THE PORTO ALEGRE THERMIDOR? BRAZIL'S 'PARTICIPATORY BUDGET' AT THE CROSSROADS

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In the formation of leaders, the fundamental premise is: Do there always need to be both the governed and the governors? Or do we want to create conditions in which this division can be eliminated? – Gramsci[1]

The 'Participatory Budget' experience in Brazil, directly associated with the rise of the Workers Party (PT) over the past two decades, has become a focus of world-wide attention for the Left. This is especially the case with Porto Alegre, the city which has hosted the World Social Forum meetings where anti-globalization activists from every continent have come together to declare that 'another world is possible'. In this essay, I intend to present an array of problems for discussion – all based on the hypothesis that the Participatory Budget (PB) experience in Porto Alegre faces a thermidorian[2] phase; a situation in which the PB's transformative process will be dramatically challenged by internal and external constraints. Radical republicanism of the Tocquevillean type, the notion of a 'non-state public sphere',[3] where the state at the local level is open to the participation of all members of society, runs the risk of being side-tracked by an old impulse: to put the plebeians back 'in their place' – despite the local PT-led Popular Front government's efforts to increase the number of participants. I believe that by studying the current limits of the experience of Porto Alegre it is possible to shed some light on the potential directions of democratic radicalization for the popular classes.

The PB is understood here as the emergence of a plebeian public space in local politics. It involves a structure and process through which popular

sectors can prioritize public works and services in a municipal investment plan. Structurally, the PB consists of a system of co-management between representatives of popular sectors and local government. It is organized through an annual cycle of activities that combines direct participation with the election of representatives (delegates and councillors), as well as governmental commitment to the processing of the demands that emerge through previously approved criteria. With regard to process, PB signifies the emergence of a plebeian public; one with its origin in a long history of popular struggles for access to the city, beginning in the 1950s with the first *malocas*[4] in Porto Alegre. PB represents the creation of space for popular organization in community-based deliberative arenas.[5]

In this space, the management of social and physical problems within neighbourhoods is based on public debate. The public consists of local citizens, community and religious groups, and social and professional movements involved in such areas as education, health care, social assistance, law and culture. In some regions of the city these spaces have been named Popular Councils (Conselhos Populares), in some, Neighbourhood Associations (Uniões de Vilas), and in others they are not differentiated from the Participatory Budget Regional Forum (FROP), the co-management organ of the PB at the regional level. Autonomous and/or co-managed, meetings in these spaces are open and have a public agenda, while the way in which deliberations are constructed varies, reflecting the degree of autonomy among the organized popular sectors (independent or co-managed) and the nature of their organizational structure (open or corporative). This fluctuation is not arbitrary, but rather expressive of a permanent tension between forces that are as plural as they are unequal.

Table 1 demonstrates the remarkable character of PB participation in Porto Alegre, involving a public that includes far more women than men, and a great majority of unskilled workers (manual or not), with only a primary level of education. And even above the plenary level, where anyone can attend, the PB has permitted the emergence of leaders among directors of neighbourhood associations and delegates and councillors at higher levels of decision making from women and the less-educated in a proportion far greater than is traditionally the case. Moreover, no less than 54 per cent of those attending the plenary assemblies in 2000 were poor people (with average monthly family incomes below US$281, when the city average is US$420), and even 42 per cent of delegates and 32 per cent of councillors were poor according to this measure. The PB has also become a venue for strategic action for blacks and indigenous peoples – segments of the popular classes previously excluded from participation and political representation. It is very significant in the Brazilian context that one fourth of PB councillors in Porto Alegre represent blacks or indigenous peoples. This is unprecedented in a city where, until recently, true segregation existed; black people were not accepted in the principal supermarkets, and were excluded from industrial work.

Today, there are black movements linked to the samba schools and other cultural activities that are working to identify strategies to change this situation. Similar work has been done by groups of the disabled as well as retired workers.

The work of the church has also been facilitated by the existence of the PB process in popular communities. Access to communities has increased, as well as access to financing from the municipality and individual donations, allowing the church to enhance programs ranging from popular education, inspired by Paulo Freire, to traditional social assistance programs.

Three issues will be examined here to gain a better understanding of current challenges to the Participatory Budget process: (1) the need to politicize those experiences of direct community management that make use of municipal resources (financial or material); (2) the need for improved articulation of linkages between the public budget and city planning, so as to foster deeper analyses of municipal finances and public policies; and (3) the need for further discussion of the political aspects of the PB experience. The latter include the challenges associated with democratic radicalization that is limited to the level of a city, the drawbacks associated with government staff recruitment among community leaders, and the effects of the increasingly mass character of the PB experience, which underscores a widening gap between a body of specialized leaders and participants at the base.

Initially, I will provide an overview of the political conjuncture, one in which neoliberal forces are challenging for hegemony in the so-called 'third sector' via a privatized, decentralized 'community' model for social policy, focused on the poor. With regard to local party-politics, my objective is not to provide an exhaustive study of partisan life, but to reveal some consequences of the electoral impact of the Participatory Budget. I will examine the extent to which ordinary citizens involved in PB interact with the government sector and with the party structure that underlies it, as well as the consequences of this interaction for participatory practices.

PORTO ALEGRE IS NOT AN OASIS IN THE NEOLIBERAL DESERT

There are some apparent paradoxes in the conjuncture of the 1990s that bear on the arguments considered in this essay. The first of these consists of the fact that, for the first time in history, Brazil has experienced the re-establishment of formal democracy combined with social deterioration. 'Inequality increased in Brazil between 1992 and 1998, and the proportion of wages to national revenue, which was 44 per cent of GDP in 1993, fell to 36 per cent of GDP by the decade's end ….'[6] Shrinking wages have been accompanied by the deterioration of labour rights and a change in the social base of economic power.

> Foreign capital, privatization and mergers created a new bourgeoisie in the country, and have destabilized political forces. In the six years under FHC [President Fernando Henrique Cardoso], there has been a transference of property and patrimony which the political regime does not resist. About 30 per cent of the GDP has changed hands. It is an earthquake. With the privatizations, the government lost a good deal of its capacity within the state to distribute benefits among its allies. At the same time, the new regu-

lating agencies represent little more than a simulacrum. They have little or no capacity to impose criteria and public rules on a heavily competitive system that now works on an international scale.[7]

At other moments in history (e.g. the 'New State' after 1937, or the period of authoritarian/military rule after 1964), it was necessary to break with democracy in order to impose limits on working-class demands and promote rearrangement among the ruling classes. In the 1990s, not only did this social crisis coexist with formal democracy, but the federal government was legitimized without the need for hegemonic measures (such as income redistribution) to secure active consent, and thus without the establishment of a more direct relationship with the popular classes. Apart from the patrimonial and patriarchal ties of a significant part of the government alliance (the traditional Brazilian coronelismo), it mostly relied on an indirectly articulated process of domination, with government actions hyped by the mass media, substituting virtual political space for any real one, so that citizens become mere spectators.

Thus the democratization of the 1980s was replaced by the 'governance' of the 1990s. Placing blame for the country's crisis on the state bureaucracy made it possible to convince the public that privatization and the dismissal of public servants would allow the country to 'rescue' the public debt. The mystique of a stable currency, the Real (and what it represented in terms of the break from the inflationary spiral that had severely affected the popular classes), was fundamental for the consolidation of the neoliberal order in Brazil. So long as the government's dollar reserves lasted, it was possible to maintain the illusion that the invisible hand of the global market would place Brazil directly in the 'First World'. But following a ten-fold increase in the public debt (despite the revenue generated by the privatizations), and due to foolishly high interest rates amidst a highly restrictive monetary policy, the time soon came to pay the bill. As before, the only policy anchor they could come up with was lower wages – both individual and social.

Experiences such as the Participatory Budget in Porto Alegre – reproduced today in more than one hundred Brazilian cities (in form if not always in substance) – go against the tide of this process. Rather than diminishing the state's role and submitting the public budget to an endless logic of fiscal adjustment, the Popular Front government in Porto Alegre invested in the recovery of public capacity to meet the demands of the popular sector. A new public community emerged on the municipal scene through the Participatory Budget's well-attended public meetings; through the inversion of priorities and the effort to put proposals for fiscal justice into practice; through the opening of channels for participation in practically all areas of municipal administration; and above all, through investment and services in poor neighbourhoods. Boycotted for years by major newspapers, radio stations and television networks, the PB itself has become a form of popular media.

However, Porto Alegre is not an oasis in a neoliberal desert. It is impossible to avoid the consequences of macro-politics of adjustment imposed at the federal

level. No matter how fiercely the deconstruction of the public sector[8] is fought at the local level (such as by implementing anticyclical politics, increasing municipal property and service taxes, and generally taking advantage of the margin of resources available through the limited decentralization process brought about by the Constitution of 1988) cities still control only a thin slice of the national public budget (down from approximately 17 per cent in the beginning of the 1990s, to the current level of 14 per cent, owing to the reconcentration of tax revenues at the federal level[9] that are not redistributed to states or cities).

Moreover, the Municipal Government cannot overlook the new neoliberal common sense: the increasingly community-centred nature of social policies and the categorization of urban deterioration as merely a problem of management. Areas of poverty and absolute exclusion exist that are impossible to reach by participatory policies; direct social action is necessary to reach these sectors. Social assistance policies always have a Sisyphus-like character, although while the rock is being pushed up the mountain, thousands of people may be aware of the vital difference such assistance makes to holding their footing. In a country such as Brazil, with the fourth worst income distribution on the planet, any public or private actions intended to fight poverty are to be welcomed, but they are not a substitute for the legal, constituent and transforming dimension of politics. In the Metropolitan Region of Porto Alegre, with a population of just under 1.7 million, there were approximately 280,000 unemployed people in the year 2000 (16.6 per cent of the economically active population).[10] A March 2001 study comparing the periods of 1981-85 and 1995-99 shows a deterioration in the indices of employment and income, despite advances in the areas of education and health. The percentage of working ten to fourteen year-olds increased by 11 per cent; the rate of employment in the formal sector of the economy fell by 31.1 per cent; the rate of employment in industry fell by 14.7 per cent. In addition, the unemployment rate went up by 78.4 per cent, increasing the percentage of poor persons in the population of Porto Alegre by 19.8 per cent, and the inequality of income by 16.4 per cent. Overall, there was a 100 per cent increase in the poverty index.[11] However good local policies of social assistance and job creation may be, there exist harsh limits in the economic system which constantly intensify social exclusion.

Compensatory actions demand additional effort in order to achieve a minimally significant result, since cities not only have insufficient resources to deal with the situation, but their public services also consume more resources than those provided by non-profit and community organizations. This is illustrated by the example of community day-care centres in Porto Alegre.[12] The cost of a day-care centre constructed and maintained by the municipal government is enough to maintain several, perhaps more than ten, day-care centres run by community associations, where labour costs are much lower. The result is that today Porto Alegre has 118 day-care centres run by community associations with funds from City Hall. The same applies in other areas, from Carnival to cooperatives for waste recycling. An immense network of community-managed activities has resulted from the financial and material support provided by the municipality.

This poses a strategic challenge for the PB that is hardly ever mentioned either by the Popular Front government in Porto Alegre, or by the popular movements. To what point can the political learning the PB has provided be extended to other social relations? Is it reasonable to assume, considering the PB process as a 'school for citizenry', that citizens will begin to incorporate democratic methods and concepts in their autonomous organizations? While agreements between City Hall and community organizations have a public character and are processed on the basis of suggestions from society itself, a significant number of management issues tend to be left out of public discussion. Let us reconsider the example of the day-care centres. How can it be guaranteed that the professionals who are hired are not relatives of the leader of the community organization? How do we approach the fact that parents often still pay for the service? In that case, what is a fair price? Why must some parents pay and others not, since in the few municipal day-care centres no monthly fee is charged? How can it be guaranteed that the criteria for registration and permanence of the children are equitable and unbiased? How can it be ensured that public money is managed in a transparent fashion and with the agreement of parents and the community, and that those involved can participate in the proper pedagogical management of the centre (as is the case in the public schools where councils bring together parents, students and educational professionals)?

I do not mean to suggest that the state is the only arena of democratic public administration. State management does not per se guarantee the public interest. The challenge I wish to recognize here is the democratic transformation of society. Democracy is not just about controlling the state; society also must democratize itself. No one would suggest ending agreements such as the community day-cares initiative, yet without a democratic revolution in their management, there can be no progress vis-à-vis neoliberal 'common sense'. This is defined and defended across the national and international political spectrum in terms of responsibility for social problems being placed back on communities – with the state offering help but not guaranteeing rights. Challenging this consensus, Boaventura de Souza Santos argues that 'democratization of citizenship space is emancipating only as far as it is united with the democratization of all remaining structural spaces, and citizenship alone is sustainable only to the extent that it spreads beyond the citizenship space'.[13] Otherwise, there is a risk of weakening the Participatory Budget process, understood here as a new form of power building which redistributes power away from the executive and the parliament.[14] There is a real danger that PB may be transformed into 'yet another' organ of public administration in the 'third (community) sector'. Autonomy is a basic principle of citizenship and popular sovereignty, yet it is not a given character of popular organizations; to acquire and keep it is a permanent task.

This is especially important because the new 'common sense' envisages the transference of social policy management to the community level. This reflects both the strengths and the weaknesses of neoliberalism. On the one hand, there is a recognition that the new model of 'flexible accumulation' is increasingly exclusionary, and cannot coexist, in the medium and long term, with democratic

legitimacy. On the other hand, there is an effort to create hegemonic actions that socially consolidate 'market fundamentalism' through the extension of 'total quality' principles to the social actions of large companies, in a kind of results-based social policy. This has been characterized as a process of social fascism,[15] where 'society' (those with socio-economic power and status) turns against the 'social' (the excluded).[16] I prefer to label this an initial situation of 'hegemonic absence', disclosing, with growing transparency, the permanent crisis of legitimacy in which it operates, and making the monetary mysticism of its conceptual scheme more difficult to decipher with each electoral cycle. A lack of socially constructed hegemony does not signify the absence of social domination: neoliberal activity seems to be moving forward assertively in the field of social action, a field hitherto somewhat abandoned to old caudilhos, churches and talk show hosts – and the left.[17]

It was in the context of the dimming of the lights of the Cardoso government and the lack of new tricks in the hats of IMF and World Bank economists (the real managers of economic policy) that the need for hegemonic measures acquired a fresh appeal among the ruling classes. Governmental propaganda at the federal level promised Hayekian social policies (e.g. a guaranteed annual income) and the business sector invested in the concept of social responsibility through the creation of non-profit foundations. This is the new consensus of late neoliberalism: free market, fiscal responsibility and community management of social policy. What is interesting is that among those who do not like social movements there is now a desire to fortify civil society. Seeing that it is now impossible to conceal the disastrous results of a decade of destruction of social rights,[18] it is the private sector itself that is seeking – what a contradiction! – to reconstruct the state outside the state.

Nevertheless, we should not allow ourselves to have any false impressions. With the public character, universality and uniformity of social rights shattered (through privatization, decentralization and the focused bias of social policies),[19] the ruling classes are working hard to reconstruct direct relations with a clientele in the popular classes. And this is done through diverse mechanisms: the creation of new organizations, the financing of NGOs, the construction of new corporate concepts of social action – reproducing in each locus of action the logic of fiscal responsibility and pragmatic administration. Clearly, the precarious nature of work relations has been amplified through the new concept of a 'voluntary sector'. We are reminded of the philanthropic management of poverty in Victorian Britain whereby it was imagined that class struggle could be averted.

Within companies neoliberal ideology is dubbed the 'absolute quality program'. In a nutshell, this represents the placement of responsibility for business challenges directly on the worker ('productivity or death').[20] It strives for the utopia of complete alienation of the working class. Its main focus is on the final result, and the purification of productivity – removing anything that does not add value to the product. This implies the negation of the subjectivity of the workers, including their collective identity as expressed in trade unions. In the case of community organizations, the 'subjectivity' that corporate logic intends

to eliminate is precisely their political character – their capacity to organize class actions that place pressure on governments, their capacity for social revolt. These post-modern management techniques might make us regard companies not only as productive units, but also as vehicles of a new 'market ideology'. Corporations do not only sell goods, they sell a model of society in which their goals can be achieved. Similarly, major television networks not only expect to win a public for their televised products, they desperately need to transform this public into a product, or run the risk of a system failure. Fear of unemployment is not enough to dominate the working class. It is necessary that the capitalist universe (the empire of private property) be confused with nature itself.

The formulation of the 'third sector' concept, therefore, is not a secondary element in the legitimization of capitalism by neoliberals; it fits into the same central axis of systematic expropriation of the working class. The small world of great oligopolies perceived, sooner than many intellectuals, that the increasingly financial character of economies allowed them to destroy or marginalize working-class organizations, while still paying attention to social reproduction, precisely by transforming all of society into a corporation, all people into winners or losers, all social activities into market relations. It is only in this way that the control of so few over so many becomes possible and is reproduced. It is not by chance that those agencies financing third sector activities are accustomed to counting on voluntary work as a fundamental element in their projects (so-called 'leverage capacity'). Thus, solidarity is transformed into merchandise, and civil society into a third sector,[21] notwithstanding the sincere good will of its protagonists.

The success of the Participatory Budget has had to do with its ability to locate the eye of the needle. That is, its capacity to create a realm that, headed by the logic of popular sovereignty, is opposed to the logic of the market (regulated by the law of private property and contract with a public sphere reduced to infrastructure, coercion and legitimacy) as well as the intrinsic legal-bureaucratic logic of the modern state (regulated by criteria of hierarchy and competence and characterized by technocratic authority and lack of transparency – as in the term 'state secrets'). Today, the PB is the backbone of the participatory system in Porto Alegre, where more than thirty-five sectoral councils exist, where periodic conferences evaluate and define the direction of municipal public policy, and where there are popular 'City Congresses' debating proposals for the future of the city. It is at this point of expansion, both internal and external, due to escalating support for direct community management, that PB runs the risk of a thermidorian reaction; as much due to market logic, through the mechanisms described above, as to bureaucratic logic, which is discussed below.

THE POLITICAL SIGNIFICANCE AND CONTRADICTIONS OF THE PB PROCESS

A second paradox of the Brazilian political scene in the nineties was the relative electoral success of left-wing parties in large urban centres; particularly the Workers Party (PT), despite the erosion of its original base of sustenance, the

unionism of the CUT (*Central Única dos Trabalhadores*), the radical new union
central founded in 1983. As in Thatcher's Britain with the miners' strike, it took
an emblematic repression of the state oil company Petrobras workers (in which
even the use of the Armed Forces was not ruled out) to break trade union mili-
tancy in Brazil. The Collor and Cardoso governments had insisted on asserting
themselves against organized workers, using a discourse of opposition to the
'*descamisados*' (shirtless) and the unions in their strategy of deconstructing formal
sector workers' rights. By the beginning of the 1990s, the CUT moved away from
its earlier principal demands (cancellation of the external debt, nationalization of
the financial system, expansion of public health, education and transport services;
agrarian reform under workers' control; opposition to privatization) and adopted
a much more defensive line, defined in terms of the unity of civil society against
the government rather than in terms of the class struggle essence of militant trade
unionism.[22] However, CUT's hope that this shift would result in tripartite agree-
ments among government, business and labour to ease the neoliberal offensive
against labour laws was eventually dashed by the federal government and, to a
degree, by entrepreneurs themselves. The extreme difficulty CUT encountered
in attempting to open public space for negotiation in working relations made
way for the advance of conservative unionism, particularly the *Força Sindical*.[23]

In Porto Alegre, CUT unionism has comprised mainly middle-class sectors
– bank clerks, professors, architects, journalists. It was only at the end of the
1980s that sectors such as the steelworkers in the city adhered to the CUT.
The major strikes in Porto Alegre were undertaken primarily by public sector
workers (public banks, schools and companies) – i.e. those most sensitive to
fiscal adjustment. One of the few unions that still maintains a certain fighting
capacity is the CPERS-Sindicato (the public sector teachers' union). However,
successive strikes by teachers not only failed to restore their real wages, but were
used against them (due to the disruption they caused) and led to the isolation of
teachers from public opinion.

How does this relate to our analysis of the Participatory Budget? It helps
explain why it is that the public involved in the process are not primarily
members of the Workers Party, much less of the CUT. During the first annual
meeting of the PB for the year 2000, only 2.8 per cent of the leaders of
Neighbourhood Associations (AMs) were also members of unions, and only 9.5
per cent of elected delegates and 13.5 per cent of elected PB council members
were union members. Only 13.8 per cent, 21.6 per cent and 31.8 per cent,
respectively, were affiliated with political parties.[24]

There were strong links between union and popular movements during the
early 1980s when the struggle against military rule led to the building of a mass
movement, through which the PT gained hegemony over the process of building
the Urban Union of Neighbourhood Organizations (UAMPA). The work of the
Artisans Union and Architects Union was fundamental in drafting the Municipal
Organic Law of Porto Alegre, approved in 1990. This process opened up space
for discussion among community militants, trade unionists and liberal profes-
sionals, which eventually led to the formation of a new NGO, Cidade – Centro

Table 1

Gender of Participatory Budget Participants - 2000 (per cent)

Sex	IBGE 2000	Plenary 1993	Plenary 1995	Plenary 1998	Plenary 2000	Dir. AMs	Delegates	Counsellors
Female	53.3	46.7	46.8	51.4	57.3	58.9	54.7	27.3
Male	46.7	47.6	52.2	48.4	41.5	41.1	44.8	72.7
NR	-	5.7	1.0	0.2	1.3	-	0.5	-

Ethnicity of Participatory Budget Participants (first annual meeting - 2000) (per cent)

Ethnic Group	Plenary	Dir. AMs	Delegates	Counsellors
Black	21.1	15.9	21.7	22.7
White	61.9	63.6	59.9	52.3
Indigenous	3.6	5.6	4.7	4.5
Other	4.9	5.6	6.1	9.1
NR	8.4	9.3	7.5	11.4

Education Level of Participatory Budget Participants (first annual meeting - 2000) (per cent)

Level	Plenary	Dir. AMs	Delegates	Counsellors
Primary or less	52.4	46.7	39.2	36.4
High School (complete or not)	23.9	38.3	34.9	34.1
Post-Secondary (complete or not)	19.9	12.2	23.1	29.5
NR	3.7	2.8	2.8	-

Age of Participatory Budget Participants (first annual meeting - 2000) (per cent)

Years	Plenary	Dir. AMs	Delegates	Counsellors

de Assessoria e Estudos Urbanos (Advisory Centre for Urban Studies). Important links between unionists and community movements still existed during the first two years of the Olívio Dutra mayoralty in 1989-90. Some municipal government staff came from this joint movement, since architects, engineers, lawyers, economists and sociologists with community experience were recruited into the new municipal government. Gradually, however, ruling members of unions shifted away from counter-hegemonic alliances and mobilizations, moving towards the construction of a more 'professional' (i.e. techno–corporative) unionism.[25]

After 1989, social movement leaders in Porto Alegre gradually moved from

CUT unionism and from the Workers Party to the Popular Front government. It seemed natural that in the early days of this transition many of them would experience a certain identity crisis: between being a union member, a party leader or a government official. Some government staff members acted as if the government was part of the social movements, others turned against the social movements in order to confirm their accountability to city hall departments, and still others became critical of the government while working in it. The first years of the Popular Front government were marked by tension between the Workers Party and the government. There was an extremely positive element in this process that invigorated these relations, and this was the absence of absolute predominance of a single tendency within the Party. Although the group linked to Mayor Olívio Dutra (Articulação) was the most significant at that time, both at the local and national level, it quickly became understood that coalitions between party factions were needed for competent governance.

It was a time of very rich debate regarding the character of the government; whether it would be a government of the workers for the workers, or a government for all the citizens. The notion of a government of the workers for all the citizens prevailed. This allowed for the establishment of some standards. First, the government would not direct social movements, but it would open itself to the participation of social movements in the management of municipal public policy. Second, the government would not be directly controlled by the Workers Party, but there would be space for the party to participate in the government. Thus, for example, government officials would be selected from the names appearing on a list previously approved by the Municipal Directory of the Workers Party (although the mayor would have the right of veto and he could, in the last instance, submit the names he preferred). In the same way, the views of city hall departments chiefs and of party cells would be considered in the making of municipal policies.

Although not without problems, the government's relative autonomy gradually liberated it for action directed at the city as a whole. It was in this context that PB gained centrality, as it gave substance to the concept of a government of the workers for all the citizens. That is, through PB it became possible to acknowledge not just the voices of social movements, but of all community organizations, based on a non-clientelistic processing of demands that affirmed the principle of popular sovereignty.

The hegemony of the Workers Party (PT) in Porto Alegre was not established in a traditional populist manner (the old trade-off between patronage and paternalism), but by affirming the possibility of radical citizenship, where rights were not only assured, but became the outcome of purposeful action by organized sectors of society. Through this process, the Popular Front government freed movements from narrow political clientelism, gaining the affection of thousands for the PT. Research conducted by JB-Vox Populi[26] in August-September of 1996 verified a spectacular turn in party preferences of the city: 46 per cent of the population identified itself with the PT, followed by 6 per cent with the PDT, and only 34 per cent had no party identification (compared to 56 per cent and

58 per cent in Rio de Janeiro and Sao Paulo, respectively). Ten years earlier, in 1986, the situation was entirely different: 27.7 per cent had identified themselves with the PDT, 20.9 per cent with the PMDB and only 6.4 per cent with the PT.[27] The growth in PT membership was also impressive. In 1990, the PT in Porto Alegre had 8817 members; by May of 2001, it had 24033.[28] Among those directly involved in the PB process, the overwhelming majority were favourable to the PT, as Table 2 indicates.

When it opened space for direct participation in PB assemblies, the Popular Front achieved what was already a target for some community movements: the end of the monopoly of regional representation held by Neighbourhood Associations (AMs). In 1989, in at least three regions of the city, Norte, Cruzeiro and Glória, a new organizational format already existed: the Popular Councils or Unions of *Vilas* (a local term referring to poor neighbourhoods). Essentially open to the participation of all people and entities in the regions, these spaces already possessed a certain plenary character, where decisions were made following collective debate. It was this movement that would force the popular government, then in its first year, to review proposals for the regionalization of the city, extending it from five to sixteen regions in order to respect the territorial tradition of community organization.

The PB not only attracted existing community organizations, but also stimulated the creation of new entities and the participation of people who had not previously been organized.[29] In this way, the Popular Front government went beyond the limits of community movements. Thus, in publicizing PB assemblies – regardless of the central role taken by Neighbourhood Associations – the Government has gradually increased its own role as a source of information for participants. In 1995, 48.2 per cent of those polled said they had been informed of PB meetings through Neighbourhood Associations. In 1998, this percentage fell to 41.8 per cent, and in 2000, to 31.2 per cent. During this period, people informed through government-sponsored publicity (radio and television) went up from 1.6 per cent in 1995, to 7.8 per cent and 7.3 per cent, in 1998 and 2000 respectively.[30] About 20 per cent of participants said they consistently got their information from other forms of publicity used by city hall (posters, loudspeakers etc.). Another significant observation is the gradual fall in the number of participants affiliated with Neighbourhood Associations and Popular Councils, as Table 3 indicates.

These data show that the Participatory Budget functioned as a stimulus to participation, initially rooted in community movements and subsequently acquiring a dynamic of its own, beyond the mobilizing capacity of community organizations themselves. The implementation of the Regional and Thematic sections of the PB in 1992 was an indication of effort to reach a new public. The numbers of first-time participants (fluctuating between 38 per cent and 48 per cent) demonstrate the enormous attraction of the experience among the population. Thus there was a high degree of turnover among the participants even while the number of participants went on rising (as we see in Table 4).

The fact is that for thousands of the people who have participated in the PB,

the process of getting involved was a result of the way in which the PB itself functioned. Initially, neither the Workers Party nor the community movements coming out of the eighties had organized this new public that was generated by the PB. The absence of career politicians in this new public has favoured the development of a civic-republican culture (active participation, respect for plurality, decision-making through debate). It has also favoured a certain *comunitarismo de resultados* (results-based community action), fostered by the expanding possibilities brought about by the Popular Front government. Differences in ethnicity, education, and income, while respected, were eventually overridden by the 'general interest' of the community.

Until 1992, participants' choices of budget priorities predominantly involved paving streets and sanitation, reflecting a strong consensual community identity. The urban reform movement (especially for land regularization) in 1991-1992 was the first thing to shake up this supposed common identity. As a result of the tax reform carried out by the Popular Front government in 1990-91, as well as the improved fiscal distribution between local, state and federal levels afforded by the 1988 Constitution (where cities obtained the right to a 17 per cent share of total public funds), the municipal government acquired the capacity to make significant investments on a regular basis. A cycle was initiated that allowed the municipality to invest annually between 10 per cent and 20 per cent of the budget during the remainder of the decade. However this process soon encountered structural limits to investments in urban areas of extreme need. Most of these areas were located in the 'informal city' where poor people had 'illegally' occupied unused private land, and the situation of 'irregular property' made it impossible to invest in street paving and sanitation under existing law. It would become necessary to regularize these areas, linking the process to their effective urbanization; but since land regularization involves a long process with uncertain results, the initial solution adopted by city hall was to carry out all the improvements that were legally possible in those areas. This included providing public equipment in schools, day care and health centres, fixing or building water supply pipes, providing garbage collection and lengthening the distances served by public transport (especially by paving the main access roads to vilas), as well as arranging, together with other actors (private or public), the supply of electricity and telephone service. In the most critical situations, where proprietors sought to eject 'illegal' tenants, the government opened space for negotiation, and in extreme cases, settled homeless families in other areas (although often distant from the downtown area and job opportunities).[31]

Initially, the popular government did not feel comfortable assuming responsibility for land regularization. It tried to transfer responsibility to the occupants themselves, inviting NGOs and law students to advise them. However, as pressure from tenants increased, articulated in part by their legal advisors,[32] the government yielded and assumed responsibility for regularizing approximately 100 areas. A decade later, however, the regularization process had been completed in only ten of these areas. Moreover, following the processing of these 100 areas, the possibility of regularization of new areas was virtually nil (only one new area

per year is accepted).[33]

The Organic Law of Porto Alegre is considered one of the most progressive in Brazil. Approved in 1990, it establishes a series of legal instruments that could facilitate the urbanization and regularization of those irregular and/or slum areas that shelter around 25 per cent of the population of the city. Nevertheless, these mechanisms are dependent on additional legislation, and they involve the municipalization of housing policy, compelling the popular government to use its own resources for housing (whereas the tradition was to use financing from the federal government while concentrating local investment on improving occupied areas unsuitable for habitation: riverbanks, hillsides, and areas of environmental preservation). Only by the end of 1999, with the approval of the new Master Plan of Porto Alegre, did it become possible to use these legal urban instruments as the basis of a new policy for urban planning and housing.[34] And this effort still confronts the challenge of getting several city hall departments to work together, as well as the absence of a clearly defined relationship among related sectoral councils and among various social actors, including business and professional organizations.

Curiously, it is the organized popular sectors that have been pressing for precisely this sort of coordination. In the regions of Lomba and Partenon, for example, it is already common to hear PB participants calling for the formulation of Integrated Plans for their regions, involving the new possibilities of the Master Plan and the PB. In the same way, new methods of organizing regional demands are being discerned in many regions, within a broader framework that involves income generation, culture, social services and so on, as interrelated components of overall regional needs. It is community action that presses for dialogue among governmental sectors (often blocked by internal disputes inside the Workers Party), but this clearly only has limited potential for linking PB with city planning and for converting the rhetoric of City Congresses into coordinated and effective local policy.

The difficulties that the popular government has experienced in coping with continuous outbreaks of violence in settlement areas (Cavalhada and Mário Quintana) are a concrete expression of the need for coordinated planning. Mass removal of families had been undertaken without sufficient attention to economic needs and social networks; regulations in new settlements ruled out the possibility of raising animals (such as horses, pigs and hens) or having domestic vegetable plots; social services (schools, health and day-care centres) became overloaded. These conditions resulted in the formation of gangs which used children for drug dealing, and engaged in violence against people and institutions. In addition, the relationship between possession and ownership had not been adequately discussed, with inhabitants of these areas paying for a symbolic lease, but never obtaining property title. This has made room for a populist discourse on the part of some conservative political parties who have promised property titles in the event that they win office.

Another example of this disarticulation between PB and urban planning can be seen in the unforeseen consequences of uncoordinated street paving projects

in popular neighbourhoods.[35] While street paving was one of the main demands of the city's inhabitants (and a street drainage system was installed before paving), the fact that it was not approached in a coordinated fashion throughout the city resulted in increased erosion and flooding (not to mention the dangerous increase in traffic speed on residential streets). Another example was the expansion of the sewage network, which now covers more than 80 per cent of the city. This work was not accompanied by an investment in water treatment, which has resulted in a considerable increase of untreated sewage flowing into the city's main water source, Lake Guaíba.

It is as if 'city planning' has been chasing reality without ever attaining it. It is understandable that PB participants have difficulty contemplating urban questions in a global sense, since for this public an inclusive vision of society must be learned and constructed (because it is a new development not yet written into their praxis). The same cannot be said about the Popular Front government. It is incomprehensible that today, after more than a decade of PB, the government still has no map detailing, region by region, subject by subject, the failures and conquests of the PB experience; a tool that would facilitate both evaluation and planning for future possibilities in collectively-determined municipal public investment. The existence of participatory space does not itself eliminate the social division of labour, nor the split between technical knowledge and social and practical knowledge, even if the experience does point to ways these divisions may be overcome. Despite contrary claims by the government, it is only by focusing on these challenges that PB will take citizens beyond the attainment of their most basic demands.

It is futile to open additional sectoral participatory spaces, as was done in the areas of housing, planning, health, education, social assistance and income generation, without the availability of coordinated, strategic information. This is crucial for the enrichment of public debate and the quality of PB's effect on public policy development. Today, Porto Alegre has more than thirty-five municipal councils with highly varied participatory arrangements, permitting discourse between the government and neighbourhood residents, professionals of diverse areas, other governmental agencies and the most diverse institutions of civil society. City congresses have accomplished much in terms of the elaboration of differences and the reaching of consensus among these diverse fields. There is undeniable willingness to proceed with refining and problem-solving within government sectors, yet there is still no mechanism for evaluation – no means of measuring results. It is perhaps for this reason that ad hoc changes in the political orientation of city hall departments are still easily made, constrained only by the internal balance of forces within the PT and among the parties of the Popular Front government.

A profound comprehension of the concept of public space is crucial. It is not simply a matter of political will: political strategies are necessary. Part of the solution to the challenges of city planning and community management involves giving more power, visibility and representation to the spaces that already constitute PB, such as the tripartite sectoral commissions that involve the PB Council,

members of the government and third parties such as the civil servants' union, other city departments or even other city councils. If they could establish dialogue among the PB regions and the various tripartite commissions dealing with public servants, community day-care centres, social assistance, and even the Master Plan and housing policy, this could serve to expose existing participatory processes to greater debate and reach new levels of accountability on the part of leaders and managers at all levels. The public interest can only emerge out of such a democratic construction of public space.[36]

THE WORKERS PARTY IN GOVERNMENT: DEMOCRATIC HEGEMONY EVAPORATES?

At the same time that the fight for urban land regularization changed the scope of governmental action, another challenge surfaced for the main party of the Popular Front government, the Workers Party (PT). This was the impact that governing had on the party (the first challenge being the debate on the character of the government that occurred when the Popular Front took office). This is the third paradox of the conjuncture; the fact that, at its conception, the main critics of PB were PT affiliates or sympathizers. While community activists affiliated with other parties were fascinated by the degree of openness created by the PB (the respect for pluralism and the link between socially constructed demands and the budget), many long-standing PT activists within popular movements criticized the lack of openness in the government and its supposed reformism.

The PT experienced an internal rearrangement of forces between 1991 and 1993. Some currents divided, others changed their positions in light of the national situation. In Porto Alegre, a new PT tendency appeared that sought the inclusion of some of the community activists who had previously criticized the party and the government. Several activists of this tendency, the so-called *Chapinha*, were recruited by the popular government as community advisors in various city hall departments, yet none of them gained the status of secretary or department chief. There was never complete opposition between community and trade union activists – because the major party currents also had their community sections – but the dispute did modify internal party life. Perhaps the increasing absence of the party as a force in the social movements after it was elected was the reason for the radical criticisms put forward by many PT activists. Soon, the axis of the dispute shifted, and particularly in light of the enormous popular and international success of the PB, all groups focused their attention on PB as a privileged space for recruiting new members. And as the Popular Front government and PT members of the city council took on more and more militants as advisors, and at the same time increased the financing for community management of public projects (day-care centres, cooperatives etc.), this expansion of job opportunities for activists made participation in community movements more attractive both economically and politically. This has brought about the emergence of the 'professional citizen',[37] a kind of amateur politician acting individually but always available to represent the community or mediate relations between community and government. On the one hand, it is normal

that some community leaders become professional and take on a political career; on the other, participatory processes can only last if a permanent renewal of leaders takes place. NGOs often work as institutional brokers, but they are socially constructed groups whose goal should not be to substitute for peoples' participation but to empower people to participate on their own.

In this argument there is a variable that requires greater investigation: is it the case that from the moment of its election the party started to lose part of its traditional importance as an agent in the social construction of movements, and an instrument in their political articulation? Our hypothesis is that with the mass movement of party staff to positions in government, the axis of debate on policy and party strategies shifted to government departments. The city of Porto Alegre has 600 government-appointed positions, and this means that about 10 per cent of the local membership of the PT in 1990 came to be employed by the municipality. As a result, policy for diverse sectors (finance, education, health, social assistance, etc.) tended to be made inside city hall departments. While departments must maintain respect for the general orientation of the Popular Front parties, they have an immense margin for manoeuvre.

Why is this a problem for the PB experience? Is it not normal to recruit elites among party activists? First, there is the risk of hollowing out the autonomous organizing spaces of the popular sectors. If it is true that the PB contributed to the development of new community organizations and increasing the number of participants in these organizations, it is also correct to say that most of those organizations and participants find themselves shaped by the opportunities of social action provided by the Popular Front government. This trade-off can be positive and empower people, but there is, at the same time, a great risk of recreating populist relations. One can argue that this is not the only reason for the urban popular movements' failure to organize more significant actions at the state and federal levels. Nevertheless, how can popular movements act at a global level – how can they pressure state and federal levels of government, if the forces that could push them in this direction find themselves drained? In June of 2001, for example, the National Congress approved an important law: the so-called City Statute, expanding the legal possibility of using the instruments foreseen in the Porto Alegre Master Plan. However, the organized community sectors of Porto Alegre got involved in this only as spectators, as the power of previously existing spaces, such as the municipal and state fora for urban reform, had become diluted inside the government.

With the exception of electoral campaigns, the PT in Porto Alegre is being reduced to a kind of 'parliament of tendencies', with internal party agencies for affiliation, planning and social articulation transformed into 'partisan collectives' constituted around government departments or parliamentary representatives. As rivalries among party tendencies took the form of measuring how many departments, positions and elected parliamentarians each one controlled, a new logic of internal party life was created, one quite different from the programmatic nature of previous intra-party debate. In the last municipal election, even the consensual rule of proportionality between the forces that compose the 'party parliament'

(the municipal party directorate) was broken. In this context, instrumental agreements and ad hoc majorities have tended to grow up and to compromise the political performance of the Popular Front. These internal cleavages increased the difficulty for left-wing forces in Brazil to constitute themselves as a consensual alternative to neoliberal governments at the national level, exactly at the moment when the Cardoso government showed signs of exhausting the political arrangements that supported it.

CONCLUSION

The above considerations suggest that that are three grounds for accepting my hypothesis that the participatory spaces fortified by the PB in Porto Alegre are facing a thermidorian phase. First of all, the proliferation of funding to community organizations for management of local social services has not been accompanied by guarantees for the democratization of these services. Nor has public debate in the city even identified this as a problem. This runs a serious risk of simply fortifying the neoliberal consensus on the 'community management of social policies', accepting the mainstream path of decentralization, privatization and focus on the poor, while losing the dimension of political action. The creation of public guidelines is urgent, not only for the establishment of agreements between city hall and neighbourhood organizations for the provision of services, which already exist, but also for control over the management of these services. It is also crucial to approach community management with the overall goal of creating a solidarity-based popular economy.

Secondly, even if the Popular Front government has coexisted very well with PB demands for infrastructure, it has had difficulty in assuming a role in the construction of the PB as a formulator of policy. This could be due to the fact that it assumes a very defensive position in relation to its sectoral councils, or perhaps to its underestimation of the learning capacity of PB participants. Two other explanations could be that the Popular Front government itself feels pressured by the corporate forces inside municipal departments and by outside business forces (operating in relation to the Master Plan, for example); or that it has not succeeded in establishing a practical program out of the generic formulations of sectoral conferences and city congresses. These problems could be tolerated during the initial stages of the Participatory Budget, yet it will become increasingly difficult for the government to justify the existence of spaces supposedly created for participatory policy-making that lack strategic information, and whose deliberations and accords are not binding on the creation and collection of result indicators.

Finally, the interplay of the forces that make up the Popular Front can generate a perverse effect on the Participatory Budget process, either as a result of disputes within and outside the left at the national and state level, as a result of the exponential growth in the number of PT members and sympathizers; or, finally, as a result of the rupture and degradation of collegiality within the party and of the programmatic level of debates. Civic-republican participation risks being crushed by the cooptation efforts of the 'partisan collectives' around

Table 2
Party preferences at the first annual PB meeting, 2000 (per cent)

Party	Plenary	Dir. AMs	Delegates	Counsellors
PT	38.9	43.0	47.6	50.0
All 12 Others	6.2	9.1	15.4	13.7
No Response	14.2	12.4	13.7	11.3
No Preference	40.7	35.5	28.3	25.0

Source: CIDADE/PMPA, Participatory Budget Research, 2000.
Plenary: Participants interviewed at the first annual meeting of the Participatory Budget process.

both government departments and city council. Without re-negotiation of party life, the democratic hegemony of PT and PB erodes. Without the autonomy of popular movements, there is no popular sovereignty.

Until now the preferred solution to these problems has been to increase the number of participants in the PB, and to re-establish, with each new year, a connection between participation and the accomplishment of demands. The result has been, on the one hand, the preservation of the 'demand-making' aspect of PB, and on the other, the formation of a more specialized leadership within the PB. Today, this expresses a dramatic tension between community militancy and 'public service' defined in terms of the third-sector commodification of social rights, as discussed in the first part of this essay. This appears in the form of a conflict between pragmatic demands and the strategic management of public policy-making, and between autonomy and participation in government. What is clear is that plenary participation seems to have hit a glass ceiling, which in turn has raised other possibilities for participation, such as using the internet, or implementing referenda to define priorities – i.e. generally extending the plebeian character of the experience, even at the risk of partially breaking with the assembly system (if referenda or electronic 'chat rooms', for example, become substitutes for meetings).

The Popular Front governments in Porto Alegre opened the gates for an explosive combination of plebeian and civic participation (popular classes and active participation).[38] The international success of the Participatory Budget has also generated a certain pride. The common people – active citizens – decide the future of the city. A utopian participatory city was projected: the mystique of a third-world city with a first-world quality of life. But what happens when the plebeian public brought together by PB has more than pragmatic demands? What happens when they are dissatisfied with participatory spaces that multiply indefinitely without reaching decisions, with the absence of real power, with always sending issues to a third arena? What happens when the plebeians, after

Table 3

Participants in PB Meetings by Affiliation (or Described Situation) (per cent)

AFFILIATION/YEARS	1993	1995	1998	2000
Neighbourhood Associations	71.3	50.5	40.9	37.2
Popular Councils or Unions of Vilas	n.d.	8.7	4.0	3.7
Cultural or religious groups	n.d.	10.6	9.1	14.8
Political parties	n.d.	4.5	6.0	7.7
Unions	n.d.	4.2	4.9	4.2

awakening, refuse to delegate their sovereignty? A *riscossa*, or counter wave, of organized popular movements, urging an extension of the civic dimension of their participation, is now testing the transformative potential of the PB. Conflict-management has always been one of the constitutive elements of the Participatory Budget experience, but we have yet to discover to what point this rope can be stretched, and where the breaking point is.

NOTES

1   Antonio Gramsci, *Pensare la democrazia (antologia dai 'Quaderni del carcere')*, Torino: Einaudi, 1997, p. 288.
2   Thermidor is one of the republican calendar months created by the Convention during the French Revolution. In July, 1794 (Thermidor 9), the Jacobins dropped out of power and a bourgeois reaction took place (the thermidorian reaction), vanishing the popular conquests like the universal suffrage and price controls (Maximum Law), opening space for the incarnation of the hero myth and the end of the Republic: Napoleon Bonaparte.
3   According to Tarso Genro, 'Reforma do Estado e democratização do poder local', in: Renata Villas Boas e Vera S. Telles, eds., *Poder local, participação popular e construção da cidadania. Revista do Fórum Nacional de Participação Popular*, 1(1), 1995.
4   *Vilas de Malocas* is a local (Porto Alegre) word for favela.
5   The plebeian character of the PB in Porto Alegre is not guaranteed by the PB structure (the institutional engineering), but by the historical process of popular struggle in the city. The reproduction of the experience at the state level indicates differences, such as the growing weight of middle sectors and of business participation. In 2001, it is estimated that 320,000 people participated in the state level PB.
6   José Luís Fiori, 'Entrevista: Fiori manda era tucana para o espaço', *Folha de*

Table 4

Annual Participation in the First Round of PB Assemblies

YEAR	1990	1994	1997	2000	2001
Participants	628	8011	11075	14408	16612

Source: CRC-PMPA, 2001.

São Paulo, 13 May 2001.

7   Francisco de Oliveira, 'Entrevista da 2a: Novo poder econômico gera crise política', *Folha de São Paulo*, 7 May 2001.

8   A study by José Serra and José Roberto Rodrigues Afonso ('Federalismo fiscal à brasileira: algumas reflexões', *Revista do BNDES*, Rio, 6(12), 1999), shows that municipalities absorb 50 per cent of gross fixed capital formation.

9   Apart from increased social security contributions (initially presented as a temporary solution to the lack of resources in the health sector, but in fact used as a permanent means of augmenting general federal revenues), the other key measure was the *Contribuição Provisória sobre a Movimentação Financeira*, a tax paid on each pay check or money transfer – in fact, a kind of distorted Tobin Tax paid by common people, since big investors or big corporations can use compensatory mechanisms to avoid paying it or are simply exempted as regards some of their transactions.

10   According to *Informe PED, FEE*, year 9, special number, January 2001.

11   PMPA-SGM, *Desenvolvimento humano e condições de vida em Porto Alegre*, Porto Alegre, PMPA, May, 2001 (mimeo).

12   Mayor Tarso Genro signed the Crèches Agreement in 1993, following pressure from a movement of community crèches managers (including a demonstration, replete with the banging of pots in front of the city hall) after federal support for community crèches disappeared.

13   Boaventura de Souza Santos, *A crítica da razão indolente: contra o desperdício da experiência*, São Paulo: Cortez, 2000, p. 340.

14   See Márcia Dias, *Na encruzilhada da teoria democrática: efeitos do Orçamento Participativo sobre a Câmara Municipal de Porto Alegre*, Rio, IUPERJ (Tese de Doutorado), 2000. Ex-mayor Raul Pont sees PB as potentially transformative of the traditional parliamentary structure (marked by personalism, absence of party links and relative autonomy vis-à-vis the electors). See: Raul Pont, 'Porto Alegre e a luta pela democracia, igualdade e qualidade de vida', in: Adair Barcelos e Raul Pont, eds., *Porto Alegre, uma cidade que conquista*, Porto Alegre, Artes e Ofícios, 2000.

15   Boaventura de Souza Santos, 'Entrevista da 2a: Democracia convive com fascismo social', *Folha de São Paulo*, 21 May 2001.

16   Renato Janine Ribeiro, *A sociedade contra o social: o alto custo da vida pública no Brasil*, São Paulo: Cia. das Letras, 2000.

17   The Census of the Third Sector, organized by the GIFE (*Grupo de Institutos, Fundações e Empresas*), embracing fifty-nine foundations and

institutions linked to large private corporations, shows an investment of R$ 593 million for the year 2000; an amount higher than the social budget of the State of Sao Paulo or of the City of Sao Paulo (both around R$ 400 millions each). See Gabriela Athias, 'Empresas aplicam R$ 593 milhões na área social', *Folha de São Paulo*, 22 May 2001.

18 According to IBGE data, the Gini index in Brazil has changed little, from 0.571 in 1992, to 0.567 in 1999, revealing one more lost decade on the fight against inequality. In 1999, as in 1992, the 50 per cent poorest of the population received only 14 per cent of the country's income, while the 1 per cent richest received 13 per cent. In absolute terms, the gap between the average income of the poor and the rich has increased.

19 See Marta Arretche, 'Políticas sociais no Brasil: descentralização em um Estado federativo', *Revista Brasileira de Ciências Sociais*, 14(40) (June), 1999; and Ivete Simionatto, *Reforma do Estado ou modernização conservadora? O retrocesso das políticas sociais públicas nos países do Mercosul*, at http:// www.artnet.com.br/gramsci/arquiv150.htm

20 For a critique of the 'absolute quality program', a psychological tyranny based on 'fear of death' (submission or unemployment), see Maria Luiza Gava Schmidt, 'Qualidade Total e Certificação ISO 9000: História, Imagem e Poder', *Revista Psicologia*, n.d., (www.pol.org.br).

21 For an analysis of the concepts of civil society and third sector, see Grupo de Estudos sobre a Construção Democrática, 'Sociedade civil e democracia: reflexões sobre a realidade brasileira', *Revista Idéias* (IFCH-UNICAMP), 5(2)/6(1), 1998-99.

22 See Armando Boito Jr., *Política neoliberal e sindicalismo no Brasil*, São Paulo: Xamã, 1999.

23 A measure of its opportunism was provided by the participation of the *Força Sindical* in the May 1 commemorations in São Paulo, 2001 – they raffled apartments and cars, and hosted a concert with national music stars.

24 Research conducted during the first round of PB meetings in 2000, *Cidade-PMPA*, 2001.

25 The pro-impeachment movement against Collor's tenure as Brazilian president between 1990 and 1993 was perhaps the last militant act of the broad coalition of unions and community organizations, in which the unions clearly were just one sector among many, and most attention was won by face-painted youth.

26 Dias, *Na encruzilhada da teoria democrática*, p. 14.

27 See Marcello Baquero, 'Novos Padrões de Comportamento Eleitoral: pragmatismo nas eleições municipais de 1996 em Porto Alegre', in Marcello Baquero, ed., *A Lógica do Processo Eleitoral em Tempos Modernos*, Porto Alegre: Editora da Universidade-UFRGS, 1997.

28 Data obtained from the Workers Party of Porto Alegre.

29 According to research conducted by Leonardo Avritzer, 37.5 per cent of the 2440 community organizations that have participated in the PB of Porto Alegre emerged after 1989; 17.7 per cent emerged during the

seventies or before, and 44.8 per cent emerged during the eighties. See: Leonardo Avritzer, *Sociedade Civil, Espaço Público e Poder Local: uma análise do OP em Belo Horizonte e Porto Alegre* (Final Report of the research project 'Civil Society and Democratic Governance', promoted by the Ford Foundation), Belo Horizonte, mimeo, 2000.

30   Cidade – Centro de Assessoria e Estudos Urbanos; Prefeitura Municipal de Porto Alegre, *Quem é o público do OP – 2000*, Porto Alegre: PMPA, 2002.

31   In areas of irregular habitation occupied before 1989 where the municipality itself was the proprietor, it was possible to apply the concession of the *direito real de uso* (right to possession based on monthly payments to the municipality).

32   The SAJU, Serviço de Assessoria Jurídica (law assessorship service) of the Federal University of Rio Grande do Sul State, was established by law students sympathizing with community movements. The first time outside observers were not allowed to speak in the PB Council was to stop the pressure SAJU exercised on the PB councilors and on government members.

33   An area that belongs to the state, situated in the Partenon region, provides an example of the administrative and legal ineffectiveness of the process. Even in the absence of litigation between the state and the occupants, the basic legal process through official channels of justice and city hall bureaucracies will take at least six years.

34   For a deeper analysis of the possibilities of the new Master Plan of Porto Alegre, see: Letícia Marques Osório, 'La ciudad informal y el nuevo Plan Director de Porto Alegre, Brasil', in E. Fernandes, ed., *Derecho, Espacio Urbano y Medio Ambiente*, Madrid: Dykinson, 2000.

35   Giovanni Allegretti, 'Porto Alegre tra democratizzazione e ricerca della sostenibiltà'. In A. Magnachi et al., *Democrazia fai-da-te*, Roma: Coop. Carta Arl (supplemento al mensile 'Carta'), 1999, p. 60.

36   See Vera da S. Telles and Maria Célia Paoli, 'Direitos sociais: conflitos e negociações no Brasil contemporâneo', in S. Alvarez, E. Dagnino e A. Escobar, eds., *Cultura e política nos movimentos sociais latino-americanos*, Belo Horizonte: UFMG, 2000, p. 123.

37   I borrow this expression from Daniel Schugurensky of the Ontario Institute for the Study of Education, University of Toronto.

38   Cícero Araújo identifies three normative ideals of democratic citizenship (civism, plebeanism and pluralism). Civism refers to those who are able to integrate into the community of citizens, the political community. Plebeianism refers to the extension of citizenship. Pluralism implies an ideal of tolerance with differences. In the modern world: 'The State is an artificial person set in the place of the political community. It is its representative, and it can only exist while the political community is seen as its author behind the scenes'. See Cícero Araújo, 'República e democracia', *Lua Nova*, 51, 2000, p. 28.