíso*. 33, 263-302, 2009. Garcia, J.F. & Leturia, F.J. Justicia Civil: diagnóstico, evidencia empírica y lineamientos para una reforma. (Civil Justice: a diagnosis, empirical evidence and suggestions for reform). *Revista Chilena de Derecho*. 33,2,345-384. 2006

This is partly for organizational and technical reasons – the famous implementation gap – but also because many of those who are the same side in pushing for services, including professional who will become involved in those services, can find themselves on opposite sides at a later date.

It is in this second stage push that the term *social control* will emerge as an articulating expression, along with a number of innovative experiences such as participative budgeting, joint management councils and planning and policy forums. *Transparency* would come later. *Accountability* is a very specific anglo-saxon expression both in etymology and in social and parliamentary practice. Attempts to translate *accountability* as “responsibilization” never really caught on and indeed a number of key commentators have argued that even if it were to have a translation it would not be of much use⁵. O’Donnell (1991)⁶ used the expression *delegative democracy* to refer to the widespread Latin American phenomenon through which people elected leaders (presidents, governors, mayors) in free elections, but that there was little or no expectations of future conformity with electoral promises nor any mechanism by which this could be required or sanctions applied. In this setting it seems that the expression *social control* provided what people were after. Social control has nuances of the social accountability approach, for example: “Social accountability mechanisms both complement and enhance conventional *internal* mechanisms of accountability, underscore citizen’s rights to expect the government to act in the best interests of the people and to ensure that it does so, and use a range of both formal and informal rewards and sanctions”⁷.

Elsewhere⁸ it has been argued that a useful way to approach the complexity of these very different multi-actor processes in which ideas of policy can be present intermingled with the pressure for rights, and an urgent need for action and equity, is to draw on the broad idea of public action to refer not only to the activities of the public sector but also semi-collaborative arrangements between state and civil society, adversarial pressure from civil society itself and independent community based action. For those more accustomed to the accountability and transparency discussion within established representative democracies where the first line of defense is nearly always the relationship between the representative and those being represented, the panorama of some very different ways in which throughout Latin America people “take on” government officials, independently of their formal representatives, is often difficult to understand. In part they are being quite pragmatic in their focus on the executive branches of government⁹ for they have very real and urgent demands to be met and know who has control over the budget. But in part also the old populist traditions of direct relationships between the leader of government and the wider

⁵ See comments by Pinho, J.A.G. Accountability: já podemos traduzi-la para o português? (Accountability: can we now translate it into Portuguese?). *Revista de Administração Pública*, 43, 6, 1343-1368, 2009.

⁶ O’Donnell, G. Democracia delegativa? *Novos Estudos*, São Paulo, n. 31, p. 25-40, out. 1991.

⁷ Public Affairs Foundation and Karen Sirker & Sladjana Cosic. *Case Studies of Social Accountability Initiatives in Asia*. Washington D.C World Bank Institute, 2007.

⁸ Spink, P.K. & Best, N.J. Introduction: Local democratic Governance, Poverty Reduction and Inequality: the hybrid character of public action. *IDS Bulletin*, 40,6, 1-12, 2009

⁹ Latin America is almost entirely based on separate election for the executive and for assemblies, on the USA pattern, with a strong executive (presidents, mayors and intermediary offices such as governors in the federal model) and normally weak and not very independent legislatures.

population take time to change, especially when leaders of the executive have little interest in changing them.

Whether or not the hybrid character of the Latin American public space with its attempts at policy building on the one hand, rights claiming and direct action on the other, marked by pressures for participation and a general lack of trust between representatives and those being represented as also between many state institutions and those they are theoretically designed to serve, will lead to new formulations about the way politics happen, is difficult to judge. There is certainly much taking place, at times in ways that might be least expected.

Government led transparency initiatives: some progress

Judging from the literature available through one of the principle Latin American electronic academic databases, *transparency* – as was mentioned above – has been a relative newcomer in terms of social and political action, following concern with *participation* and *social control*, in that order, rather than leading. Many more references are present to texts on participation and on social control – and over a longer period – than for transparency. However, even though it may be the “new kid on the block” it is certainly a theme that is rapidly catching on, especially in terms of government led initiatives. Social movements, academics, opposition parties and the media can pressure for more open information, but the initiative at least in good part, requires governmental agreement¹⁰. There is no doubt also that transparency initiatives have been influenced by the increased use of information technologies in the public sector both for internal administration and communication. As governments, both national and local, increasingly gather and organize information in electronic means, so turning this available becomes more and more possible. But it also reflect at least some wider consensus and concern with a more open society and is often one of the areas in which government or state level institutions can play a more contributive and leadership role with positive results in terms of policy and public image in a relatively short period of time.

Brazil is an interesting case in this respect, especially over the last ten years and following the broad cross party agreement that was behind the 1998 Fiscal Responsibility Law and the creation of the Controller General’s Office in 2001. Both of these gave much more punch to the already existing and largely inactive state accounting tribunals, often stacked with former politicians and other types of friends and relations. The Fiscal Responsibility Law required the three tiers of Brazil’s federal structure to follow accounting guidelines, manage debt and loan limits and guarantee certain minimum patterns of expenditure (for example maximum percentage expenditures on personnel and minimum obligatory percentage expenditures on education and health). Statutory punishment could mean loss of

¹⁰ For example despite NGO pressure during the 1990s to make the Brazilian World Bank Country Documents available for public analysis, the Federal Government constantly denied permission until eventually a senator requested a copy for the Senate library, whereupon it was immediately photocopied.

office, loss of political rights and jail sentences. The Controller General's Office in a similar manner assumed administrative responsibility for control in the Federal government including publicizing information about the day-by-day progress of the Federal Government Budget and detailed information on intergovernmental transfers. Its web site and special transparency portal¹¹ have very much raised the bar on what can be expected from government and led to recent legislation (the so-called *transparency law*) requiring all levels of government to place detailed operational expenditure details on their web sites.

These more general initiatives have also played an important role in supporting state level initiatives. For example the accounting tribunal of the southern State of Santa Catarina has worked with an NGO (Transparency Brazil) to place details of all public purchasing agreements in the state, including those of every single municipality, on the open access Transparency web site¹². In the northeastern state of Pernambuco a much broader program of outreach has been assumed by the State Accounting Tribunal (responsible for monitoring state and municipal accounts), which is directly encouraging and training community groups and school children in budget monitoring.

In 1998, stimulated by internal demand, the Tribunal set up a School of Public Accounts to update its own accounting staff in the public accounting requirements of the new fiscal responsibility legislation. Word spread and shortly after, State and Municipal financial staff began to make similar requests. Opening its classroom to those who were responsible for preparing the accounts and administering day-to-day finances provoked much discussion between the different parts of the public accounting chain and introduced the importance of prevention – a new concept in public finance. The School began to invite members of social movements and civil society organizations to take part in its courses both to help them in their relations with the State and Municipalities but also to gain their support in the social control of financial spending. These in turn asked for more easily understandable descriptions of the new rules and responsibilities and pamphlets, posters, comic style books and specially composed songs and poems in the Pernambuco popular “country music” style, were produced with support from local artists to show people how they could keep an eye on their governments. Mayors also began to come to the courses as well as the members of the many different joint management and policy councils set up by the 1988 constitution in areas such as health, education and child welfare. The Tribunal set up an Ombudsman Office – the first of its kind in an accounting tribunal – to receive public complaints, concerns, answer questions about rules and regulations. The School went on to develop activities in public schools and together with the *Ouvidoria* runs Forums to discuss, rights, public policy, citizenship and control over financial resources. Recently a statewide forum for “Transparency in State and Municipal Public Management” has been set up with support from the Accounting Tribunal and involving NGOs and community organizations.

Transparency in public accounting is on the agenda in many countries with for example experiences being discussed in the literature in Chile¹³ and Argentina¹⁴, and

¹¹ www.cgu.gov.br , www.portaltransparencia.gov.br

¹² www.transparencia.org.br

¹³ Vivanco Martínex, A. *Transparencia de la función pública y acceso a la información de la administración del estado: una normativa para Chile* (Transparency in executive power and government

debates also on monetary policy and central banks, as in a recent comparative study analyzing Brazil's Central Bank and the Bank of England¹⁵ in which the former did not come out very well in terms of transparency.

Another aspect of state induced transparency is that in which the monitoring of funds is made a legal requirement of inter-governmental transfers. Here an example from Brazil's school meals support program is illustrative of what can happen. The Federal School Meals Program transfers funds to all the 5,561 municipalities in the country to complement resources from the states and the municipalities themselves that are used in pre-school, primary and secondary school activities (up to 15yrs of age). One of the conditions is that the municipality creates a Council to oversee the use of funds and guarantee the accounts. In the municipality of Olímpia in the State of São Paulo, with 30,000 inhabitants and 32 crèches and schools, the decision was made to extend the power of the Council to include supervision not just of the accounts, but also of the management of the school meals system as a whole. The municipal law that created the council includes supervision of the menus and ingredients which must be drawn up by nutritionists and respect local habits and agricultural traditions; supervision of the purchasing agreements which should give priority to local producers both of raw materials and of processed food products as well as supervision of the use of federal and municipal funds. In the case of Olímpia, one third of the USD 500,000 equivalent budget spent on the school meals comes from the federal program and two thirds from the municipality. The council is made up of seven members who are elected for a two year term with only one re-election: one representative nominated by the mayor, one by the municipal legislative, two representatives of the school teachers, two representatives of the parents associations and one representative of the local civil society organizations. In conversation, the current president of the Council commented that the supervision and control begins with the purchasing process, goes on through the quality control of the produce received and finishes with the control of the meals themselves and their nutritional and cultural standards. As well as guaranteeing the proper use of public funds, the Council has been fundamental in increasing the quality of the local education given that the students are well fed and now attend classes regularly. Grades have risen and the school meals service is able to make a significant contribution to local small and family based farmers and agricultural product producers. The council members are all volunteers but have taken the opportunity to attend courses offered by the Federal Accounting Bureau in public purchasing and public accounts so that they can "know what to ask and know what to expect".

administration access: a new Chilean legal rule. *Revista Chileno de Derecho*. 35,2, 371-391. 2008.

García P. G. & Contreras V. P. Derecho de acceso a la información en Chile: nueva regulación e implicancias para el sector de defensa nacional (Freedom of information in Chile: new regulations and consequences on national defence). *Estudios Constitucionales*, 7,1, 137-175, 2009

¹⁴ Caba Pérez, C. & Caba Pérez, E.I. La cuenta de inversión argentina frente a los compromisos adquiridos por el programa "transparencia en las cuentas públicas". (Argentina's investment account in the light of the requirements of the "public accounting transparency program). Documento de Aportes de Administración Pública y Gestión Estatal. 8,81-105,2007. Rossi, T. , MurilloFort, C. & Puente Karolys, J.C. Transparencia en las adquisiciones del sector público; el caso de los hospitales de la Ciudad de Buenos Aires (Transparency in Public Sector Acquisitions: the case of hospitals in the City of Buenos Aires). *Gaceta Sanitaria*. 16,1, 94 – 104, 2002.

¹⁵ Andrade, E.de C. Transparencia: Bacen versus BOE. *Revista de Economía Política*. 25,4,357-369, 2005.

Regulatory Agencies: still not what was hoped for

If the availability of information is showing positive signs and also stimulating analytical work by NGOs, research centers and the media, another area of oversight has not yet lived up to its promise: the area of regulatory agencies. Many of the Latin American countries made a significant move towards regulatory agencies in the wake of the 1990s civil service reforms. In a study of the impacts and public reactions to regulatory agencies in a number of Latin American countries in terms of autonomy, credibility, transparency, efficiency, the Economist Intelligence Unit commented on the wide disparity between Chile and Brazil (better rated though in Brazil efficiency was low), Peru and Colombia (in the middle), Argentina and Mexico (less well rated) and Venezuela (lowest)¹⁶.

Whilst the agencies themselves have tended to follow the general positive trend of *portals* and *websites*, they are by no means producing or guaranteeing the effective and independent regulation that was intended by the reformers, especially in relation to effective and operational autonomy from government and, at times, in relation to the sectors for which they are responsible. Amongst the important observations from a recent study in Brazil where some 10 regulatory agencies have been set up from the infrastructure area through to the social and cultural with basically the same model, was the difficulty of distinguishing between political and hierarchical control and between political control and effective social control.¹⁷

Joint councils and participation: social control in action

Participation is, without doubt, a strongpoint of Latin America's democratic turn and has been driven from all sides of the public action arena: from newly elected progressive governments, from direct action by community groups and, also through institutional provisions created in new constitutions. Whilst the initial advances were not necessarily followed by the trouble free growth that some might have imagined and there are still many challenges¹⁸, it is fair to say that the idea of citizen

¹⁶ Stark, C. Regulación, Agencias Reguladoras e Innovación de la Gestión Pública en América Latina. (Regulation, Regulatory Agencies and Innovation in Public Management in Latin America). In: Peter Spink, Francisco Longo, Koldo Echebarria and Carlos Stark. Nueva Gestión Pública y Regulación en América Latina: balances y desafíos. (New public management and regulation in Latin America: a balance and a challenge). CLAD – Latin American Centre for development Administration, Caracas, Venezuela, 2001.

¹⁷ See the set of articles organized by Regina Pacheco for the Brazilian journal: *Revista de Administração Pública*, 40,4, 2006 and her own: *Regulação no Brasil: desenho das agências e formas de controle* (Regulation in Brazil: agency design and forms of control.) pp 523-543.

¹⁸ Dowbor, M., Houtzager, P. & Serafim, L. Enfrentando os desafios da representação em espaços participativos. (Facing the challenges of representation in participative spaces). IDS and CEBRAPE joint project on translating research findings into policy inputs, 2008.

participation in service provision, local planning and decision-making is fairly established in the social imaginary and quite significant in practice¹⁹.

Data from the Latin American Observatory on local public innovation shows experiences in the areas of health (Chile), social services (Chile), rural and urban economic development (Chile, Mexico), environmental and public health (Peru), local planning (Peru), education (Colombia), neighborhood representation (Mexico) amongst others many of which also carry references to social control. However, here and despite the increase in the use of thematic councils throughout the region (either consultative, mandatory or voluntary in form)²⁰, there is evidence to suggest a tendency for at least some of these to fall prey to bureaucratic practices or to not be able to make progress in what can be very complex inter-organizational environments. In Venezuela, legislation to increase social control of local government has generated a number of tensions²¹. A recent Brazilian study is characteristic of a number of findings which point to the difficulty that citizen-based or user representatives have in accessing and understanding complex financial information and governmental reports, as well as being able to effectively use the operating procedures and internal regulations of their councils. Transparency, in other words, is not just a question of information but of knowing how to work with that information. As the authors comment, “it is only possible to control what you know”²². The current activist agenda seems to have recognized that this will indeed be a slow process and there is much work going on to pass action skills and knowledge to user and community group representatives.

Participatory budgeting round 2: bringing transparency and social control together

Participatory budgeting has become synonymous with progressive governments, accountability, transparency and social control following the initial experiences in Brazil²³. The idea has gone on to stimulate over 250 experiences in the country as well as numerous other experiences in other Latin American countries, including health budgets in the south of Chile and becoming a countrywide requirement in

¹⁹ See the extensive work by IDS and the international Logolink network both in documenting cases and also, recently with producing information material for those dealing with participation in the day to day.

²⁰ For Colombia see: Arévalo, D.A. Participación comunitaria y control social en el sistema de salud. (Community participation and social control in the health system). *Revista de Salud Pública*, 6,2, 107-139, 2004.

²¹ Henriquez, D., Montes de Oca, Y & Boscán, E. Condiciones políticas y administrativas de la Gobernación del estado Zulia para el ejercicio de la contraloría social (Political and administrative conditions in the Governors Office of Zulia State in relation to social control). *Revista de Ciencias Sociales*, 13,1, 98-115, 2007.

²² Cotta, R.M.M., Casal, M.M. Castro, J.F.F. Participação, Controle Social e Exercício da Cidadania: a (des)informação como obstáculo à atuação dos conselheiros de saúde (Participation, social control and exercise of citizenship: (dis)information as an obstacle to health counselors). *Physis: Revista de Saúde Coletiva*, 19,2, 419-438, 2009.

²³ Wampler, B. *Participatory Budgeting in Brazil: Contestation, Cooperation, and Accountability*. University Park: Pennsylvania State Press, 2007.

Peru²⁴ where recent legislation requires that the different levels of the decentralized, regional, district and provincial governments (25 regions, 1,821 districts and 194 provinces) carry out regular enquiries with their citizens in order to develop at least part of their budgets. Goldfrank²⁵ points to experiences from Mexico and the Dominican Republic through to Chile and Argentina, some of which took place before those in Brazil, with national laws requiring some form of popular consultation also in Bolivia (327 municipalities) and Nicaragua (125 municipalities). What observers have noted²⁶ is that simply following what could be called an “imagined script” does not usually generate significant result. On the other hand, using the ideas to create and sustain wider social process can lead to important advances. It is for this reason that this section has been entitled *round two*.

In the Peruvian case, the requirement for part of the local budget to agreed upon with the local community and its representatives can often result in very little effective progress. The percentage is determined each year by the Ministry of Economy and Finance and in many cases is less than 10% of the total investment budget. Equally the budget, once decided, is open to operational changes that can disfigure the original intentions. Romeo Grille and Marisa Remy²⁷ have been following the developments in Anta Province where progressive governments and civil society movements have used the legislation to significantly extend civil and social control over 100% of the investment budget, with citizen based management committees that assume control after the budget priority and decision process in order to guarantee policy implementation and the supervision and control of individual projects. The communities elect the four member management committees from their own members, and each construction project has its own committee. One area of important impact has been that of gender relations and language. With an increasing number of women being elected to the management boards, the language of meetings has changed from Spanish – favored by male community leaders, government officials and mayors – to the indigenous and Andean Quechuan, favored by women. (Previously, women were often marginalized in open meetings through the extensive use of Spanish, a language they would understand but not feel comfortable in using).

In Brazil, one of the very interesting examples of *round 2* is that of the municipality of Recife, which re-started its open budget process in 2000²⁸. Capital of the state of Pernambuco and center of much of the intellectual and political tradition of the northeast, Recife has a strong history of social movements and political activism. As

²⁴ Grille, R.G. & Remy, M.G. Building democracy with equality: the participatory experience in the rural province of Anta, Cusco, Peru. *IDS Bulletin*, 40,6, 22-30, 2009.

²⁵ Goldfrank, B. Los procesos de “presupuesto participativo” en América Latina: éxito, fracaso y cambio. (Participative budget processes in Latin America: success, failure and change). *Revista de Ciencia Política* 26,2, 3-28, 2006.

²⁶ See Grille & Remy *op.cit*, Goldfrank *op.cit* and Wampler, B. A difusão do Orçamento Participativo brasileiro: “boas práticas” devem ser promovidas? (The diffusion of the Brazilian participative budget: “good practices” should be promoted?) *Opinião Pública*, 14,1, 65-95, 2008.

²⁷ *Op.cit*

²⁸ Taken from Spink, P.K. & Teixeira, M.A. Citizen Engagement and Social Accountability: the changing face of subnational democracy in Brazil. Case Studies carried out for the World Bank Group Trust Fund Program on “Procurement & Service Delivery: Establishing Effective Collaboration Between Government and Beneficiaries on Monitoring Procurement”. São Paulo: FGV, 2009

long ago as 1940, there were citizens committees set up at the neighborhood level to discuss public policies and at the time of the military coup in 1964 Recife was a hotspot for social action and discussion. As the transition to civil rule and democracy began to gradually take place in the 1978-82 period, the then appointed mayor introduced a series of community based service centers and links to community associations. Other experiences followed in successive governments amongst which some important actions in urban policy for poor communities who had invaded public land. In 1993 a first attempt was made at participatory under the title of “city hall in the neighborhood”. The focus was on priority in planning, but little progress was made and it lost any force it had in the following mandate. In the run up to the year 2000 elections there was much debate about the importance of participative budgeting and the progressive candidate in his plan of action proposed a “New OP” as a central aspect of his democratic management approach.

“Before we had had various experiences of the city hall in the neighborhoods but they were experiences focused on the community leaders. All the delegates were community leaders.... It wasn't like it is now, now its for the whole population, our proposal is direct popular participation in which any citizens, getting themselves together to form a group, can participate and decide about policy” (member of a Recife based feminist activist group)

“Before the focus was on the NGOs and on the local leaders which made the OP very restrictive; as well as this, there was no stimulus to form commissions to supervise the public works or programs decided upon from the very first moment, through the process of procurement and contracting through to the hand over to the population” (Municipal Secretary for Human Rights)

The new municipal government made the choice of re-introducing the “OP” through the mechanism of a mayoral decree rather than as a municipal law. This meant that there would be no guarantee of its future; it could be stopped equally as easily also by decree. The idea behind this decision was to challenge civil society and government over the seriousness and effectiveness of the “OP”. If it worked and people got involved it would continue and institutionalize itself in everyday practice. Its overall body was to be called the Municipal Council for the Democratic Management of the Public Budget and it was given the powers to overlook the budget as a whole, including fiscal policy, as well as to follow-up the budget implementation and supervise the investment plan, evaluating all public works that had been contracted and requiring all municipal secretaries to hand over whatever documents were considered necessary for it to carry out its work. Cross cutting thematic plenary forums were created to create greater visibility in a number of key areas for equity including: women; youth; male afro-descendants; women afro-descendants; culture; economic development and tourism; and human rights. At the geographical level, the municipality was divided up into six regions and eighteen micro-regions.

The incoming team saw the participative budget as going beyond the choice of investments and encouraging a much broader local citizenship that involved co-determination and the effective social control of investments and the public budget.

For this to happen people needed to know how to look at accounts and what were the rules of the budgetary process as well as needing access to investment implementation. In response to first area, the municipality called in the Pernambuco State Accounting Tribunal (discussed earlier) to teach all the elected delegates about the management and control of public budgets.

In relation to the second area, investment implementation, Supervisory Commissions were created at the level of each region with corresponding commissions at the level of each individual program or project and involving local residents. These have proved to be perhaps the most important part of the participatory budget process. Local residents, often from poor neighborhoods are getting involved in the direct supervision of public works projects that are in many cases, literally on their doorsteps. The effect on reducing corruption, avoiding the distribution of contracts to cronies, stopping tricks like changing timetables, inventing difficulties to claim for extra payments, using substandard material or cutting corners has been immediate.

The “New OP” has gone from strength to strength with the re-election of the Mayor for a second term of office in 2005-2008 and the election of his successor for the 2009 – 2012 period. The new mayor was the former Secretary for the participatory budget process and made continuity and development of the budget a key part of his platform. Coordination is now carried out in the mayor’s office. In the period from 2001-2007, some 365 different public works monitoring commissions have carried out over 1,500 different follow-up meetings with some 27,142 different participants; a clear sign of legitimacy. A similar picture emerges for the main OP cycle with an equally high level of involvement. In addition to specific programs and projects that begin in the municipality, the crosscutting thematic forums also follow up and supervise the use of federal and state funds that are transferred to the municipality for actions in their specific areas of concern. As well as traditional meetings and assemblies with physical presence and show of hands voting, the municipality has also invested in *Internet* access and in community located electronic voting stations. It is estimated that there were some 125,000 different participations in the 2009 cycle²⁹. To date, some 3,700 different public works projects and programs have been undertaken at a total investment of the equivalent of some 150 million USD. Each year, the municipal legislative chamber has approved the proposed budget package without restrictions and the budget is being increasingly seen as a “policy of the city and not of the government”. In 2006, a further step was taken when organizational and institutional decisions about the OP were handed over to the OP itself. Each year, the elected delegates decide on the norms that will apply to the new yearly cycle, using the experience of the previous year, and with proposals voted in the regional forums. Amongst the changes introduced by the delegates was the requirement that construction companies involved in public works employed as much local labor as possible and also “increased their own competence in community relations”.

The impacts of the inspection, supervision and monitoring commissions have been considerable in all directions. Firstly for the technical staff of the municipal administration who came from the highly professional world of architecture and engineering and its culture of “we know what is best for you”. They began to find out,

²⁹ For further information see the Recife government site: www.recife.pe.gov.br/op/

as one of the engineers commented, that the constant dialogue was helping considerably in solving many of the small and large problems that affect public works, especially in the often difficult terrain of riversides and hills, and also in reducing future costs by foreseeing problems before they happened. Equally, building costs were lower as communities were very quick in spotting waste materials or the use of substandard items. Community relations were greatly improved and questions such as access for people with physical disabilities quickly resolved. For the construction firms, teams began to be formed with engineers and social and community workers and for the members of the local communities, once again, public procurement and finance has become an open book and dignity and respect has begun to replace exclusion.

A local commission in action

During my visit to a road paving project in Toritama St., Jordão Alto, which also involved drainage and hillside retention along a 1,5 kilometer stretch, I was able to take part in a meeting of the local commission. Present were two engineers and a social worker from the municipal public works department, an engineer and social worker from the construction company and thirteen members of the commission. Nobody was afraid of talking and the meeting got quite tense at times.

Amongst matters discussed, the residents drew attention to the fact that the repair and building works were not respecting the agreed levels of access and that in many cases the houses would be below the level of the street, thus creating risks for the disabled and elderly and drainage problems in the rainy season. They also criticized the behavior of the senior engineer responsible for the project from the municipal government, pointing out that he remained aloof and ignored the views of the residents. The municipal social worker replied that they had asked for a substitution. Other questions raised for the builders were about building materials that had not been moved from the gateways and which had caused problems in the recent rains as well as a waste of materials. Also discussed was the recent hiring by the builders of laborers from outside the community due to problems of non-attendance and faulty work.

Progress since the previous meeting was closely monitored and various issues discussed *in loco* in a site visit. At the end of the meeting all the points raised were itemized and written up in an approved minute to be circulated which also listed the decisions of what should be done by whom and who was responsible for ensuring that the actions should take place.

The nurse at the local health post and a member of the commission told me afterwards that the role of the commission has been fundamental to guarantee respect for the residents and has been a key learning experience for the residents who are realizing that improvements depend a lot on their capacity to mobilize. "Before the (revised) OP, candidates would always come around at election time and promise to fix the road and reduce the risks of slippage but never came back again".

Marco Antonio Teixeira³⁰

³⁰ *op.cit*

Building practical democracy

The great majority of the Latin American peoples (both original, post Columbian, and recent migrants) still live their lives within horizons that are to all extents directly physical and visible. Politics takes two forms: the everyday battle to improve living conditions and sustain livelihoods and the electoral battle that happens every few years. In relation to the second, a cartoon published in an Indian daily newspaper showing a village group listening to a visitor whilst somebody commented “oh, it must be election time because they are promising us wells again”, would be immediately understood despite the language difference.

What we are learning from countless examples of progressive government and civil society practice is that history as a social process is not something that can be rolled back from one day to the next. For many people, what happens in their state and national capital is irrelevant in relation to the political economy of local affairs, were much of Latin American democracy is being effectively forged; complex, contradictory, direct, indirect, populist, collectivist – but with visibility, access and presence.

It is perhaps these three terms – visibility, access and presence – that best resume the discussion about transparency and accountability initiatives, as was well illustrated by the neighborhood committees in Recife. Public action is visible; people have access to the details and are present in evaluating progress. In a very straightforward way, democracy is real and practical.... an important beginning.