

Should Participatory Budgeting be Implemented by the 2019 Auckland Council?

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The local elections for the Auckland Council are soon to begin with official results being scheduled to be released in October 2019 (Auckland Council, 2019). As candidates begin to campaign, it is essential to reflect on the efficiency of the current local government in Auckland, New Zealand, and propose strategies to improve citizen participation and civic engagement.

Participatory Budgeting (PB) is a democratic innovation that empowers citizens to participate in politics by being acknowledged as experts in their communities who identify needs, craft proposals, and vote on a portion of municipal spending (Gilman, 2016). This popular tool allows community members, rather than elected representatives, to allocate public funds (Su, 2018). PB is a significant contribution to participatory democracy as it facilitates community engagement, trust in government, and service delivery whilst decreasing corruption and clientelism (Gilman, 2016). These consensus-oriented discussions directly influence public spending, leading to more equitable outcomes (The Participatory Budgeting Project, 2019) which is essential in regard to the diversity of citizens residing in Auckland; the ethnic, cultural, employment, education, and age compositions throughout the region are vast. PB has successfully created inclusive, accountable local governance which promotes participatory democratic practices by giving marginalised minority groups an equal voice in the decision-making processes (Shah, 2007).

This essay will consider the current state of citizen involvement with the local government in Auckland alongside the theoretical and practical perspectives of PB to conclude whether PB implementation is recommended to the newly elected 2019 Auckland Council.

THE STATE OF THE CONTEMPORARY AUCKLAND COUNCIL

Local authorities are inclusive of city, district, and regional councils as well as district health boards, community boards, and certain trusts (Department of Internal Affairs, 2016). Over the past

28 years, voter turnout in local authority elections has continued to decline nationwide since the restructuring of local government in 1989, with results of the 2016 local elections demonstrating a low voter turnout, ranging between 33.5% in Hamilton to 54.9% in Invercargill (Department of Internal Affairs, 2016a). In contrast, the 2017 General Election to nominate national Government attracted a voter turnout of 79% (Electoral Commission, 2017).

In the late 1980s, the New Zealand Government legislated to overhaul many of the local bodies operating as separate local authorities, consolidating the powers from 454 local bodies into 86 multi-purpose local authorities (New Zealand Parliament, 2014). In 1989, the national voter turnout in response to local council elections was 56%, decreasing to 51% in both 1992 and 1995 following these legislative changes made by the central Government. This trend continued throughout the early 2000s, with the lowest voter turnout in 2013 at 42%. In 2016, there was a slight increase to 43%, however, this is comparatively low to earlier results (Department of Internal Affairs, 2016).

In 2010, the amalgamation of seven territories and the Auckland Regional Council formed the unitary Auckland Council 'Super City' in response to low community involvement and fragmented governance (Blakeley, 2015). Now, the Auckland Council governs the largest city in New Zealand, spanning a land area of approximately 4,900 square kilometres (GeoMaps, 2019) with a population of more than 1.66 million residents (Statistics New Zealand, 2017), and so, is the largest council in Australasia (Auckland Council, 2019). However, voter turnout in Auckland is the second-lowest in New Zealand (Niall, 2016) despite population increases in all of the 21 local board areas, with 14 of these experiencing a population influx above the national 2.1% average; the population of Waitemata had the most significant increase at a 6.7% growth, equating to an additional 6,800 people, with another 10 local boards increasing by a minimum of 2.5% (Statistics New Zealand, 2017a).

There is significant variation in voter turnout between the different local board areas: Ōrākei (47.9%) and Rodney (46.1%) consistently have higher voter turnouts than Manurewa-Papakura

(30.2%) and Manukau (30.4%). The average voter turnout across the city in the 2016 Auckland Council election was 38.9% with a variation of 17.7% between the most active and most inactive local board areas (Department of Internal Affairs, 2016a). These disparities are correlated with ethnic populations, such as a high proportion of the population in Rodney, Franklin, and Ōrewa being of European descent whilst a majority of the population who identify as Maori or Pacific reside in Papakura, Manukau, and Southern suburbs (Statistics New Zealand, 2007). Furthermore, socioeconomic status correlates to these disparities in voter turnout as the distribution of wealth in Auckland has widened, increasing the economic gap. Manukau and Papakura have consistently been the areas with the lowest income and lowest employment rates whilst North Shore suburbs and central Auckland neighbourhoods are deemed as more affluent areas. Age is an additional factor; Ōrākei has a significant majority of the population aged 65+ whereas Manuwera and Papatoetoe have significant child populations and a higher proportion of peoples aged between 20 to 40 years than older residents (Statistics New Zealand, 2007).

It is evident that citizen engagement needs to improve in Auckland City local government; it appears that the disparities between groups are increasing, and it is possible that those who are marginalised by ethnicity, employment, and income are not being adequately supported by local government services and social funding. Overall, the voter turnout is low at an average of 38.9%, with various levels of political engagement across the 21 local boards. As alienation and dissatisfaction in democracy are major factors that influence voting behaviour (Vowles, 2016), it is important that the newly elected Auckland Council consider strategies to mitigate these issues and begin empowering citizens to participate in an inclusive deliberation. Therefore, we must consider an alternative form of citizen engagement to promote interest in public decision making.

THEORETICAL PERSPECTIVE

Rousseau's Social Contract theory declares that rule by the people is the only legitimate form of government, supported by the notion that people act as a collective body to maintain the

general will; the interest of society is the priority, rather than individual pursuit of success, as humankind is inherently fair and good (Hill, 2017). The use of direct democracy is promoted by Rousseau as it allows communal governance which reduces corruption to act with individualistic intent as participatory democracy facilitates civic duty and rewards behaving within the social contract.

The Port Huron Statement of 1964 spoke about how the establishment of democracy requires individual participation, with individuals contributing to social decisions that impact on their quality and direction of life (as cited by della Porta, 2013). The theme of participation is central to democratic theory and the concept of politics; however, contemporary liberal democracy is criticised for its bureaucratisation limiting the extent to which individuals are fairly represented, relying on oligarchy to dictate the lives of the masses. Participatory democracy aims to rebalance power inequalities in society by providing decisional capability to ordinary citizens. A virtuous cycle captures opportunities to participate which stimulates activism and trust in government, which in turn, inspires participation (della Porta, 2013). Held (1997) argues that citizen participation must go beyond the ballot box as the socioeconomic decisions that our elected representatives make go beyond the scope of election day. Furthermore, Pateman (1970) believes that citizen participation opportunities should equate to the number of spheres in which decisions can be made. Reflecting on the uprising of citizens rallying for political participation in the 1960s, Pateman criticised the standard minimisation of citizen participation in dominant political thought, advocating for participatory democracy to engage public consensus.

Deliberative democracy is a process in which initial preferences are questioned via discourse, leading to an alteration of these preferences during the interaction (Miller, 1993). Communication is central to this notion of democracy, emphasising that citizens should interact, persuade, confront, justify, and listen, to detach from self-interest and act according to the public good. The outcome of deliberative democracy is a legitimate decision approved by authentic debate and mutual acceptance (della Porta, 2013).

Fung and Wright's (2003) three principles of Empowered Participatory Governance framework emphasises: (1) practical orientation; (2) bottom-up participation; and (3) deliberative solution generation. These commonalities provide a model of deliberative democratic practice that values public deliberation, communication, and justification which focusses on allowing ordinary citizens to deliberate solutions to target specific, tangible issues.

There are four key dimensions to PB; budgetary, participatory, territorial, and regulatory (Cabannes, 2004). The financial dimension relates to the resources being allocated to the PB process, with budgets being determined by either project need or as a percentage of available funds. The participatory dimension expresses an individual's right to participate in the PB process and to invest personal perspectives into these consensus-oriented assemblies, either personally or via elected representatives, with the intent to promote social bonds, improve administrative efficiency, and democratise democracy. The territorial dimension is important as PB is shown to channel support towards those areas which tend to be excluded, redistributing funds to improve standards of living and reduce the economic gap. Lastly, the legal, regulatory dimension focusses on the operational functioning of PB, institutionalising the process to avoid bureaucratisation, and setting regulations.

Social institutions are complex economic, administrative, organisational, legal, and cultural structures (Held, 1997). Institutional logics encompass comprehensive sets of principles to determine appropriate behaviour to lead to success, eliciting models to motivate and organise social arenas. As explained by Bartocci, Grossi, and Mauro (2018), citizen engagement is extrapolated from political logic, perceived as an in/valuable political instrument at the center of democracy. Implementation of PB processes allows for political logic to value direct democracy, respecting the foundations of democratic thought: the strength of the common people. Managerial logic is also at play, concerned with administrative efficiency, service delivery, and public resources. PB shifts managerial logic from an input perspective to an output perspective, emphasising the policy-making outputs over the procedural inputs. Lastly, community-building logic is concerned with the social

aspect of citizen engagement, regarded as a tool to enhance community and sociability while reducing alienation, dissatisfaction, and disfranchisement. PB contributes to this dimension as PB is shown to mobilise communities, develop social ties, and improve trust in government.

Wampler (2007) identifies the guiding tenants of PB: (1) the municipality is divided into districts to manage meetings and resource distribution; (2) government-sponsored assemblies are accessible to the general public, allowing access to information, policy proposals, and deliberation; (3) a Quality of Life Index is developed by the government as a quantitative measure, analysing poverty rates, population density, infrastructure quality, government service use, and socioeconomic status to prompt equitable resource distribution;(4) public deliberation allows for negotiation; and (5) regional committees are elected in each district to monitor progress and success of PB projects.

PARTICIPATORY BUDGETING IN PRACTICE

Originating in Porto Alegre, Brazil in 1989, PB has become increasingly popular in local government strategy, expanding across Latin America (Cabannes, 2004) to North America (Su, 2018), Europe (Bartocci, Grossi & Mauro, 2018), Sub-Saharan Africa and Asia (Shah, 2007). PB fosters transparency in local government, making elected officials accountable whilst ordinary citizens participate in allocating public funds; improving public education, mobilising the disenfranchised, and redistributing of funds to prompt equitable communities (Gilman, 2016).

The spectrum from direct democracy to community-based representative democracy can be utilised. Direct democracy enables every citizen to participate in thematic assemblies through individual voting as well as the citizens being directly in control of the process. In comparison, community-based representative democracy is indirect as discussions and decision making is fulfilled by delegates, typically elected from social movements, trade unions, and neighbourhood associations (Cabannes, 2004).

The Participatory Budgeting Project (2018) has been active in New York City for nine years, developing resources, hosting meetings, and advocating for PB processes. In 2018, Mayor

Bill de Blasio included PB in the initiative Civics For All which commits to implement PB in more than 400 high schools across New York City. The Participatory Budgeting Project also facilitated a campaign to introduce a Civic Engagement Commission to facilitate PB across the city as well as increasing funds available to deliberate through the PB process. The PB process in New York City (PBNYC) is the largest PB initiative in North America (Su, 2018): co-conducted by community organisations, city council members, and volunteers, this programme facilitates assemblies, deliberation, and advocacy: each autumn, district assemblies allow the public to present their pitch; during the winter, volunteers and city agencies develop these pitch ideas into project proposals, with a deliberation deciding which of these progress to the balloting stage; in the spring, the public vote for the proposals they wish to allocate PB funds to.

The World Bank funds numerous PB projects across the continents of the world (Shah, 2007). In Albania, PB councils redesigned the municipal budgeting process in four localities, introducing citizen participation via campaigning for individual rights and responsibilities to civic duties, hosting assemblies to analyse budgeting forecasts, and allowing citizens and officials to cooperatively nominate priorities in the communities (Fölscher, 2007). In Rajasthan, India, the Mazdoor Kisan Shakti Sangathan civil union hosts social audits in which citizens discuss government expenditure in common terms, allowing for feedback and recommendations via a public hearing. This programme has mitigated corruption and increased government accountability (Fölscher, 2007a). In Tanzania, citizens participate in village meetings to rank issues and nominate project proposals. These findings are submitted to the Ward Development Committee, a selection of elected officials from the region, who allocate funds (Shah, 2007).

IMPLEMENTATION OF PARTICIPATORY BUDGETING: IS THIS ENDORSED?

Auckland Council plans to invest 26 billion New Zealand dollars into transport, housing, and environment over the next ten years as explained in the 2018–2028 budget due to the Council nominating these three issues as those “that matter most in our community” (Auckland Council,

2019a, p.4). Whilst s.76 of the Local Government Act 2002 (New Zealand Legislation, 2018) outlines that local authorities must consider the perspectives of those affected or interested in the matter being decided upon, s.78 states that external consultation is not required. Although an amendment could be included in the Act by the Government to encourage local authorities to participate in community consultation, local councils should not require legislation to inspire PB use in their communities. Shah (2007) highlights how although there is no national law in Brazil that mandates PB, local governments are committed to PB in hundreds of cities across the country. This begs the question: why isn't Auckland Council committed to regularly consulting the general public?

Public consultation, such as PB, should be integrated into the New Zealand political culture to promote participatory democracy. New Zealand politics is known to be pragmatic, so the use of PB would not conflict with our current political culture, but rather it would enhance our decision-making process.

Max Rashbrooke (2017) supports the implementation of PB in New Zealand governance. As a Research Associate at Victoria's Institute of Governance and Policy Studies, Rashbrooke commends the direct democracy PB provides, suggesting that at least 10 percent of annual local council budgets should be assigned to public deliberation via an annual assembly which allows citizens to debate and allocate public funds in an interactive environment. Pateman (1970) explains that these participatory assemblies foster interest in policy and governance, acting as schools of democracy which enlighten ordinary citizens. These active, knowledgeable people have access to decision-making processes, increasing the efficiency of participatory democracy whilst improving individual and collective wellbeing.

Whilst PB can be considered a labour-intensive task due to the need for face-to-face debate, it is beneficial for citizens to openly discuss various perspectives, confronting alternative preferences and needing to justify their own (Rashbrooke, 2017). However, virtual PB is an alternative option, as popularly utilised by the Taiwanese Government. The vTaiwan process is a

virtual consultation system that enables citizens to participate in PB online, addressing national issues with immediacy. Thousands of Taiwanese citizens use this virtual portal to be involved with the decision-making process alongside elected representatives, government ministries, academics, civil society organisations, and fellow citizens. This demonstrates how mass digital participation can be used to efficiently deliberate and vote on public issues via the four stages of proposal, opinion, reflection, and legislation (vTaiwan, n.d.)

New Zealand experiences a highly centralised form of national government, reducing the responsibilities of local councils. Therefore, the topics to debate are more limited than those available in other countries, which can reduce public interest (Rashbrooke, 2017). However, as Auckland City Council has a large budget and actively contributes to a variety of projects, it could be that this aspect of public funding is allocated to PB, such as the public funds that support Auckland Tourism, Events and Economic Development (ATEED) events and programmes which totaled to more than 9.5 million New Zealand dollars in 2015/16 financial year (ATEED, 2017), with the public voting on a portion of the budget to fund events they wish to see.

Additionally, the 21 local boards across Auckland could implement PB alongside the budget provided by the Auckland Council and grants allocated to the public by the individual boards. As local boards are responsible for decision-making at the most local level of governance (Auckland Council, 2019b), it would make sense for these smaller authorities to manage PB as the municipality is already divided into districts to manage meetings and resource distribution. Although the local boards are responsible for consulting the local community when considering the strategic direction in the three-yearly plans, I argue that more needs to be done to capture the interest of the general public and empower ordinary citizens to advocate and debate the local issues. PB would promote local civic engagement whilst resulting in an agreed-upon budget, increasing trust in government and reducing dissatisfaction.

Moreover, New Zealand Government could decentralise, sharing authority over various services to allow local authorities to manage these, as arguably, these local bodies have a clearer

understanding of the wants and needs of local citizens: the demands of residents in Auckland differ to those in Christchurch (Rashbrooke, 2017). Therefore, PB would be at the forefront of decision-making, allowing citizens to actively control public spending, providing greater transparency in both the local council and national government.

SUMMATIVE STATEMENT

In conclusion, it is recommended that the Auckland Council trials PB processes in the next three-year term. As proposed, the Council may allocate a portion of the ATEED budget to public deliberation to fund desirable events, a virtual PB platform may be made available online, the local boards could facilitate PB assemblies, or the Auckland Council could nominate a portion of the annual budget to the issues identified by the residents of Auckland.

PB is shown to empower citizens to participate in politics as experts in their communities (Gilman, 2016). As these consensus-oriented discussions directly influence public spending, more equitable outcomes are achieved (The Participatory Budgeting Project, 2019) which is essential when considering the diverse population of Auckland. The Auckland Council should aim to foster an equitable community, and PB is a tool that is able to support the interest of the public good. PB will influence greater participation in democratic processes, providing both civics education and experience to ordinary citizens who wish to better their quality of life.

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