



## **Increasing citizen involvement in participatory budgeting**

### ***Zvýšenie zapojenia občanov do participatívneho rozpočtu***

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*Abstract: The purpose of this study is to present findings from a research project which investigates the possibilities of how to improve citizen involvement in participatory budgeting. We collaborated with the town of Hlohovec, Slovak Republic. We used behavioural interventions to increase the number of both projects submitted and voter participation. A database of existing interventions and an overview of suitable interventions were prepared. We used a design specifically developed for the town of Hlohovec. Our intervention was focused on flyer design and aimed at all citizens. We modified flyers using the knowledge of behavioural science. Two redesigned flyers were created and two different slogans are used for each redesigned flyer. The intervention we implemented in the town of Hlohovec appears to have been highly effective in increasing the number of voters. However, a big challenge for the future is to find a way how to filter effects of support activities to increase citizen involvement prepared by the town. The behavioural intervention we developed can be used in any other municipality in which there would be an effort to solve the lack of interest in participatory budgeting..*

**Key words:** *Behavioural intervention. Participatory budgeting. Slovakia.*

**JEL Classification:** D91.

### **Introduction**

Participatory budgeting has many advantages for both citizens and municipalities. This tool is used worldwide to achieve a whole range of goals. While in third world countries it is more about reducing poverty, in developed countries it helps to the development of infrastructure and the efficient allocation of public funds. Other important problems that the participatory budgeting can solve are, for example, building trust between the public and elected representatives, creating an environment for social dialogue within the community, discussing

the amount of local taxes, leading citizens to actively participate in life within the community, modernization of administration, and inclusion of socially isolated groups. A healthy competition can be created between submitted projects if it is possible to activate a larger number of citizens in the participatory budgeting mechanism and that can have a significant impact on the quality of submitted projects. In the case of the implementation of high-quality projects, the quality of life in a given location increases, as some types of projects lead to the creation of public goods or public services, which could be used by the public after successful implementation. In this way, citizens can directly decide on the financing of those public goods and services that they lack within their municipality and that other citizens would be interested in. On the other hand, as explained by Holdo (2020), local political leaders have embraced participatory budgeting in response to problems of citizens' dissatisfaction with representative democracy. Scherer and Wimmer (2012) summarized goals of participatory budgeting as follows: acceptance, accountability, efficiency, decision support, transparency, democratization, and solidarity. Through participatory budgeting, politicians can effectively involve citizens in the discussion about the development of the municipality. Moreover, they can identify the public interest and specific needs and problems that citizens feel. Transparent spending of funds is in the interest of the citizens themselves and often leads to the strengthening of trust between citizens and the governing bodies of the local government. Harkins and Escobar (2015) identified and explained five core challenges that are present in the process of participatory budgeting: legitimacy, capacity, political, sustainability, and cultural. Although there are many challenges to deal with, participatory budgeting has its place in the 21st century, and, as characterized by Dias (2014) participatory budgeting is a new social and political movement.

Participatory budgeting is still not widespread in the Slovak Republic for multiple reasons similar to the other countries. Gerlit et al. (2017) found that many German cities experienced a decreased participation over the past years. It necessarily led to the cancellation of the participatory budgeting projects due to the fact that the actual number of citizens involved did not fulfil the expectations of the municipalities. It did not seem to be the right decision in general. It is mainly because that participatory budgeting process has a special status among new forms of participation which should help to involve more citizens in politics, especially those who are systematically marginalized (Holdo, 2020). Boc (2019) adds that carrying out the processes of participatory budgeting is needed to construct a viable local system of participatory governance what could lead to a high degree of inclusiveness in the public sphere. According to Johnson et al. (2021) participatory budgeting increases probability of voting in

ordinary elections. These effects are greater especially for minorities, youth, people with lower education and lower income. Švaljek et al. (2018) concluded that citizens understand that involvement in participatory budgeting improve both the quality of life and democratic processes in the city. They added that greater awareness of the possibility to be able to influence the budgetary processes is associated with trust, labour status, age, and length of residence in the city.

In 2019, we started to cooperate with the town of Hlohovec. During the meeting with town officials in autumn 2019, there were identified multiple issues to solve in the town. We also discussed the potential areas of possible interventions. Low citizen involvement in town activities, and specifically participatory budgeting, was one of the problems. But, back then we checked the data available and we realise that we need more data for more years because we did not see the situation very differently to the reality in other cities (Gerlit et al., 2017; Harkins and Escobar, 2015). Moreover, in 2019, there was a significant increase in both the number of voters and turnout as percentage of voting-eligible population (VEP). However, things changed dramatically in 2021. The town of Hlohovec observed a sharp decline in the number of voters.

For the first time, participatory budgeting was implemented in the town of Hlohovec in 2016. During the first two years of participatory budgeting there was no specific budget allocation and all successful projects were implemented by the town. Subsequently, from 2018, more precise rules were established, which were approved by the town council. Public meetings began to be organized and the method of voting was adjusted. The ideas were divided into civic projects and projects carried out by the town of Hlohovec. 20,000 euros were allocated for civic projects and 40,000 euros for projects carried out by the town. Since 2018, a total of 60,000 euros have been allocated to participatory budgeting in this town each year.

- a) Currently, the town of Hlohovec divides citizens' proposals into two categories:
- b) Civic projects – low-cost interventions of up to 5,000 euros, implemented by citizens.

Projects carried out by the town – high-cost interventions up to 40,000 euros, implemented by the town.

We believe that an effective, easy to implement and a low-cost intervention has the potential to increase citizen involvement in participatory budgeting and improve local public policies.

## **1. Research methods**

The aim of the intervention was to increase interest in participatory budgeting in the town of Hlohovec. We focused on all citizens. We set two goals. First, to increase the number of

projects submitted. Second, to increase the number of voters. We used 2020/2021 because all necessary data are available. This was the fifth year of participatory budgeting in this town (Table 1) and as a baseline year we were able to compare our results with the most successful year regarding a) number of voters, b) number of civic projects and submitted projects to be carried out by the town, and c) turnout by percentage of eligible voting population. It is important to add that the voting system in the town has not changed since 2019/2020 (the fourth year of participatory budgeting).

In the seventh year of participatory budgeting (2022/2023) the town implemented different activities in order to promote participatory budgeting. First, the process was communicated clearly and directly to citizens at five community meetings throughout the town. Second, short videos and/or interviews with residents and civic associations focused on best practices from previous years were produced. Finally, the town of Hlohovec prepared a unified identity of participatory budgeting (slogan, logo, colour, etc.).

We knew that a careful selection of a suitable solution is a must. In the beginning we prepared a database of existing interventions as well as an overview of suitable interventions for the town. The overview was presented to the town officials. After prolonged discussion and negotiation, the final design was approved. The process of the participatory budgeting in 2022/2023 affected the timetable to carry out the intervention as it was planned from April until October 2022. All projects (civic and projects carried out by the town) had to be submitted between April 4, 2022 and July 1, 2022. The voting period was scheduled to last from September 19, 2022 to October 2, 2022. Phases of the intervention process included a) creating and fine-tuning of experimental design, b) intervention implementation, c) intervention evaluation, and d) results presentation and recommendation.

Table 1 Participatory budgeting in the town of Hlohovec

Year	Number of projects submitted	Number of voters	Voting-eligible population (VEP)	% Turnout of VEP
2016/2017 (1 <sup>st</sup> )	6	585	21,993	2.66%
2017/2018 (2 <sup>nd</sup> )	6	705	21,715	3.25%
2018/2019 (3 <sup>rd</sup> )	16 (10 HC + 6 CP)	not available	21,508	not available
2019/2020 (4 <sup>th</sup> )	13 (7 HC + 6 CP)	982	21,301	4.61%
2020/2021 (5 <sup>th</sup> )	14 (6 HC + 8 CP)	1,398	21,067	6.64%

2021/2022 (6 <sup>th</sup> )	12 (8 HC + 4 CP)	650	20,274	3.21%
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Note: civic project – CP; projects carried out by the town of Hlohovec – HC

Source: authors; data from [https://www.hlohovec.sk/participacia.html#m\\_430116](https://www.hlohovec.sk/participacia.html#m_430116)

Our intervention was specifically developed for the town of Hlohovec and focused on flyer design. We modified the flyers visually and content-wise using the knowledge of behavioural science and the framing theory of Kahneman and Tversky, 1984):

- a) two redesigned flyers were created, and
- b) two different slogans were used for each redesigned flyer.

While redesigning slogans we put an emphasis on personalisation which was supported by framing where we paid attention to the way the idea was presented. Filipiak and Dylewski (2018) in their study explain why framing theory gained importance in public policies. It is mainly because of its potential to change people’s behaviour what could be beneficial for both the individuals and communities. They also offer practical examples of how behavioural approach was used in local public policies in two Polish cities. Mazumdar et al. (2019) identified two challenges facing cities when it comes to participatory budgeting. Firstly, it is about poor perception of collective efficiency that could be enhanced through visibility and framing. Secondly, a common issue is a lack of identification with participatory budgeting that is due to poor communication in general. Gerlit et al. (2017) also identified lack of knowledge, no interest, and complicated process of participatory budgeting as the main obstacles to participate. Therefore, we focused on personalisation and we proposed the personalized slogan: “How would you spend €60,000 from Hlohovec’s budget?” It is based on best practices from around the world, from the cities where participatory budgeting works well. Successful cities use slogans:

- a) New York City: Real Money, Real Power: Participatory Budgeting
- b) Chicago: Our Money, Our Vision, Our Chicago
- c) Boston: Young people are deciding how to spend one million dollars of the city’s budget

However, after consultations with town officials we had to change the slogan and the final version was “We have allocated €60,000 for your ideas”. We proposed a second slogan “Do you have a great idea on how to improve the quality of life in our town?” and this was accepted.

The third slogan was designed specifically to increase the number of voters: “Click – vote – decide today”. The, third slogan, however, was not accepted because the town put an emphasis on the whole process of participatory budgeting. That means, the town did not focus on informing citizens about the voting deadline when preparing flyers. As recommended by Mazumdar et al. (2019) we also redesigned flyers by using pictures of successfully implemented

civic projects and projects carried out by the town of Hlohovec in the previous years. The flyers were distributed to the citizens during community meetings throughout the town. They were also available for the citizens in the Client Centre at the Town Office in Hlohovec and in the Municipal Office of Hlohovec. The online versions of the flyers were also available on the town's Facebook page.

## **2. Results**

- 1a) There is an increase of 8.3% in the number of projects submitted in comparison to the previous year.
- 1b) There is a decrease of 7.7% in the number of projects submitted in comparison to the baseline year 2020/2021.
- 2a) There is a significant increase of 146% in the number of voters in comparison to the previous year.
- 2b) There is an increase of 14.4 % in the number of voters in comparison to the baseline year.

Table 2 shows the number of civic projects and projects to be carried out by the town of Hlohovec submitted, the number of voters and turnout as percentage of voting-eligible population in the seventh year of participatory budgeting (2022/2023).

Table 2: Participatory budgeting in the town of Hlohovec in 2022/2023

Year	Number of projects submitted	Number of voters	Voting-eligible population (VEP)	% Turnout of VEP
2022/2023 (7 <sup>th</sup> )	12 (8 HC + 5 CP)	1599	20,098	7.96%

Source: authors; data from [https://www.hlohovec.sk/participacia.html#m\\_430116](https://www.hlohovec.sk/participacia.html#m_430116)

Although the data show a significant year-on-year increase in the number of voters, there is still much to do in the years to come. The final design of the intervention was a compromise between town representatives and our team. In comparison to the past we identified these positives:

- a) For the first time the flyers contained personalized slogans “We have allocated €60,000 for your ideas” and “Do you have a great idea on how to improve the quality of life in our town?”.
- b) The flyers contain four pictures of successfully realized projects from the past.
- c) There was a significant text reduction on the flyers compared to flyers from previous years of participatory budgeting.

During five community meetings throughout the town research team took advantage of the presence of citizens and received feedback regarding the redesigned flyers. We have to conclude that there was no negative reaction from citizens:

- citizens said that there had been improvement in promotion initiatives;
- citizens appreciated the new design of flyers;
- citizens said that using the pictures of successfully realized projects from the past helps them to believe that taking part in the participatory budgeting process can make a difference;
- one citizen said that she participates on regular basis in participatory budgeting, and she thought it could help to bring more people to the process as the design had illustrations of past projects, and clear slogans.

### **Conclusion – lessons learned**

We believe that behavioural approach can be helpful in solving the problem of low participation in participatory budgeting in any municipality in the world. However, it is important to emphasize that a strong support from local officials is crucial in order to be able to propose and implement behavioural interventions to increase citizen involvement. Our intention was to find an effective, easy to implement, but most importantly, a low-cost intervention to the budget process. When considering the whole intervention process from the very beginning to the end, we have to conclude that it is extremely important to listen to the people you are going to help ensuring smooth and efficient cooperation. That is the reason why our first question during the introductory meeting back in 2019 was “How can we help you?” and this direct and personal approach helped us during several stages of intervention. Overall, the intervention we implemented in the town of Hlohovec appears to have been highly effective in increasing the number of voters. Therefore, we have to conclude that the intervention helped to increase transparency and improve effective allocation of limited resources – public money.

There is always a matter of compromise with cooperation and the presentation of its results and this is true of, the resulting form of this intervention. In the future, the research team sees room for improvement in the following areas as part of the preparation of the participatory budgeting campaign. First, for a personalized slogan, the research team suggested: "How would you spend €60,000 from Hlohovec budget?" Personalization within the slogan was also supported by framing, where we paid attention to the way the idea was presented. In this case, it is more appropriate to frame "We have allocated €60,000 for your ideas" in the sense that people could spend the money, or have a voice in how they would spend it. Secondly, although the simplification in the form of text reduction was significant compared to previous years of

participatory budgeting, the research team proposed an even more significant simplification of the presented information. Finally, the proposed flyer design based on the knowledge of behavioural economics does not correspond to the final design.

There are some limitations of our study. First of all, there have been some support activities prepared by the town of Hlohovec to increase citizen involvement and we could not find a way to filter their effects. This is a big challenge for the future we have to deal with if we continue with participatory budgeting. Second, we focused exclusively on those who chose to participate. and as such, we miss the opinions and perspectives of those who did not. On the other hand, this was not our goal, the scope of our research was limited, we knew about it, and will try to incorporate it into our new scientific activities.

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