Political Reforms and Policies Enabling People's Empowerment and Advancing Human Development: The Challenges for Latin American Countries

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Political Reforms and Policies Enabling People's
Empowerment and Advancing
Human Development:
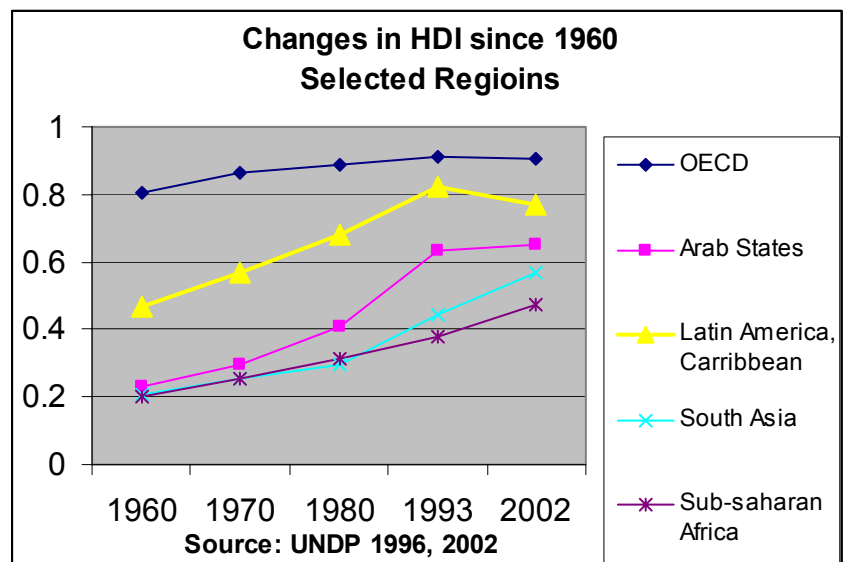*The Challenges for Latin American Countries*

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Section I: Context

This paper explores the implications for the achievement of the Millennium Development Goals (MDGs) of five cases of political reforms promoting citizen participation in Latin America. In order to provide necessary background information on the topic, it is important to first briefly touch on the state and evolution of Human Development in the region, present some preliminary perspectives on the MDGs, and explain our general perspective on the role that these five cases can play in achieving them.

In a global context, Latin America has intermediate levels of Human Development, and is likely to continue in this range given recent trends.   Over the past 50 years, the region has seen important improvements and advances in its human development indicators (see chart). However, the region's historic inequalities have persisted in most countries and have even increased in others, in large part as a result of structural reform policies and economic crises. Despite the fact that poverty levels have slightly improved in the region, especially as measured in terms of unsatisfied basic needs, poverty reduction continues to be a key development challenge for the region.   The result of these trends is a process in which the Latin American social reality has become tremendously complex, in which social differentiation has increased, and in which systems of collective action have become fragmented despite their former strength during the era of

Changes in HDI since 1960
Selected Regioins

- OECD
- Arab States
- Latin America, Carribbean
- South Asia
- Sub-saharan Africa

1960 1970 1980 1993 2002
Source: UNDP 1996, 2002

national popular regimes[1].

The stubborn persistence of inequalities and the increasing fragmentation of Latin American society represents an enormous challenge in terms Latin America's ability to adapt to dynamic processes of globalization.[2]   Moreover, they represent an equally difficult challenge in terms of meeting the MDGs, and in promoting human development in the region in general.   This is particularly true for the goals aimed at reducing extreme poverty and infant mortality, improving maternal health, eliminating deadly diseases such as AIDS and Malaria, and promoting sustainable development.   Indeed, a key UNDP study by a team lead by Paes de Barros (2002) shows that given current trends, only seven of the 18 Latin American countries included in the analysis will meet the goal of halving extreme poverty by 2015[3].   Even worse, the same tendencies indicate that extreme poverty will actually *increase* in five countries in the region.

In this context it seems that the MDGs represent more of a political decision on development issues on a global scale as opposed to an initiative that takes into account the particularities of the individual developing countries in question.   At the same time, the MDGs can be a tool of pressure that can translate into both opportunities and risks for development.   The opportunities are that they have the potential to be a political resource for both states and for the poorest and most excluded citizens, in order to demand agency for results with mechanisms for participation in the achievement of these results on the part of the poorest.   The risk is that of a frustration of expectations and of a loss of faith in the tangible impacts of international agreements.

Unfortunately, the above mentioned limitations of initial inequality and estimates for future growth suggest that, without important changes made in development policies, the risks presently outweigh the opportunities.   Especially troubling is the area of economic growth in
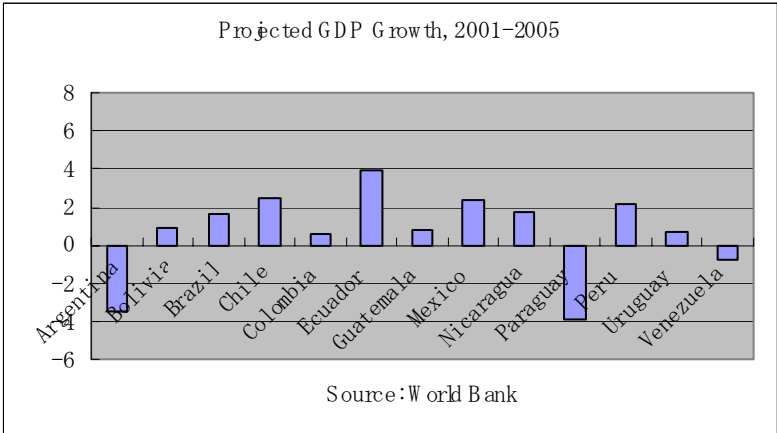
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[1] See Garretón (2001) "Cambios sociales, actores y acción colectiva en América Latina."
[2] See Ortuño and Pinc (forthcoming), "Globalización, desigualdad y reformas en la América Latina en los 90s" for a an overview of recent trends in inequality in the region and an análisis of the implications of inequality levles on ability to adapt to globalization.   For a broader discussion on this topic, see Calderón, ed. (forthcoming) *¿Es sostenible la globalización en América Latina?: Debates con Manuel Casstells*
[3] See Paes de Barros et.al. (2002) "Meeting the Millennium Poverty Reduction Targets in Latin America."   While the study lists seven countries, one of them is Argentina which, given recent developments is not likely to continue on the same trajectory as it has during the past decade. Therefore, the real number is likely to be six.

Latin America.   As the following chart shows, projected growth rates in the region are low, and generally insufficient for attaining the impact that would be necessary to dramatically reduce poverty.   This trend has very serious implications for achieving the MDG poverty goal, and for the sustainability of democracy in the region in general.

At the same time, there are signs for conditional optimism.   The same study cited above (that discusses the difficulty of achieving the MDGs given past trends also shows that the necessary changes in growth and income distribution for achieving the poverty target are, in most cases, rather minimal Paes de Barros).   The same seems to be the case for the majority of the MDGs.   Therefore, it is extremely important and interesting to consider the types of policies and practices that may be able to make these changes possible.

Projected GDP Growth, 2001-2005

Source:World Bank

In our view, the policies the increase the capabilities of actors, and particularly the poor, are key.   For this to take place, the direct participation of the poor by means of deliberative experiences in democratic politics is essential.   The more poor and excluded groups are able to transform their demands into institutional results, the more likely will be the achievement of the MDGs and of human development in general.

Several Latin American cases show that, particularly at the local level, the strengthening of capabilities of social action among the poor and excluded is possible. While they do have certain limitations, these cases represent key examples of democratic participation and human development with potential for reproduction and expansion on a broader regional and national level.   It appears that these cases have the potential of a "demonstration effect" that could help inspire other initiatives and in this way contribute to the achievement of the MDGs and human development in general.   Moreover, we feel that these cases could have a double impact.   First, they promote agencies of equality of income redistribution, of income and

services, and even of assets. Second, they can promote a better distribution of political capabilities among different members of society – in other words, the aim to achieve democratic political equality in the system of decision making by means of an increase in citizen agency[4].

The following working paper examines five cases of local-level organization and participation as a means of analyzing these issues. The following section presents the different characteristics of the five cases chosen: Popular Participation in Bolivia; local-level participation in Porto Alegre, Brazil; Villa El Salvador, Peru; and Bogotá, Chile; and a series of social movements in Argentina. This is followed by an analytical section that examines implications of these cases for the MDGs and the types of participation structures and relationships that are necessary for establishing new policy approaches that would promote the MDGs and human development in general.

The study was conducted by means of a bibliographic analysis of secondary sources and in-depth interviews with experts, particularly in Bolivia and Brazil. It is a concept paper that presents a critical overview of the cases in question. It also implies the necessity of performing more detailed national studies in order to arrive at more precise conclusions and proposals[5].

Section II: The Cases

This section describes and analyzes specific cases of participatory policies and practices that have implications for the MDGs in Latin America. It begins with a brief explanation of the reasons for choosing the cases in question, and points out certain elements that they all have in common. This is followed by an examination of each of the cases, one by one, in which

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[4] For a general discussion on this topic, see dos Santos (1986) *Concertación politico-social y democratización*

[5] We would like to express our thanks for the comments made by the participants in the discussion "Democracy and New Forms of Citizenship in Latin America" at the 2003 World Social Forum in Porto Alegre.   We would like to especially thank Sonia Fleury for organizing the discussion in Porto Alegre and for her comments in general. We also would like to sincerely thank Luciano Fedozzi, Hector Palomino and Ernesto Pastrana for their comments and contributions.

we present the background, structure, results and limitations of the policies and practices. Finally, the section concludes with some brief reflections on the relationship between the cases and the MDGs.

The following cases have been chosen for this study:
1) The "Popular Participation" Decentralization system in Bolivia
2) The Participatory Budget scheme of Porto Alegre, Brazil
3) The Participatory Development Planning and Budget system of Villa El Salvador, Peru
4) Successful efforts to increase civic culture in Bogotá, Colombia, and
5) The response of Argentine social movements to the country's recent crises.

The rationale for choosing these cases is as follows. There has been a tendency toward separation between the state and society in recent years in Latin America. The policies of decentralization have exacerbated these tendencies. However, there are exceptions to this trend, in which certain practices and **policies are being used as a means of closing the gap between state and society**. The cases we have chosen fall into this category. Perhaps even more importantly, all of the cases chosen here share the common element of being the result of strong social movements. In this way, these cases show that **the strength of preceding social movements determines the strength of the formal participation structure that follows.** Yet another important characteristic of the five cases chosen here is the common context in which they emerged: **all of the cases are a response to processes of severe social and economic deterioration[6].** Additionally, all of the cases discussed here **aim to improve the quality of life, capabilities and autonomy of the actors involved, and, as a key result, have succeeded in strengthening the social fabric and reversing a trend of fragmentation and individualism in the societies in which they operate.** Moreover, one of their most important characteristics in terms of the MDGs is **their potential to be expanded and reproduced on a larger scale.** At the same time, it is important to acknowledge a key limitation shared be all of the cases, which is **the context of patrimonial culture, interests and state-society relationships in which they must operate.** This factor represents one of the key obstacles that all of the experiences here must overcome – a challenge at which they succeed to varying degrees. However, what is clear is that all of the

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[6] For more on this topic, see Escobar and Alvarez ed. (1992), *The Making of Social Movements in Latin America: Identity, Strategy and Democracy,* and Calderón et.al. *Los movimientos socials ante la crisis* (1986)

cases **represent a clear break with the common Latin American practice of populist distribution mechanisms** via pseudo-participatory structures which serve as an elaborate mechanism of political cooptation.   Nonetheless, there is no guarantee, even in these cases, that civil society representatives will not approach the state and allow themselves to be co-opted.   The struggle on this front is perpetual.   What gives these cases the strength to successfully face this challenge is perhaps their most important shared element: **they all promote and depend upon the agency of the actor.**   By involving themselves in political processes and negotiations, actors at the local and grassroots levels are able to (and required to) develop their political capabilities.   Thus, the act of participation – be it in a participatory budget meeting, a social movement, or a discussion on the environment – can be seen as an end in itself, but hardly is the only end.

In terms of the particular decision to choose the five cases here, we will explain the logic on a case by case basis.   First, we chose the cases of Popular Participation, Porto Alegre and Villa El Salvador for the simple reason that they are widely recognized as being the most important examples of citizen participation in development processes in Latin America today. All have been the subject of extensive study, analysis and discussion, and all are viewed as potential role models for implementing participatory practices and policies in other developing countries.   We chose the case of Bogotá because of the novelty of its approach and important attention it is receiving in the region.   Moreover, it shows represents an example of how a social movement can emerge and make an impact despite a national context of violence and low levels of human security.   Indeed, the case of Bogotá is largely a response to these conditions. Finally, we chose the case of Argentine social movements because of its immediate importance and future relevance for Latin America.   As recent trends show, unfortunately, financial crises seem to be a recurring element of the current state of globalization in developing countries.   The implications of these crises for human development in general, and for the MDGs in particular, are enormous.   Thus, it is particularly important to examine how a given society can respond to these crises in a way that best promotes the human development of its citizens.   Because of the depth of Argentina's crisis, and because of the multifaceted, energetic response of Argentine social movements, we chose this case to discuss this topic.   Moreover, the effect of strengthening the social fabric in Argentina has been particularly noteworthy, given the strong tendency toward fragmentation created by the crisis.

We will now take up the particular cases and discuss them in detail.

Bolivian Popular Participation

Background

The Bolivian Popular Participation system represents an interesting and unique example of the recent trend in administrative and fiscal decentralization in developing countries. Unlike most other developing countries, the Bolivian government made a specific effort to ensure that its decentralization system include the participation of local-level civil society and grassroots organizations in municipal planning and oversight of development projects. However, the Popular Participation Law is not merely the result of the goodwill of the central government. On the contrary, it came into being in large part as a result of the perpetual struggle of civil society organizations to be heard and to have a say in politics. This struggle has been based on a long tradition of communitarian participation both in indigenous cultures and in labor and miners' unions. This tradition has its strongest roots at the local level.[7]

The Popular Participation Law (PPL), passed in 1994, re-divided the entire territory of Bolivia into municipalities based on criteria of population and land area. Currently, the country has 314 municipalities. This marked a dramatic change for the organization of the Bolivian state by sending financial resources to areas that never received them before, **particularly to rural areas where the presence of the state was previously non-existent**[8]. The law's provision that the central government must transfer funds based on municipalities' population makes for a more equal distribution of government revenue. The law also extended democratic political processes to rural areas and to indigenous and peasant groups who were previously excluded, to a large extent, from formal political participation. Rural citizens now vote for their municipal councils, which in turn elect the mayor.

General Organization

What makes popular participation unique is its incorporation of civil society into local decision-making processes. In order for municipal governments to receive funding, they

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[7] See Calderón (1999), "Actores Sociales" in *Bolivia en el Siglo XX*
[8] See Blanes (2000) *Mallkus y Alcaldes: La Ley de Participación popular en Comunidades Rurales del Altiplano Paceño.*

must prepare an Annual Operating Plan (AOP) in a formal meeting attended by traditional grassroots organizations (TGOs).   This meeting gives these civil society organizations a space in which they can voice constituents' demands and concerns, thus becoming more formally involved in the decisions that affect development.   Members of these TGOs are also selected to be part of a formal committee that overseas municipal spending and project execution.   Each year's AOP must be approved by this committee, giving it important power over the municipal decision making process (at least in theory).   Moreover, during each year's AOP meeting, the municipal government must make an official statement to the civil society groups on the previous year's expenditures, projects and general administration.

Results

The results in terms of effect on poverty reduction have been mixed.   While Bolivia reduced the basic human needs poverty from 71% in 1992 to 59% in 2001, this reduction was distributed very unevenly among municipalities. At one extreme, the municipality of Colcapirhua reduced poverty by 36%, while at the other extreme the municipality Todos Santos had a 24% **increase** in poverty[9].   A preliminary analysis of municipal level poverty reduction shows that the greatest indicator of poverty reduction is previous level of poverty: the poorer the municipality was in 1992, the less likely it was to have reduced poverty in the period between the two censuses[10].   This difficulty in taking advantage of the law on the part of poorer municipalities arguably is a result of the political and social history of these populations, as well as their resulting social capital and political capabilities.[11]

Perhaps the most important, palpable effect of the law has been in the area of promoting an inclusive democratic culture.   Indeed, as Calderón (2002) has demonstrated mechanisms that promote deliberation among citizens and recognize equality in difference can have a key impact on development processes by means of influencing political culture.   This can be seen in Bolivia's Popular Participation system.   The majority of elected municipal council members are of indigenous or peasant background.   Given Bolivia's long history of exclusion of these groups, the symbolic impact of this dynamic should not be underestimated.   Some analysts go so far as to argue that the Popular Participation system laid the foundation for a transformation of Bolivian

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[9] INE, Mapa de Pobreza
[10] The census data measure poverty in terms of unsatisfied basic needs.   Despite progress on this front, other data show that income poverty in Bolivia has tended to *increase* over the past decade.
[11] Calderón and Szmukler

politics on the national level[12]. In the 2002 general elections the MAS party (*Movimiento al Socialismo*, or Movement Towards Socialism), with predominantly indigenous and peasant candidates, took an unprecedented second place, and now constitutes the main opposition party in government. The MAS first managed to consolidate its electorate in large part at the municipal level. In this way, Popular Participation is credited with extending democratic practices and, more importantly, broad-based democratic participation, to groups that previously were largely excluded.

Limitations and criticisms[13]

The law has been criticized on several levels[14]. First, Bolivia's traditional, "functional" civil society organizations (CSOs) criticize the law for giving priority to local level CSOs at the formers' expense. Now unions, indigenous groups and peasant organizations have to compete for scarce resources from NGOs, international donors and others with municipal governments. Some of these "functional" CSOs go so far as to describe Popular Participation as an attempt to divide up civil society into smaller, weaker territorially-based organizations and thus diminish its ability to negotiate with the state. Another criticism pertains to the role of the TGOs. In many cases, the traditionally important civil society groups in a given area are not incorporated into the popular participation system. In these cases, the officially recognized TGOs are more symbolic than practical. This often is due to the power of local elites and their ability to manipulate the Popular Participation system to their own ends[15]. Indeed, one of the key risks of Popular Participation is that it can be used to create a new elite in municipalities and to reproduce clientelistic relationships at the local

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[12] Interview with Gonzalo Rojas, November 22, 2002
[13] Section based on Calderón and Szmukler
[14] The limitations of this proposal include: the difficulty in implementation at the national level because of different levels of trust among actors and because of national structural limits that can negatively impact the possibility of resolving certain local issues; also, in this case, the initiative was promoted by a specific political party, and there was a failure to make necessary reforms that would ensure its continuity after a change in the ruling party of government.
[15] Popular participation has not had equal results in all municipalities, which can be observed in their respective levels of institutionality. In those that have institutionality in that is in the processes being consolidated (27%), there is a dominant logic of consensus-building among elites. In those that have a level of institutionality that is unconsolidated (22%), processes of dialogue in decision making are limited. Other municipalities have an intermediary level of institutionality that is between these two (51%). Thus, it is necessary to strive for mechanisms that consolidate municipalities' levels of institutionality – not only those that deal with gaining access to instruments that improve local government administration, but also, especially with increasing actors' capabilities to make decisions in a concerted way (UNDP-Bolivia 2000:95).

level[16].   Finally, many municipalities cannot handle the great responsibilities passed on to them by the state – the extra resources are simply not enough to cover the new expenditures on health and education infrastructure.   Thus there is a constant tension between the municipalities and the central government, with the latter repeatedly trying to give more social obligations to the former, and the former constantly demanding more resources from the latter.

Porto Alegre, Brazili[17]

Background

The Participatory Budget scheme of the city of Porto Alegre was born during the transition to democracy in Brazil.   During the *de facto* government that took power in 1964, municipal policies were decided by the central government.   Around 1975, some municipalities began to implement participatory methods of public policy planning as a means of opposing the dictatorship and expressing demands of decentralization. However, it was during 1980s, when the Workers Party won several municipalities, that the participatory proposal began to be implemented.   Attempts were made to include the poorest in political decision making in order to reorder the priorities of public policies in the context of increasing urbanization and poverty.   The most successful and important of these has been in Porto Alegre, where the Participatory Budget scheme has gone on to become a model case and has been the inspiration for similar processes established in over 100 other Brazilian cities, as well as abroad.

General Structure

The Participatory Budget scheme in Porto Alegre is based on three basic principles: rules on participation applied equally to all participants; an objective method of allocating resources; and a decentralized decision-making process that divides the city into 16 budgetary districts.

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[16] For a debate on this topic, see Anderssen (1999) "Popular Participation in Bolivia: Does the law 'Participación Popular' secure participacion of the rural Bolivian population?" and Blackburn, (2000) *Popular Participation in a Prebendal Society: A Case Study of Participatatory Municipal Planning in Sucre, Bolivia*

[17] Background information on this section can be found in Calderón and Szmukler (2001); Fedozzi (2002) "Presupuesto Participativo, esfera pública y co-gestión"; Fedozzi (2001) *Orçamento Participativo: Reflexões sobre a experiência de Porto Alegre;* Genro and de Souza (1997) *Orçamento Participativo: A experiência de Porto Alegre.* For the implications of this case for Saõ Paulo, see

1) In the first phase of the process, the municipal government coordinates a series of regional and thematic assemblies to discuss development issues for the city[18].   Any resident of the city may attend, and participation is obligatory for the Prefect and Secretaries of the municipal government.   In this stage, local government officials report on the implementation of the previous year's plan and present information on revenue and expenditure issues that are relevant to the coming year's plan.   Meanwhile residents and community leaders present prioritized demands.   Finally, the participants elect representatives of the Participatory Budget Council – the body in charge of making the major decisions in the process.

2) In the second phase, the Participatory Budget Council discusses and debates the demands and proposals presented in the first stage.   Individual representatives defend the specific demands of the assembly that elected them.

3) In the third phase, the Participatory Budget Council discusses the economic viability of the various proposals.   The municipal government officials present proposals for projects that are of overall benefit to the city or will benefit multiple districts.   The Council then approves the final plan which is published and used for evaluation during the first phase of the process in the coming year.

Results

According to Calderón and Szmukler (2002), "Porto Alegre's Participatory Budget scheme has had several important positive results.   Citizens' participation in the process of preparing and prioritizing public policies increased in an impressive way.   Municipal funding has been redistributed in order to fund works in poor areas of the city.   Transportation has expanded to outlying zones.   The quality and reach of public works and services has increased (such as road paving, housing, and urban development projects).   Corruption has decreased.   And there has been an increase in both the quantity public works and in the municipal government and its employees' responsibility."

The authors point out that several factors contribute to its success: "1) the participating actors in these deliberative processes are able to see the benefits that they confer – not only in terms

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Kowarick (1991) "Ciudad & Ciudadanía. Metrópolis del subdesarrollo industrializado.
[18] The city is divided into 16 districts and there is one assembly per district.   The thematic assemblies discuss issues such as transportation, education, health, economic development and urban development.

of obtaining material resources to improve the quality of life, but also, as a means of increasing human, social and institutional capital in order to reduce poverty and stimulate development; 2) the actors see in these processes a possibility to overcome the economic crisis in a more efficient way; 3) the high level of social organizations' representation in this society is an enormous advantage for deliberation and consensus-building in that many interests and demands are represented in the process; 4) the procedure by which agreements are reached has been institutionalized, although the degree of institutionalization is not very formal[19]; 5) the attitude of state actors has changed, in that they have begun to decentralize power, evaluate consensus-building positively, and make room for new actors in participatory processes, thus separating themselves from traditional clientelism; 6) the process of administrative decentralization has advanced; and 7) trust among the actors involved in a deliberative process, as well as the concrete results that have come out of the agreements reached (which, in turn, materialize the deliberative process), have promoted consensus-building."

Limitations

Despite its overall success, the Participatory Budget of Porto Alegre also faces certain key limitations and challenges. One of the most pressing challenges is that of incorporating the *favelas,* or human settlements, into the popular participation system. Like other major Brazilian cities, the population in *favelas* continues to increase, and the state has not been able to provide the infrastructure and services necessary for human development[20]. Another common obstacle is that of overcoming patrimonial practices within the Participatory Budget system. According to Fedozzi (2001), these practices have an inherently personal and or particular nature in which individuals see any opportunity at controlling resource distribution as a means of increasing personal influence. Porto Alegre's objective budget criteria are a key tool in addressing these pressures, but they still exist.

Villa El Salvador, Peru[21]

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[19] "… a simple division of responsibilities and tasks can be sufficient for institutionalizing the procedure. In other cases, it will be sufficient to create a mechanism that assures the continuity of the deliberative process" (Franché 2000:51).
[20] Luciano Fedozzi, presentation at World Social Forum in Porto Alegre, January 27, 2003.
[21] Background information for this section can be found in Zolezzi (2002), "La práctica de los planes de

Background

The city of Villa El Salvador in Peru stands out for its long tradition of social movements, one of the most important in the history of Peru.   It is particularly important because of its origins over thirty years ago as a marginalized community of human settlements in the metropolitan area of Lima [22]. It is now known as being the star case in that country's municipal decentralization system. It is known largely for implementing a highly participatory process in the formulation of its Integral Development Plan, and for its participatory budget scheme.

The process began when the city hall organized a citizen forum on *Participation, Coordination and Human Development*[23].   Citizens and neighborhood organizations of Villa El Salvador attended.   While major decisions did not take place in this initial event, local level officials used it to validate the participatory process in general.   Unions, local government officials, representatives of central government, NGOs and neighborhood organizations then made more concrete decisions in Thematic and Territorial Workshops.

The organizers of the workshop presented their conclusions at a *Citizen Consultation* – a type of town hall meeting attended by 50,000 residents of Villa El Salvador which took place in November of 1999. The residents voted on a list of priorities for a vision of their city.   The prioritized list of strategic objectives was, in order,

1.   A healthy, clean, green city
2.   An educational community
3.   A district of producers and wealth creators
4.   A community that is a leader and is united
5.   A democratic community

This list was then approved by 84% of the participants.

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desarrollo y el presupuesto participativo de Villa El Salvador, Perú"; the web page
http://www.sustainabledevelopment.org/blp/Hangzhou/Presentations/VillaElSalvador.htm, Távara (1983) "Participación en el gobierno local", and Sánchez Leon and Olivera C., et.al. (1983) *Lima: Una Metrópoli / 7 Debates.*

[22]   For more on the issue of social movements emerging from human settlements in Peru, see Tovar (1986) "Vecinos y Pobladores en La Crisis (1980-1984).

23 Participación, Concertación y Desarrollo Humano in Spanish.   Concertación is a term that is frequently used in reference to Latin American participatory processes.   It generally refers to the bringing to together of diverse groups with the aim of reaching agreements (but not necessarily consensus).   We translate the term as "coordination" for stylistic purposes, but its meaning in Spanish is more complex than the English word.   See dos Santos (1986) *Concertación político-social y democratización*

General Structure

Residents and local government officials have aimed to implement the aforementioned agenda by means of a participatory budget process. Specifically, local government officials, NGOs, grassroots organizations, academic groups, unions, small business organizations, and individual citizens participate. Their participation entails contributing to and overseeing the entire budgetary process, from the identification of priorities, to the preparation of projects, to auditing and evaluation exercises to ensure accountability.

This process is open to all residents of Villa El Salvador, and roughly 4% of the population participates in the meetings and assemblies. The poor play a particularly prominent role – it is estimated that roughly 60% of the participants are very poor, 35% are poor, and 5% are from the lower-middle class. Roughly 65% of the participants are men and 35% women.

Results

The process has resulted in several important achievements. First, it has succeeded in bringing together and strengthening a diverse group of social actors, most of whom are poor and many of whom are women. This, in turn, has translated into concrete improvements of the governance in the district – as more diverse actors participate in the process, the agreements reached between these different groups are strengthened. The process has made possible the multiplication of existing resources through different leveraging efforts. Even more importantly, Villa El Salvador has revealed the possibility of promoting productive issues (as opposed to limiting itself to distribution efforts), thus making it stand out among the cases here considered. This is particularly impressive given the high level of adversity faced by the community, first in the form of geographical challenges, (the area is in the desert with scarce sources of water) and later in the form of terrorist attacks by the Shining Path. Finally, the combination of these factors has led to an improvement of the efficiency of efforts undertaken by the municipal government.

Limitations

In addition to its successes, participatory process in Villa El Salvador also faces certain obstacles and limitations. First, there are limits and problems regarding representation. In other words, there is tension and debate as to the extent to which the participants in the workshops represent the residents of the city. On top of this are politically-based conflicts, in

which various political parties try to use the participatory processes as a means of promoting their own agenda.   In addition, central government representatives based in Villa El Salvador in certain cases resist or oppose the process.   Finally, there are tensions between everyday administrative tasks and the construction of an image of the future.

Efforts to Promote Civic Culture in Bogota, Colombia[24]

Background

Despite extremely adverse circumstances, the city of Bogota has succeeded in transforming its civic culture and improving the lives of its residents in highly tangible ways.   This has been possible because of a new space opened up by a decentralization process that allows for citizen participation in city affairs, and by highly creative efforts made to encourage residents to use these spaces.   Much more so than the cases treated thus far, the efforts in Bogota are more of a work in progress than they are a finished participatory structure.   Nonetheless, they provide very interesting insights as to the nature of citizen participation and its implications for development.

For decades residents of Bogotá, particularly in the poorer neighborhoods, have been organizing and forming social movements with the aim of improving the quality of life of the city and reducing violence.   Political spaces to voice these demands began to open up in 1988 when residents were able to elect the city mayor for the first time as a result of the Legislative Act passed two years earlier.   The process was furthered with the passage of Colombia's 1991 constitution that officially called for the decentralization of the country and thus consolidated a process that began in the 1980s.   In 1992 a law was passed that defined the procedures for local administrative boards within the different districts of the cities.   Then, in 1994 a true turning point came with the election of an independent candidate for the first time, Antanus Mockus, thus ending the dominion of the traditional political liberal and conservative parties in the city.   The rise of Mockus was largely the result of organization efforts that took place on the local level in poor neighborhoods.   His administration put forth a development plan based on the theme of "constructing a new city," with intentional pedagogical efforts made to educate residents in the area of civic culture.   Moreover, during the Mockus administration a decree was passed that invited Bogotá residents to actively participate in the process of drafting the plans and projects

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[24] Background information on this case can be found in Rojas (2002), "Forging Civic Culture in Bogota City"; Cuervo Gonzales (2002) "Globalización y dinámica metropolitana: El caso de Bogotá en los años 1990"; and in Instituto Distrital de Cultura y Turismo, Alcaldía Mayor de Bogotá (2002) "La Cultura Ciudadana en Bogotá."

presented by the local administrative boards.   The following administration of Enrique Peñalosa, also an independent candidate, furthered the development vision of Bogotá by emphasizing the importance of public spaces such as parks, plazas, sidewalks and bicycle paths.   The process continued with the 2001 reelection of Mockus, as the city hall aimed to further involve the people of Bogotá in development efforts.

General Structure

The structure of citizen participation in Bogotá has evolving been since its inception.   In the first participatory drafting of local administrative board plans in 1994, participating residents and organizations were each given a blank card and three coins engraved with the phrase "public resources are sacred resources."   Participants were then asked to write down a development priority for their district on the card.   The cards were collected and divided into six different categories, and placed into six different transparent containers.   Citizens then voted on the priorities by depositing their coins in the containers as they saw fit.   Since then the process has evolved with new structures being included.   One is called "learning by adding" in which local residents are encouraged to formulate larger projects with a broader impact, as opposed to the more scattered isolated projects that are common in local participatory endeavors.   Another addition was an accountability mechanism in which local and central government officials are encouraged to visit the districts to present written reports on the progress of different projects.

In addition to this structure of participation, Bogotá has seen a series of novel, creative efforts to increase citizen participation in a variety of areas.   Perhaps the most well-know of these is the distribution of "citizen cards."   On one side the cards are white, with a thumbs-up sign representing approval; the other side is red with a thumbs-down for disapproval.   The cards were originally distributed to drivers of vehicles in the streets of Bogotá as a means of encouraging safer driving habits. However, because of their highly successful impact (see below), the cards were expanded to more general use such as a means of condoning violence in public spaces.   Another effort was the voluntary disarmament in which residents were encouraged to turn in guns in exchange for a gift certificate for buying Christmas presents.   The collected guns were then melted down and molded into spoons engraved with the saying "I used to be a weapon."   Finally, a campaign called "110% with Bogotá" encouraged residents to voluntarily pay an extra 10% in municipal taxes to increase the city's budget. Recently the development plan was elaborated: "Bogotá to Live all the same Way", in which local government councils are

formed targeted to make municipal structures more efficient and legitimate[25].

Proposal

The proposal emerges from two main problems of the every day life in the city. On one hand the divorce between laws, culture and morality; and on the other hand the presence of high levels of intolerance in the different sociocultural and religious groups. With this in mind, a proposal in function to the development of a civic culture of the participative deliberation positioning the local scene as a favored space in the citizen's participation and of the institutional articulation of the structures and culture of the city, was developed (Mockus 1997, Mockus 2001, Mockus 2002).

Results

These different efforts have resulted in concrete, tangible improvements in living conditions in Bogotá. Deaths from traffic accidents fell sharply from a peak of 1,387 in 1995 to only 745 in 2001. Homicide rates have seen an equally dramatic reduction. From a peak of 4,452 in 1993, they fell to 2,000 in the year 2001. In terms of the rate per 100,000 people, Bogotá saw a reduction from 81 in 1993 to merely 30 in 2002, placing it much lower than other cities in the hemisphere such as Sao Paulo (56), Washington DC (62) and San Salvador (150). Perhaps one of the most surprising of all is that of the tax raising campaign, which resulted in a voluntary increase of US $500,000 in city revenue. Given the strong tradition of tax evasion in Latin America, this "tax augmentation" is truly remarkable. Finally, in a recent study by the Colombian National Planning Office which incorporates political, fiscal and administrative indicators, (Departamento Nacional de Planeación 2002) Bogotá scored the highest of all municipalities included.

Limitations

Despite these advances, the process still faces important limitations and obstacles. A study on civic culture in Bogotá shows that most residents (60%) feel that the only way to get a civil servant job is through connections. In another survey, only 24% of respondents said they have attended a public meeting in their locality and only 8.3% have participated in a local organization (Secretaría de Hacienda de Santa Fe de Bogotá, *Memorias 95/97).* Finally, in

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[25] For a vision on this view see "Descentralización en Bogotá, algunos avances" April 17 2002. Unedited Document.

another recent survey 63% of respondents said they felt the city is going in "the wrong direction." When asked why, more than half respond that it is because someone in their family lost a job or because the cost of services has increased[26]. This seems to reflect a broader problem of the failure of the efforts in Bogotá to make a strong impact on both economic and social welfare issues.

Argentine Social Movements[27]

Background

The Argentine social movements of the past year represent an effort on the part of the country's citizens to survive the worst effects of the institutional collapse and to plant the seeds of better democratic governance. Unlike the examples previously discussed on Brazil, Peru and Bolivia, this case involves initiatives with no state sponsorship. Indeed, most of the objectives of the social movements pertain to reforming, circumventing or substituting the state and the structural reform policies that dominated Argentina throughout the 1980s and '90s.

In this section we will discuss the most important of these social movements. We will take up each movement one by one, first briefly describing the historical background of the particular movement. While the movements flourished during the crises that erupted in 2001, each of them has important antecedents in the previous decades when structural reforms were implemented in the country[28]. We also discuss the objectives and goals of the movement, the means it uses to try to reach them and the main results and outcomes of the movement. We conclude by mentioning the different movements' problems and limitations.

The "Picketers" Movement

The *piqueteros,* or picketers movement, began in the late 90s when citizens took to the streets to create roadblocks as a form of protest against provincial governments. The main source

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[26] Rojas (2002) p. 25

[27] Background information on this case can be found in Palomino and Pastrana (2002) "Argentina despues del diluvio: los nuevos movimientos sociales" in Calderón ed. *¿Es sostenible la globalización en América Latina?: Debates con Manuel Castells* ; UNDP Argentina (2002) *Aportes para el Desarrollo Humano de la Argentina / 2002;* UNDP Argentina (2002) *Democracia en La Argentina: Desafíos de la política*.

[28] For more information on the history of Argentine civil society, see Di Stefano et.al. (2002) *De las cofradías a las organizaciones de la sociedad civil: Historia de la iniciativa asociativa en Argentina,*

of unrest was the elimination of jobs due to privatization, and the failure of the provincial governments to provide new employment opportunities. Another important group that is identified with the *piqueteros* is that of teachers and students who protested reductions in education spending for public schools.

With the economic crisis of 2001, these protests exploded and multiplied throughout the country. The government typically responded by providing subsidies to fund temporary employment or food relief. The organizers of the movements took on the role of mediators and distributed the subsidies among the protestors. While this distribution network bore strong clientelistic characteristics, it also represented an important break with the traditional hegemony of Peronism among the working classes. Moreover, some sub-groups within this movement actively aim to achieve self-sustainability and autonomy by using the money from subsidies as a type of seed capital to promote other income-generating activities.   And, more importantly, elements of this movement arguably represent a deeper form of resistance to the structural reform policies, to the extent that they promote a "social and united economy," at least in their rhetoric.

At the same time, the movement suffers from key limitations and problems. It tends to be more reactive than proactive, with more protests than proposals. Furthermore, since its principal objective usually is that of obtaining concessions and subsidies state, it is by nature dependent upon the state, thus making full autonomy difficult.

The Recovered Firms Movement
This movement has its origins in the mid '90s and is largely a response to a loss of employment due to bankruptcy. The firms in question tended to be those that suffered adverse effects of Argentina's liberalization policies upon the elimination of protective tariffs and subsidies. As a response to the capital flight, workers in the firms that make up the movement "recovered" the bankrupt enterprises and restarted production.

The crisis of 2001 changed the symbolic role of these firms and gave them much greater cultural importance, much beyond their economic impact. At most the firms only employ 15,000 people – the equivalent of 0.1% of Argentina's economically active population.

1776 - 1990.

However, symbolically, they send a message that workers can have a say in their own fate, and that through their own efforts they can defend themselves against the liberalization policies. This significance of this type of message – amidst a crisis that provoked a general feeling of helplessness – cannot be overstated. Moreover, this movement had an important impact on labor-management relations. While management typically holds out the threat to close the firm in response to workers' demands, this movement has emboldened many workers to push farther. Now when management makes this threat, workers feel they can respond with the counter-threat of recovering the firm.

While this symbolism is important, this movement seems to face structural obstacles to its expansion. Workers are likely to be able to raise sufficient capital to reactivate bankrupt firms only in a limited number of cases. Moreover, many of the bankrupt firms failed in the first place due to their inefficiencies and inabilities to compete on the international market – limitations that workers will often be unable to overcome.

The Bartering Activity

This movement began in 1995 in a suburb of Buenos Aires as an association in which members exchanged goods that they produced in bartering activities with other producers. It later went on to incorporate an informal currency system based solely on trust. Its membership numbers increased almost exponentially: from 1,000 in 1996 to 2,300 in 1997, 180,000 in 1999, and 320,000 in 2000. In 2001, with the economic crisis, membership exploded beyond the ability to keep accurate records: estimates are between 3 million and 6 million people (possibly well over 10% of the country's total 36 million population).

This movement aims to satisfy the basic needs of both consumers and producers in areas that the formal market fails to reach. Its success is reflected in its memberships: rapidly growing numbers of Argentines see this as a real, viable alternative for their economic activity. Moreover, its emphasis on reciprocity and its strong reliance on social capital (namely in terms of the trust necessary to make the currency system function) truly do seem to mark departures from the formal capitalist market.

The greatest weakness of this movement, however, may be its own growth and success. As more and more members join, the more prone the system is to manipulation or abuse by

those who aim to take advantage for personal benefit by speculating, accumulating the informal currency, and taking rent-seeking by means of using disequilibria between the bartering association and the formal market.   Thus there is a strong internal debate within this movement.   On one side are the idealists who want to preserve the association as an alternative to traditional capitalism, with trust, solidarity and reciprocity as its main elements. On the other side are those (including the movements' founders) who aim to expand the organization as much as possible, even internationally, by means of "monetary expansion" of the credit system.

Neighborhood Assemblies

Different types of neighborhood associations have existed for decades in Argentina, as they have throughout Latin America.   Their political impact, however, increased infinitely in December 2001, as they were the main agent of social organization of the protests that resulted in the resignation of two Argentine presidents in two weeks.   When the world saw images on CNN of Argentines banging pots and pans, burning garbage in the streets and waving political placards, the people responsible for organizing these protests were the leaders of the neighborhood assemblies.   There are currently over 125 different assemblies in Argentina, most of them in Buenos Aires.

One of the most important (if not *the* most important) objectives of the neighborhood assemblies is that of political change.   The main slogan directed at the politicians in the protests of December, 2001 was "*que se vayan todos"* or, roughly, "out with all of them."   In short, the assemblies channeled and promoted the feelings of complete frustration that Argentines felt with their political system.   In many cases, these assemblies aim to promote a more direct form of democracy and the elimination of more traditional forms of representative democracy.

However, the activities of the assemblies are not limited to political protest.   They also are dedicated to promoting different social and cultural activities within the neighborhoods where they function.   In this sense, one could say that the unifying thread that brings together these organizations is that of an appropriation of public spaces.

The biggest limitation to the neighborhood assemblies is their polarizing nature.   One side

sees them as source of hope and change, marking the end of the Washington Consensus and the structural reform policies. The other side, meanwhile, views them as a destabilizing factor that fragments society.

The CTA

The Argentine Workers Central (*Central de los Trabajadores Argentinos* – CTA) was formed in 1997 as an alternative to the older General Labor Confederation (*Central General del Trabajo* – CGT). During the first two years, the organization mainly discussed the internal relations among its member organizations and the reasons for its founding. But in May 1999, during its Second Congress the CTA defined a clear ideology for itself in an important meeting attended by 8,000 delegates from all over the country. As a result, the organization came to play key role within the public sphere. It took on activities usually not performed by labor organizations, serving as a type of umbrella organization for a large number and variety of different civil society organizations. In this way it went far beyond the traditional role of a labor union and began to take up causes pertaining to citizen's social, civil and political rights. In this way the CTA took on a prominent role as "the voice of the people," channeling and coordinating their demands and protests.

With the crisis of 2001, the CTA became a key organization for helping Argentine society respond to their difficult situation. First, as the country's most prominent labor organization, the CTA became the key actor in negotiating with the government on employment issues. With the unemployment rate rising higher than 20%, the need for a response became critical. The CTA actively pushed a full-employment agenda, taking a critical stand against the neo-liberal model in place. Equally important, and possibly even more so, the CTA took on a leadership role that Argentines could turn to in times of crisis. It opened its membership up to any and all types of workers, be they unemployed, informal, self-employed or formally employed. This type of inclusion and leadership has been a great asset to a broad range social movements in Argentina during the past two difficult years.

Despite these important efforts, the CTA also faces a key structural limitation. By so dramatically increasing its membership base with such a diverse range of actors and organizations, the CTA faces a critical challenge in maintaining internal structural and ideological coherence. Thus, similar to the bartering organization, the CTA's growth may be

it's greatest weakness.

Results

Given that the movements are just beginning to bloom and are a response to the current crisis, it is difficult to determine concrete, empirical results of their efforts.   Nonetheless, anecdotal evidence seems to show that the movements have succeeded in providing a safety net in a time of crisis, and that this safety net would not have been established by the Argentine government or by the international financial institutions had it not been for citizen pressure. This is particularly important given the nature of globalization, in which financial crises appear to be more and more common.   The social movements in Argentina demonstrate that citizens can respond to these crises and make them less destructive.

Limitations

An overview of the different movements seems to reveal a common tendency of limitations caused by the movements' own success.   This is particularly the case for the bartering activity and the CTA.   With constantly increasing and diverse membership, ideological coherence becomes more and more of a challenge.   Another key challenge is that of converting the high levels of energy in the protests of the picketers into more constructive policy proposals.   Indeed, the key factor that will determine whether the social movements, as a whole, are able to promote the structural changes necessary in Argentina is that of their ability to interact with, influence and reform the country's political system, and to become themselves elements actors that renew that system and its leadership.

Section III: Analysis and Conclusions

In the following section we present our analysis of the implications of the five cases discussed here for the MDGs.   We first discuss the direct relationship between the cases studied and the MDGs specifically.   We then expand the analysis by examining the implications of the cases for expanding and utilizing the political capabilities of the actor.   We close with suggestions of avenues for further research and general concluding remarks.

Notes on the Cases and the MDGs

The above mentioned cases have various implications for the MDGs in the countries in which they operate.   The first of these pertains to their emphasis on redistribution issues.   A common tendency in these initiatives is a focus on redistribution of income, services and assets.   Given the historic inequalities in Latin America, any effort to reach the MDGs and to promote development in general must entail initiatives aimed at redistribution.   However, for this redistribution to have a lasting impact, its emphasis must be on the redistribution of assets first, and on the redistribution of income and services second.   Unfortunately, in most of the cases discussed here, the emphasis is reversed – the tendency is toward redistributing urban services (roads, sanitation), health services, and income in the form of in-kind transfers (children's breakfast programs, unemployment subsidies).   Assets are also redistributed, but to a lesser extent.   For example, there are efforts to provide housing, but not to promote land reform; some efforts are made at expanding education (a key asset in the form of human capital), but they are usually limited to infrastructure and not to teacher's training or salaries. Thus, the redistribution aspect of the initiatives helps contribute to achieving the MDGs, but it could be better emphasized.

The flipside of the emphasis on redistribution is a lack of emphasis on production.   While none of the eight MDGs address the issue of growth targets specifically (in our opinion one of major shortcomings of the MDGs), their achievement will be much more difficult if there is no revival of growth, and especially pro-poor growth, in the region.   Unfortunately, the cases discussed above fail to address this issue, for the most part.   The exceptions are the Argentine social movements (many of which have a strong emphasis on examining the structural reform policies and replacing it with one that is more in favor of pro-poor growth) and Villa El Salvador (which has a clear emphasis on increasing production in the municipality).   Thus, while the absence of a consideration of production issues does not directly interfere with any one of the MDGs, it *does* present a limitation to achieving them in general.

A third implication of these cases for the MDGs has to do with their isolated nature.   The MDGs are targets for entire countries, not for specific municipalities or regions.   The cases

described above, meanwhile, tend to be more isolated.   Even in the case of Bolivia, where Popular Participation is a system that legally covers the entire population, its uneven application means that its benefits are more sporadic than they are universal.   Thus, for the above-mentioned cases to truly result in the achievement of the MDGs in Argentina, Bolivia, Brazil, Colombia and Peru, the practices would need to be applied more thoroughly throughout each of these countries.

These criticisms, however, are not meant to imply that the initiatives in the five cases are irrelevant to reaching the MDGs.   On the contrary, we feel that they can have an important impact through their ability to transform the relationship between the state and society. Indeed, it is the five characteristics mentioned at the beginning of section two which represent the key implications of for the cases for the MDGs:
1) their nature of being the results of social movements
2) their success in reacting to processes of social and economic deterioriation
3) their goal of improving the quality of life of citizens, particularly in terms of strengthening the social fabric
4) their potential to be replicated and expanded and
5) their success in confronting the challenge imposed by the patrimonial states, cultures and interests in which they have arisen.

Even more importantly, in addition to these traits, the cases make an important statement on the role of politics in development. As noted by Fukuda-Parr, one of the key human capabilities necessary for achieving human development is political freedom[29].   The strong point of the above-mentioned cases is precisely in this area.   By involving the poor in the political process, the initiatives expand their capability to demand policies and effect changes that will have a real impact on their lives.   Moreover, we feel that this impact can be magnified by means of a demonstration effect. As this is the most important aspect of the initiatives here discussed, we will treat it in more depth as the main topic of the following sub-section.

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[29] "Human Development Report 2003: The Political Economy of Achieving the Millennium Development Goals" (2002)

Ideas on Different Types of Participation

As HDR 2002 clearly demonstrates, the role of political freedom, participation and collective action has become increasingly important in public policies aimed at promoting human development. We would like to expand on this idea here by using the above-mentioned cases as our main point of reference. Specifically, we are interested in the relationship between different types of participation and human development. To explore this issue, we will first present a typology of participation in which we show how various types of participation differ from each other in important ways.   We then go on to examine the relationship between these types of participation as understood by the five cases presented above. Finally, we discuss the importance of agency in assuring that these different types of participation interact to promote human development in a virtuous circle, while also recognizing the risk of negative interaction in a vicious circle.

Nature of Social Movements

In our analysis of participation, it is social movements that play the role of the lynchpin that determines whether other forms of participation will be successful.   We therefore will outline our understanding of the nature of social movements before proceeding to a discussion of the typology of participation.   According to Calderón (1986) there are four main areas of development of social movements.   First, all social movements are based on participatory structures. This is a result of their objectives and their experience with organization and struggle.   Second, all social movements have their own temporal perspective, defined in large part by the historical context in which they arise.   Third, all social movements evolve in a heterogeneous way, due to the unequal development of consciousness, organization and economy that exists between different regions or localities. Finally all social movements must be understood not only as a product of the actions of the subject, but, perhaps more importantly, as the result of conflicts in which the actors themselves modify their own behavior in response to the reciprocal interactions and shared efforts aimed at achieving a given end[30].

Typology of Participation

In order to provide background information for discussing the relationship between different types of participation, we feel it is important to first specify our understanding
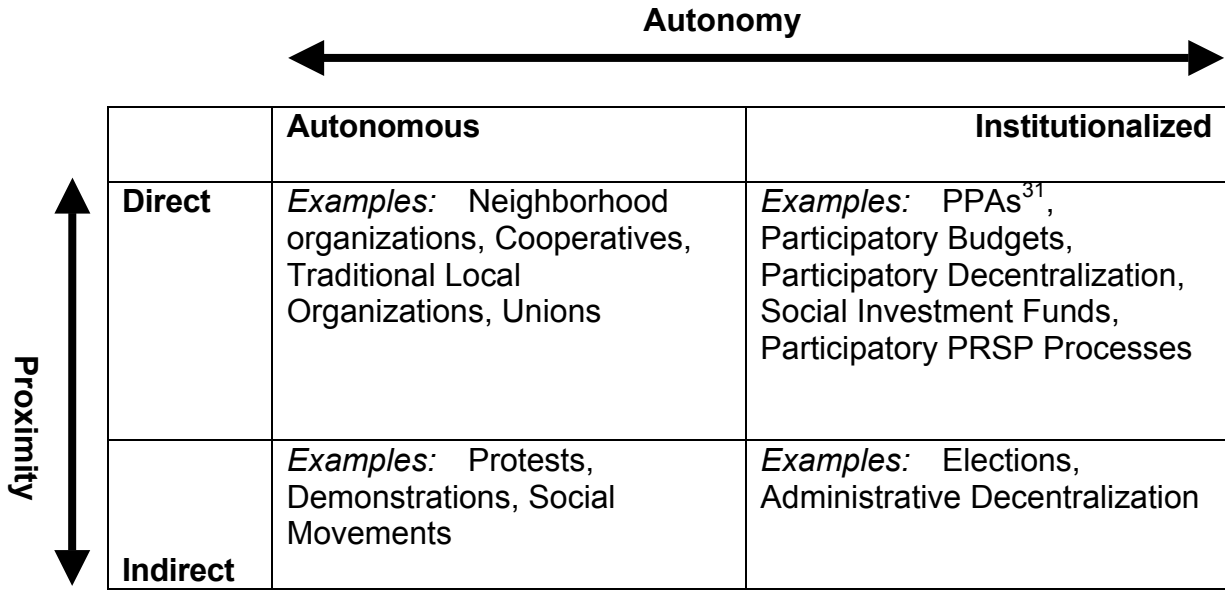
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[30] For more information on social movements in Latin America see Garreton (2001) "Cambios socials, actors y acción colectiva en América Latina."

of these different types.   This can be best understood in the form of a typology of participation.   Pinc (2003) puts forth a preliminary conceptualization of such a typology, which we will present and expand upon here.   Using the work of Gaventa and Valderrama (1999) as a starting point of analysis, it can be shown that many examples of participation can be classified as either social participation or political participation.   The former has been particularly popular among the donor community as a means of increasing the relevance and efficacy of specific development efforts ranging from irrigation projects to micro credit schemes. Its key element is the directness with which stakeholders, mainly the poor, participate in the formulation and implementation of specific policies and programs.   Meanwhile, at the other pole, the authors place political participation and highlight its indirectness regarding policy.   In political participation, the stakeholders try to influence policy by using the channels of representative democracy, be they formal (such as voting for specific candidates in elections) or informal (protesting or demonstrating with the aim of influencing the policies of already elected or appointed officials).

In contrast with this dichotomy, Brock, Cornwall y Gaventa (2001) try to distinguish between different types of participation in terms of their autonomy from the state.   Specifically, they identify autonomous spaces of participation and invited spaces of participation.   The former are independent of the state and based purely on citizens' initiative.   They enjoy the advantage of autonomy in that they are free to determine their own agenda based purely on the demands of their constituents.   However, they often lack the resources financial resources and official legitimacy that comes with state support.   The latter, meanwhile, are in an opposite situation.   Because of their official relationship with the state, they often are restricted in terms of defining the framework within which the participatory exercise takes place, thus limiting their range of action.   However, they enjoy enhanced potential for impact due to the benefits that come with official sponsorship.

Based on the work of these authors, Pinc shows how these concepts can be used to identify two axes that enable one to create a typology of participation.   The first axis is that of proximity to the processes of formulating and implementing policy.   Those that are "closer" to the policy process can be labeled "direct" expressions of participation, while those that are more distant can be called "indirect."   The second axis is that of autonomy from the state.   At one end of the axis are the "autonomous" expressions of participation while at the other

end are the "institutionalized" manifestations.   The interaction between these two axes can be demonstrated in the following chart.

Autonomy

	Autonomous	Institutionalized
Direct	*Examples:* Neighborhood organizations, Cooperatives, Traditional Local Organizations, Unions	*Examples:* PPAs[31], Participatory Budgets, Participatory Decentralization, Social Investment Funds, Participatory PRSP Processes
Indirect	*Examples:* Protests, Demonstrations, Social Movements	*Examples:* Elections, Administrative Decentralization

(left axis label: **Proximity**)

In order for the different categories to be easier to conceptualize, different examples have been included to demonstrate different types of participation.   Thus, for example, a neighborhood organization is a type of *autonomous direct* participation in that it is autonomous from the state and is directly involved with the formulation and implementation of polices that affect the neighborhood.   Meanwhile, elections represent a type of *institutionalized indirect* participation in that their relationship to policy formulation and implementation is handled by intermediaries (representatives as opposed to the voters themselves) and is a state-sponsored activity and thus is institutionalized as opposed to autonomous.   Obviously, these examples are not absolute – there are plenty of cases of institutionalized labor unions, for example, or of electoral processes with a direct impact on policy (i.e. referendums). Moreover, the typology masks the great differences that can exist between different examples within the same category – for example the differences between, say, participatory budgets and participatory PRSP processes.   Nonetheless, we feel that these distinctions are relevant and important for discussing the relationship between the different types of participation, the impact that this relationship has on human development, and, consequently, the potential impact of participation in achieving the MDGs.   It is to this topic that we now turn.
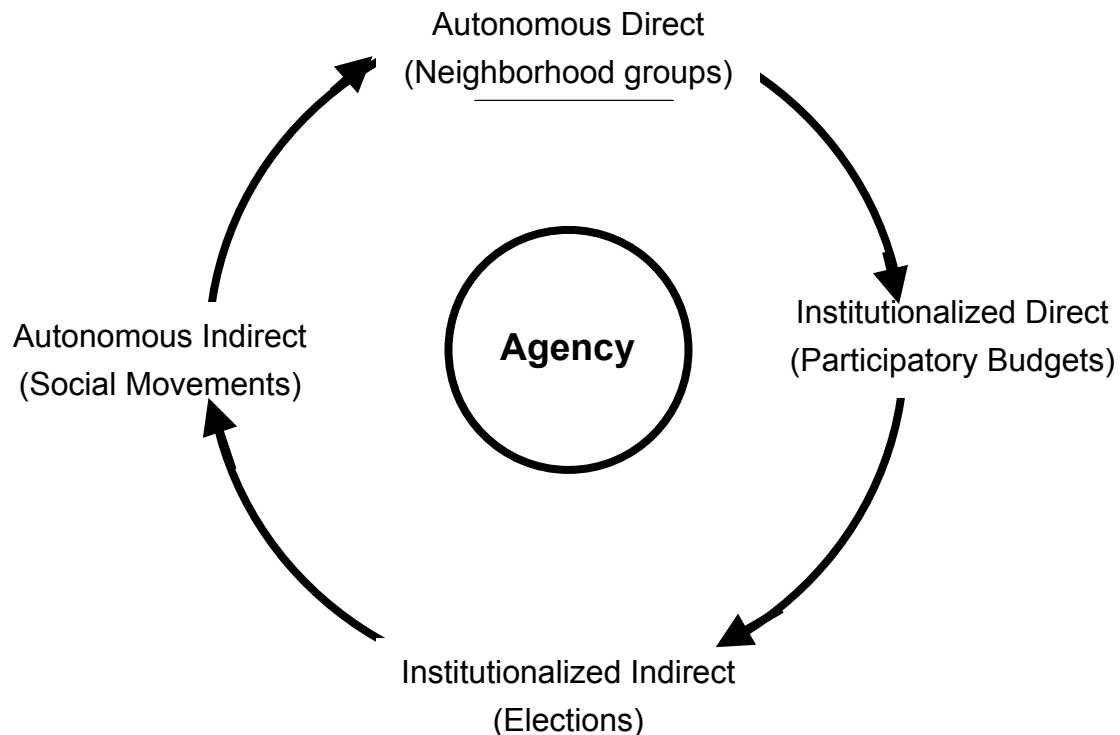
Relationship Between Different Types of Participation

Our argument here is twofold:

1) The different types of participation mentioned above can mutually reinforce each other in a virtuous circle and, more importantly, they *must* do so in order to promote human development. At the same time, it is equally possible that these different types of participation impede, obstruct or negate each other in the form of a vicious circle.

2) The key element that determines whether the circle is virtuous or vicious is that of agency. If the actors within a given type of participation possess high degrees of agency, and if the expression of participation encourages this agency, it is more likely to interact with other types of participation in the form of a virtuous circle. Where agency is weak or discouraged, the result is likely to be a vicious circle. Again, a diagram is helpful in demonstrating this relationship (see following page).

Taking the examples mentioned in the diagram, it is easy to see how the different forms of participation are able to reinforce each other mutually.   With strong *autonomous direct* forms of participation, such as neighborhood groups, it is infinitely more likely that citizens will have the experience and motivation necessary to successfully involve themselves in *institutional direct* practices such as participatory budgets.   This involvement is highly likely to increase their faith in *institutionalized indirect* forms of participation such as elections because of an increased sense that they have a say in politics and that politicians must respond to their demands.   As a result of this increased faith, elected officials are less likely to feel threatened by *autonomous indirect* forms of participation, such as social movements, and therefore will allow them more space and freedom.   Finally, these social movements are a key form of expression that motivate people to put forward their demands and act upon them by getting involved in *autonomous direct* forms of participation such as neighborhood groups.   Thus the circle completes itself in a series of mutually reinforcing relationships.   The end result is a broadening of the spaces in which the poor are able to voice their needs and to demand and actively contribute to a response.   Consequently, indicators on poverty, health, education – and, to a lesser extent, the environment and gender issues – are certain to improve and the MDGs become more realistic, at least on the local level.

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[31] Participatory Poverty Assessments.

Autonomous Direct
(Neighborhood groups)

Agency

Autonomous Indirect
(Social Movements)

Institutionalized Direct
(Participatory Budgets)

Institutionalized Indirect
(Elections)

At the same time, it is equally possible that the different types of participation interact with each other in the form of a vicious circle. Where *autonomous direct* forms of participation (e.g. neighborhood groups) are weak, *institutionalized direct* structures (participatory budgets) are likely to fail. As a result, citizens are likely to become cynical regarding state-sponsored participation efforts (which tend to create high expectations that are difficult to meet). This, in turn, diminishes faith in *institutionalized indirect* types of participation (elections), since politicians are seen to be the breakers of promises. This rupture of trust is likely to make politicians feel threatened and scare them into repressing *autonomous indirect* participation (social movements). As a response, the latter are likely to become less democratic and more demagogic. The participating citizens are likely to eventually lose faith in these movements, which in turn diminishes their enthusiasm for *autonomous direct* forms of participation (neighborhood groups), thus completing the vicious circle.

The five cases studied here show that the key element in determining whether the interaction between the different forms of participation will form a vicious or virtuous circle is that of agency. Before going into the details of this conclusion, it is important to first present our view on the concept of agency. Our understanding of agency involves four main components.

We begin with the well-established perspective pioneered by Sen, in which agency refers to individuals' capabilities to address given deprivations and expand their choices. In this context, we see and important role for opposition and conflict, which can be both a spark that ignites individuals' agency, as well as a limiting factor for its development. Additionally, identity is crucial to our understanding of agency, in that it is the central factor in determining the choices individuals make once agency is attained. Finally, our understanding includes the concept of strengthened political culture, which we see to be agency's institutional result.

Now we will present details from the different cases which show the importance of agency in promoting a virtuous circle of participation, and the importance of this virtuous circle in promoting human development. The first and perhaps clearest example is that of Popular Participation in Bolivia. By all accounts, this participatory decentralization system has had the most positive impacts on poverty and social indicators in the municipalities where there is a strong tradition of citizen participation in unions and local peasant organizations. Moreover, it is in these municipalities where citizens have become most actively involved in local electoral processes. As mentioned above, the opening of the democratic process to excluded groups in the 2002 general elections seems to be a direct result of Popular Participation. And in municipalities where this type of democratic participation is strong, more space is accorded to the unions and peasant unions, thus completing the circle. This circle depends on the agency of the actor, which has been developed and strengthened over decades of democratic participation in the unions, peasant organizations or indigenous groups. Moreover, agency of the actor is actively promoted in the other forms of participation that make up the circle – by encouraging citizens to actively participate in budget planning meetings, by allowing for previously excluded citizens to run for and hold office, by encouraging residents to take place in political movements on the national level, and so on.

However, it is also important to note that in many municipalities – the majority, in fact – Popular Participation does not work well. This is because local unions, indigenous organizations or peasant groups are weak, undemocratic and uninterested in participating in the Popular Participation system. The root cause of this problem is a lack of agency in the rank and file of these organizations, and the absence of opportunities to strengthen their agency. As a result, the relationships between the different forms of participation becomes clientelistic and paternalistic. Traditional political parties aim to take advantage of Popular Participation structures to expand their own political bases, and citizens lose faith in the

political system. Elected officials are seen as the enemy, and begin to see the local organizations as a threat.   Development is not promoted, but rather, is obstructed.

According to participants in Porto Alegre's Participatory Budget, a similar dynamic exists[32]. The districts that are most able to clearly state their priorities and propose actions to address them are those in which neighborhood organizations and citizen groups are most actively involved in the process.   This is more likely to generate positive, tangible results and thus increase trust in local government in general.   This is not to say that success is guaranteed. In Villa El Salvador, based on the Porto Alegre model, one of the biggest challenges is that of interference from local political parties.   This is despite a long history of struggle and organization within the poorer sections of the municipality.   Nonetheless, it is only through the agency of the actor, developed and promoted by means of participation in these citizen organizations, that this challenge will be warded off.

Argentina presents a different perspective on the relationship between different types of participation.   One of the strongest characteristics of Argentina's recent crisis is a very strong distrust in politics, politicians and entrenched leadership (such as institutionalized unions) throughout the country.   A prominent theory that explains this distrust has to do with the destructive role of the years of military dictatorship in fragmenting and weakening civil society organizations and political opposition.   As a result, the country was left with a shortage of capable leaders once democracy was restored.   The dramatic response of Argentine social movements seems to be the start of a reversal of this trend.   By encouraging broad-based, democratic citizen participation in a variety of initiatives, actors' capabilities are being restored. While the process of incorporating these actors into the electoral system (while avoiding the pitfalls of cooptation) and restoring trust in politics is a long one, it appears that the seeds of that process are in the social movements.   Moreover, the social movements are nurturing fertile soil for more formal means of participation such as those that exist in Bolivia, Porto Alegre and Villa El Salvador.

Finally, the case of Bogotá shows yet another approach at promoting development through the capabilities approach and a healthy relationship between different forms of participation. By encouraging citizens to actively participate in daily civic exercises, an attempt is being made to include all residents of the city in its development process.   In the absence of a

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[32] Group discussion held on January 25, 2003 at World Social Forum in Porto Alegre

strong tradition of civil society engagement, an effort is being made to expand citizens' capabilities with initiatives that come from above, but whose impact is most strongly felt in the poorest, most marginalized sectors of the city. As a result, real living conditions have improved and some trust has been restored in democratic processes. Thus, the case of Bogotá shows that even in the most adverse circumstances, pro-development participatory initiatives are possible.

Concluding Remarks

The analysis presented here opens room for certain key questions. The first is that of the relationship between participation and capabilities. To what extent are capabilities a necessary precondition for participation, and to what extent can participatory mechanisms enhance or even create actors' capabilities? Another key question pertains to the implications of the MDGs for the participatory processes discussed. We have only examined what these processes imply for the MDGs, but it is also possible that the MDGs could be used as a motivating tool for expanding and improving participatory processes in Latin America and beyond. Finally, another key issue is that of the role played by women in these processes. While women have played a key role in all of the processes, the structures themselves could do much more to break traditional patterns of male-dominated decision making in the region. Even more importantly, gender issues *per se* seem to be absent from the agendas of the five cases studied here. This is a major shortcoming of the cases, given the important role of increased women's agency in promoting development. Further research would be helpful in exploring ways in which these processes could better address this issue.

Despite these unknowns, we feel that the five Latin American cases examined here provide key insights as to the political mechanisms necessary for opening up spaces in which citizens have the opportunities to demand the necessary changes that will make the MDGs more attainable. This is not to say that the policies themselves will assure the achievement of the MDGs in the countries in which they are in place. On the contrary, at least in the case of poverty reduction, it is highly unlikely that this MDG

will be reached on a national level in any of the countries discussed here, given historical trends[33]. However, these cases do represent examples of innovations in participatory policies and practices that can make progress in human development possible at the local level. The challenge lies in promoting these cases and using them to demonstrate the kinds of changes that will be necessary to reach the MDGs on a national scale.

In order for this participation to be effective, it requires deliberative practices in order to bridge the gap between the state and society. Deliberation is a key tool that has important potentials that include: strengthening public spaces; improving efficiency of results; and making viable the presentation of demands and the reaching of consensus. At the same time, deliberation has certain limits. It tends to reinforce coorporativist interests; it can be difficult to reach consensus; and it fails to take into account the manipulation of information in the processes of decision-making. Thus, any effort to promote participatory practices based on deliberation must include these considerations.

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[33] See Paes de Barros et. al. (2002) The one exception in the authors' analysis is that of Argentina, but given the recent crisis we have concluded that the historical trajectory on which the analysis is based does not accurately reflect future growth and poverty trends in the country.

Appendix: The Cases in Chart Form

Case	Brief Description	Objectives	Results	Shortcomings
Popular Participation Bolivia	Participatory decentralization system. High levels of participation of indigenous, peasant leaders.	Incorporate civil society in local development process. Extend resources, state institutions and democratic practices to excluded Bolivians in rural areas.	Alleviation of poverty in some but not all municipalities. Strengthening of Bolivian democratic culture. Extension of resources to poor rural areas	Difficulties of poorest municipalities to take advantage of the system. Difficulties in overcoming hegemony of local elites. Tension created between local authorities and national CSOs
Porto Alegre Brazil	Participatory budget scheme in municipality of Porto Alegre. Citizens identify, present demands. Budgetary allocations based on formula that prioritizes poorer districts	Promote equitable, efficient distribution of municipal resources. Empower local citizens by incorporating them in political process. Guarantee autonomy of social groups involved	Increased quality, reach of public works programs. Reduction in corruption. Redistribution of municipal funding, reaching poorer districts. Multiplier effect in other municipalities that look to Porto Alegre as role model	Difficulty in incorporating human settlements into the structures of Participatory Budget system. Challenges posed by efforts to use system as means of promoting patrimonial practices
Villa El Salvador Peru	Participatory process of development planning, budgeting in municipality of Villa El Salvador	Promote broad-based participation of municipality's residents in development process. Implement agenda for improved health, education production and democracy in municipality	Incorporation of diverse set of actors in planning process, most of whom are poor and many of whom are women. Improvement of governance in the district. Multiplication of existing resources and improvement of their efficiency	Limits and problems regarding representation. Politically- based conflicts. Resistance of government representatives. Tensions between everyday administrative tasks and construction of image of future.
Bogota Colombia	Citizen participation in civic duties and responsibilities. Preliminary initiatives aimed at encouraging local-level participation in city districts	Create a civic culture in which residents are proud to live in Bogotá, feel part of the city (as opposed to rural areas from which they migrated) and contribute to its development	Sharp reduction in traffic accidents and homicides. Increases in municipal revenue and participation in electoral politics	Absence of strong civil society organizations and social movements, Need to further develop mechanisms for participation at local level, especially in terms of their ability to transfer resources to poor areas of the city
Social Movements Argentina	Response by Argentine civil society to economic, political crisis. Diverse range of actors, including labor unions, neighborhood groups, bartering association, worker-owned businesses and protestors	Provide safety net for Argentines hardest hit by crisis. Promote debate on and real, practical alternatives to predominant structural reform policies	Establishment of complex bartering system as form of safety net. Worker recuperation of bankrupt firms. Establishment of full employment as national economic priority	Broad range, large numbers of actors is obstacle to maintaining ideological coherence. Reinforcing of clientelistic relations between state and society

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