



Community Budget Hearings: An Innovative Approach to Civil Society Budget Advocacy

Vivek Ramkumar, International Budget Project
May 2008

Growth of Budget Advocacy Work

In a little over a decade, the number of civil society organizations around the world advocating for government budget policies to improve the conditions of the poor has grown dramatically. When the International Budget Project (IBP) organized its first global conference in 1997 to bring together budget advocacy practitioners from around the world, only 15 countries were represented. In 2003, IBP's fourth global conference was attended by advocates from 40 countries. Currently, IBP is in contact with budget advocacy organizations in more than 85 countries — and the number of such groups continues to grow.

Much of budget groups' initial work has focused on advocating for open budget systems that give citizens access to information on national budgets, together with opportunities to influence budget policy. Arguably, however, few governments have truly opened their budget systems to public participation. As a result, in most countries very few people outside government participate in any of the stages of the budgeting process (the budget's development by the executive, adoption by the legislature, implementation by the executive, and audit and analysis by the legislature, executive, or supreme audit institution).

This brief discusses the need for budget advocacy organizations to build on the successes they have already achieved by developing advocacy strategies to persuade governments to extend greater opportunities to the public to participate in the budgeting process.

Assessing Strategies Adopted by Budget Advocacy Groups

Representatives of budget advocacy organizations commonly declare that their organizational objectives include the achievement of government budgeting systems that are transparent, accountable, and permit citizen participation. But are these organizations utilizing strategies that will truly enable them to achieve these objectives?

In 2006, IBP and the Institute for Development Studies in the United Kingdom assessed the results achieved by six experienced budget advocacy groups from around the world.¹ The study reported that in their efforts to expand transparency and accountability, such groups typically seek to build public pressure on the government over budget issues by disseminating analyses through the media and by forming advocacy coalitions. Many groups also publish guidebooks on the country's budgeting system in simplified formats to strengthen public budget literacy. These guidebooks are sometimes supplemented by training programs to build budget analysis and advocacy skills among a wider audience.

By forming broad civic coalitions, budget advocacy groups have in some cases drawn other non-governmental organizations into their budget advocacy agenda. Budget advocacy groups have also worked on broader "right to information" campaigns demanding laws that enable the public to obtain government records (including budget records).

However, budget advocacy groups have often struggled to involve the wider public directly in budgeting processes; instead, they frequently end up speaking to the government on behalf of poor and disadvantaged communities. One reason is that it is logistically difficult to create a nationwide structure through which millions of citizens can directly engage with government officials during the relatively short period in which budgets are developed. Also, analyzing budget policies often requires technical skills that the public — which is generally unfamiliar with budget processes and terminology — may not possess. Finally, budget advocacy work is still at a nascent stage, and the idea that citizens should participate more directly in governance has only recently become part of mainstream discourse.

How Can Citizens Become Directly Involved in Budget Decision-Making and Evaluation?

Brazil and India provide examples of innovative strategies to help ensure that citizens directly participate in budget processes at the local level.

In Brazil, the government of the municipality of Porto Alegre introduced an innovative participatory budgeting system in 1989. Every year, more than 30,000 residents participate in forums to set budget priorities and direct budget expenditures. Hundreds of other municipalities in Brazil and other countries around the world have adopted the Porto Alegre model.²

In India, civil society groups led by Mazdoor Kisan Shakti Sangathan (MKSS), a peasants' and workers' union, use social auditing techniques to involve local residents across the country in forums that assess public works expenditures. Residents are given access to program records (including accounting and program management information) and question local officials in charge of these programs regarding the management of these programs in public meetings.³ A growing number of state governments in India are adopting this system as part of a new public works and employment creation program.

A number of factors argue in favor of applying budget hearing and social auditing systems such as those used in Brazil and India to other countries. First, a growing share of public resources is being spent at the sub-national level; in many developing countries (like Brazil, India, and South Africa), state and provincial governments are responsible for more public expenditures than the national government. This trend creates new opportunities to focus public participation in budgeting processes on these local levels.

Second, the Brazilian and Indian examples suggest that many of the logistical difficulties associated with instituting these systems at the national level are not as prevalent at the local levels. For example, local governments typically find it less cumbersome than a national government to organize public budget hearings to discuss past expenditures and/or plan future expenditures.

Third, local budgets are smaller than national budgets and are therefore easier to understand. Typically, the public also identifies more easily with local expenditures than national ones, as they are often the direct beneficiaries and the expenditure programs are often highly visible.

While the Porto Alegre participatory budgeting model has been adopted in other countries with varying degrees of success, the Indian social auditing innovation may be easier to adapt to other countries. The two initiatives could also complement one another: as communities begin to track public expenditures, they could more easily begin to participate in the formulation of annual budgets.

IBP and MKSS recently helped Kenyan budget advocacy groups organize a public budget hearing to discuss expenditures incurred under a decentralized program called the Constituency Development Fund, through which all legislators are provided with monies to spend on development projects in their constituencies.

Approximately 2,000 poor Mombassa residents attended a day-long event to discuss, alongside public officials, the impact of the CDF.⁴ Similar events are planned in other parts of the country, which will indicate whether such events can be institutionalized in Kenya. In addition, IBP is exploring opportunities for similar hearings in Tanzania and Uganda.

Conclusion

Many countries have introduced governing systems under which every adult citizen is given the right to vote. Once every few years or so, voters select their preferred representative to be their voice in government. While few would question the superiority of such a system over, for example, a monarchy, only a very small number of persons have an opportunity to help make budget policy and evaluate the results that public expenditures achieve. The total number of persons from civil society who have an opportunity to participate in such processes is still marginal, ranging from a few dozen to a few thousand.

Budget hearings at the local level can give hundreds of thousands of citizens — perhaps even millions — the opportunity to participate directly in the budget-making and budget evaluation processes. If budget advocacy organizations promote the adoption of these systems successfully, they can truly change the nature of governance in their countries.

More specifically, many different gains are possible. First, budget advocacy at the local level could evolve from an NGO-led process to one that is increasingly led by citizens and that helps citizens hold their elected officials responsible for budget expenditures and results. Second, the discussions and information generated by local budget hearings could inform advocacy work undertaken by budget advocacy groups at the national level. Finally, local budget advocacy initiatives could provide an entry point for budget advocacy work in countries where the political environment does not support budget advocacy by independent groups.

The possible end result of these initiatives is a civil society budget movement that is more robust and broad-based, one that combines increased analytical capacity to undertake budget analysis with increased legitimacy derived from large public participation.

Such systems, however, would require hundreds and in some cases thousands of budget hearings to be organized within a given country on an annual basis. They would also require expanded work by budget advocacy organizations. Not only would independent watchdog groups be needed to monitor the conduct of budget hearings, but specialists would be needed to assist in public budget literacy efforts by conducting training programs and developing popular literature.

Challenging as it may be, this is the price that budget advocacy organizations will have to pay before they can truly claim to be promoting transparency, accountability, and citizen participation in budgeting!

Endnotes

¹ For more on the study, see the IBP website at <http://www.internationalbudget.org/casestudies.htm>.

² More information on participatory budgeting can be found at <http://www.internationalbudget.org/themes/PB/index.htm>.

³ The Indian initiative is discussed in a forthcoming IBP publication on monitoring government expenditures, as well as an IBP newsletter article available at <http://www.internationalbudget.org/resources/newsletter33.htm>.

⁴ This meeting was the subject of an article in the IBP newsletter; see <http://www.internationalbudget.org/resources/newsletter40.htm#Kenya>.