

On Global Austerity and Local Democracy: The Case of Participatory Budgeting in Guelph, ON.

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Abstract: This paper examines the relationship between participatory budgeting, that is, the allocation of a budget directly by residents rather than elected officials, and the rise of neoliberal logics in municipal governance. It does so through a case study of the longest participatory budgeting project in Canada, the Neighbourhood Support Coalition (NSC) in Guelph, Ontario. While participatory budgeting is often posited as a deepening of democracy through increased citizen authority, neoliberalism is typically interpreted as antithetical to democracy, resulting in more centralized control and the marketization of municipal governance. I argue that participatory budgeting in Guelph is best understood as an adaptation of community groups to neoliberal changes in municipal governance, rather than a direct challenge to neoliberal policies. In the case of Guelph, when the participatory budgeting process began to be perceived as in contravention of the automatization and marketization of neighbourhood groups, the participatory budgeting process was eliminated in favour of a process that fit better with these logics. This work builds on previous research on participatory budgeting by both putting participatory budgeting in explicit dialogue with neoliberalism, and also temporally extending the narrative of Guelph's experience beyond 2009, to capture the decline and eventual discontinuation of the participatory budgeting process.

Key Words: Participatory budgeting, neoliberalism, Canada, municipal government

Résumé: Cet article examine la relation entre le processus budgétaire participatif, c'est-à-dire, l'allocation d'un budget directement par les résidents, plutôt que par les élus, et la montée de façons de concevoir néolibérales dans la gouvernance municipale. Ceci est fait par le biais d'une étude de cas du plus long projet de processus budgétaire participatif au Canada, le Neighbourhood Support Coalition (NSC) à Guelph, en Ontario. Quoique le processus budgétaire participatif soit souvent présenté comme étant un approfondissement de la démocratie à travers l'augmentation de l'autorité du citoyen, le néolibéralisme est typiquement interprété comme étant contraire à la démocratie, menant à un contrôle plus centralisé et à la commercialisation de la gouvernance municipale. Je soutiens que le processus budgétaire participatif à Guelph représente une adaptation de groupes communautaires à des changements néolibéraux dans la gouvernance municipale, plutôt qu'un défi explicite des politiques néolibérales. Dans le cas de Guelph, quand le processus budgétaire participatif a commencé à être perçu comme contrevenant à l'automatisation et à la commercialisation des groupes de quartiers, le processus budgétaire participatif a été éliminé en faveur d'un processus qui correspondait mieux à ces approches. Ce travail s'appuie sur des recherches précédentes sur le processus budgétaire participatif en le mettant en dialogue explicite avec le néolibéralisme, et en prolongeant le récit de l'expérience de Guelph au-delà de 2009, pour montrer le déclin et plus tard, l'arrêt du processus budgétaire participatif.

Mots-Clés: processus budgétaire participatif, néolibéralisme, Canada, gouvernement municipal

Neoliberalism frequently manifests in budgetary policies, through an emphasis on reducing taxation and social spending, while increasing the profitability of private enterprises – policies that disproportionately benefit elites (Harvey, 2006; Brown, 2003). Yet somewhat surprisingly, in concert with neoliberal budgetary changes a number of jurisdictions have sought to include residents in fiscal decisions through the process of participatory budgeting. Participatory budgeting is the direct decision-making of residents and community groups in determining budgets (Pinnington et al., 2009). At the municipal level, participatory budgeting has grown in popularity as a means of providing responsive local government and increasing citizen involvement in decision making processes (Lerner, 2006; Pinnington et al., 2009). In Canada, participatory budgeting has been adopted by the borough of Plateau Mont-Royal in Montreal (2006-2008), the Toronto Community Housing Corporation (2003-2008), and Ward 2 in Hamilton Ontario (2012-present). More recently, the City of Peterborough engaged in their first participatory budgeting cycle (January, 2016); the City of Toronto started piloting the process in 2016; and the City of Kitchener is embarking on a pilot planned for 2017. As more Canadian municipalities are engaging with participatory budgeting, it is instructive to examine the experience of the first municipality in Canada to engage with this policy process: the City of Guelph.

This paper examines the role of participatory budgeting in policy-making at the municipal level, through a case study of the longest experiment in participatory budgeting in Canada, the Neighbourhood Support Coalition (NSC)¹ in Guelph, a medium sized city in the province of Ontario, Canada. The NSC disbursed municipal funding using participatory budgeting from 1999 until 2012. Specifically, this work seeks to interrogate the relationship between the increasing popularity of participatory budgeting and the rise of neoliberal logics in

municipal governance, to address the question: why has participatory budgeting become popular concurrent with the rise of neoliberalism? While participatory budgeting is often posited as a deepening of democracy through increased citizen authority (for example, Lerner and Van Wagner, 2006); neoliberalism is typically posited as antithetical to democracy, resulting in more centralized control and the marketization of municipal governance (for example, Self, 2000). I argue that existing research on the Canadian experience of participatory budgeting cannot explain this apparent tension between neoliberal governance and democratization for two reasons. First, it tends to examine participatory budgeting without explicit discussion of how the process dialogues with the social, political and economic ramifications of neoliberalism (for example, Lerner and Van Wagner, 2006; Johnson, 2009; Insua et al., 2008; Huck, 2011). Second, existing work tends to implicitly view participatory budgeting largely as oppositional to neoliberalism (for example, Pinnington and Schugurensky, 2010; Davidson and Stephan, 2014).²

In contrast, I argue that participatory budgeting in Guelph is better understood as an adaptation of community groups to neoliberal changes in municipal governance, rather than a direct challenge to neoliberal policies. When the NSC's participatory budgeting process began to be perceived as in contravention of the automatization and marketization of neighbourhood groups, the participatory budgeting process was eliminated in favour of a process that fit better with these logics. This work builds on previous research on participatory budgeting in Guelph by both putting participatory budgeting in explicit dialogue with neoliberalism, and also temporally extending the narrative of Guelph's experience with participatory budgeting beyond 2009, where existing research on participatory budgeting in Guelph ceases. The paper utilizes secondary research sources, as well as archival sources, including City of Guelph budget documents. In addition, it draws on three interviews³ conducted in August 2016 with key stakeholders from the

City of Guelph and community organizations knowledgeable about Guelph's experience of participatory budgeting.

This paper is structured as follows. I begin by defining neoliberalism and describing the broader neoliberal context in which Ontario municipalities operate. Next, I outline the concept of participatory budgeting, and its diffusion from Brazil to Canada. Then, I consider Guelph's experience in detail, arguing the experience of the NSC also reflects four major limitations of the participatory budgeting process in its translation to the North American context. First, the funds disbursed by the NSC were relatively minor – usually \$350,000 and always less than \$500,000.⁴ This limited the ability of the participatory budgeting process to influence municipal budgeting processes, or challenge budgetary austerity. Second, participatory budgeting needs to be contextualized in terms of shifts in municipal policy toward New Public Management (NPM), service devolution, and transfer cuts, which have made the local political environment as a whole less responsive to community demands, and exacerbated community inequalities that made it challenging to facilitate equitable negotiation between community groups through participatory budgeting. Third, participatory budgeting in Guelph was often articulated through neoliberal discourses of accountability, efficiency and automatization through marketization, limiting its capacity to challenge neoliberal ideology, and creating an opportunity for the process to be undermined by these same discourses. Fourth, the participatory budget process in Guelph depended on the ability to leverage external partnerships, limiting the extent to which participatory budgeting represents a renewal of community authority and capacity in the municipal budget. These four limitations of the participatory budgeting process in Guelph led to the end of the NSC's experiment with participatory budgeting in 2012. This analysis problematizes the characterization of participatory budgeting as inherently oppositional to

neoliberal logics, or a wholesale deepening of democracy, by pointing to the uneven motivations and consequences of a municipality's engagement with participatory budgeting

The Rise of Neoliberalism in Municipal Governance

Neoliberal policies have had a significant impact on all levels of government in Canada, including the municipal level. Wendy Brown defines neoliberalism as a form of governmentality, stating: "Neo-liberal rationality...is not only or even primarily focused on the economy; rather it involves extending and disseminating market values to all institutions and social action, even as the market itself remains a distinctive player" (2003: 7). At the individual level, neoliberalism strives to collapse the space between economic and moral judgement: citizens' moral standing is assessed in terms of their capacity to function rationally and autonomously (Brown, 2003: 15). At the municipal level, neoliberal rationality manifests in governments that evaluate success in terms of the facilitation and expansion of market rationalities of efficiency, competition, and autonomy (Brown, 2003). Thus neoliberalism does not entail the expansion of municipal governments so much as the expansion of a set of market logics of governance in municipal governments and beyond.

The rise of neoliberal logics in municipal politics has been well documented by a number of scholars (for example, Albo, 1993; Coulter, 2009; Ranson, 2004; Siegel, 2006). In the 1980s and 1990s there was a move toward the "marketization" of the public sector, which has since become the hegemonic logic in municipal administration (Albo, 1993). In terms of local administration, neoliberal policy manifested through a number of dominant traits: an increase in municipal service provision by private sector providers; an increase in user-fees and cost-recovery models; an emphasis on self-help and personal efficacy; the foregrounding of the citizen as consumer; and a focus on efficiency and lean administration (Albo, 1993; Changfoot,

2007). All of these changes reflected a move to value state policies in terms of “a generalized calculation of cost benefit” and their ability to facilitate the spread of market logics (Brown, 2003: 14). The state is no longer legitimized through liberal democratic values, but rather through its capacity to facilitate a “healthy” economy by aligning state practices with measures of economic rationality (Brown, 2003). The terminology of neoliberalism requires some unpacking. As Self (1993, 2000) notes, language of efficiency, accountability, transparency and autonomy holds meaning beyond neoliberal interpretations: arguably, these concepts are an important part of democratic governance, foregrounding the right of citizens to exercise control over government. In the context of NPM, however, discourses of efficiency, accountability, transparency, and autonomy have been colonized by neoliberalism to take-on economic and managerial meanings, and have become mobilized in the interest of expanding market governance (Lorenz, 2012; Self, 2000). Efficiency becomes synonymous with “value for money”, where economic returns become the measure of the merits of a policy program, at the expense of other considerations like social equity or democratic inclusion (Self, 2000). Accountability becomes redefined through technologies of audit as a financial accounting of expenses and measurement of outcomes against pre-determined benchmarks, rather than being understood more democratically as the monitoring of government by the people (Rose 1996; Lorenz, 2012). Similarly, transparency becomes redefined, not as a citizen’s right to information about governance decisions, but rather market transparency: the right to exercise purchasing power and consumer choice (Lorenz, 2012). Successful stewardship of citizens and organizational initiatives becomes synonymous with responsabilization, self-financing, and ideally, profitability (Lorenz 2012). Thus neoliberal policy reforms redefine concepts like

efficiency, accountability, transparency, and autonomy to create a rhetoric of desirability concerning the extension of market logics.

In the Ontario context, neoliberal municipal programs are often traced to the 1995 provincial election of Mike Harris's Progressive Conservative Party, and his "Common Sense Revolution" which focused on reducing government expenditures, deficits and taxes (Coulter, 2009).⁵ However, the roots of the neoliberal policy shift in Ontario actually antedate Harris' reforms in terms of cuts to provincial transfer payments from the federal government and the implementation of New Public Management (NPM) practices in public administration (Aucoin, 2008; Bräutigam, 2004; Lorenz, 2012). Nevertheless, the Harris government significantly restructured municipalities, leading Glor (2001) to argue that Ontario is one of the provinces to adopt neoliberal NPM "most fully" (127). In keeping with the ideology of streamlining government and minimizing "red-tape", Harris initiated a number of structural reforms to municipal governance, including forced amalgamations in many jurisdictions.⁶ During Harris' tenure, the proportion of municipal revenue derived from provincial transfer payments declined from 30 per cent to 20 per cent (Siegel, 2006; Coulter, 2009). In keeping with the neoliberal rhetoric of self-sufficiency, the decline in provincial transfer payments was to be offset by an increase in municipalities' "own-source" revenue: property taxes and user fees. Between 1995 and 2003, as a proportion of municipal revenue, property tax increased from 42 per cent to 49 per cent, and user fees grew from 20 per cent to 24 per cent (Siegel, 2006). The increase in own-source revenue, however, did not keep pace with the decline in transfer payments when the simultaneous downloading and off-loading of social assistance and public housing to municipalities is considered (Pinnington et al., 2009; Coulter, 2009). Moreover, at the same time, the province passed legislation preventing municipalities from raising property taxes on

industrial or commercial properties (Siegel, 2006). In practice, these regulations meant that the entire burden of increased property taxes and user fees fell on residents. In conjunction with an economic recession, a frozen minimum wage, and a decline in government services, the consequence of this policy was to undermine the capacity of residents to bear increased property taxes, and thus the ability of municipalities to take advantage of their key revenue tool for service provision.

Neoliberal reforms to municipal governance have had important implications for citizen participation in municipal politics and the perceived legitimacy of municipal governments. Amalgamation increased the distance between citizens and their local tier of government (Kushner and Siegel, 2003; Vengroff and Whelen, 2001). Harris' reforms also increased the responsibilities of municipalities, but reduced their fiscal resources. The pattern in Ontario was broadly similar to that of other provinces (Horak and Young, 2012; Glor, 2001). The consequence of trying to do more with less was to undercut the legitimacy of municipal governments by limiting their ability to provide the same quality of services they had in the past (Pinnington et al. 2009). At the same time, popular deference to professional expertise declined. Ranson (2003) characterizes this transition as follows:

...public trust in professional judgement evaporated. The quality of public services could not be a private matter for specialists to determine alone...but should be open to deliberation within the public sphere" (465).

The valorization of the citizen is part of a neoliberal logic "convenes a "free" subject who rationally deliberates about alternative courses of action, makes choices, and bears responsibility for the consequences of these choices" (Brown, 2003: 17) This is reinforced by a discourse of accountability that undermines the legitimacy of municipal governments. The characterization of municipal governments by Harris as inefficient, bloated, and encumbered by complex rules and

red-tape exacerbated public concern with institutional arrangements of accountability (Bräutigam, 2004; Coulter, 2009; Ranson, 2003). Yet when rhetoric is teased apart from reality, the marketization of public administration has actually removed transparency and decision-making from public spaces by emphasizing the management of the public over the facilitation of democratic participation (Addie, 2009). This has made “democratic discourses” that position citizens as active participants in municipal policy-making all the more crucial in legitimating the neoliberal project (Addie, 2009; Theodore and Peck, 2011). In fact, a number of authors point out that neoliberalism has actually entailed the “roll-out” of new institutions of governance – like the appointment of professional managers of citizen engagement - that purport to increase citizen involvement but actually function to facilitate market expansion through the management of citizen participation in official avenues and the de-legitimization democratic contestation outside these channels (Peck and Tickell, 2002; Addie, 2009; Moulder and O’Neill, 2001).⁷

The ability of neoliberalism to colonize discourses of democracy, accountability and participation begs the question of how participatory budgeting fits into the broader neoliberal context. Do participatory budgeting initiatives entail the opening of space to question neoliberal service cuts, or the legitimization of neoliberal policies through new channels of governance, or something entirely different? Social organizations are capable of manipulating neoliberal discourses to achieve desirable public policy outcomes (Changfoot, 2009) but elite interests are capable of persuading social organizations to support of neoliberal reforms as well (Sutcliffe, 2011). In a context of unequal power relations, to what extent is participatory budgeting able to actively challenge neoliberal logics through the revitalization of grassroots democracy?

The Rise of Participatory Budgeting: From Porto Alegre to Guelph

Becoming something of a social movement, with an international advocacy group, community supporters and annual conferences,⁸ participatory budgeting is described by Pinnington et al. (2009) as, “a democratic process of deliberation and decision-making whereby people who are impacted by a budget allocate its resources” (456). Participatory budgeting builds on theories of deliberative democracy that emphasize the possibility of an ideally structured process of citizen deliberation that deepens democracy through reasoned discussion and cooperation (Harper, 2011; Habermas, 1996). In theory, deliberative democracy enables all participants affected by a decision to equitably discuss and debate policy proposals in an informed manner to arrive at a reasoned conclusion (Mansbridge et al., 2010; Wampler and Hartz-Karp, 2012). Generally, participatory budget processes combine open sessions where any interested person can participate, with restricted forums attended by delegates elected by the group as a whole. Although the specifics of participatory budgeting vary from locality to locality, the process generally contains five common steps: diagnosis of community needs; election of budget delegates; deliberation to determine potential projects and priorities; collective decision-making through consensus or voting; and execution of chosen projects (Pinnington et al., 2009; Lerner, 2006).

Participatory budgeting originated in Porto Alegre, Brazil. In 1989 the left-leaning Brazilian Workers Party won municipal elections and sought to implement more representative decision-making as a means of both increasing the propensity of citizens to pay property taxes, and more effectively distributing municipal funds (Bräutigam, 2004). In Brazilian municipalities with active participatory budgeting projects, generally between 10% and 100% of the municipal budget is disbursed through participatory budgeting (Avritzer, 2006). Over the last 28 years, the

participatory budgeting process in Porto Alegre has succeeded in both improving service provision and increasing municipal revenue, sparking international interest (Bräutigam, 2004; Lerner, 2006). What sets participatory budgeting apart from other forms of community consultation is the extent to which the process is resident driven. Residents, not elected officials or bureaucrats, identify potential projects for funding and make the final decision on the allocation of funds (Pinnington et al., 2009). In contrast, during community consultations and town halls, the parameters of projects are often pre-determined and the scope for feedback is limited (Pinnington et al., 2009; Bräutigam, 2004). Along these lines, the success of a participatory budgeting process can be considered in relation to the extent to which participants are representative of the community, the process is participant driven, and outcomes substantively influence policy.

Proponents of participatory budgeting argue that the process has a number of benefits. Some scholars view participatory budgeting as the solution to a perceived “democratic deficit” in Canadian politics resulting from outdated modes of representative democracy (Fung and Warren, 2011; Schugurensky, 2007). Participatory budgeting is also credited with enhancing democracy by creating more engaged citizens and leading to more representative policy-making (Pinnington et al., 2009; Johnson, 2009; Lerner, 2006). In terms of neoliberalism, participatory budgeting has been portrayed as a counterweight to neoliberal reforms, by challenging the dominance of private sector logics through the re-inscription of public scrutiny into the budget process (Pinnington et al., 2009). For instance, in their work on Guelph, Pinnington and Schugurensky (2010) state, “participatory budgeting is considered a form of empowered participatory governance that mitigates expert decision making power and control over public process” (287). Given that there are multiple entry points for involvement in the process, participatory budgeting has also been

hypothesized to facilitate democratic involvement of marginalized groups (Pinnington and Schugurensky, 2010; Pinnington et al., 2009; De Sousa, 1998). The process of participatory budgeting has even been described as creating a “more caring” citizenry by building connections among neighbours (Lerner, 2006; De Sousa Santos, 1998). In short, participatory budgeting has been credited with the power to reduce the limitations of representative democracy and combat neoliberal policy changes.

Nevertheless, many of the same authors who are optimistic about participatory budgeting are also conscious of potential limitations to the process. Patsias et al. (2013) note that,

[p]articipatory democracy remains the product of power relations defined within representative democracy... participatory democracy may only be window-dressing in the interest of further economizing on local budgets and of augmenting political legitimacy without offering much in return. (2227)

In other words, participatory budgeting is not immune to social, political and economic power imbalances, and may serve to reinforce existing hierarchies rather than challenge them. Similarly, Maley (2010) argues that the democratizing potential of participatory budgeting is constrained by the broader sociopolitical environment, which largely delimits acceptable political outcomes. In support of this contention, a study of participatory democratic practices in Canada found that the success of the process was not dependent on the structure of the process itself. Rather the crucial factor in the success of participatory consultations was a broader political context where elites found it in their interest to share power (Johnson, 2009). A pre-condition for successful participatory budgeting initiatives, then, may be a level of elite support, or elite self-interest in deferring some budgetary responsibility to residents. This observation calls into question the extent to which participatory budgeting can directly challenge the neoliberalization of municipal governance, a question addressed through the case-study of Guelph. To date, the research on Guelph has focused on the origins of participatory budgeting in

Guelph, or the specific structure of the Guelph process, but has not put into dialogue the relationship between participatory budgeting and neoliberal governance.

Participatory Budgeting in Guelph: The Neighbourhood Support Coalition

Participatory budgeting in Canada was first adopted in Guelph, Ontario, through the efforts of community groups in conjunction with some support from municipal staff. Guelph is a city of approximately 120,000 residents located 95km south-west of Toronto. In the early 1990s, in the midst of municipal restructuring in Ontario, a number of community organizations joined together to create a joint fund of several hundred thousand dollars for local projects (Lerner, 2006). The collectivity was formalized with the founding of the Neighbourhood Support Coalition (NSC) in 1997. The coalition was formed, “with the aim of enabling residents, city staff and partner organizations to collectively allocate community funding and improve community life” (Lerner, 2006: 5). After several years of advocacy, and the support of key city staff, the municipality began to collaborate with the coalition in the disbursement of community funds (Pinnington et al., 2009; Lerner, 2006). Participatory budgeting was initially the idea of the City of Guelph’s Manager of Community Development.⁹ Prior to 1999, the NSC allocated funds equally to each member neighbourhood group (Pinnington, 2009). However, they found that this often left neighbourhood groups with more external resources or fewer programming needs with a surplus, while underfunding other neighbourhood groups. Consequently, the NSC was receptive to participatory budgeting as an alternative mechanism of allocating funds, one that would better match funding allocations to neighbourhood need. Under participatory budgeting, the greatest portion of funding was typically allocated to the least affluent neighbourhoods (Pinnington et al., 2009). In contrast to Porto Alegre, and other cities where elite support has been theorized to be an important enabling condition, city councillors had a minimal role in the

process. Rather the NSC was “able to grow when politicians were looking the other way” (Lerner, 2006: 5). In interviews, city staff noted that the process attracted little attention from municipal councillors or the mayor. One interviewee stated that politicians, “didn’t really have an impact on the process...early on, the staff didn’t really disclose to council how that money was being allocated”. Involvement of elected councillors was limited to occasionally observing participatory budgeting meetings, and also listening to presentations to council to request more money. The limited involvement of council possibly related to the limited amount of funding involved in participatory budgeting in Guelph, as discussed below.

The NSC was funded through a combination of city-funds, private sources and community fundraising, with city funding making up the bulk of the NSC’s financial resources. The City of Guelph’s specific contributions to the NSC have varied, but always constituted less than 0.1% of the annual consolidated operating budget, a significantly more constrained scope than most municipalities in Latin America that practice participatory budgeting where typically more than 10% the municipal budget is allocated through the process (Avritzer 2006; Cabannes, 2015). During the NSC’s experiment with participatory budgeting, approximately \$350,000 was allocated each year through the collective deliberations and decisions of the neighbourhood groups, though the specific amount of money available varied from year to year, and grew as more neighbourhood groups became involved (City of Guelph, 2005; Pinnington et al., 2009). For example, in 2007 the city provided funds of \$125,000 as part of a total NSC cash budget of \$320,000, plus in-kind donations of space, labour and materials from the city valued at \$650,000 (Pinnington et al., 2009). By 2009-2012, the last period the NSC practiced participatory budgeting, the city’s cash contribution was typically closer to \$350,000.¹⁰ Funds were not

restricted to capital projects, but instead directed at small-scale neighbourhood projects including community events, park improvements, and youth initiatives (described in further detail below).

According to interviews with staff and volunteers, the NSC generally followed a similar cycle throughout their decade of participatory budgeting, with only minor adjustments to the process. Individual neighbourhood groups each elected volunteer delegates to send to the city-wide NSC meetings, where the final budget was deliberated upon and decided (Piper, 2012; Lerner, 2006). Under the participatory budgeting model, the budgetary cycle for projects lasted several months, and operated according to the following stages:

- Residents meet in each neighbourhood to discuss spending priorities – each group prepares a “needs” and “wants” budget and elects two delegates to the NSC;
- Delegates meet at the NSC to share budget proposals, City staff and private funders outline funds available;
- Neighbourhood groups re-evaluate needs and wants;
- NSC delegates negotiate a budget, based on consensus. The amount of the budget is determined by city funds allocated to the neighbourhood groups;
- Neighbourhood groups and partners implement and monitor projects.

(Pinnington et al. 2009)

The municipal government supported the participatory budgeting process in a number of ways. As mentioned, the City of Guelph was the major funder of the NSC, and provided meeting space and access to city hall for participants (Pinnington, 2009). In addition, the city provided up to five staffers dedicated to neighbourhood groups - District Community Coordinators – who provided training, information and technical assistance to the NSC (Pinnington, 2009). The NSC historically funded three categories of projects:

- Community Building Projects: one-time events, like festivals, neighbourhood clean-ups;
- Community Engagement Projects: newsletters, websites, training, town halls;
- Neighbourhood Programs and Services: regular events, like food programs.

Projects were ranked according to a set of consistent criteria and deliberated by the NSC funding committee until a consensus was reached (Pinnington et al., 2009). Despite the small amount of money at stake, lofty achievements were ascribed to Guelph's participatory budgeting process.

Pinnington et al. write:

The precedent set by the process – with respect to direct community participation in the democratic process, addressing power imbalances in expert-driven policy-making, and citizenship learning by participants - has far-reaching and profound implications...[participants] are disrupting cycles of poverty and elitism, by building new networks that reduce power imbalances and encourage greater understanding between social groups (2009, 467).

Nevertheless, questions remain as to how narratives of democratic empowerment, social inclusion and equity stand up to closer investigation, particularly as no research on Guelph's experience of participatory budgeting has been published since the municipality and NSC ceased to use the process in 2012. Several structural characteristics of the NSC process were designed to safeguard a democratic, resident-driven process. Although the NSC's Steering Committee included representatives from partner organizations, such as United Way, Family and Children Services, local school boards, and the County of Wellington, NSC guidelines stipulated that the Neighbourhood Committee has final decision making authority for resource allocation (Pinnington et al., 2009). This helped ensure that community members determined the final budget. The focus on citizen direction has been echoed by staff and councillors who have participated in the process, and consider the NSC's funding decisions "final" (Loveys, 2007; Piper, 2012).

In addition, the NSC did undertake a number of steps to try to create an equitable and resident-driven participatory budgeting process. The NSC set aside approximately \$5000 each year to offer childcare, eldercare, translation services, and transportation reimbursements to encourage equitable participation among women, low-income residents, and those whose first language is not English (Pinnington et al., 2009; Lerner, 2006). Although these measures cannot entirely mitigate differences in linguistic and technical skills, or gender, class or race based power imbalances, Lerner (2006) argues that these steps made Guelph's process more inclusive than traditional forms of public consultation, like town-halls and deputations, as evidenced by substantive low-income participation.

Despite the well documented existence of these institutional equity mechanisms, in interviews equity concerns with the participatory budgeting process were identified as a key reason why the NSC ceased to disburse funds in this way. One interviewee stated: "there was just no way to make it fair. It was hard to determine – ever – all the levels of fairness and equity that the people wanted there to be. The layers were innumerable. And if you're fighting for money, you can come up with new layers pretty easily." Another interviewee bluntly stated: "It failed at equity" but continued in a more positive vein saying: "But the effort to do it...the recognition that there wasn't a level playing field and to try and do something about it was admirable." The idea that the legitimacy of the participatory budgeting process should be rooted in equality, not market logics of profitability, cost-efficiency, or citizen-choice is itself an important contestation of neoliberal logics of governance. Nevertheless, as will be discussed below, the social inequality exacerbated through neoliberal governance reforms created conditions where equitable organizing for a small community organization, working with a limited budget was very difficult.

Challenges in the Participatory Budgeting Process

Despite the notable success in involving community members in budgeting process, the experience of the NSC in Guelph also reflected a number of limitations of the participatory budgeting processes, particularly when the funds involved were incommensurate with the social problems being addressed. Funding is perhaps the primary area of concern regarding participatory budgeting in Guelph: the magnitude of funds disbursed by the NSC was relatively minor in comparison with the scope of the regular municipal budget process. In contrast to Porto Alegre, participatory budgeting in Guelph did not impact the allocation of the municipal budget as a whole, only the disbursement of a single fund. Moreover, the participatory budgeting fund accounted for less than 0.1% of Guelph's annual consolidated budget. In fact, the growth of the NSC from six to fourteen groups, without a proportionate increase in funding, was a major challenge in continuing the NSC's participatory budgeting process, as tensions arose from more groups deliberating about a (relatively) smaller pot of money (Pinnington et al., 2009). To deal with the problem of declining fiscal resources per neighbourhood, in 2006 the NSC only allocated funds to the six least affluent neighbourhoods at the table (Pinnington et al., 2009). While in 2007 the group returned to considering proposals from all member neighbourhood groups, difficulties resulted from the small amount of money disbursed to a relatively large group of stakeholders. In the City of Guelph's 2010 Sustainable Neighbourhood Engagement Framework (SNEF) discussing the NSC, several pages are devoted to discussing the need for revenue growth (Meagher et al., 2010).

The inability to manage inequality between neighbourhood groups in the context of funding constraints was a serious problem for the NSC. One interviewee states: "The layers of inequity to start the process was probably the foundational problem. So if everyone came in with

the same space to meet, volunteers, fundraising events, we probably would have been better off.” Particularly in a context where many delegates were coming in with their own challenges related to poverty and under “tremendous pressure” to obtain funding for their neighbourhood group, constrained funding led to competition and exacerbated divisions between groups, where the process became about, as one interviewee put it: “winners and losers” rather than inclusion and collaboration. Another interviewee stated: “Some groups they felt had more capacity to be in that kind of bargaining participatory process than others...that maybe favour[s] people who are in a more professional line of business.” In many ways, participatory budgeting exacerbated inequities between groups on the basis of resources or professionalism, because it meant that certain groups with more resources or professional experience were able to articulate and defend their funding needs more strongly. In the absence of a discussion of how low-income neighbourhoods are integrated into the municipal budget process as a whole, the NSC initiative may have created what Addie (2009) calls a “pivotal foil” legitimating a closing of alternative democratic avenues. In other words, low-income neighbourhoods are directed into a process where very limited funding is made available, while barriers to participation in more substantive budgeting processes expand. In sum, given the relatively small magnitude of funds and the isolation of the NSC participatory budgeting process from the municipal budget as a whole, in Guelph the ability of participatory budgeting to influence broader municipal budgetary allocations was limited.

Second, although participatory budgeting in Guelph has limited influence on the municipal budget, the municipal budgetary context influences participatory budgeting. More specifically, the implications of participatory budgeting can only be understood by considering the process in the context of broader neoliberal shifts towards marketization, particularly the

trend in Ontario during the 1990s toward NPM, service devolution, and transfer cuts. Budget cuts formed a key part of the impetus for neighbourhood groups to unite and seek funding (Pinnington et al., 2009; Lerner 2006). Lerner states that, “budget shortfalls and pressures helped instigate greater participation. In Guelph, neighborhood groups began to raise funds for a collective budget largely because they were finding it difficult to raise enough money independently” (2006: 9). Moreover, in some ways the NSC’s participatory budgeting program can be read as a downloading by municipalities of the difficult decisions concerning certain kinds of program funding and budget cuts that were downloaded to them by the province. For example, Piper (2012) cites the example of compromise at the NSC involving a resident of a more affluent neighbourhood group who retracted her budget proposal after hearing a delegate’s request for community supported breakfast program at a low-income school. This is used to illustrate the positive power of consensus decision making. Nevertheless, what this anecdote fails to address is the way the neoliberal context has structured the decision making process. The decision to cut social programs, education spending, and other initiatives to reduce child poverty are often made at the federal and provincial levels, even if implemented locally, and the consequence is that communities are forced to solve externally structured resource constraints. In the case of Guelph’s participatory budgeting project, this pressure led to heightened tensions between community groups. One interviewee described this tension as, “duking it out in a big circle and trying to come to consensus when there wasn’t enough [funding] there”. Another described how some people were frustrated with the trade-offs necessary between neighbourhood groups: “So we got our food programs cut, and you got money for a newsletter. How is that fair? Like, it wasn’t. I heard from both sides that people felt kind of upset at the process...they walk away feeling not very connected to each other”. The lack of resources,

combined with inequity between neighbourhoods and neighbourhood groups, made it difficult to set aside competition in the name of a more collaborative framing of decision making, although the latter is often described as a key benefit of participatory budgeting.

The heavy reliance of the NSC on volunteers can be interpreted as a further form of municipal downloading, and also exacerbated tensions between neighbourhood groups. The NSC and neighbourhood groups are heavily reliant on volunteer labour. In 2007, reports estimated that 700 volunteers provided over \$1 million dollars in services to NSC supported initiatives (Schugurensky, 2007; Pinnington et al. 2009). There also is a significant gendered dimension to this reliance on volunteer labour. Pinnington (2009) points out that and the majority of NSC volunteers, staff and community partners are women and “participants link this to a general gendering of care-giving activities, as well as a disproportionate number of women in the community living with low incomes or in social isolation” (178). While Pinnington notes this gender imbalance, she does not further interrogate the consequences of reliance on gendered voluntary labour. While the extent of volunteer mobilization is commendable it also raises the question of to what extent, though participatory budgeting, communities, and specifically women, are taking on responsibilities for social service provisioning formerly provided by paid municipal staff.

Another consequence of an environment of fiscal restraint and municipal austerity was to increase tensions between neighbourhood groups in the consensus decision-making process used in the NSC’s participatory budgeting model. While previous research (for example, Pinnington et al. 2009) has heralded the democratic nature of consensus decision making, interviewees indicated that in the context of constrained funding in which the NSC was operating, consensus decision making created some problems. One interviewee stated: “I do not recall – and this was

after hours- I do not recall any consensus being reached.” Another interjected, “We would get past that point and something very nice would happen, but definitely there was shouting, there was bullying for sure, tears, posturing...” Nevertheless, the second interviewee agreed that “the really big fall-down point was trying to do this in a consensus way.” Interviewees traced tensions to three main factors: an environment of scarce funding, inequality between neighbourhood groups, especially those with federal funding or stronger fundraising abilities; and delegates being under pressure to secure funding for their neighbourhood group without commensurate skills and experience in negotiation. In environments marked by resource constraints and marked inequalities between parties, consensus decision-making may not be the most equitable way to make decisions. In sum, the participatory budgeting process in Guelph was shaped by broader neoliberal shifts in municipal governance: budget cuts provided the initial impetus for the formation of the NSC; and a context of fiscal constraint necessitated heavy reliance on voluntary labour and created tensions in the NSC’s consensus decision-making process.

Third, the NSC participatory budgeting process was often articulated within a framework of neoliberal discourses of accountability, efficiency and self-help through marketization, limiting its capacity to challenge neoliberal logics. Support for participatory budgeting in Guelph was often described in terms of transparency and accountability. Former councillor Leanne Piper states that, “Participatory budgeting is the best example of how to be accountable and transparent” (Piper 2012: 7). To concerns regarding a lack of accountability in participatory budgeting, she adds, “I say ‘horse-hockey’ to that, too, because accountability is stronger with the participatory budgeting process” (Piper 2012: 8). The City of Guelph’s Manager of Community Development, Janette Loveys-Smith, described participatory budgeting as “a more cost-effective service delivery model” where “neighbourhoods become the solution” (Loveys,

2007: n.p.). Neighbourhoods becoming “the solution” implies that they had previously been the problem. And this concern with shifting neighbourhoods from potential problems to solutions provides some indication as to why participatory budgeting may have been supported by city staff.

As mentioned earlier, accountability, transparency and efficiency can be important markers of democratic governance, when they provide for substantive citizen oversight of government. However, in this case, accountability, transparency and efficiency were treated as synonymous with creating neighbourhood groups that could function autonomously, reducing dependency on the city. Early on, this was the desired outcome of participatory budgeting expressed in official city documents concerning the NSC. For instance, in the 2004 and 2005 Tax-Supported Operating Budgets, the City of Guelph cites a desire for neighbourhood groups to develop “autonomously” until the city can retreat into a role of “resource” (City of Guelph, 2004; City of Guelph, 2005). In the 2006 Tax-Supported Operating Budget, the city applauds, as a key success, the ability of the NSC to develop a Mobile Youth Center as a “low cost/no cost” programs for youth. The program is considered successful in the budget report because it is inexpensive, rather than being assessed through the quality or desirability of the services provided. Indeed, as the budget itself states, the Mobile Centre was only used by an average of 15 youth per day of operation (City of Guelph, 2006). As an interviewee stated, the benefit of the NSC for the city was trying to grow the neighbourhood model to “provide services in neighbourhoods by the tax base” as opposed to directly by the municipality.

While the ability of a community to develop the capacity to solve its own problems is laudable, what these assessments of the value of the NSC’s participatory budgeting process sidestep is what is often articulated as the key benefit of participatory budgeting: making

government democratic and reflective of residents' priorities. The success of the NSC is hedged in terms of accountability and efficiency, as achieved through autonomy from the city, rather than equity, democracy or redistribution. And while there was a concerted effort from the NSC to foreground the process in principles of equity, from the city's perspective, participatory budgeting appeared to be primarily about the neoliberal goal of reducing the dependence of communities on government, and only secondarily about equity, and not really at all about increasing democratic control of government more broadly.

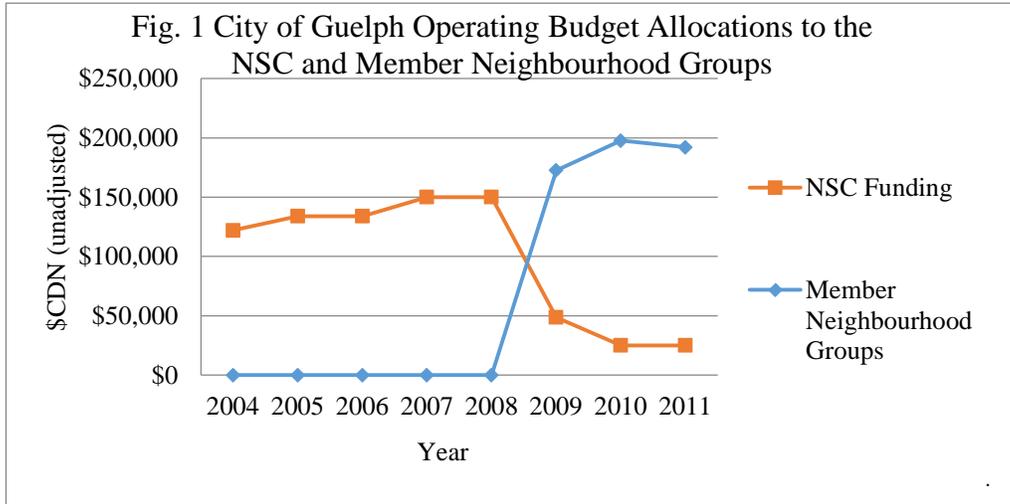
Finally, the success of the participatory budget process in the NSC was dependent to a significant extent on external partnerships. The NSC works with a large number of partner organizations, such as the United Way and Family and Child Services. The Tax-Supported Operating Budget of 2005 stated, "the NSC secured a ratio of \$1 city to \$5 outside funding sources for a total of over \$500,000 in revenue to support programs and services" (City of Guelph, 2005) and the 5:1 ratio was also cited by Pinnington et al. (2009). The reliance of participatory budgeting on partner organizations has several consequences. Soliciting donations takes a great deal of time and resources on the part of the coalition, and reliance on donations causes instability in funding (Meagher et al., 2010; Pinnington et al., 2009). Donations often come with strings attached, for example, funding that can only be allocated to specific programs or neighbourhoods, limiting the ability of the NSC to autonomously designate funding (Meagher et al., 2010). The significant time and energy spent soliciting funding from private sector partners undermines the capacity of the NSC to engage in community consultations and support neighbourhood projects. In addition, in a context of cuts to social programs, the NSC has found that some partner organizations attempted to manipulate the participatory budgeting process to make-up for shortfalls of government funding in their own organizations (Pinnington et al.,

2009). Sometimes partners were disproportionately able to influence the participatory budgeting process through their familiarity with negotiation and deliberation in professional settings. One interviewee stated: “Often the partners are used to being at meeting tables with agendas...that’s their day-to-day reality, where the other people in the room, that’s not their reality... there sometimes seems to be an imbalance.” Concerns over the influence of partner organizations led to a restructuring of the budget processes in 2010 to reduce partner influence (Meagher et al., 2010). External partnerships are not inherently negative, but do raise questions as to the extent to which the participatory budgeting process in Guelph should be understood as oppositional to neoliberalism, in terms of privileging community authority over market expansion.

The Decline of Participatory Budgeting in Guelph

Starting in 2009, the municipality began to encourage the NSC to change its funding process. This shift was preceded by a substantial funding debate in 2008. During the lead-up to the municipal budget in 2008, NSC representatives attempted to gain standing at municipal meetings to ask for a funding increase to cope with an increase in the number of neighbourhoods applying for funding. The NSC’s representatives were given the run-around: first, they were told that the agenda for the relevant committee was full for several successive meetings, and then that a “service efficiency” audit needed to be conducted of the neighbourhood groups’ activities before any funding increase could be considered (Pinnington, 2009). Although in the end, the NSC obtained a funding increase of \$50,000, the process required the exertion of public pressure through the local media, as well as several additional months of negotiation between NSC representatives and city councillors, which created funding instability for neighbourhood groups (Pinnington, 2009). The following year, the city substantially changed its method of allocating funding to the NSC. Prior to 2009, the City of Guelph disbursed the majority of its

neighbourhood funds to the NSC (see Fig. 1).¹¹ The NSC, in turn, disbursed funding to different neighbourhood groups through the participatory budgeting process.



Source: City of Guelph Operating Budgets 2004-2011

Starting in 2009, the City of Guelph began funding individual neighbourhood groups and dramatically reduced the funds provided to the NSC. In interviews, city staff described the rationale for this change as follows: “Instead of it going into one big bucket and nobody knew who was getting what,” disbursement to individual neighbourhood groups was, “an accounting function to better to track and manage the money.” While prior to 2009, precedent played a large role in the NSC’s participatory budgeting process: the exact funding per neighbourhood group was not pre-determined prior to the participatory budgeting process. The change to a model of redistribution that allocated specific amounts of funding to individual neighbourhood groups *prior* to engaging in participatory budgeting altered the extent to which the NSC budgeting process functioned as an effective process of deliberation and redistribution across neighbourhood boundaries and cleavages. One interviewee described the reluctance to deviate from city determined funding amounts as follows: “They might decide amongst themselves to

give one neighbourhood more and one less... that kind of conversation was tried amongst each group but it wasn't well received." Another stated: "There were moments of giving - sometimes - in the participatory budgeting process...overall it was more of what can be had". This negotiation among residents of different neighbourhoods, with different needs and circumstances, is crucial to the redistributive component often cited as a key benefit of participatory budgeting (Johnson, 2009; Lerner, 2006). Yet negotiation seems to have been largely absent in the Guelph case, particularly in the later years of participatory budgeting.

In addition to the restructuring of municipal funding, increasingly concerns about efficiency, accountability and autonomy – the same rhetoric used to initially legitimate participatory budgeting – began to be mobilized to undermine support for the process. Indeed, when the benefits of participatory budgeting are encapsulated, not in terms of democratic merit, but in terms of logics of marketization, as expressed through language of accountability efficiency and self-help, then these same logics can be mobilized to undermine the process, even if its democratic merits remain unquestioned. Tracing language used in City of Guelph operating budgets from 2004 to 2014 demonstrates a changing conception of the role of the NSC in municipal service provision. In 2004, 2005 and 2006 the emphasis is on how the city can support the work of the NSC and facilitate its expansion. The NSC is described repeatedly as a “partner”, one with a pivotal role in community services. For instance, in the 2005 Operating Budget, three of the six Community Division priority points pertained directly to the NSC (City of Guelph, 2005). Yet at the same time, the City's support is justified by pointing out how efficient the NSC is at leveraging private funds (City of Guelph, 2005) and/or pointing out the low-cost programs it has initiated in the past (City of Guelph, 2006). In 2007, the NSC is listed as a partner, but otherwise goes unmentioned, and is not referenced in budgets from 2008-2011. In 2012, 2013

and 2014, the NSC reemerges, but rather than emphasizing mutual support, reference terms include “governance structures” (2012), “increased accountability” (2012), “issues management” (2013), and “capacity building” (2014). There is a shift from an emphasis on supporting and expanding the NSC, to monitoring and re-asserting formal municipal control over the NSC’s activities.

In 2008, an advocate for participatory budgeting, Community Manager Janette Loveys-Smith, lost her position with the City of Guelph as a result of restructuring (Pinnington, 2009). Pinnington characterizes Loveys-Smith’s dismissal as a sign of a “lack of political will” for participatory budgeting (2009, 180). Beyond a general lack of political will, however, declining support for participatory budgeting in Guelph was indicative of its perceived failure as social policy to create efficient and autonomous neighbourhood groups. One interviewee described the situation as follows: “City staff...they were doing budgeting and staffing. Going to all the board meetings. Some of the groups would consider city staff a member of the board.” They continued: “In order for the NSC to be sustained in the future, they needed to have their own governance model away from the city.” There was a strong emphasis at this time on inducing a shift in the NSC and neighbourhood groups away from reliance on city staff or resources.

In March 2008, City Council directed community services to develop a long-term plan for the sustainable development of the neighbourhood groups: Sustainable Neighbourhood Engagement Framework (SNEF). According to a follow-up report, this was “in response to requests for increased funding to the Neighbourhood Support Coalition (NSC) arising from growth” (CSS, 2011).¹² The restructuring had two main goals: first to make the NSC “sustainable” by reducing reliance on the City for funding. The report was oriented around “the need for the NSC to be an autonomous organization, and for the City to move from being the

main ‘facilitator and supporter’ of the NSC, to being one of many community partners who share the principles of community development” (CSS, 2011). The requirement for the City of Guelph to support the NSC’s activities became perceived as onerous. One interviewee stated that senior city staff believed that “[t]hey needed to change the way they supported neighbourhood groups, they needed to make them more independent”. The SNEF report explicitly equivocates “sustainable resources” with private sector resources (CSS, 2011). The result was the incorporation of the NSC as an independent non-profit – renamed the Guelph Neighbourhood Support Coalition (GNSC) - and the elimination of five city-funded NSC Community Development Worker positions when “sustainable funding” could not be found. The democratic legitimacy of participatory budgeting became linked to the ability of the NSC to reduce reliance of the neighbourhood groups on city resources.

Concerns regarding accountability, transparency and efficiency were used to provide an “objective” basis for undermining the participatory budgeting process. The SNEF Report states that, “the neighbourhood group system is facing some fundamental challenges”. It continues by stating that,

[p]articipation in neighbourhood groups has grown much more quickly than the resources to support these groups. The demands on volunteers who lead neighbourhood groups has increased, but the ability of their support network, the NSC, to provide assistance and build their capacity is limited. The scarcity of resources has created tensions and raised some questions about the relative priorities of the functions of neighbourhood groups. (Meagher et al., 2010, 14).

None of the specific challenges raised in the report: growth in participation; heavy reliance on volunteers; capacity limitations; and scarcity of resources are described as a lack of accountability or transparency in the sense of a lack of citizen or staff oversight of the activities of the NSC. Nonetheless, the report seeks to address these challenges: “with additional

transparency and reporting requirements” that would bring the NSC process in line with municipal governance standards (Meagher et al., 2010, 7). According to one interviewee, this disjuncture between municipal accounting practices and the participatory budgeting process risked putting into “jeopardy” the NSC’s municipal funding, as “municipalities started to tighten their financial belts a little more.” In the SNEF report, participatory budgeting was seen as unaccountable, not because it was undemocratic, but because the resource intensive, and time-consuming nature of participatory budgeting created tension with the city’s budgetary and governance procedures. Additional recommended changes in the SNEF report focus on minimizing city staff involvement with the NSC and making the process less resource intensive (Meagher et al. 2010). From 2009 to 2012, several changes to the participatory budgeting process were attempted to streamline the practice and make it more efficient. The budgetary cycle was shortened, reducing time for deliberation but increasing “efficiency” (Huck, 2011).¹³ In addition, voting was added when consensus could not be reached after a period of time, and the reporting requirements for neighbourhood groups were increased, including more specific budgetary accounting of expenditures (Huck, 2011; Meagher et al. 2010). While council committee reports initially declared that participatory budgeting would remain the method of disbursement by the NSC due to its value as “an equitable democratic process” project disbursements were now required to demonstrate alignment with SNEF principles (CSS, 2011). In the SNEF report and interviews, it is clear that the major concerns from the perspective of city staff with participatory budgeting related to the perceived inefficiency of the process and the staff- intensive nature of the process. This is not to say that there were not real challenges with participatory budgeting as practiced in Guelph by the NSC, but rather to suggest that these

challenges more substantively related to resource constraints and social inequality, rather than a lack of transparency or insufficient reporting.

Starting in 2013, the GNSC moved towards a grant application process adjudicated by four board members – one representing GNSC staff, one representing partner organizations and two representing neighbourhood groups (GNSC, 2016). In 2016, the GNSC has continued with the grant process. Because the allocation process no longer involves a group of residents deliberating about neighbourhood needs and making the final funding decisions, it no longer fulfills the definition of participatory budgeting. Reflecting upon the City of Guelph and NSC's experience with participatory budgeting, one interviewee stated, “[t]hat forum allowed everyone in that room to understand the city as a whole, as opposed to their little piece ...Not that they gave any money up.” They continued by saying that, “I think I’m the only one left in Guelph who, who’s a champion of participatory budgeting.” In general, interviewees concurred that the new grant application process was less contentious than participatory budgeting had been and that there was “little appetite” among community members or staff for re-engagement with participatory budgeting in Guelph.

Conclusion

Addie states that, “‘Democracy’ is a pliable and contested concept, and its relationship to capitalism, particularly its neoliberal articulation, is both complex and contradictory” (2009: 536). An examination of neoliberalism and participatory budgeting in Guelph demonstrates that this indeed is the case. While participatory budgeting is appealing in terms of its potential to place real decision-making power in the hands of citizens, in a context of hegemonic neoliberalism, participatory processes risk being utilized to offload municipal service provision, backstop budget cuts and market-based solutions, or alleviate concerns about a lack of

democracy in more substantive venues. In Guelph, the NSC engaged in participatory budgeting with the laudable goal of creating a citizen-driving budgeting process that responded to the needs of low-income communities. However, the NSC was also faced with a number of challenges including: the limited funds available for disbursement; the need to legitimate participatory budgeting in neoliberal language of cost-efficiency and creating autonomous neighbourhood groups; a broader environment of budget cuts to community and social services at the municipal level; and, heavy reliance on external partnerships. As a result, in case of Guelph, participatory budgeting is better understood as an adaptation of community organizations neoliberalism rather than a direct undermining of neoliberal logics. Moreover, the decline of participatory budgeting in Guelph from 2009-2012 demonstrated the extent to which tolerance of the NSC's participatory budgeting process was possible only insofar as it did not contravene neoliberal rationalities in municipal governance. This finding indicates that democratic reform in Ontario municipalities requires more than citizen participation in the administration of localized funds. It also raises questions as to some of the grander claims made of democratization and local empowerment made of participatory budgeting more generally, serving as a reminder that demonstrating these claims requires detailed case-study investigation, as the effects of a policy process often depend on local context and implementation processes.

¹ Originally called the Neighbourhood Support Coalition (NSC) the organization changed its name to Guelph Neighbourhood Support Coalition (GNSC) in 2013. NSC is used when discussing the coalition's activities prior to 2013, while GNSC is used from 2013 onward.

² An exception to this, is the work of Pastias et al.'s (2013) study of democratic empowerment through participatory budgeting.

³ Where the argument draws on interview data, I have used three methods to increase reliability: first, wherever possible, I have tried to triangulate interview data with data from City of Guelph documents or other research publications; second, to increase transparency, I have provided direct quotations from interviewees rather than paraphrasing; third: I have only included insights where there was substantive agreement between multiple interviewees and if there was disagreement I have included the counterpoint as well.

⁴ Personal communication, GNSC Executive Director.

⁵ "Common Sense Revolution" was the main tagline of Harris' election campaign and the name of a pamphlet distributed to voters during the campaign, which outlined major tenets of the Progressive Conservative Party's platform (Siegel, 2006).

⁶ Amalgamated municipalities included Toronto, Hamilton, and Kitchener-Waterloo, but not Guelph. Amalgamations were justified as necessary to increase the efficiency of municipal government, standardize service provision, and modernize municipal administrative systems (Siegel, 2006; Glor, 2001).

⁷ For example, Masuda, McGee & Garvin, 2008 found that in regional land planning in Alberta, technologies of public engagement were used to mobilize particular forms of governance in the name of specific economic goals rather than promote democratic engagement with environmental planning. In a study of federal downloading, Ilcan (2009) also found that public engagement apparatuses were often used to facilitate the responsabilization of citizens, which she describes as a strategy of neoliberalization.

⁸ An example of participatory budgeting as an institutionalized social movement for democratic reform, the Participatory Budget Project (PBP) (<http://www.participatorybudgeting.org/>) is a non-profit that operates primarily in Canada and the United States to promote participatory budgeting. The organization hosts annual conferences, educational seminars and public events.

⁹ Personal Communication, City of Guelph staff.

¹⁰ Personal communication, GNSC Executive Director.

¹¹ The budget data used for Fig. 1 is taken from City of Guelph Operating budgets from 2004 until 2011 (inclusive). After 2011, the City of Guelph ceased to fund the NSC and neighbourhood groups as individual line items in the consolidated city budget.

¹² The subsequent restructuring, and renaming of the NSC (Neighbourhood Support Coalition) to the GNSC (Guelph Neighbourhood Support Coalition) and the establishment of the GNSC as an incorporated not-for-profit in 2013, was guided by the Sustainable Neighbourhood Engagement Framework (SNEF), adopted by the city, in 2010.

¹³ Although Huck's title is "Participatory Budgeting –Making a Case for Winnipeg" she provides a detailed overview of participatory budgeting in Guelph as part of her research.

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