

Summary of “Does Participatory Budgeting Alter Public Spending? Evidence from New York City” by Thad D. Calabrese (New York University), Daniel Williams (City University of New York), and Anubhav Gupta (National University of Singapore), *Administration & Society*. Available at: <https://doi.org/10.1177/0095399720912548>

Generally speaking, participatory budgeting (“PB”) is a process that “allows the participation of non-elected citizens in the conception and/or allocation of public finances” (Sintomer, Herzberg, & Röcke, 2008, p. 168). This approach to citizen-engagement in the public budgeting and allocation process began in Brazilian cities, and has since spread to more than 3,000 municipalities (Su, 2017) in at least 15 different countries (Goldfrank, 2012). PB is increasingly popular as a concept among social reformers, subnational governmental elected officials, academics, and other researchers. Despite its popularity, Wampler (2012) notes that while PB can empower citizens, enhance democracy, and increase overall well-being, PB can also act as a way for governments to co-opt activists pushing for increased democratization. The current literature assumes that PB fundamentally transforms public budgeting processes, at least for the resources subject to or included in the process. In its earliest implementation, this transformation redistributed the benefit of public resources from wealthier districts to poorer districts (de Sousa Santos, 1998). Our article tests this assumption that PB changes public spending. An alteration in public spending would signify a genuine transfer of significant decision-making power from elected officials to citizens through the PB process. Alternatively, PB might be a symbolic policy device that co-opts residents, deflecting their desire for budgetary influence through symbolic decision-making only. Our article also clarifies that budget reallocations can be of three types – size and number, locational, or functional – distinctions that have not been articulated in the empirical assessments of the effects of PB to date.

Using data from New York City, our empirical results indicate that districts adopting PB fund increased numbers of capital projects at smaller average amounts compared to districts that have not adopted PB. This finding is consistent with (but not exclusive to) the understanding of PB as a form of political patronage, in which elected officials spread public financed largesse more widely throughout their respective districts. It may also be an artifact resulting from the typical \$1 million limit that council district PB sponsors set for funding in their districts, which likely forces small projects should there be any desire to fund more than one or two. This occurs because the PB money in New York City comes from, and is fundamentally controlled by, legislators. The PB process in New York City does not change this reality. Also, as a result of this design, funds are not redistributed between districts. Additional analysis finds that participatory budgeting in New York City does not reallocate capital spending between functional categories; for example, it does not shift capital spending from parks to health. Because city councilmembers retain significant discretion in how capital spending is allocated even in the presence of PB in their districts, the New York City version of PB is best understood as a policy tool that lacks a functional allocative effect. Instead, it appears to increase the efficiency of the political use of council discretionary funds. In other words, because PB in New York City is accomplished through legislative earmarking, the influence of the public is diminished.

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