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**Local Governments' Motives for Adopting Participatory Budgeting:  
Evidence from Estonia**

Master's Thesis

Supervisor: Piret Ehin, PhD

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I have written this Master's thesis independently. All viewpoints of other authors, literary sources and data from elsewhere used for writing this paper have been referenced.

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## Abstract

### **Local Governments' Motives for Adopting Participatory Budgeting: Evidence from Estonia**

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Participatory budgeting as a successful participatory instrument has been implemented all over the world for almost 30 years. Since this concept is rather new in Estonian case, there is a gap in existing scholarly discussion about the main motives of local governments for adopting/not adopting this practice. Therefore, this thesis aims to understand the motives behind the adoption/non-adoption of participatory budgeting by Estonian local governments. The thesis aims to answer the following research questions: What are the main motives of local governments in terms of implementing participatory budgeting? What are the main motives of local governments that have decided not to implement participatory budgeting? Which actors and factors influence the diffusion of participatory budgeting in local governments in Estonia?

In order to understand the motives of local governments for adopting participatory budgeting in local level context as well as examine the main factors and actors influencing the implementation of this practice, the theory of policy diffusion is used. In order to understand the motives of different local governments, author will examine 11 different local governments: towns of Tallinn, Tartu, Viljandi, Valga, Haapsalu and Võru and rural municipalities of Tapa, Tori, Lääne-Harju, Elva and Kambja. Five of these cases have used participatory budgeting on the local level, while six municipalities have not adopted participatory budgeting. The data is used in this analysis is originated from two main sources, including (a) documentation and information available on local governments' websites about participatory budgeting and its procedure, and (b) semi-structured interviews with the representatives of different local governments involved or knowledgeable about the participatory budgeting process.

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## Introduction

Participatory budgeting (PB) has been one of the most successful participatory instruments over the past 30 years. While there is no universal definition of this concept, however, a fair amount of scholarly research has been conducted on participatory budgeting and its growing spread across the world. Since this concept is rather new in Estonian case, there is a gap in the existing scholarly discussion this paper seeks to address. There is a limited amount of literature available on various aspects of actors and factors, that have influenced the adoption of participatory budgeting in local governments in Estonia, but at the same time, there is a lack of discussion about why some local governments do not to use this instrument. In other words, the focus has been mainly on the experiences of local governments, that have already used participatory budgeting. To provide a more comprehensive overview about the participatory budgeting in Estonia, this study includes local governments that use participatory budgeting and compares them to local governments, that for some reason have decided not to use this practice. Therefore, this thesis seeks to fill existing gaps by focusing on main motives of both sides.

Since representative democracy with free and fair elections is not enough to ensure civic engagement and participatory democracy in today's world, the need for some innovative initiatives has been widely acknowledged. The low level of political participation of the citizens is one of the most important challenges modern democracies are facing today. Voting turnouts have declined in most democracies during the last 20 years. According to the World Values Survey, confidence in political parties has dropped by 22 percentage points globally between 1990 and 2006 (WVS Database). Between 2002 and 2010, the share of Europeans expressing dissatisfaction with politics increased from 31% to 43% (Van Biezen 2012). Moreover, the growing number of participatory budgeting cases worldwide demonstrates the deficiencies of representative democracy that does not fully satisfy citizenries anymore (Geissel 2009).

The first experiments of citizens' participation in budgetary decisions were conducted in the Brazilian city of Porto Alegre in the late 1980s. Since then this initiative has become a widespread practice in Africa, Asia, Australia, Europe, Latin America and North

America. In Europe, the first experiments of participatory budgeting were introduced in 2001. Currently, participatory budgeting is widely used around the world in more than 1000 cities in 40 different countries (Cabannes 2018, Gordon 2017).

Since participatory budgeting has become more and more widespread all over the world and it has already received academic attention, it is important to study this phenomenon and its diffusion more closely in the Estonian case as well. In Estonia, some comprehensive studies have focused on the main mechanisms of diffusion of participatory budgeting within local governments as well as different actors and factors influencing the adoption process (Krenjova 2018). Nevertheless, why do some local governments adopt participatory budgeting while others do not? Can the same set of factors explain both adoption and non-adoption? Which factors are more or less important in shaping the attitudes and decisions of local governments? The existing literature does not provide comprehensive answers to these questions.

The objective of the thesis is to understand the motives behind the adoption/non-adoption of participatory budgeting by Estonian local municipalities. In other words, the primary concern of the thesis is to examine the motivating factors explaining the adoption of participatory budgeting. In order to do so, the author compares the towns/parishes that have adopted participatory budgeting with those that have decided not to implement it. The thesis aims to answer the following research questions: What are the main motives of local governments in terms of implementing participatory budgeting? What are the main motives of local governments that have decided not to implement participatory budgeting? Which actors and factors influence the diffusion of participatory budgeting in local governments in Estonia?

In order to understand the motives of local governments for adopting participatory budgeting in local level context as well as examine the main factors and actors influencing the implementation of this practice, the theory of policy diffusion is used. According to the policy diffusion theory, policy makers learn from each other's successes or failures and adopt policies after having assessed how these practices have performed elsewhere (Füglister 2012:316). In a more specific context, policy diffusion is used for explaining the spread of different democratic innovations such as participatory budgeting in local level. Based on international experiences and previously

conducted studies about the positive and negative impacts of using participatory budgeting as well as different actors and factors influencing the policy diffusion of participatory budgeting in local level context, it is possible to formulate potential motives of local governments for adopting participatory budgeting. Firstly, the author expects that the main actors influencing the adoption of participatory budgeting in Estonian local governments are expected to be local policy-makers who have the ability to consider the adoption of new initiatives such as participatory budgeting. Secondly, the main factors influencing the implementation of participatory budgeting in local governments are expected to be the existence of political will, openness towards new initiatives, the image of the practice on national level, the wealth as well as geographic location of the municipality. Thirdly, the author expects that the main motives of local governments are driven from potential factors influencing the adoption of participatory budgeting as well as from the main positive and negative impacts of this practice.

In order to study this phenomenon in the Estonian case, this thesis examines 11 different local governments: six towns and five municipalities. Five of these cases have used participatory budgeting on the local level, while six municipalities have not adopted participatory budgeting. The local governments included in this analysis are the cities or towns of Tallinn, Tartu, Viljandi, Valga, Haapsalu and Võru, as well as the rural municipalities of Tapa, Tori, Lääne-Harju, Elva and Kambja. The data used in this analysis comes from two main sources, including (a) documentation and information available on local governments' websites about participatory budgeting and its procedure, and (b) semi-structured interviews with the representatives of different local governments involved or knowledgeable about the participatory budgeting process.

The contribution of this thesis to the existing literature is three-fold. First, it provides new empirical information about the motives of local governments in adopting or not adopting participatory budgeting. As the latest research about the prevalence of participatory budgeting in Estonian local governments dates back to 2016, an update is required. Second, the thesis focuses on the motives of different local governments, which are similar in terms of population size and therefore have comparable financial capabilities, and their adoption/non-adoption process of participatory budgeting. Third, the thesis casts light on the main challenges faced by local governments that have



already used participatory budgeting, and provides information about how they are planning to address these challenges in the future.

This thesis is structured in three chapters. The first chapter focuses on participatory budgeting in the context of local-level democracy. This chapter provides an overview of the theory of policy diffusion, the concept of participatory budgeting and its diffusion. Based on the previously conducted studies, different actors and factors influencing the diffusion of participatory budgeting as well as the main positive and negative impacts of this practice are described. The second chapter focuses on the diffusion of participatory budgeting in Estonian local governments. This chapter also explains the methodological and empirical approach of the thesis. The final part of the thesis provides an overview of empirical findings and discusses the results in the context of challenges and opportunities related to participatory budgeting in Estonia.

## 1. Participatory budgeting in the context of local-level democracy

The main concepts discussed in the theoretical framework of this thesis are policy diffusion and participatory budgeting. In this chapter, the diffusion of democratic innovations such as participatory budgeting in local level context will be studied. Moreover, a brief history of participatory budgeting and its diffusion all over the world is provided. In addition, the main actors and factors influencing the diffusion of participatory budgeting in local municipalities will be studied in order to determine the potential motives of local governments behind the decision to adopt/not adopt this practice.

### 1.1 Policy Diffusion Theory

There is an extensive literature available on policy diffusion theory. Policy diffusion is often described as a process where states or nations decide to adopt new policies while their decisions are influenced by different internal as well as external factors such as other states or governments (Simmons et al., 2006; Braun and Gilardi, 2006; Graham et al., 2013). Most studies of policy diffusion focus on the potential influence of earlier policy adoption on the likelihood of later policy adoption (e.g., Berry and Berry, 1990; Boehmke and Witmer, 2004). Moreover, diffusion in general has been defined in literature as „any pattern of successive adoption of a policy innovation “(Eyestone 1977, p. 441). Policy diffusion theory has been widely discussed in the literature on American federalism (Berry & Berry 1990; Volden 2006; Shipan & Volden 2008). The central idea of this theory is that policy makers learn from each other’s successes or failures and adopt policies after having assessed how they have performed elsewhere (Füglister 2012:316).

Policy diffusion studies focus mainly on the implementation of different democratic innovations such as participatory budgeting. More specifically, policy diffusion is used for explaining the spread of different democratic innovations such as participatory budgeting globally as well as in local governments. Therefore, in the context of this thesis, the theory of policy diffusion is relevant in order to understand different factors

and actors influencing the diffusion process and therefore shaping the motives of different local governments as potential adopters of this practice.

Participatory budgeting and its spread all over the world have been studied by different authors such as Ganuza and Baiocchi, Benjamin Goldfrank and Yves Sintomer (Goldfrank 2012, Ganuza and Baiocchi 2012; Sintomer et al. 2014). Most of the literature analyses on the theoretical reasons behind the global diffusion of participatory budgeting since it is one of the most successful democratic innovations in this context (Sintomer et al. 2013). As pointed out by Krenjova and Raudla, there is only limited research conducted about participatory budgeting and its diffusion across local governments within a country (Krenjova 2018:420). Paolo Spada and Brian Wampler are the authors who have studied the diffusion of participatory budgeting within local level context (Spada 2014; Wampler 2010). According to Spada, the diffusion of participatory budgeting in Brazil, where it was first adopted in late 1980s, is an exceptional case since in contrast to the majority of other examples of democratic innovations and their diffusion, participatory budgeting in Brazil was not imposed by the state, by national-level governments or funded by international donors, but was self-adopted at the city level using city resources (Spada 2014:7). Moreover, Wampler was the first author analysing the adoption of participatory budgeting at the municipal level. He mainly focused on the analysis of four factors influencing the adoption process such as partisan affiliation of the mayor, policy networks, internal determinants, and regional determinants (Spada 2014:11). As pointed out by different authors, the theory of policy diffusion can be used in order to explain the drivers behind the adoption of certain institutional forms such as participatory budgeting in local level context. In the following subchapters, the theoretical insights of the policy diffusion literature about the impact of various actors, factors and motives of local governments on the diffusion process of participatory budgeting will be examined more closely.

## 1.2 The concept of participatory budgeting

Participatory budgeting is often referred to as a new social and political movement of 21st century. There is no universal definition of this concept since its experiences and practices vary all over the world and depend on local context and conditions. It is often

referred to as one of the most innovative initiatives to promote participatory democracy. Participatory budgeting is considered to be a democratic innovation that alters one of the most important aspects of urban politics — the formulation of city budgets (Spada 2014:6). It is usually described as a process which allows non-elected citizens and members of community to participate in the decision-making process of allocation of public funds as well as determine spending priorities (Goldfrank 2007:92, Sintomer 2008:168). “It represents a direct-democracy approach to budgeting. It offers citizens at large an opportunity to learn about government operations and to deliberate, debate, and influence the allocation of public resources” (Shah 2007). In other words, the general idea behind the concept is that ordinary citizens should have an opportunity to make decisions about budget allocations and public spending.

There is an extensive literature available on various aspects of participatory budgeting. Different authors have studied the objectives, motives, functions and results of participatory budgeting within different countries. Since participatory budgeting practices vary across the world, according to Cabannes it is a challenge to analyse it due to „the uniqueness of each experience” (Cabannes 2004:28). Nevertheless, how to distinguish participatory budgeting from other public engagement activities and identify the implementation of this practice? For that purpose, Yves Sintomer has developed a set of five defining criteria which are required from the process: discussion of financial processes, involvement of the city level or other decentralized district, repeatability of the process, the existence of some form of public deliberation as well as accountability (Sintomer 2008:168). Firstly, the budgetary dimension must be discussed because the central idea of participatory budgeting is mostly dealing with the problem of limited resources. Therefore, the focus of the whole procedure is on allocation of public funds. Secondly, involvement of the city level refers to the fact that there are represented an elected body as well as some power over administration. In other words, the city level dimension in the context of participatory budgeting means that local citizens can make decisions about the topics, which are usually decided by local policy-makers. Repetition of the process means that the initiative has to be a repeated process over several years. Moreover, the process must include some form of public deliberation, which refers to the process where it is necessary to decide after the discussion, debate or an open forum. Lastly, accountability as fifth criteria refers to the

importance of giving feedback to participants about the process as well as regularly updating the public about implementation of the winning projects. Therefore, to distinguish participatory budgeting from other public engagement activities, it is important to identify these five criteria.

The general process of participatory budgeting is typically divided into three phases (Williams 2017). The first phase is called organisation and it combines in itself the planning of the meetings as well as establishing the rules of procedure. The second phase combines deliberation and negotiation processes where allocation of public funds and resources are discussed between non-elected citizens and policy-makers. The third phase is usually referred to as implementation, which combines in itself the process of implementing decisions as well as reporting activities (Sgueo 2016). As already previously mentioned, different practices of participatory budgets vary across countries; therefore, additional phases could be included in the process within different countries.

Moreover, there are several different forms participatory budgeting can take with the variation in its different phases or procedures. Sintomer has described the most systematic typology of different forms of participatory budgeting. He points out five different forms, which are the Porto Alegre adapted for Europe, proximity participation, consultation on public finance, multi-stakeholder participation and community-participatory budgeting (Sintomer 2010). The Porto Alegre adapted for Europe is considered the most general form of participatory budgeting, which has the basic features of Brazilian case. Proximity participation and consultation of public finance are both considered to be of consultative nature, while multi-stakeholder and community participatory budgeting are oriented towards organised citizens rather than all individual citizens (Krenjova, Raudla 2013:24). In the context of this thesis, the focus will be on the Porto Alegre adapted for Europe model since it is most widely used in European case

### 1.3 Diffusion of participatory budgeting

Participatory budgeting has been one of the most successful participatory instruments over the past 30 years. The first experiments of citizens' participation in budgetary decisions were implemented in Latin America in late 1980s. For the first time, it was

used in the city of Porto Alegre, Brazil in a very specific context where it started from social movements and leftist parties during the end of its military dictatorship (Baiocchi 2014:30). The process of participatory budgeting started from the neighbourhood activists in Porto Alegre and under the leftist city government of the Workers' Party. In Porto Alegre, the citizen involvement process was most direct. The main objectives were democratizing democracy, inverting priorities and supporting good government (Sintomer 2008:164). In other words, participatory budgeting was created to help poorer citizens and neighbourhoods receive larger shares of public spending. The Porto Alegre practice has been considered to be one of the most successful examples of participatory budgeting since it has been used as a common practice since 1989 and it has evolved all over the years. It is estimated that currently there are between 618 and 1130 examples of participatory budgeting in Latin America alone (Sgueo 2016).

During the last nearly 30 years, participatory budgeting has spread all over the world. At first, the Porto Alegre model of participatory budgeting was implemented in local governments in Latin America, including several cases in Argentina, Chile, Colombia, the Dominican Republic, Ecuador, Guatemala, Mexico, Peru, Uruguay, Venezuela and elsewhere in the region. Since 2000, participatory budgeting has moved to other continents as well. There are examples from Francophone Africa, Sub-Saharan Africa (from Dakar to Maputo), Africa (Cameroon, south Kivu Province, Mozambique), North America, Asia (China, Korea, Japan, India), Europe (Albania, UK, France, Germany, Spain, Italy, Portugal, Spain, Sweden, Poland) and Australia to name a few (Dias 2014). Today, there are more than 1500 cities in over 40 countries spread over five continents who are using participatory budgeting (Baiocchi 2014). The growing popularity of participatory budgeting is illustrated by the increasing number of cities planning to implement this instrument in the near future as well. Therefore, the estimated numbers are probably even higher.

Europe was the first continent where participatory budgeting travelled from Latin America. It is implemented in numerous local municipalities within several different countries such as Spain, France, Italy, the Netherlands, the United Kingdom, Portugal, Poland, Germany, Sweden, Finland and Estonia to name a few (Wampler 2017; Williams 2017). Participatory budgeting has been used in both small and large towns and cities: from Figaró in Spain or Borbona in Italy with its 1000 inhabitants to Cologne

in Germany, with its one million inhabitants (Baiocchi 2014:41). In Europe, the first experiments of participatory budgeting were introduced in 2001. France, Spain, Italy, Portugal and Germany were the first ones to implement this practice in their municipalities (Herzberg et al 2008). In Spain, the regions of Andalusia and Catalonia were the first ones to introduce new experiments. In addition to these two regions, Seville and Córdoba are among the cities, which have used participatory budgeting for almost twenty years (Dias 2014:301). Rome, Naples and Venice were the first ones in Italy to introduce this new practice in early 2001 while Lisbon was the first European city to introduce online participatory budgeting in 2008 (Bassoli 2012). In 2009, Poland adopted a law establishing a fund to support the establishment of co-decision-based participatory budgeting at local level. Since then, Poland has had the largest number of ongoing experiments in Europe (Sgueo 2016). With the adoption of participatory budgeting in 2014, the city of Paris became one of the largest participatory budgets in Europe. In Paris and Madrid, the money allocated to participatory budgeting is around 100 million euros (Cabannes 2017:181). However, when comparing the amount allocated per habitant per year, Paris ranks first and owns therefore the title of being the largest participatory budget in Europe.

On the one hand, participatory budgeting practices vary across the world; therefore, all of the cases are unique. On the other hand, it could be said that participatory budgeting as a participatory mechanism is universal because it can be used in all levels of governance: town districts, whole settlements and states (Khutkyy 2017). The universality of this instrument is recognized in supranational level as well. Not only national authorities, but also supranational administrations and agencies, such as European Union, World Bank, OECD and United States Agency for International Development encourage the usage of participatory budgeting among different countries. For example, since 2002, the World Bank has provided over 280 million US dollars in support of participatory budgeting-related projects in at least 15 countries (Sgueo 2016). The reason why participatory budgeting is attractive to supranational organizations is its emphasis on citizen empowerment through participation, improved governance, and better accountability (Wampler 2017). Moreover, at the EU level, participatory budgeting has been used through different funding programmes as well such as URB-AL for example, where from 2003-2010 it managed €5 million and involved 450 local

governments and civil society representatives in Latin America with the objectives of promoting participatory budgeting to strengthen budgetary transparency and accountability (Sgueo 2016). The promotion of participatory budgeting in supranational level has received negative feedback from the critics. For example, in the case of the World Bank, some critics state that participatory budgeting has only been introduced to advance a neoliberal agenda, which is focused on reducing the role of the state. Therefore, the promotion of participatory budgeting in supranational level remains controversial due to its positive as well as negative aspects.

#### 1.4 Actors and Factors influencing the diffusion of participatory budgeting at the local level

In order to analyse participatory budgeting and the process of its implementation in local governments, we need to identify potential actors and factors affecting the adoption process. The existing literature has identified several actors and factors that have some kind of impact on the diffusion of participatory budgeting. Actors influencing the adoption process within local governments are divided into three categories: internal actors, external actors and go-betweens (Graham, Shipan, Volden 2013). External actors are usually considered other local governments who have already adopted the policy. Go-betweens are defined as those actors that act across multiple jurisdictions such as non-governmental organisations for example (Graham, Shipan, Volden 2013). Internal actors are usually local policy makers and public officials who are inside the governments considering the adoption of the instrument. More specifically, internal actors are also named as internal advocacy champions who promote implementation of participatory budgeting in local governments because they are convinced that this instrument will solve the problems their communities are facing (Wampler 2017:16). According to Wampler, for effective implementation of participatory budgeting in local governments, it is essential that the initiative would come from elected officials. In other words, the initiative should come from policy makers but the public officials are the ones who should be encouraged and motivated to implement and sustain this practice.

In addition to different actors influencing the adoption process of participatory budgeting in local governments, there are also several factors that have potential impact



on the implementation of this practice. The existence of political will, openness towards new initiatives, image of the practice on national level and in media coverage, wealth of the municipality as well as geographical location of the municipality are some of the factors influencing the adoption of different democratic innovations such as participatory budgeting in local level. Below, I will discuss each of these factors in more detail.

Firstly, the literature on democratic innovations emphasizes that the political will of local governments as one of the conditions is necessary for determining the adoption of different policies. In the context of participatory budgeting, it is often adopted by innovative local governments where mayors believe in a new form of empowered citizens' engagement (Spada 2014:14). Therefore, the existence of strong political will as well as openness towards new initiatives in local governments are some of the reasons affecting the adoption of new policies such as participatory budgeting.

Another important factor influencing the diffusion of participatory budgeting is the image of this practice within the country. As pointed out by different authors, the adoption of participatory budgeting is closely linked to the experiences of other local jurisdictions. Krenjova and Raudla have studied four most often used mechanisms of diffusion in the context of implementing participatory budgeting in local governments which are learning, imitation, competition and coercion (Krenjova 2018). In this case, three out of four mechanisms (learning, imitation and competition) are affected by experiences of other local municipalities. Therefore, the previous experiences of using participatory budgeting are the main factors shaping the image of the concept in the country.

In addition, the wealth of municipality is another important factor influencing the adoption of new democratic innovations by local governments. On the one hand, previous studies have shown that the availability of resources and the city's wealth are positively correlated with the adoption of participatory budgeting (Spada 2014:20). For example, it has been pointed out that government's capacity to execute participatory budgeting projects as well as the amount of money dedicated to the process are also important aspects that influence the implementation of participatory budgeting (Wampler 2017: 17). Therefore, this refers that the wealth of municipality is affecting

the adoption as well as effective implementation of participatory budgeting in local level. On the other hand, Spada has pointed out that based on conducted case studies, the availability of slack financial resources does not have significant effect on adoption of participatory budgeting (Spada 2014:29). Therefore, it would be interesting to examine what kind of effect this factor has in the context of this study.

The final factor that is also considered to play a role in the adoption process of participatory budgeting is the geographic location of municipality. For example, in Brazilian case, the pattern of implementation of participatory budgeting is geographically concentrated in the state of São Paulo (Spada 2014:16). Similar examples may be found all over the world. Therefore, it is important to examine the impact of geographical location of local governments in Estonian context as well.

### 1.5 Motives of local governments for adopting/not adopting participatory budgeting

It is important to note that participatory budgeting as an instrument varies across different regions. Therefore, different local governments may have different motives for adopting this practice. Based on the extensive literature available about participatory budgeting, it is possible to point out several positive and negative aspects of this practice, which have had a potential impact on the diffusion of participatory budgeting in local governments.

#### 1.5.1 Positive impacts of participatory budgeting

There are several different positive impacts of using participatory budgeting in local municipalities.

Firstly, one of the main aims of this instrument is to engage people in issues of local government (Estonian Ministry of Finance 2018). Since the low level of political participation of the citizens is one of the most important challenges modern democracies are facing today, participatory budgeting may be considered as one of the tools to approach this problem. In addition, participatory budgeting is used in order to empower civil society and civic engagement as well as aim for better government in general. In other words, it is considered to reduce the risk of institutionalization and distance

between policy-makers and local citizens, which in turn will lead to higher level of inclusion in the society and strengthens the demands for good governance. Therefore, increased citizen participation in political decision-making process, which in turn strengthens the sense of empowerment is one of the positive impacts of this practice.

Secondly, participatory budgeting helps to build a base of political support for local policy makers. An important purpose of participatory budgeting is to reduce conflict in society about budgetary decisions as well as ensure broad public acceptance in this regard (Cabannes 2004). In other words, one of the motives of politicians and local governments is to gain political support from local citizens in the topic, which is often considered one of the main reasons for unpopularity among local citizens. Therefore, participatory budgeting has been considered to be an initiative or a triumph of participatory democracy fighting against political dissatisfaction and distrust from the citizens towards their local governments. It helps politicians to enhance their reputation and legitimacy as well as raise the profile of local government (Douglas, Raudla, and Hartley 2015). In other words, it will offer them an opportunity to learn about the implications for re-election and therefore use it as part of their election campaigns.

Thirdly, it is considered to improve transparency and accountability in the society by giving the opportunity to be more transparent in public resource management. In other words, participatory budgeting helps to improve the transparency of decision-making procedures about budget allocation process and therefore bring citizenry closer to local governments. Moreover, participatory budgeting increases the legitimacy of political decisions as well as transparency in decision – making process which in turn will help to reduce government inefficiency, curb clientelism, patronage and corruption (Shaw 2007:1). Therefore, it helps to decrease the level of political dissatisfaction and distrust towards local governments (Wampler 2007:39-40, Wampler 2017:3).

Moreover, participatory budgeting offers new ideas for the development of local governments and provides feedback from local citizens about problematic areas. It helps to gain important practical background information about current problematic areas in the municipality. Moreover, this instrument helps local governments to address specific problems in their jurisdiction (Shipan and Volden 2008). Therefore, it is a practical

instrument for local policy makers as well for public officials in order to understand the needs of local citizens and their priorities in this regard.

Another important aspect is that participatory budgeting helps to achieve a more equitable distribution of scarce resources (Wampler 2007:40). Local governments often use participatory budgeting in order to promote and attract higher representation by politically marginalized groups such as people with low income, the elderly, unemployed and ethnic minorities (Khutkyy 2017). In other words, the mechanism of participatory budgeting provides an opportunity for local governments to promote greater social justice in order to build support for redistributing resources among low-income and middle-class groups as well as underserved communities.

Moreover, another positive aspect of using participatory budgeting is that it improves the quality of citizens' political knowledge and therefore provides greater accountability of the process (Wampler 2017:3). The instrument of participatory budgeting increases the knowledge of citizens about the processes of different decision-making procedures with its educative element and provides better understanding of how different funds are distributed within the community. Informational meetings provide citizens with a broader understanding of government, governmental responsibility, policy, and policymaking (Wampler 2007:41). Therefore, there is an important educative, engaging and empowering effect on the citizens in this process, which in turn strengthens the demand for good governance. It is important for local citizens to understand how city governments work and how difficult it actually is to see a broader picture. In other words, it helps to improve the understanding about budgeting process in local governments and democratic processes in general.

Another positive aspect of using participatory budgeting in local municipalities is the function of strengthening the sense of belonging within the community. It is important that local community members feel involved when they have an opportunity to participate in decision-making processes. It increases the communion and trust within the community and therefore helps to identify common purpose and interests. In addition to increasing cooperation between different members within the community, it also promotes cooperation between different communities within the region.

### 1.5.2 Negative impacts of participatory budgeting

Despite the widespread use of participatory budgeting, there are also some critical reviews due to its controversial nature. In terms of negative impacts, critics argue that while studying the practice of participatory budgeting, stronger interest groups capture the participatory processes. It means that the public involved in the process are often not representative of society as a whole. Therefore, as a result it may strengthen existing networks such as organized interests and local elites (Bassoli 2012: 1187). In other words, it means that participatory budgeting might potentially reinforce existing injustices in the society instead of eliminating those.

Another negative aspect of this instrument is considered the unsustainability of the participatory budgeting process due to its dependence on relations with authorities (Khutkyy 2017). It means that local citizens have a perception that only the elites who are closely connected to politicians and city officials have opportunity to find support for their ideas and therefore instead of increasing the transparency of the whole process, the actual effect is reverse.

Another negative impact that critics have often pointed out is that participatory budgeting has progressively lost its initial objective of involving citizens while becoming a mere collection of proposals for expenditure (Sgueo 2016). In other words, participatory budgeting has been referred to as playing democracy because in reality the democratic impact and citizens' involvement is rather limited. Therefore, it is sometimes referred to as some kind of image building project for local governments.

In addition, the risk of causing disappointment among local citizens is another negative impact referred to in the context of participatory budgeting. After implementing participatory budgeting in local communities, there are often justified expectations that all the decision-making procedures in terms of the budget formatting should be as open and transparent as participatory budgeting itself. Others have pointed out that unfortunately it is naive to think that the whole budgeting process should be based only on public voting since the budgeting process in local government is extremely difficult and complicated (Reinsalu 2018). Therefore, participatory budgeting is often accompanied with higher hopes, which in turn may increase the risk for disappointment among society.

As previously mentioned, there are several positive and negative impacts of participatory budgeting. Nevertheless, how these different aspects of participatory budgeting have affected the motives of local governments in Estonia in terms of adoption or non-adoption of this practice?

## 1.6 Theoretical Expectations

Based on the international experiences and previously conducted studies about positive and negative impacts affecting the motives of local governments in the adoption of this practice as well as different actors and factors influencing the policy diffusion process of participatory budgeting in local level context, it is possible to formulate theoretical expectations about Estonian case.

**Theoretical expectation 1: The main actors influencing the adoption of participatory budgeting in Estonian local governments are local policy-makers.**

Based on the previously conducted studies, the author expects that the main actors that influence the adoption of this instrument in local governments are mainly internal actors such as local politicians and bureaucrats who have the ability to consider the adoption of new initiatives such as participatory budgeting. More specifically, as pointed out by Wampler (Wampler 2017:16), for effective implementation of participatory budgeting in local governments, it is essential that the initiative would come from elected officials. Therefore, the author expects local politicians to be the most influential initiators of this practice in local governments.

**Theoretical expectation 2: The main factors influencing the implementation of participatory budgeting in Estonian local governments are expected to be the existence of political will, openness towards new initiatives, the image of the practice on national level, the wealth as well as geographic location of the municipality.**

As pointed out by Spada (Spada 2014:14), a strong political will of local governments is one of the conditions to determine adoption of participatory budgeting in local municipalities. Moreover, another important factor influencing the diffusion of participatory budgeting is the image of the practice on national level. The central idea of

policy diffusion theory is that policy makers learn from each other's experiences. Therefore, the image of this practice is an important factor in the diffusion process of participatory budgeting in Estonia. Moreover, the aspect of the wealth of the local government is also expected to have an impact on the adoption process. As pointed out by Wampler (Wampler 2017: 17), local government's capacity to execute participatory budgeting projects as well as the amount of money dedicated to the process are also important aspects that influence the implementation of participatory budgeting. In addition, the aspect of geographic location is also expected to play a role based on the previous experiences from Brazil (Spada 2014:16).

**Theoretical expectation 3: The main motives of local governments to start implementing participatory budgeting are expected to be enhancing their reputation, to increase the level of inclusion of citizens in political decision-making process, to gain important practical background information about problematic areas, to decrease the level of political dissatisfaction and distrust towards local governments and increase transparency, to achieve a more equitable distribution of scarce resources, to improve the quality of citizens' political knowledge and increase their responsibility as well as to strengthen the sense of belonging within the community.**

Based on the positive impacts and main objectives pointed out in existing literature about international experiences of adopting participatory budgeting in local governments, the author expects these same motives to apply to Estonian case as well.

**Theoretical expectation 4: The main motives of local governments that have decided not to use participatory budgeting in local level are expected to be the risk of reinforcing existing injustices in the society, potential reputational damage caused by the image of unsustainability of the participatory budgeting process due to its dependence on relations with authorities, the loss of its initial objective of involving citizens, limited democratic impact and low citizens' involvement as well as disappointment caused by the process among local citizens.**

Since these are the main negative impacts of participatory budgeting referred to in the literature, the author expects these similar motives to be relevant in Estonian local governments as well.

## 2 Participatory budgeting in Estonian local governments

Chapter two will provide an overview of the participatory budgeting in Estonian local governments. The aim of this chapter is to provide contextual background about this instrument and implementation in Estonia and explain the research methodology of this thesis. The chapter is divided into four subchapters. First, the administrative division of Estonia is provided. Second, the diffusion of participatory budgeting in Estonian local governments is examined. Third, an overview of previously conducted studies about participatory budgeting in Estonia is provided. The final part of this chapter explains the research methodology of this study.

### 2.1 Administrative division of Estonia

To study the Estonian case more closely, the first step is to provide a general overview of administrative division in Estonia. Estonia is divided into 15 first-level administrative country subdivisions, which in turn are further divided into 79 local governments, including 15 towns and 64 parishes.

In 2017, the Estonian Government carried out an administrative-territorial reform, which had been prepared for several years. The main objective of the reform was to support the formation of larger municipalities with recommended population of 11 000 residents in order to make the areas more functional and effective (Estonian Ministry of Finance 2019). Before the reform, more than 80% of Estonian municipalities had a population of fewer than 5000 residents, which was set as the minimum criterion for the reform and is considered by many experts as the critical number of inhabitants needed for a municipality to cope with its tasks (Valner 2018:11). Therefore, the main objective of the administrative reform was to decrease the number of local authorities that did not have enough administrative capacity and were not capable enough to fulfil their designated functions. As a result of the administrative-territorial reform, the aim was to have local municipalities that are capable of providing better public services to local citizens, to ensure the increase of the competitiveness of different regions and carry out the duties provided by law (Estonian Ministry of Finance 2015).

The reform process had two-step approach: systematic reform on a voluntary basis and government-initiated mergers. In the first case, municipalities which did not meet the



minimum population size criterion selected partners with whom they shared an administrative border and formed a new municipality on voluntary basis. In exchange, they were awarded with supportive merger grants. In the second case, the execution of government-initiated mergers took place after the first voluntary stage of the reform was conducted. As a result, in the beginning of 2017 government-initiated mergers for 26 municipalities that did not meet the criterion and that had not submitted merger applications to the relevant county governors were conducted (Küngas 2018:273). 86% of the mergers were carried out in the voluntary stage initiated by the municipal councils in accordance with local agreements (Estonian Ministry of Finance 2019). In general, the administrative reform is considered to have been successful.

As a result, Estonia now has almost three times fewer municipalities, which are proportionately larger and stronger, with an increase in their median population size, from about 1800 residents to more than 7700 per municipality (Valner 2018:11). As pointed out in *Table 1*, the number of local municipalities was reduced from 213 to 79. An average population and area of the municipality are almost triple of the size they were before the reform. The number of municipalities with fewer than 5000 residents decreased from 169 to 15. Prior to the reform, Estonia's 213 municipalities included 30 towns and cities. After the reform, corresponding figures are 79 and 15, respectively.

**Table 1. Size of local government units before and after administrative reform**

	Before administrative reform on 1st of January 2017	After administrative reform from 1st of January 2017	1st of January 2018	2nd of January 2019
<b>Less than 5000 inhabitants</b>	<b>169 local governments</b>	<b>15 local governments</b>	<b>17 local governments</b>	<b>17 local governments</b>
5000 – 11 000 inhabitants	28 local governments	36 local governments	34 local governments	36 local governments
More than 11 000 inhabitants	16 local governments	28 local governments	28 local governments	26 local governments
An average population	6349	17 118	17 152	16 835
<b>The median of population size</b>	<b>1887</b>	<b>7865</b>	<b>7739</b>	<b>7558</b>
Average area of municipality	204 km <sup>2</sup>	550 km <sup>2</sup>	550 km <sup>2</sup>	550 km <sup>2</sup>
The median of area	180 km <sup>2</sup>	512 km <sup>2</sup>	512 km <sup>2</sup>	512 km <sup>2</sup>

**Source:** Estonian Ministry of Finance 2019

## 2.2 Diffusion of Participatory Budgeting in Estonia

Participatory budgeting in Estonia was first introduced in 2011 when an Estonian nongovernmental organization (NGO) - e-Governance Academy (eGA) Foundation started introducing this practice (Estonian Ministry of Finance 2018). Tartu which is a second largest city with a population of roughly 100 000 residents was the first local government in Estonia implementing this practice in 2013. During the whole adoption period, Tartu was consulted by eGA Foundation. By autumn 2014, three other cities in addition to Tartu had implemented participatory budgeting: Viljandi, Kuressaare and Elva. The adoption of this relatively new and innovative practice in Estonia has increased from year to year up until 2019.

Currently, there are 34 different local municipalities in Estonia that are implementing participatory budgeting in their local affairs or planning to start in 2019. In *Table 2*, there is an overview of all the local municipalities, which have already used or are

planning to start using participatory budgeting in 2019. From the total number of 79 local governments in Estonia, almost half of them are using participatory budgeting. 7 out of 15 towns and 27 out of 64 parishes use participatory budgeting in Estonia. Tartu is the only town implementing participatory budgeting out of five biggest towns in Estonia. Tallinn, Narva, Pärnu and Kohtla-Järve have not adopted this practice. The next biggest town in Estonia implementing this practice is Viljandi.

In terms of geographical location, local municipalities using participatory budgeting are located in all over the country. As seen from *Table 2*, there are six local municipalities from Harju county, four both from Lääne-Viru and Tartu county. Currently Valga is the only county where local municipalities do not use this practice. Although it is important to note that Otepää and Tõrva Parish both have used participatory budgeting but for some reasons they have disclaimed this practice.

Diffusion of participatory budgeting started in Estonia in 2013 when Tartu adopted this practice. Since then, the prevalence has increased from year to year. As pointed out in *Table 2*, the widest diffusion of participatory budgeting in Estonian local governments took place in 2016 when eight different local governments adopted this practice. In 2019, there are eight local governments that are planning to adopt participatory budgeting. These are Saku Parish, Järva Parish, Lääne-Nigula Parish, Vinni Parish, Väike-Maarja Parish, Põlva Parish, Põhja-Pärnumaa Parish and Kastre Parish. The Councils of all these local governments have already approved the regulations of using participatory budgeting as well as a certain amount of money has been allocated from the budget for this measure. In addition to above-mentioned local governments, Kadrina Parish in Lääne-Viru County has also decided to use participatory budgeting in 2019. The regulation and other details of the project are currently under the development; therefore, Kadrina is not mentioned in *Table 2*.

**Table 2. Local Governments in Estonia implementing participatory budgeting  
(according to data from April 2019)**

Local Government	Town/Parish	County	Population (01.01.2019)	Inception of PB (Year)*	Amount of money for PB in 2019 (€)
Harku	Parish	Harju	14 932	2018 - ...	50 000
Keila	Town	Harju	10 087	2018 - ...	15 000
Kiili	Parish	Harju	5461	2016 - ...	15 000
Kose	Parish	Harju	7223	2016 - ...	10 000
Maardu	Town	Harju	15981	2016 - ...	30 000
Saku	Parish	Harju	10 206	2019	20 000
Hiiumaa	Parish	Hiiu	9558	2018 - ...	50 000
Lüganuse	Parish	Ida-Viru	8736	2014 - ...	20 000
Narva-Jõesuu	Town	Ida-Viru	4735	2018 - ...	40 000
Jõgeva	Parish	Jõgeva	13 721	2016 - ...	10 000
Põltsamaa	Parish	Jõgeva	9860	2016 - ...	20 000
Järva	Parish	Järva	9028	2019	40 000
Paide	Town	Järva	10 734	2018 - ...	25 000
Türi	Parish	Järva	10 925	2017 - ...	25 000
Haapsalu	Town	Lääne	13 430	2016 - ...	30 000
Lääne-Nigula	Parish	Lääne	7195	2019	40 000
Haljala	Parish	Lääne-Viru	4383	2016 - ...	10 000
Tapa	Parish	Lääne-Viru	11 082	2015 - ...	20 000
Vinni	Parish	Lääne-Viru	6945	2019	25 000
Väike-Maarja	Parish	Lääne-Viru	5948	2019	15 000
Põlva	Parish	Põlva	14 090	2019	50 000
Põhja - Pärnumaa	Parish	Pärnu	8381	2019	10 000
Pärnu	Town	Pärnu	51 888	2015 - 2017	40 000
Kohila	Parish	Rapla	7273	2016 - ...	10 000
Märjamaa	Parish	Rapla	7656	2017 - ...	20 000
Rapla	Parish	Rapla	13 303	2015 - ...	60 000

Saaremaa	Parish	Saare	31 683	2017 - ...	25 000
Elva	Parish	Tartu	14 691	2014 - ...	45 000
Kastre	Parish	Tartu	5252	2019	20 000
Tartu	Town	Tartu	99 641	2013 - ...	200 000
Tartu	Parish	Tartu	10 941	2018 - ...	30 000
Otepää	Parish	Valga	6590	2015	8000
Tõrva	Parish	Valga	6214	2014 - 2017	10 000
Viljandi	Town	Viljandi	17 602	2014 - ...	30 000
Antsla	Parish	Võru	4574	2017 - ...	15 000

*\* Inception of Participatory Budgeting = year when the city/rural municipality council approved regulation of using participatory budgeting in local government*

**Source:** Otstavel, websites of local governments, Estonian Ministry of Interior Affairs (Population data as of 1<sup>st</sup> of January 2019), The Electronic State Gazette

There are also some cases where participatory budgeting was practiced differently before the administration reform in 2017. For example, in Hiiumaa Parish a new administrative municipality approved the regulation of participatory budgeting in November 2018. Previously, two other smaller parishes in Hiiumaa – Emmaste and Hiiu had practiced participatory budgeting independently since 2017. Therefore, as a result of the administrative reform, a larger share of population is able to participate in this process. In other words, the administrative-territorial reform increased the diffusion of participatory budgeting in all over the newly merged parish. Somehow similar situation occurred in Jõgeva and Saaremaa. In Jõgeva, the city of Jõgeva alone has practiced participatory budgeting since 2016 but after the administrative reform in 2017, participatory budgeting extended to the whole Jõgeva Parish. Similar situation illustrates Kuressaare and Saaremaa Parish as well, where Kuressaare as a town was the only local government using participatory budgeting before administrative-territorial reform. As a result of reform in 2017, participatory budgeting extended to the whole Saaremaa Parish. The author would assume that if bigger towns were implementing participatory budgeting before administrative-territorial reform, it would be extended to the whole merged municipality after the reform. But as proved by the case of Hiiumaa Parish, the type and size of administrative unit implementing this instrument before the

reform would actually have no significant effect on the increased prevalence of this practice in merged municipality.

Based on the previous experiences of Estonian local governments using participatory budgeting, we can also find some examples where local municipalities have decided after some years of practice to discard participatory budgeting in local level. For example, the city of Pärnu has used participatory budgeting since 2015 - 2017 but after the administrative reform when Pärnu City was merged with the parishes of Audru, Paikuse and Tõstamaa, the new municipality has decided not to use this practice anymore. Similar situation occurred in Ülenurme and Kambja as well. Ülenurme Parish in Tartu County used participatory budgeting for 2 years from 2016 until 2017 but after the administrative reform and the merger with Kambja Parish, the new municipality has not used this measure since then. Somehow, different example can be found from Otepää Parish where local government used participatory budgeting once in 2015 but after that year the instrument has not been used anymore.

### 2.3 Previously conducted research about Participatory Budgeting in Estonia

Participatory budgeting in Estonia is a relatively new concept. This is most likely the reason why there is a limited amount of literature available about participatory budgeting practices in Estonia. Krenjova, Raudla and Reinsalu are the three authors who have studied this practice in Estonian context.

Previously conducted studies have mainly focused on different models of participatory budgeting as well as diffusion mechanisms. Krenjova and Raudla have examined the main environmental variables such as financial autonomy, political culture, the size of the local government, heterogeneity and prosperity of the local government and their likelihood to influence the applicability and feasibility of participatory budgeting in the Central and Easter European local (Krenjova, Raudla 2013). The main objective of their research was to examine which environmental variables influence the adoption of particular participatory budgeting European models used in CEE countries. While focusing on the diffusion of participatory budgeting in Estonian case, previous studies demonstrate that it has been mainly driven by two mechanisms which are learning and

imitation (Krenjova 2018:419). In addition, several studies have shown that different participatory budgeting models used by local governments in Estonia have some minor procedural differences such as the amount of money allocated through participatory budget, different characteristics concerning the voting procedure and the duration of the process in general (Krenjova 2018:427). However, the general model is quite similar to the one used by Tartu since 2013.

From the previously conducted studies, it occurs that one of the main objectives for local governments in Estonia to start using participatory budgeting was to involve citizens in local decision-making process since there is a rather limited citizen involvement and participation in local government affairs (Krenjova 2018:431-433). In addition, the educational role of participatory budgeting for citizens, competitive advantage as well as improvement of image of the local government as innovative local authority has been some of the motives pointed out in previous studies (Krenjova 2018:431-433). Therefore, in general it could be said that based on the limited research carried out so far, the motives of Estonian local governments seem to be similar to the international practices.

In addition to the main objectives of local governments implementing participatory budgeting in Estonia, different actors and factors influencing the adoption process of participatory budgeting have been studied closely. For example, different information-technological solutions, the characteristics of the initial adopter City of Tartu as well as the role of eGA Foundation as an epistemic go-between has been previously pointed out (Krenjova 2018:419). Since Tartu was the first local government in Estonia implementing participatory budgeting, it is also currently one of the most studied examples. For example, eGA Foundation has compiled detailed reports about the experiences of the City of Tartu from years 2013 – 2015. Moreover, in January 2019 Estonian Ministry of Finance published a guidance material for local governments about the adoption of participatory budgeting. In the context of Estonian local governments, all of these practical materials and reports are useful for other local governments considering the adoption of this practice.

The example of Tartu has been one of the primary sources of information and inspiration for other local governments in Estonia (Krenjova 2018:431-433). As already

mentioned, the diffusion of participatory budgeting in Estonia has been also influenced by the availability of the existing e-tools for local governments that enabled them to conduct online voting and therefore decreased the costs of implementation (Krenjova 2018:440). In addition, the size of local government unit as well as the existence of political will are some of the factors pointed out as driving factors for participatory budgeting adoption process (Krenjova 2012:54).

Krenjova and Reinsalu have also pointed out several challenges local municipalities are facing while adopting the participatory budgeting process. The case study about preparing participatory budgeting in the city of Tartu revealed that overcoming political confrontation, financial constraints, composing the participatory budgeting decision-making body as well as overcoming the problem of extra workload for officials can become major challenges for local governments in the process of preparing for participatory budgeting (Krenjova, Reinsalu 2013:28). Nevertheless, what about the motives of other local governments in Estonia, which have decided not to adopt participatory budgeting? Are these motives similar to the ones faced by Tartu during its adoption process? Alternatively, are there any other influential actors and factors that have influenced local governments and their motives to implement participatory budgeting? These questions will be focused on further in this thesis.

## 2.4 Research Methodology

The objective of the thesis is to understand the motives behind the adoption/non-adoption of participatory budgeting by Estonian local municipalities by comparing the towns/parishes that have adopted it with those that have decided not to adopt it. In order to do so, this chapter will provide an overview of the research design used in the thesis. The first part of the chapter focuses on the case selection. The second part provides an overview of data collection and the third part of the chapter explains methodological approach used in the thesis.

### 2.4.1 Case Selection

In order to understand the variation of motives of local municipalities in Estonia in the context of adoption/non-adoption of participatory budgeting, the author established a pre-screening strategy to determine relevant pool of towns and parishes. The aim of the



pre-screening process was to identify local governments that are currently using participatory budgeting. The author examined information available about participatory budgeting in different local governments from three types of sources: official website of local municipality, legislation available in The Electronic State Gazette (*Riigiteataja*) and media coverage in local newspapers. The author examined all the information available about the concept of participatory budgeting in 79 local governments. As a result, 34 different local municipalities were identified which are currently implementing participatory budgeting in their local affairs or are planning to start in 2019. All the other 44 local municipalities were identified as local governments, which currently do not implement participatory budgeting in their local practice.

In order to study the diffusion of participatory budgeting in Estonian local governments, the author compares 11 different local governments and their experiences in this regard. The sample of cases combines of five local governments, which have used participatory budgeting, and six local governments, which have decided not to use this practice for different reasons. For better comparison, local governments with similar size of population are included in the sample. The reason behind this is the direct relation between the size of population and budget of the municipality. Since the large share of local government's revenues are coming from personal income tax, it provides us some kind of comparability of the budget and therefore financial capability of local governments. It is important to note, that there might be some weaknesses of this approach but in the context of this study it should provide some context for comparison.

In total, there are six towns/cities and five parishes included in this study: City of Tallinn, City of Tartu, Town of Viljandi, Town of Valga, Town of Haapsalu, Town of Võru, Elva Parish, Kambja Parish, Tapa Parish, Tori Parish and Lääne-Harju Parish. In this sample, the local municipalities of Tallinn, Valga, Võru, Kambja, Tori and Lääne-Harju are defined as local governments not using participatory budgeting while Tartu, Viljandi, Haapsalu, Elva, Kambja and Tapa are the ones with experiences of implementing participatory budgeting in local level. Local governments of Valga, Võru, Kambja, Tori and Lääne-Harju were selected mainly for two reasons. First, due to their comparable size of population and second, due to their geographical location. Both of these aspects are important in order to provide comparability of all of these local governments pointed out in *Table 3* and to provide a variety of cases from the

perspective of geographical location. In our sample, there are cases from all over the country including: two cases from Harju county (Tallinn, Lääne-Harju), one case from Lääne county (Haapsalu), one case from Pärnu county (Tori), one case from Lääne-Viru county (Tapa), three cases from Tartu county (Tartu, Kambja, Elva), one case from Viljandi county (Viljandi), one from Võru county (Võru) and one from Valga county (Valga). This kind of variety provides an opportunity to compare the cases from the aspect of geographical locations.

As pointed out in *Table 3*, the size of population of these cases varies approximately from 11 000 - 17 600 people with the exceptions of Tartu and Tallinn with 453 033 and 99 641 residents, respectively. The sample is also including Tallinn and Tartu as two of the biggest cities in Estonia. Unfortunately, due to their size of population, it is not reasonable to directly compare these two with other cities included in the sample but for better understanding of the general context of participatory budgeting in Estonia, it is important to compare them to one another and analyse what are the motives of both sides to use or not to use participatory budgeting.

**Table 3. Information about local governments included in the sample**

Local Government	Adoption of PB	Population (01.01.2019)	Core Revenues in 2019 (million €)	Tax Revenues in 2019 (million €)	Location
Tallinn		453 033	723,8	465	Harju County
Tartu	+	99 641	156,7	87,5	Tartu County
Viljandi	+	17 602	26,8	13,8	Viljandi County
Valga		16 505	21,7	9,8	Valga County
Elva	+	14 691	21	11,1	Tartu County
Haapsalu	+	13 430	18,3	10,4	Lääne County

Lääne-Harju		12 865	18,8	12,1	Harju County
Võru		12 061	17,5	8,5	Võru County
Tori		11 875	15,9	9	Pärnu County
Kambja		11 087	16,1	11	Tartu County
Tapa	+	11 082	15,3	7,9	Lääne-Viru County

**Source:** Otsstavel, websites of local governments, Estonian Ministry of Interior Affairs (Population data as of 1st of January 2019), The Electronic State Gazette. *Note: Tax Revenues = personal income tax, property tax, road and street closure tax.*

Ideally, the author would have included all local governments in Estonia in order to have a more comprehensive study about the diffusion of participatory budgeting in local governments and their motives in this regard. Unfortunately, due to the limited resources as well as the estimated capacity of this thesis, this research needs to be carried out in the future.

#### 2.4.2 Data collection

The author is focusing on multiple types of data sources such as semi-structured interviews with political actors or public officials and analysis of legal and policy documents about participatory budgeting.

Firstly, there is an analysis of different practices by using the information available on the websites and legislative documents of local governments about participatory budgeting in order to understand the differences of this practice in Estonian local governments.

Since participatory budgeting is relatively new democratic instrument used in local governments, there is a limited number of documents available about the implementation of this practice. All of the local municipalities using participatory budgeting have an official regulation approved by the City Council or Rural Municipality Council available on the The Electronic State Gazette, which provides an opportunity to compare the regulations in order to find the main similarities and

differences within the participatory budgeting procedures in local governments included in this study. In addition, the author examines the development plans of local governments with the specific focus on the tool of participatory budgeting in order to analyse its future perspectives. Finally, the information available on local governments' websites is analysed with the purpose to understand the general context and procedures of participatory budgeting within this local municipality, the trends behind winning project ideas and statistics about the voting-turnouts. An analysis of legal and policy documents provides an overview of the procedural similarities and differences between local governments. This aspect is important to study in order to understand the different variations within the instrument of participatory budgeting and to provide the general background information about this practice in Estonian.

Secondly, semi-structured interview as a research method is used in this thesis. Semi-structured interviews are conducted in a form of conversation with one respondent at a time. It is a combination of closed- and open-ended questions that provides interviewer an opportunity to ask follow-up questions from the interviewee. One of the disadvantages of this method is its time-consuming nature. The process of preparing, conducting and analysing the interviews require significant amount of time and sophistication from the interviewer (Adams 2015:493). Another disadvantage of this method often pointed out is its lack of variety due to the limited size of sample included in the research. For this reason, standardized survey or focus group interview are more efficient in a way of including larger scale of respondents. On the other hand, there are several advantages of using semi-structured personal interviews for this research. One of the advantages of this method is its comprehensiveness while comparing to standardized surveys. The combination of open-ended and closed-ended questions with an opportunity to ask follow-up questions provides more valuable information about the topic. In addition, semi-structured individual interviews provide an opportunity to hear independent thoughts of the interviewee since the respondent is unable to receive assistance from others while formulating a response (Bailey 1987). As pointed out by different authors, the method of semi-structured interviews is well suited to the exploration of attitudes, values, beliefs and motives (Richardson et al. 1965, Smith 1975). Therefore, in the context of this study, the method of semi-structured interviews is used.

For data collection, qualitative semi-structured interviews were conducted with politicians and local government officials from 11 different local municipalities. The interviews were conducted with people who are mostly responsible for the implementation of participatory budgeting in local governments. In local governments where participatory budgeting is currently not being used, interviews were conducted with people who have the most information about this topic. The author approached different local governments with the request to conduct an interview with the person who has the most information about the participatory budgeting process in this local municipality. The positions of public officials as well as political actors were different since there are various structural units responsible for coordinating this practice in local governments. In some of the cases, respondents have been involved in the process from the beginning but mostly people have changed over time. In most of the cases, the author interviewed one person per municipality, except for two cases, where additional interviews were conducted with political actors who were referred to in previous interviews conducted with public officials. In total, there were 13 semi-structured interviews. Nine interviews were conducted with public officials while four interviews with political actors such as (former) mayors or (former) rural municipality mayors. Mostly, face-to-face interviews were used but, in some cases, phone interviews were conducted instead.

**Table 4. Information about the interviews conducted with local governments**

<b>Name of the LG</b>	<b>Date of the interview</b>	<b>Method of the interview</b>	<b>Marker of the respondent</b>	<b>Position in LG</b>
City of Tallinn	March 31 <sup>st</sup> 2019	Face-to-face	Respondent A	Public official
City of Tartu	April 10 <sup>th</sup> 2019	Face-to-face	Respondent B	Public official
Town of Haapsalu	April 2 <sup>nd</sup> 2019	Phone interview	Respondent C	Public official
Town of Võru	April 4 <sup>th</sup> 2019	Face-to-face	Respondent D	Public official
Town of Valga	May 10 <sup>th</sup> 2019	Phone interview	Respondent E	Mayor of Rural municipality
Town of Viljandi	April 2 <sup>nd</sup> 2019	Face-to-face	Respondent F	Public official

Tapa Parish	April 3 <sup>rd</sup> 2019	Face-to-face	Respondent G	Public official
	May 8 <sup>th</sup> 2019	Phone interview	Respondent H	Former Mayor of Rural municipality mayor
Elva Parish	April 4 <sup>th</sup> 2019	Face-to-face	Respondent I	Public official
Tori Parish	April 10 <sup>th</sup> 2019	Phone interview	Respondent J	Public official
Kambja Parish	April 4 <sup>th</sup> 2019	Face-to-face	Respondent K	Public official
Lääne-Harju Parish	May 8 <sup>th</sup> 2019	Phone interview	Respondent L	Mayor of Rural municipality

All the interviews were audio-recorded. Before explaining the procedures of interview, the author asked verbally for the informed consent from the interviewees. In addition, all the interviewees were asked for permission to audio-record the interview. All the respondents and their recordings are coded and the identification key is stored separately in another storage unit. In the empirical part of the thesis, all the respondents are referred to anonymously, by using the markers such as Respondent A, Respondent B etc. All the interviews were conducted in the period of March 2019 - May 2019.

While conducting the interviews for this research, the author had two different approaches. List of questions (*Appendix 1*) was asked from the representatives of local governments that are using participatory budgeting while the similar list of questions (*Appendix 2*) with some variations was asked from the interviewees representing local governments currently not using this practice. All the interviewees were asked about the main objectives of participatory budgeting as well as about its strengths and weaknesses. Moreover, all of the interviewees were asked to define the concept of participatory budgeting and provide a personal assessment of the image of this concept in Estonia. In addition, all of the interviewees were asked if and how administrative reform has influenced their every-day life in recent years in order to understand if it had any kind of impact on the adoption process of participatory budgeting in local governments. The representatives of local governments, which have adopted participatory budgeting, were asked questions about the adoption process of this instrument, more specifically about the initiators and main motives behind the decision

to adopt this practice. In addition, the interviewees were asked about the procedures of participatory budgeting, the feedback from public about this practice and the challenges they are currently facing in the context of using participatory budgeting. The author also asked interviewees about their opinion on the motives why some local governments have decided not to use this practice. All the interviewees from local governments, which currently do not use participatory budgeting, were asked similarly about the concept of participatory budgeting and their knowledge about this practice. Moreover, the interviewees were asked to talk about potential discussions within their local municipality regarding adoption of participatory budgeting. They were also asked about the main initiators and opposition as well as about the main motives of both sides. In addition, these interviewees were asked about their opinion why some local governments have decided to use this practice while other have not.

Since the motives of local governments are mainly examined based on the information received from conducted interviews, the potential subjectivity is one of the major limitations of this research. However, the author emphasized that all of the interviewees are referred to by using markers, which will ensure the anonymity of the interviewees; therefore, the subjectivity is estimated to stay rather low.

In order to present interview findings, the author followed several steps. First, all of the interviews were transcribed. Second, the author assembled the data from interviews into thematic blocs that were composed based on the research questions of the thesis. The empirical findings of the thesis are presented in the next chapter in order to understand different actors and factors affecting the motives of local governments for adopting /not adopting participatory budgeting,

### 3 Empirical Findings and Analysis

#### 3.1 Analysis of empirical findings (a)

In the first part of this chapter, six local governments and their practices of using participatory budgeting are compared. Tartu was the first local government in Estonia that started using participatory budgeting in 2013. In 2014, towns of Viljandi and Elva decided to adopt this practice. Tapa implemented participatory budgeting first time in 2015 and Haapsalu in 2016. As a result of administrative-territorial reform in 2017, some of the local governments had to revise their procedures of participatory budgeting. For example, Elva and Haapsalu adopted new modified versions of participatory budgeting regulations that consider the aspect of different regions in new merged parishes. In order to understand the similarities and differences of participatory budgeting procedures in these local municipalities, an analysis of their practices is carried out.

Based on the information available on the websites of local governments and regulations about participatory budgeting, the main objective of this instrument in all of the local municipalities is to include citizens in the budgeting process of local government. More specifically, participatory budgeting aims to improve the understanding of the budgeting process in local governments, to increase the cooperation between different communities and to find solutions to practical problems within local governments by implementing citizens' ideas. Main criteria that needs to be fulfilled in order to be identified as participatory budgeting project is the requirement to provide public goods, to be publicly available and the requirement not to cause any unreasonable costs to local municipality's next years' budgets. The object is mostly considered to be an investment project but there are some differences within local governments. For example, in Viljandi, participatory budgeting can additionally be used to implement important activities within public space excluding organizing events. On the contrary, in Haapsalu it is allowed to include organizing events under the instrument of participatory budgeting (Haapsalu linna kaasava eelarve menetlemise kord). In addition, Viljandi is also exceptional in the aspect of ownership of the property where investment project is proposed to be carried out. In all the other municipalities, the local government needs to be the owner of the facility while in Viljandi, the situation is



resolved with the five-year contract of being publicly available (Viljandi Kaasava eelarve menetlemise kord).

The participatory budgeting process in Estonian local governments can be divided into different phases. The first phase is gathering ideas where everyone can submit their projects. Second phase is the evaluation of project ideas by expert commission where the feasibility of the ideas will be considered from financial, temporal and technical points of view. Third phase is the process of introducing project ideas to general public which is followed by public-voting. The final phase of the process of participatory budgeting is implementation where the local governments are responsible for implementing the winning ideas chosen by public vote.

The phases of participatory budgeting are mostly similar in Estonian local governments with the variation in the timephrame and duration of each phase. In Viljandi, Elva and Haapsalu the phases of gathering ideas and public voting take usually place in the period of September – October. The length of public-voting period varies in all of the cases from 7 - 20 calendar days. In Tapa, the timephrame is different. The phase of gathering ideas is usually announced one month after the adoption of the whole budget of local municipality which usually takes place in the period of February – March. The most important difference when compared Tapa to other local governments is the period of implementation of the winning idea which takes place during the same calendar year. In all of the other cases, the implementation period is the following calendar year. Moreover, in Tartu, the duration of the whole process is remarkably longer than in other local municipalities. The phase of gathering ideas is in April, the phase of technical preparations in May, discussions of ideas in June, introducing the ideas June – October and the phase of public-voting in October. Therefore, while the whole process of participatory budgeting in other local governments is approximately up to three months, in Tartu the duration of the process is almost seven months.

Technical preparation phase is mostly similar in all of the local governments. In this phase, expert commissions are formed with the aim to evaluate the projects and select ideas for public-voting. The feasibility of the ideas will be evaluated from financial, temporal and technical points of view. In terms of the composition of expert commissions, there are some variations within local municipalities. In Haapsalu and

Tartu, the commission is combined of the representatives of city/rural municipality council, public officials from the specific field of expertise within the local government and independent external experts if needed (Haapsalu linna kaasava eelarve menetlemise kord, Tartu linna kaasava eelarve menetlemise kord). In Tapa, the commission is mostly combined of representatives of different parties represented in Rural Municipality Council and one representative from Rural Municipality Government (Tapa Valla kaasava eelarve menetlemise kord). Therefore, the commission is mainly composed of political actors. In Viljandi, there are some representatives of City Government included while most of the commission members are public officials. Similarly, to Viljandi, in Elva there are representatives from public officials within the local government, representatives from different regions within the municipality and the chairmen of rural municipality (Elva Valla Kaasava eelarve menetlemise kord).

The general procedures of dissemination are quite similar in all of the local governments. Mostly, local newspapers, social media and official websites of local municipalities are the main communication channels used in the process. Moreover, in all of the cases, public meetings are organized in order to introduce the procedures and requirements of participatory budgeting. In addition, public forums are organized before the public-voting procedure for example in Elva and Tartu in order to provide an opportunity to all of the participants to introduce their projects to general public (Tartu linna Kaasava eelarve menetlemise kord; Elva Valla Kaasava eelarve menetlemise kord, Furthermore, the City Government of Tartu introduces all the ideas on equal terms in public space, for example expeditions on Arch Bridge and in the Tartu City Information Centre. Therefore, the general procedures of dissemination are mostly similar in local governments with some additional activities carried out by some local municipalities.

The process of public voting is mostly similar with some variations in voting procedures in local municipalities. In all of the cases, every person who is at least 16 years of age and who according to the Estonian Population Register, is a resident of local municipality, can participate in the voting. Moreover, each person participating in the voting can vote for up to three ideas. The voting procedure in all of the local municipalities is electronical by using the local governments' councils' information system Volis. All of the local municipalities provide an alternative option to vote in

participatory budgeting process if needed. For example, in Tartu, the voter can vote personally in the Tartu City Information Centre with assistance from an employee. In Tapa, Haapsalu and Viljandi, the Rural Municipality/City Government can appoint exceptional voting locations for people who do not have an ability to vote electronically. However, Elva provides a combination of all these previously mentioned alternatives for electronic voting. It is possible to vote personally in Rural Municipality Government or in Service Centres in different regions within the municipality. In addition, during specific times of the voting period it is possible to vote personally in libraries, schools, supermarkets or other similar public spaces announced in local government's website (Elva Valla Kaasava eelarve menetlemise kord). Therefore, all of the local municipalities are using electronic voting but the alternative options for voting procedures differ in some of the local governments.

The phase of implementation of winning ideas is similar in all local governments. All of the local governments are responsible for implementing the project(s) that received most of the votes during the public-voting process. If the costs for the winning idea(s) remain under the total budget allocated for participatory budgeting, the next best project that can be fully-realized with the remaining funds is also implemented. This kind of practice is used for example by Tartu and Tapa. Other local governments such as Viljandi, Haapsalu and Elva provide an opportunity for co-financing for the projects where remaining funds would cover the costs partially. There are some additional differences in the phase of implementation of the winning ideas. For example, Viljandi has a requirement based on what the winning idea needs to receive at least 200 votes (Viljandi Kaasava eelarve menetlemise kord). The minimum of 200 votes is set as a percentage of the whole population that is approximately 20 000. Haapsalu and Elva use different practice in terms of the distinction between different regions within the municipality. After the administrative-territorial reform in 2017, Haapsalu decided to divide the municipality into urban area, which combines the urban part of Haapsalu together with Uuemõisa and Paralepa, and into rural area, which refers to former Ridala Parish (Haapsalu linna kaasava eelarve menetlemise kord). In Elva, the division is more general. One of the criteria of participatory budgeting in Elva is that three of the most popular ideas are implemented if they are located within different regions within the municipality. Regions in this context are considered to be the town of Elva, Konguta

region, Palupera region, Puhja region, Rannu region and Rõngu region (Elva Valla Kaasava eelarve menetlemise kord). Therefore, if two of the most popular ideas are located in one region of the municipality, only one of these will be implemented. Two other most popular ideas are implemented from other regions of the municipality.

**Table 5. Allocated budgets for PB within different LG-s**

	Elva Parish	Town of Haapsalu	Tapa Parish	City of Tartu	Town of Viljandi
<b>2019</b>	45 000€ (3 x 15 000)	30 000€ (20 000 + 10 000)	20 000€	200 000€ (2 x 100 000)	30 000€
<b>2018</b>	45 000€ (3 x 15 000)	30 000€ (20 000 + 10 000)	20 000€	200 000€ (2 x 100 000)	30 000€
<b>2017</b>	10 000€	20 000€	20 000€	150 000€ (2 x 75 000)	30 000€
<b>2016</b>	10 000€	20 000€	15 000€	150 000€ (2 x 75 000)	30 000€
<b>2015</b>	10 000€		10 000€	140 000€ (2 x 70 000)	30 000€
<b>2014</b>	10 000€			140 000€ (2 x 70 000)	
<b>2013</b>				140 000€ (2 x 70 000)	

Table 5 provides an overview of the amount of money allocated to participatory budgeting in local governments all over the years. It is important to note that in Elva the total amount allocated for participatory budgeting is 45 000 euros that is divided between three projects. Similar system is established in Haapsalu and Tartu as well. In the case of Haapsalu, 20 000 euros is allocated for participatory budgeting projects in urban area and 10 000 euros for rural area of the municipality. The total amount of money allocated for participatory budgeting in Tartu is 200 000 euros. The maximum cost for one project is 100 000 euros.

Since participatory budgeting has been used in local governments for several years, there are several interesting trends seen in the context of winning ideas. In Tapa and Elva, all of the winning ideas have been related to recreational activities. For example, there have been projects about establishment of outdoor training equipment to different

parts of municipality, cleaning and reconstruction of fitness trails and creating more diversified leisure facilities. In Viljandi and Haapsalu, there is a variety of practical projects that have been implemented in the framework of participatory budgeting. For example, cleaning the lake, reconstruction of sidewalks, installation of streetlighting, reconstruction of playground and establishment of ramp in front of the Cultural Centre. In Tartu, during the last couple of years different schools with the projects about their outdoor areas have turned out to be most popular among people. In 2017 - 2018, three out of four winning ideas have been school projects. Previously, there have been a variety of projects implemented within the participatory budgeting framework in Tartu. For example, renovation and establishment of different leisure facilities, cleaning fitness trails, reconstruction of the roof of the historical stable building, feasibility study for the multifunctional sports and cultural arena, investment to the presentation technology of Culture block as well as lowering the crosswalks and renovating the barriers of river Emajõgi.

In addition to the official regulations and information available on the websites of local governments about participatory budgeting, the author examined the development plans of local governments in order to analyse the future perspectives of this practice. All the examined development plans mentioned participatory budgeting as an important democratic tool in order to increase the inclusion of local people in every-day policy-making process. It is interesting to note that most of the development plans focused on the previous experiences of using participatory budgeting but the future perspectives and developments of this practice were not discussed. In the development plan of Haapsalu, it is mentioned that Haapsalu will continue implementing participatory budgeting (Development Plan of Haapsalu 2018 – 2028). Local government of Tapa has included 20 000 euros on yearly basis for participatory budgeting under the category of investment projects for the years of 2018 – 2022 (Development Plan of Tapa 2018 – 2025). Similarly, to Tapa, 45 000 euros are included in the investment plan of Elva for participatory budgeting from 2019 – 2025 (Development Plan of Elva Parish 2019 – 2025). The development plan of Tartu also points out that Tartu has used participatory budgeting successfully for several years and will continue using this practice in the upcoming years (Development Plan of Tartu 2018 - 2025). The special focus in the

context of participatory budgeting has been mentioned as youth empowerment and increasing the youth participation.

### 3.2 Analysis of empirical findings (b)

#### Definition of participatory budgeting and knowledge about this practice

In order to understand the different factors and actors influencing the diffusion of participatory budgeting in Estonia, all of the interviewees were first asked to define the concept of participatory budgeting. Most of them described it as a process where local citizens are offered an opportunity to be involved in the budgeting process of local municipality. When the author compares this definition of the concept with the central idea of participatory budgeting mentioned previously in existing literature, the general understanding is more or less the same. Therefore, the core understanding of this practice does not differ in terms of different local governments in Estonia.

Moreover, all of the interviewees were asked to evaluate their knowledge about this practice as well as the knowledge of general public in local municipalities. Most of the local governments implementing participatory budgeting evaluated their knowledge about this practice rather high. In terms of the local governments not using participatory budgeting, one respondent admitted that she does not know too much about this practice. *“I know that some local governments in Estonia use this practice, for example Tartu. But I do not know much about the procedure and the exact details of how it actually works. The main reason is that I have not had time to do any research since my everyday work takes too much effort and I do not have extra resources for these kind of things” (Respondent J).* Other representatives from local governments not using participatory budgeting admitted to be more familiar with this practice. Respondent D admitted that they discussed potential adoption of this practice years ago but since there occurred different questions about the procedure and lack of additional resources and knowledge about this instrument at the moment, they decided to not focus on this practice. In the words of respondent, A, *“I have heard about different practices of using participatory budgeting from Helsinki, Tartu and other local governments using PB in Estonia. Additionally, I have received information through different partners such as e-Governance Academy, The Estonian Cooperation Assembly and Network of Open Governance” (Respondent A).* Therefore, when comparing the knowledge of local

governments about this practice, the results vary a little within different local municipalities. It is interesting to note that the general knowledge is estimated to be relatively high among all local governments. Only one respondent from local government that has not been implementing participatory budgeting admitted the lack of knowledge about this practice. Since there were 12 respondents questioned from 11 different local governments and only one respondent referred to her lack of knowledge in this regard, it is possible to state that the general level of knowledge among local governments about this practice is high.

The knowledge of local citizens about participatory budgeting was evaluated mostly similar within local governments. Respondent B referred to increased knowledge of general public due to several years of experience. *“In 2013 some of the students from University of Tartu asked people about PB on the streets. At that time not too many people knew about this practice. Since then it has improved a lot. I think the increasing voting turnouts as well as the amount of new ideas every year proves it quite good”* (Respondent B). Respondent G referred to similar aspect. *“Since every year there are new ideas, I think the knowledge about participatory budgeting among people is there. Of course, there has not been any kind of significant increase in last years but people are aware of this instrument”* (Respondent G). Respondent I evaluates the knowledge among local citizens a bit different after administrative-territorial reform. In the words of respondent I, *“I think the knowledge within different parts of the merged parish varies. When compared to Tartu, we definitely have some room for development”* (Respondent I). Respondents C and F evaluated the dissemination and communication activities enough in their local governments, therefore the knowledge of local citizens about participatory budgeting was estimated to be rather high in both of the cases. In general, as pointed out by different respondents, the knowledge of local citizens about this practice is estimated to be high. An interesting aspect is brought in by one of the respondents that refers to the administrative-territorial reform as one of the influencing factors in shaping the knowledge of participatory budgeting. In order to understand all the other actors and factors influencing the diffusion process of participatory budgeting in local governments as well as different motives of local governments to adopt or not adopt this practice in local context, different aspects of participatory budgeting referred to by respondents during the interviews is discussed further in detail.

### Different actors and factors influencing the diffusion of participatory budgeting in Estonia

All of the respondents were asked about the main actors influencing the adoption process of participatory budgeting. In terms of potential initiators, respondents pointed out several different types of actors. Respondent A and Respondent B both referred to the important role of e-Governance Academy. In the words of Respondent B, *„e-Governance Academy introduced this practice to us in 2011. Since then we have been consulted by them, especially during the first couple of years. Kristiina Reinsalu was our consultant who examined different practices of other countries and then proposed it to us“* (Respondent B). In addition, Respondent A referred repeatedly to e-Governance Academy as a partner with whom the local government of Tallinn is working closely together in different projects about inclusion and open governance. Therefore, in this context the important role of e-Governance Academy as go-between in the context of different actors influencing policy diffusion is pointed out by two respondent.

Several respondents referred to other local governments' experience. For example, respondent A referred to other local governments as influential actors. Moreover, in the words of respondent I, *„The increase of different inclusion practices in Estonia at that time and the positive example of Tartu as the first LG implementing PB were the main driving factors for us“* (Respondent I). The example of Tartu was also mentioned by five other respondents while the examples of Viljandi and Kuressaare were pointed out by respondent I as early adopters of this practice in Estonia. Therefore, other local governments and their experiences in the context of participatory budgeting are considered to be other important actors in the adoption process. As pointed out by previously conducted studies, external actors are usually considered other local governments who have already adopted the policy. Therefore, other local governments as external influential actors were pointed out by six respondents.

In addition, different respondents pointed out the former mayor as the main initiator of participatory budgeting. For example, Respondent B referred to former mayor Urmas Kruuse as the main initiator in Tartu's context. *„The first input and idea came from e-Governance Academy but the former mayor Urmas Kruuse was the main initiator in local level“* (Respondent B). Similar pattern illustrate the case of Tapa as well. In the



words of Respondent G, „*The former mayor Alari Kirt was the main initiator of PB. He was the person who emphasized the importance of inclusion of citizens*“ (Respondent G). Similarly, Respondent F, Respondent I and Respondent C all mentioned political actors as main initiators of this practice in local level. Respondent J, on the other hand, referred to public officials as main initiators. „*I am usually the main initiator who brings this topic back to discussion every now and then. I think the initiative should come from public officials since we are the ones actually implementing it*“ (Respondent J). In the words of respondent D, „*Initiative has mainly been from our side*“ (Respondent D) referring to the public officials as initiators. According to the respondent A, the main initiator has been himself as a public official but there is a political support from the mayor and deputy mayor. „*I am usually the initiator of PB. But in general, I can feel the readiness in some parts of the local governments for new initiatives such as participatory budgeting in a way*“ (Respondent A). In general, two types of internal actors were pointed out by respondents as initiators of PB adoption. Five respondents referred to the political initiators as influential actors whereas three respondents pointed out the importance of public officials as initiators in this context.

In addition to different actors influencing the adoption process of participatory budgeting in local governments, there are also several factors that have potential impact on the implementation of this practice. In order to understand the impact of these factors, all of the respondents were asked about potential factors influencing the adoption process of participatory budgeting.

Several respondents referred to the importance of political will in order to adopt participatory budgeting in local governments. In the words of respondent B, „*Political will of politicians as well as City Council is extremely important, that is where it all starts*“ (Respondent B). Moreover, respondent I pointed out that during the adoption process of PB, strong political support in this regard plays a significant role. In addition, respondent A pointed out: „*I feel that I have a support of the mayor and deputy mayor in this regard but it is important to have the whole City Government on board. In that sense, we definitely do not have this common will at the moment*“ (Respondent A). It is important to note that one of these respondents represents the local governments currently implementing PB while another respondent is from local government that is currently not using this practice. Since both of the respondents refer to the importance

of political will in the context of participatory budgeting, it plays a significant role as an influential factor in the adoption process of this practice.

In addition to the existence of political will, the role of opposition is referred to by several respondents. For example, respondents B and C from local governments that are implementing PB pointed out that there was not a strong opposition to the adoption process but rather during the discussion of how exactly to implement it and what are the rules and limitations of this practice. Respondents I and G stated that opposition parties in the council of rural municipality always criticize new initiatives but there was nothing significant about this practice pointed out. Therefore, it could be said that local governments currently using PB did not face strong opposition during the adoption process. According to the information from local governments not implementing this practice, situation is somehow different. For example, respondent pointed out: *“Every day I feel some kind of scepticism among deputy mayors and heads of departments about different inclusion practices. It feels like for them it is additional headache and they are ready to do it when it is not possible to avoid anymore”* (Respondent A). In addition, in the words of respondent J, *“There are ambivalent opinions about PB among political actors. Some of them support this cause while others refer to PB as populist practice that stands for self-promotion and “playing democracy””* (Respondent J). In other words, respondent I refers to the negative image of PB as something that helps to increase popularity of political actors among local citizens. This proves that the strong political opposition is one of the most influential factors in the context of non-adoption of PB in local governments. Therefore, the combination of political will to adopt this practice as well as strong political opposition against it are the main influential factors in terms of adoption or non-adoption of participatory budgeting in local governments.

Another important factor influencing the adoption process of participatory budgeting according to different respondents is the image of participatory budgeting. Previous experiences of using participatory budgeting are the main factors shaping the image of the concept in the country. Since all of the respondents referred to participatory budgeting as mostly positive practice, it is estimated that in Estonian context the experiences of local governments implementing this practice have been mostly considered positive. Therefore, it is surprising that in some of the cases, more neutral or even negative aspects were referred to by local governments not implementing

participatory budgeting. For example, respondent E described participatory budgeting as positive or rather neutral practice. *“I think participatory budgeting in Estonian context has positive or maybe neutral image due to the fact that it has not been a huge success story in the sense of activeness of participants. On the other hand, the image is definitely not negative”* (Respondent E). Moreover, in the words of respondent D, *“I think the image is rather positive. Although, I have heard about the problems in Tartu and Elva and how they are struggling with their participatory budgeting processes”* (Respondent E). Another interesting point was referred to by respondent A. *“I think in Estonia the general image of participatory budgeting is positive but in Tallinn the image of all these kinds of practices is rather negative”* (Respondent A). The potential reasons behind these neutral or even negative evaluations of local governments not using participatory budgeting are most likely caused by the cautiousness since before adopting these kinds of innovative practices, the local governments critically assess the previous experiences of other local governments.

#### Motives of local governments for adopting participatory budgeting

When asked about the motives of local governments for adopting PB, respondents pointed out six main objectives of this practice. All of the respondents considered these aspects also as positive impacts of this practice.

The main reason why local governments decide to adopt participatory budgeting according to several respondents is its inclusive function. The key concept mentioned through all of the interviews was inclusion of citizens which was often referred to as the main objective of this practice. Most of the respondents referred to PB as a tool for achieving higher level of inclusion of citizens in political decision-making processes. *“Inclusion of citizens is important. Participatory budgeting provides an opportunity to ordinary citizens who are not part of any political movements or parties and may not have an opportunity to express their opinion about local affairs”* (Respondent G). In other words, participatory budgeting provides an opportunity to include people who are usually not included in decision-making processes. More specifically, five respondents referred to the inclusion of local citizens as the most important objective of PB. In the words of respondent J, *“I think the most important objective of PB is the inclusion of citizens in order to give them a feeling that their opinion is important and that it*

*matters” (Respondent J).* Similar opinion was shared by Respondent K, Respondent G and Respondent I. Moreover, Respondent E expressed that in the context of administrative-territorial reform, this aspect is extremely important. *“As a consequence of administrative-territorial reform, some parts of the new parish have acknowledged that they feel excluded and increased distance between local citizens and local government. Therefore, PB is a necessary tool to make them feel included and part of the community again” (Respondent E).* Another important aspect pointed out by Respondent H is that it encourages local citizens to think about their surrounding space and encourages them to contribute to the development of their local community. Therefore, the aspect of inclusion of citizens as the main motive of local governments adopting PB was pointed out by all of the respondents. Therefore, this may be considered to be one of the most important motives of local governments to decide to adopt participatory budgeting in local level.

In addition, different respondents referred to the openness and transparency as other important motives why local governments decide to adopt PB. All of the respondents from local governments using participatory budgeting referred to this aspect. It was pointed out that it helps to decrease the level of political dissatisfaction and distrust towards local governments and therefore increase transparency of decision-making procedures. It is interesting to note, that only one local government among those currently not implementing PB referred to increased transparency and openness of local government as one of the main motives for adopting this practice. In the words of Respondent A, *„The increased transparency of the budgeting process and governing in general is in my opinion one of the main values of this practice“ (Respondent A).* Therefore, it would be interesting to speculate why none of the other respondents from local governments currently not implementing PB mentioned this aspect in this context.

Another motive pointed out by different respondents was the function of gathering valuable information about problematic areas in the municipality. In the words of Respondent I, *“It is just an excellent opportunity to gather information from citizens about different problems but also receive some new valuable ideas what to do in the future” (Respondent I).* In addition, Respondent E as a political actor named one of the central ideas behind the concept of participatory budgeting the function of gathering ideas about most problematic areas and needs of local citizens. Similar aspect was

mentioned by respondent G. *“For local governments it provides an opportunity to listen to local citizens about their problems and most important priorities at this moment”* (Respondent G). In the words of respondent H, *“The main objective of PB is to map out the problems and priorities of local citizens that local government in other ways would not recognize. So, the most important aspect is to draw attention to specific problems in local municipality”* (Respondent H). Similar aspects were pointed out by respondent K as well. Therefore, gathering information about different problematic areas in local municipalities was pointed out as the main objective of participatory budgeting by five respondents. Another important aspect of this motive was drawn attention to by several respondents. Two respondents (Respondents E and I) referred to participatory budgeting as a useful tool for local governments to gather ideas for future developments. It was pointed out that there have been submitted ideas under the framework of participatory budgeting which for different reasons were not acceptable there but later were implemented anyway as part of development activities or scheduled activities under development plan. *“Participatory budgeting is useful instrument for local governments since it provides an overview of the most problematic areas in the local community. We have had several cases where initial idea was too expensive to be listed under PB but we included it to development plan and budgetary strategy”* (Respondent G). Moreover, in the words of respondent F, *“We have seen some cases where the same idea is submitted for several years and it sounds reasonable. Therefore, we have tried to schedule it in our plans and allocate money for the implementation from other sources”* (Respondent F).

In addition, three respondents referred to participatory budgeting as a tool to increase the reputation of local government in general as well as popularity of politicians. In the words of respondent B, *“Different inclusion practices became more popular. These kind of innovative inclusion practices were really attractive for local governments. Therefore, for Tartu, the adoption of PB was part of the image campaign”* (Respondent B). From the perspective of political actors, respondent B referred to upcoming elections, therefore, it was important for local policy-makers to enhance their reputation as well. Similar aspects were pointed out by respondents A and I. *“I think the positive image of local government as municipality that wants to increase the inclusion of its residents is becoming more popular”* (Respondent I). Moreover, in the words of

respondent A, *“The main reason why political leaders want to adopt this practice is the positive change it brings with it. In addition, the popularity of the governing party is also increasing with the adoption of PB. Therefore, there is nothing to lose”* (Respondent A). In other words, the respondents from local governments pointed out that participatory budgeting helps politicians to enhance their reputation and legitimacy as well as raise the profile of local government. Therefore, this is one of the motives why this practice is adopted.

Another important aspect referred to as a motive for adoption of PB was its educative element. In the words of Respondent F, *“Local governments decide to use PB in order to improve the knowledge of community about the budgeting process in local municipality as well as increase the cooperation between and within the communities”* (Respondent F). From the broader perspective of local government, respondent B pointed out the importance to understand local municipality’s tasks. *“Local governments have many responsibilities such as maintenance of roads and streets, management of schools and kindergartens, the whole social field. Therefore, it is not realistic to let citizens decide the whole budget of the local government”* (Respondent B). Several interviewees referred to democratic aspect of participatory budgeting in the similar context. Respondent B for example referred to participatory budgeting as a process of direct-democracy. Respondent A at the same time emphasized the importance of participatory budgeting as a democratic exercise with an objective of empowerment of communities. *“Participatory budgeting is a democratic exercise for local people in order to better understand how these kinds of processes work in practice. I think this is the most important value of this process since it helps people to understand why some decisions are made and some are not”* (Respondent A). Democratic aspect was mentioned twice as one of the main objectives of this practice. For example, respondent I pointed out that it provides an opportunity to teach people how to participate in democratic decision-making processes. Moreover, in the words of respondent F, *“I think it is extremely important that PB provides an opportunity to develop a democratic discussion and a debate in the sense that everyone can share their opinion and comment different projects in Volis”* (Respondent F). In the context of encouraging participation in civil society, respondent G referred to PB from the perspective of encouraging citizens to notice. *“I think PB encourages people to notice*

*different things in the society. People are more aware what is happening around them and have an opportunity to do something about it if needed” (Respondent G).* Similarly, respondent F referred to PB as an opportunity to encourage people to think bigger and propose new interesting initiatives in local communities. Therefore, as pointed out by several respondents the educative element of the process as well as its several democratic aspects are also considered to be the motives of local governments for adopting participatory budgeting.

Finally, the last objective pointed out by the representatives of local municipalities as motive to use PB was the connecting nature of this instrument between different communities. In the words of Respondent F, *“Local governments decide to use PB in order to improve the knowledge of community about the budgeting process in local municipality as well as increase the cooperation between and within communities” (Respondent F).* More specifically, Respondent K pointed out: *“Participatory budgeting provides an opportunity for communities to work towards common aims and therefore strengthens the sense of belonging” (Respondent K).* In addition, Respondents F and G both referred to participatory budgeting as an instrument to increase cooperation within the community. *“PB has definitely this uniting factor of local communities. You can see how community altogether stands behind one idea and fights for it” (Respondent G).* In the words of respondent F, *“I think people have understood that when they support one common idea as a community, the chances are higher to win” (Respondent F).* Therefore, the reason that participatory budgeting increases cooperation in communities is one of the motives of local governments to adopt participatory budgeting.

#### Motives of local governments for non-adoption of participatory budgeting

In order to understand the main motives why different local governments have decided to not use participatory budgeting in local governments, the respondents were asked to provide their opinion in this regard.

Several respondents pointed out that the main reason why some of the local governments have decided to not use participatory budgeting is the absence of strong initiator. As already pointed out previously, there needs to be an initiator or an enthusiast who is willing to bring up the discussion every now and then and share experiences about other’s practices and experiences in this regard. In the words of

Respondent A, *“There needs to be an initiator or a lobbyist in a sense to explain different aspects of this practice to political actors as well as public officials within the local government”*.

In addition to previously mentioned factors and actors influencing the local government's decision to not adopt PB, the aspect of limited resources is pointed out by different respondents. More specifically, two aspects of limited resources are referred to. Four respondents pointed out the lack of financial resources as an important factor why some local governments decide to not adopt PB. In the words of Respondent G, *“I think that some local governments feel that the budget is tight and they cannot afford to spend these limited funds to PB”* (Respondent G). Similar aspect was pointed out by Respondent B: *„There are limited funds; therefore, local governments cannot allocate money to PB without the reassurance where it finally ends up“* (Respondent B). Respondents from E and J both referred to the aspect of limited resources – from the perspective of financial aspect as well as human resources. In addition, six other respondents referred to the lack of resources in terms of additional work and human power it requires. *„I think one of the reasons why local governments decide to not adopt PB is the convenience. It means additional work for everyone“* (Respondent C). The fear for additional work and administrative burden was pointed out by several respondents. It is interesting to note that most of these respondents were from local governments implementing participatory budgeting. Therefore, it refers to the fact that from the perspective of local governments not using participatory budgeting, the aspect of additional work and administrative burden is not pointed out as the most influential factor in this regard. Theoretically, it may refer to the fact that respondents from local governments not implementing PB are not acknowledging the fear for extra work so directly and prefer to refer to other motives.

Another important motive pointed out why some local governments have decided to not adopt PB is the lack of trust from local government towards local citizens. For example, respondent B and G both referred to this aspect. In the words of respondent G, *“Local governments may fear that local citizens want different things. Or that people are stupid and they actually do not know what is needed”* (Respondent G). Similar aspect was pointed out by respondent J as well: *“Quite often people actually do not understand what local governments can or cannot do. There are often several utopian ideas which*



*refers to the lack of general knowledge about the responsibilities and abilities of local government” (Respondent J).* Respondent A pointed out that in some of the cases there are old habits and inherited beliefs from former political actors such as Edgar Savisaar in Tallinn (mayor of Tallinn in 2001 – 2004; 2007 – 2017). *“Since the legacy of Edgar Savisaar is still there, we have broad misconception of local citizens as some demonized actors who only want to blackmail local government. /.../ We still have this top-down approach which refers to the situation that we as a city will include citizens to the process of decision-making when we already have decided the most important things” (Respondent A).* In other words, the perception of local citizens as incompetent decision-makers for different reasons is specific to some local governments that have decided to not adopt PB. Therefore, in this case the lack of trust towards local people is an important motive for local governments do not adopt PB.

In addition, the lack of need for additional inclusion practices is a motive pointed out by respondents as reasons why local governments have decided not to adopt participatory budgeting. Several respondents referred to the existing practices of inclusion and therefore no actual need for any additional instruments and activities in this regard. *“Local governments most likely feel that citizens are included anyway in local decision-making processes, even without participatory budgeting” (Respondent C).* In the words of respondent D, *“Current government is really open towards local citizens. City Government communicates with local citizens on regular basis and listens to their problems and opinions” (Respondent D).* Moreover, in the words of respondent E, *“The main argument for not adopting PB is the fact that we already have different funds for local communities, non-governmental organizations etc./.../ I think many people are not well aware of the additional value this practice may bring” (Respondent E).* Therefore, based on the information received from the representatives of local governments not implementing this practice, most of them referred to the lack of need for additional inclusion practices in local communities.

Another important aspect is the actual impact of this instrument pointed out by local governments. On the one hand, some respondents referred to the limited impact of this practice in broader context because of the small amounts of money dedicated to PB. In the words of respondent G, *“Since the allocated budget for PB is rather small in the general context, the actual impact of this practice is limited. People can participate in*

*decision-making process but in the broader context, their decisions do not make difference” (Respondent F).* Moreover, Respondents A and Respondent M refer to the actual impact of this practice and compare it to the effort it really takes. *“In some of the cases the actual budget of PB is so small that the costs for coordinating and managing this instrument turns out to be more expensive” (Respondent A).* In the words of respondent L, *“In my opinion it is not worth doing if the amounts are small and there is a big political campaign organized in order to demonstrate the inclusion process” (Respondent L).* Therefore, it illustrates why participatory budgeting has been called as playing democracy while in reality the democratic impact and citizens’ involvement are considered to be rather limited. Another important aspect pointed out by respondents E and I is the focus and the objective of the process. In the words of respondent E, *“The main focus of the process is not on the democratic process anymore but rather on increasing the competition between different ideas and communities. In my opinion, the general focus should be on finding the common grounds rather than on fostering competition” (Respondent E).* Similar aspect was pointed out by respondent I as well. *“Currently we are focusing too much on other activities but it is important to focus on creating the debate or dialogue in the community as part of democratic decision-making process” (Respondent I).* According to the respondents, participatory budgeting has progressively lost its initial objective of involving citizens while becoming a mere collection of proposals for expenditure.

In addition, the risk of causing disappointment among local citizens is another motive pointed out by respondents why local governments decide not to adopt this practice. Three respondents referred to this factor. For example, Respondent I mentioned that some villages have said that participatory budgeting is creating additional conflicts between them. On the other perspective, the disappointment of people and communities participating in the process but not winning is another factor pointed out. In the words of respondent K, *“There is a risk that those who will receive second or third place are not happy and therefore share their disappointment about the whole process” (Respondent K).* *“Local governments need to think the whole procedure through. Otherwise if something is not working, there is a risk of causing disappointment among citizens. Later it is extremely difficult to include these disappointed citizens again” (Respondent A).*

It is interesting to note that some respondents referred to the aspect of administrative territorial reform as one of the reasons why local governments have decided to not adopt PB. According to their responses, participatory budgeting is not considered a priority at the moment. *“In our case the problem is that there are so many different things we have not been able to solve yet. Therefore, PB from the perspective of local government is not an obligation but rather as a hobby or voluntary practice” (Respondent J)*. Similar way of thinking illustrates the respondent L and K as well. In these cases, participatory budgeting is not seen as a priority for local governments.

In order to understand the motives of different local governments to adopt or not adopt participatory budgeting as well as different factors and actors influencing this process, discussion of empirical findings will conclude the main conclusions of this research.

### 3.3 Summary of Empirical Findings

The main objective of participatory budgeting as well as its procedures are similar in all of the local governments included in this thesis. Based on the information available on the websites of local governments and regulations about participatory budgeting, the main objective of this instrument in all of the local municipalities is to include citizens in the budgeting process of local government. Main criteria that needs to be fulfilled in order to be identified as participatory budgeting project is the requirement to provide public goods, to be publicly available and the requirement not to cause any unreasonable costs to local municipality's next years' budgets. Since Tartu was the first local government in Estonia adopting participatory budgeting, the example of Tartu has been followed by other local governments as well. Therefore, the general rules and procedures are quite similar in all of the cases.

It is important to note that there are some differences among local governments in terms of the object of participatory budgeting. In Elva, Tapa and Tartu the object is mostly considered to be an investment project. In Haapsalu and Viljandi there are some additional requirements. In Viljandi, participatory budgeting can additionally be used to implement important activities within public space excluding organizing events while in Haapsalu it is allowed to include organizing events under this instrument. The reason behind it may be illustrated by the fact that respondents from Haapsalu and Viljandi both referred to the importance of supporting new initiatives within local communities

during the interviews. Therefore, in addition to investment objects, events and other similar activities carried out in public are eligible as well.

In terms of the procedures, the four phases of participatory budgeting are mostly similar in Estonian local governments with the variation in the timephrame and duration of each phase. The practices of Elva, Haapsalu and Viljandi are quite similar in terms of different phases. Tapa is unique in a sense that the whole process takes place during the first part of the year. Moreover, the implementation period of the winning idea takes place during the same calendar year while in all of the other cases it usually takes place within the next calendar year. The example of Tartu is different than other because the duration of the whole process is remarkably longer than in other local municipalities. It starts in April and lasts until October. The representative of Tartu pointed out that the longer duration of the whole period provides an opportunity to carry out all the phases without any time pressure. In terms of the composition of expert commissions, there are some variations within local municipalities but the general evaluation procedure is similar. Moreover, the dissemination activities carried out by local governments are also mostly similar. The main communication channels used are local newspapers, social media and official websites of local municipalities. Elva and Tartu are two of the local municipalities that carry out additional activities such as organizing public forums and creating expeditions and other dissemination activities in public space. Potential explanation for that is expected to be both local governments' various experiences of implementing PB and therefore the willingness to try different alternative approaches.

The voting procedure in all of the local municipalities is electronical by using the local governments' councils' information system Volis. All of the local governments provide alternative voting opportunities to citizens who are not able to vote electronically. In some of the cases, citizens can vote in City Information Centre, Service Centres, libraries, schools or even supermarkets.

In terms of the budgets allocated for participatory budgeting, the sums vary from 20 000 – 200 000 euros. In Tartu, people can submit two projects with the maximum amount of 100 000 euros each. In Viljandi and Tapa the amounts are 30 000 euros and 20 000 euros, respectively. After the administrative reform in 2017, both Elva and Haapsalu needed to revise their systems. Since 2018, Elva allocates 15 000 euros for three

projects located in the different regions of the merged parish. Haapsalu has somehow different approach by distinguishing the rural part and urban part of the parish. For rural part, the budget is 10 000 euros and for urban part 20 000 euros. Both of the respondents from Elva and Haapsalu explained that the reason they decided to change their system was in order to avoid situation where the urban part of both parishes takes most of the investments due to the potential of larger size of population and therefore larger share of interested voters.

In addition to the comparison of participatory budgeting practices in Estonian local governments, another important aim of this thesis was to understand the motives of local governments for adoption/non-adoption of this instrument. In order to do so, several research questions were formulated: What are the main motives of local governments in terms of implementing participatory budgeting? What are the main motives of local governments that have decided not to implement participatory budgeting? Which actors and factors influence the diffusion of participatory budgeting in local governments in Estonia?

In terms of the actors, there were three types of actors pointed out by the respondents as initiators of participatory budgeting in local governments. When we compare the main initiators within local governments in terms of PB adoption, it is interesting to note that two of the biggest cities in Estonia both refer to eGa Foundation as one of the initiators in local context. Since both of these local municipalities in Estonian context are not comparable to others due to their size, eGa Foundation offers them necessary information and knowledge about this practice. Another important actors pointed out by different local governments are the experiences of others. Therefore, other local governments as external actors influencing the adoption process of participatory budgeting is referred to by six respondents. When comparing the role of non-governmental organisations as go-betweens and the role of other local governments as external actors, in the context of this study, external actors are referred to more often. Therefore, it can be said that the impact of external actors is stronger than go-betweens in the adoption process of PB.

In addition two external actors and go-betweens, two types of internal actors were pointed out by respondents as initiators of PB adoption. Five respondents referred to the

political initiator as influential actor whereas three of the respondents pointed out the importance of public officials as initiators of this practice. It is significant that two of the respondents from Tapa and Tartu referred to former mayors as political initiators. Therefore, the existence of strong political initiators as internal advocacy champions is extremely important in this case. Moreover, it is interesting to note that respondents referring to political initiators are all representatives from local governments currently implementing participatory budgeting while respondents who pointed out the importance of public officials are representing local governments which do not use this practice. Therefore, it refers to the importance of political initiator in the context of adoption process of PB in local governments.

In the context of theoretical expectations, the findings of the research demonstrated that theoretical expectation 1 was confirmed. The main actors influencing the adoption of participatory budgeting in Estonian local governments are local policy-makers. As pointed out by the results of this research, the most important actors in the context of participatory budgeting as policy diffusion are internal actors, more specifically political actors in this context.

In terms of the factors influencing the adoption process, out of five expected factors only three were referred to as important factors in this process. According to the respondents, the factor of political will has a significant role in the adoption process of participatory budgeting. As pointed out by several respondents, the importance of political will in the context of participatory budgeting is crucial. In addition to political will, the strong political opposition is considered to be another most influential factor in the context of non-adoption of PB in local governments. Therefore, the combination of political will which stand for the adoption of this practice as well as strong political opposition against it are the main influential factors in terms of adoption or non-adoption process of participatory budgeting in local governments.

In addition, another factor considered important by different respondents is the image of the practice on national level. Previous experiences of using participatory budgeting are the main factors shaping the image of the concept in the country. Therefore, the experiences of other local governments using this instrument directly influence the potential adoption process. Interesting aspect of the image of the practice occurred from

the interviews. It turns out, that all of the local municipalities implementing participatory budgeting evaluate the image of the practice in Estonia to be positive while some local governments not using this practice focused rather on the neutral or negative aspect of this instrument. There might be different explanations for this aspect. Most likely the local governments not using this practice are more critical about evaluating the experiences of other local governments. Therefore, instead of focusing on the positive aspects and strengths of participatory budgeting practices, they focus on the potential weaknesses and problems of this instrument. The critical assessment of others' experiences may be driven from the general cautiousness about these kinds of new innovative practices.

Moreover, the wealth of the local government as influential factor for adopting this practice was not pointed out directly but several respondents referred to lack of financial resources as one of the potential reasons why local governments decide to not implement PB. Therefore, in the context of Estonian local governments, it could be considered to be as one of the factors influencing adoption of PB but the impact of this factor is not as strong as previous two factors. For example, when we compare two of the biggest as well as wealthiest cities in Estonian context, it proves that Tallinn as a capital has decided not to use this practice while Tartu as the second largest town was the first adopter of this practice. Therefore, it proves that the availability of financial resources and the city's wealth influence the adoption process but most likely this factor does not determine the decision about adoption of this practice in local level.

In terms of the final two factors, the openness towards new initiatives and the geographical location of the municipality were not referred to by the respondents as the most influential factors in the context of adopting PB. Most of the respondents considered their local governments to be open towards innovations and new initiatives. In the context of Tallinn, this aspect was pointed out to be problematic in the context of adopting PB but in all of the other ten local governments, this aspect was not considered to be an issue. Moreover, the factor of geographical location was not pointed out by respondents. Since participatory budgeting has spread all over the country, it is difficult to point out certain patterns or the most important aspects of this factor. The author assumed that the closeness of other local municipalities plays a significant role in the

context of PB diffusion, but based on the information received from the respondents, this is not considered to be the most important factor.

Based on the previously discussed findings about different factors influencing the adoption of PB, theoretical expectation 2 about different influential factors was confirmed partially. According to the theoretical expectation 2: The main factors influencing the implementation of participatory budgeting in Estonian local governments are expected to be the existence of political will, openness towards new initiatives, the image of the practice on national level, the wealth as well as geographic location of the municipality. All of these factors were mentioned by the respondents but the most important factors considered influencing the process of adopting PB were referred to as the existence of political will and the image of practice on national level. The factor of wealth of the local municipality was considered important as well while two of the other factors such as geographic location of the municipality and the openness towards new initiatives were referred to as not the most influential factors in this process.

In terms of different motives of local governments behind the decision to adopt PB in local level, the respondents referred to following aspects. Almost all of the respondents referred to the inclusion of citizens as one of the most important objectives of PB and therefore the main motive for adopting this practice. In addition, most of the respondents referred to the aspect of gathering valuable information about problematic areas within local municipality as another important motive of LG-s. It is interesting to note that all of the political actors interviewed for this research, referred to this aspect as to the most important objectives of PB. Therefore, while most of the public officials were guided mainly by the interests of citizens, the political actors focused on the aspect of the City Government's perspective. Other important motives pointed out by several respondents were the educative element, the aspect of increasing cooperation within the community as well as between different communities, increased reputation of local government as well as popularity of politicians and increased transparency of budgeting and decision-making procedures.

Based on the positive impacts and main objectives pointed out in existing literature about international practices of adopting participatory budgeting in local governments,



the author expected these same motives to apply to Estonian case as well. According to theoretical expectation 3: The main motives of local governments to start implementing participatory budgeting are expected to be enhancing their reputation, to increase the level of inclusion of citizens in political decision-making process, to gain important practical background information about problematic areas, to decrease the level of political dissatisfaction and distrust towards local governments and increase transparency, to achieve a more equitable distribution of scarce resources, to improve the quality of citizens' political knowledge and increase their responsibility as well as to strengthen the sense of belonging within the community. As pointed out by different findings of this thesis, most of these motives were confirmed in Estonian case as well. The only motive that was not referred to was the aspect to achieve a more equitable distribution of scarce resources in the society. Therefore, the theoretical expectation 3 was confirmed by this study.

In order to understand the motives of local governments not implementing PB in local level, several aspects were pointed out by respondents. As already discussed, the absence of initiator is extremely important in the context of non-adoption of this practice. Moreover, the lack of political will and strong opposition were referred to as main motives why local governments decide to not adopt this practice. In addition, the lack of resources as well as the fear for additional workload were pointed out as some of the reasons. In terms of the resources, respondents referred to both financial as well as human resources. Moreover, the mistrust towards local people was also referred to by several respondents. In other words, the perception of local citizens as incompetent decision-makers was mentioned as an attitude specific to some local governments that have decided to not adopt PB. It was also pointed out by several respondents that there is no need for additional inclusion practices. Local governments often feel that current inclusion practices are enough, therefore, there is no need for additional activities. Moreover, the actual impact of this instrument was pointed out as one of the potential motives for not adopting this practice as well as the risk of causing disappointment among local citizens. In addition, it was pointed out that as the effect of administrative-territorial reform, there are more important practices and problems in local governments which are responsibilities of LG-s while PB is considered to be as additional activity conducted on voluntary basis.

According to theoretical expectation 4: The main motives of local governments that have decided not to use participatory budgeting in local level are expected to be the risk of reinforcing existing injustices in the society, potential reputational damage caused by the image of unsustainability of the participatory budgeting process due to its dependence on relations with authorities, the loss of its initial objective of involving citizens, limited democratic impact and low citizens' involvement as well as disappointment caused by the process among local citizens. In the context of this study three out of five of these motives were confirmed. The expected risk of reinforcing existing injustices in the society and potential reputational damage caused by the image of unsustainability of the participatory budgeting process due to its dependence on relations with authorities were the motives not referred to in the context of this study. Instead, there were other motives pointed out by respondents from different local governments such as lack of resources, absence of strong initiator and political will in the community, strong opposition against implementation of this practice as well as the impact of administrative-territorial reform in Estonia.

Since participatory budgeting has been used in some of the local governments for several years, there are different interesting trends seen in the context of winning ideas. In Tapa and Elva, all of the winning ideas have been related to recreational activities while in Viljandi and Haapsalu, the winning ideas have been mostly practical. In Tartu, during the last couple of years different schools with the projects about their outdoor areas have been the most popular among people. All of the respondents referred to the aspect of being criticized as a result of the trends in winning ideas. Therefore, it could be said that there is an increasing dissatisfaction among local citizens with the process of participatory budgeting. But what might be the other potential challenges of this instrument in the near future?

While analysing the future perspectives of participatory budgeting instrument in local governments' development plans, an interesting aspect may be recognized. All the examined development plans mentioned participatory budgeting as an important democratic tool in order to increase the inclusion of local people in every-day policy-making process but none of the local governments discussed the perspective of participatory budgeting in detail. In some of the cases it was mentioned that local governments will continue implementing this practice but no information about further

developments or planned changes was provided. There are two ways to interpret it. On the one hand, it may be considered to be a successful instrument which does not need any further developments. On the other hand, participatory budgeting as an instrument is working but it is not a priority for local governments at the moment. Therefore, additional work in terms of increasing the voting turnouts and the general knowledge of people about this practice is required but due to lack of time, these activities are currently postponed. The author asked respondents from different local governments about this aspect. Two of the respondents pointed out that there is no need to change anything since everything is working despite the relatively low voting turn-out. Another respondent referred to the need for further developments but due to the lack of resources and time these activities are currently waiting.

In terms of the potential adoption of this practice by local governments not currently using it, most of the respondents referred that in the near future they would be ready to adopt this practice when current problems such as low voting turnout and other negative aspects of this practice are solved.

Therefore, in order to encourage the diffusion of participatory budgeting in Estonian local governments, a lot of work needs to be done in order to achieve the next level of quality.

## Conclusions

The main objective of the thesis was to understand the motives behind the adoption/non-adoption of participatory budgeting by Estonian local governments. Participatory budgeting as a successful participatory instrument has been implemented all over the world for almost 30 years. Since this concept is rather new in Estonian case, there is a gap in existing scholarly discussion about the main motives of both sides. Therefore, the aim of this research was to contribute to the study about participatory budgeting in Estonia in order to fill these gaps in existing literature. For more comprehensive overview about the participatory budgeting in Estonia, this study included local governments that use participatory budgeting and compared them to local governments, that for some reason have decided not to use this practice.

In other words, the primary concern of the thesis was to examine the motivating factors explaining the adoption of participatory budgeting. More specifically, different actors and factors influencing the diffusion process of participatory budgeting in Estonian local governments were analysed in order to understand the driving motives of local governments. The thesis aimed to answer the following research questions: What are the main motives of local governments in terms of implementing participatory budgeting? What are the main motives of local governments that have decided not to implement participatory budgeting? Which actors and factors influence the diffusion of participatory budgeting in local governments in Estonia?

In order to understand the motives of local governments for adopting participatory budgeting in local level context as well as examine the main factors and actors influencing the implementation of this practice, the theory of policy diffusion was used. Based on the previous international experiences of using participatory budgeting, three theoretical expectations were formulated. The author expected the main actors influencing the adoption of participatory budgeting in Estonian local governments to be local policy-makers. The main factors influencing the implementation of participatory budgeting in local governments were expected to be the existence of political will, openness towards new initiatives, the image of the practice on national level, the wealth as well as geographic location of the municipality. In terms of the main motives of local governments, the author expected them to be driven from potential factors influencing

the adoption of participatory budgeting as well as from the main positive and negative impacts of this practice in the world.

In order to do so, the author examined 11 different local governments: towns of Tallinn, Tartu, Viljandi, Valga, Haapsalu and Võru and rural municipalities of Tapa, Tori, Lääne-Harju, Elva and Kambja. Five of these cases have used participatory budgeting on the local level, while six municipalities have not adopted participatory budgeting. The data used in this analysis was originated from two main sources, including (a) documentation and information available on local governments' websites about participatory budgeting and its procedure, and (b) semi-structured interviews with the representatives of different local governments involved or knowledgeable about the participatory budgeting process.

As a result of the analysis of documentation and information available on local governments' websites about participatory budgeting and its procedure, comprehensive overview about the main similarities and differences of this practice was provided. In general, the process of participatory budgeting in Estonian local governments is rather similar, with some variations in different phases of the procedure, amounts of money allocated to participatory budgeting as well as voting procedures.

As pointed out by the results of this research, the most important actors in the context of participatory budgeting as policy diffusion are internal actors, more specifically political actors in this context. Therefore, the main actors influencing the adoption of participatory budgeting in Estonian local governments are considered to be local policy-makers.

In terms of the most influential factors affecting the adoption process of participatory budgeting, out of five expected factors three were referred to as most important factors in this process in Estonian case. According to the respondents, the importance of political will in the context of adopting participatory budgeting is crucial. In addition, another factor considered important by different respondents is the image of the practice on national level which refers to previous experiences of other local governments. The third factor referred to in this context was the availability of financial resources and the city's wealth. Therefore, these are the most influential factors in the context of diffusion of participatory budgeting in Estonian local governments.

In terms of different motives of local governments behind the decision to adopt participatory budgeting in local level, the respondents referred to several aspects. Almost all of the respondents referred to the inclusion of citizens as one of the most important objectives of participatory budgeting and therefore the main motive for adopting this practice. In addition, most of the respondents referred to the aspect of gathering valuable information about problematic areas within local municipality as another important motive of local governments. In addition, other important motives pointed out by several respondents were the educative element of the process, the aspect of increasing cooperation within the community as well as between different communities, increasing reputation of local governments as innovative municipalities, increasing popularity of politicians and increased transparency of budgeting and decision-making procedures.

The motives of local governments for not adopting participatory budgeting were different from the expectations. It was pointed out that the absence of initiator is extremely important in the context of non-adoption of this practice. Moreover, the lack of political will and strong opposition were referred to as main motives why local governments decide to not adopt this practice. In addition, the lack of resources as well as the fear for additional workload were pointed out as some of the reasons. In terms of the resources, respondents referred to both financial as well as human resources. Moreover, the mistrust towards local people was also referred to by several respondents. It was also pointed out by several respondents that there is no need for additional inclusion practices. Moreover, the actual limited impact of this instrument was pointed out as one of the potential motives for not adopting this practice as well as the risk of causing disappointment among local citizens. Finally, it was pointed out that as a result of administrative-territorial reform, the practice of participatory budgeting is not a priority for local governments.

As a result of the thesis, there is a comprehensive overview of the main positive and negative aspects of the practice of participatory budgeting in Estonia. Different motives of local governments demonstrate what are the main challenges faced by local governments in the context of participatory budgeting. Due to the several challenges faced by different local governments in the context of participatory budgeting, there is an increasing discussion about the effectiveness of this innovative tool in the society.

Therefore, in order to improve the instrument of participatory budgeting, increase the diffusion of this practice in Estonian local governments as well as avoid the increase of disappointment among citizens about this practice, further research and actions are needed.

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## Appendix 1. Interview questions for local governments using participatory budgeting

### Introduction:

Thank respondent that he/she was ready to contribute to the study of participatory budgeting and had time for this interview. Provide short overview of the main objectives of the thesis and introduce the general structure of the interview. Ask for the permission to record the interview.

### General questions:

- 1) Is it acceptable that everything you will say during this interview will be used anonymously in this Master's Thesis?
- 2) If you would not like to respond to any of the following questions please feel free to do so.
- 3) Under what kind of structural unit are you currently working?
- 4) What are your main responsibilities in this local government?
- 5) Who is the person responsible for coordinating the process of participatory budgeting? How many members are in this team?
- 6) How long have you been working with the participatory budgeting in this local government?

### Participatory budgeting in local government:

- 7) How would you define the concept of participatory budgeting?
- 8) When was the first time you used participatory budgeting in this local government?
- 9) What were the main motives and reasons why you decided to start using participatory budgeting?
- 10) How would you evaluate your knowledge about this concept before its adoption?

What kind of channels did you use to receive this information?

- 11) Whose initiative it was to start using participatory budgeting?
- 12) Was there any kind of opposition to this practice?
- 13) What are the main objectives participatory budgeting should achieve? How would you estimate its current status?
- 14) What should be the amount of money allocated for the process of participatory budgeting?
- 15) Do you have any other kind of practices to increase inclusion of local citizens in local municipalities?
- 16) Have you heard anything from other local governments' and their experiences in this field in Estonia?

The procedure of participatory budgeting:

- 17) What is the amount of money that this currently allocated to participatory budgeting?

Have these amounts remained same over the years?

- 18) What are the main conditions project ideas should fulfil to qualify to participatory budgeting? Do you have any restrictions?
- 19) What is the timephrame of the whole proccess?
- 20) What kind of communication activities do you use and what are the main channels for information promotion?
- 21) What kind of projects have won the competition? Is it possible to notice any kind of trends in winning ideas?
- 22) What is usually the voting outcome? Do you collect any kind of statistics about voters?
- 23) How would you evaluate the general knowledge of local citizens about participatory budgeting?

Advantages and shortcomings

- 24) What would you consider to be the greatest advantages of participatory budgeting?
- 25) What would you consider to be the biggest shortcomings of participatory budgeting?
- 26) What would you consider to be the best practices of participatory budgeting in Estonia and in the world?
- 27) Why do you think some of the local governments have decided not to use this practice in Estonia?
- 28) What would you consider to be the greatest challenges local municipality has faced in the context of participatory budgeting?
- 29) How are you planning to face these challenges?
- 30) Do you have any additional information you would like to add?



## Appendix 2. Interview questions for local governments not using participatory budgeting

### Introduction:

Thank respondent that he/she was ready to contribute to the study of participatory budgeting and had time for this interview. Provide short overview of the main objectives of the thesis and introduce the general structure of the interview. Ask for the permission to record the interview.

### General questions:

- 1) Is it acceptable that everything you will say during this interview will be used anonymously in this Master's Thesis?
- 2) If you would not like to respond to any of the following questions please feel free to do so.
- 3) Under what kind of structural unit are you currently working?
- 4) What are your main responsibilities in this local government?

### Participatory budgeting in local government:

- 5) Have you heard anything about the concept of participatory budgeting?
- 6) How would you define this concept?
- 7) What kind of channels have you used to receive this information?
- 8) Is there any kind of discussion in this local government about the participatory budgeting and its potential implementation?
- 9) By whose initiative it is usually brought up?
- 10) How often these kind of discussions take place?
- 11) Why do you think these kind of discussions do not occur?
- 12) What are the main motives and reasons why you have decided not to use participatory budgeting in local government?

- 13) What are the main objectives participatory budgeting should achieve in your opinion?
- 14) What should be the amount of money allocated for the process of participatory budgeting?
- 15) Do you use any other kind of practices for increasing inclusion of local citizens in local municipalities?
- 16) Have you heard anything from other local governments' and their experiences in this field in Estonia?

#### Advantages and shortcomings

- 17) What would you consider to be the greatest advantages of participatory budgeting?
- 18) What would you consider to be the biggest shortcomings of participatory budgeting?
- 19) How open towards the new innovative initiatives according to your own personal judgement is this local government?
- 20) What would you consider to be the best practices of participatory budgeting in Estonia and in the world?
- 21) Why other local governments in Estonia have decided not to use this practice?
- 22) What are the potential challenges local governments using participatory budgeting will face in the near future?
- 23) But what are the potential challenges local governments which are not using participatory budgeting will face in the near future?
- 24) How are you planning to face these challenges?
- 25) How would you estimate the likelihood of this local government implementing participatory budgeting in the near future?
- 26) Do you have any additional information you would like to add?

## Appendix 3. Interview questions for local governments using participatory budgeting

### Sissejuhatus:

Täna vastajat, et ta oli valmis osalema minu magistritöös ning leidis aega antud intervjuu läbiviimiseks. Tutvusta põgusalt töö eesmäärke ning intervjuu läbiviimise protseduuri. Küsi, kas vastaja jaoks on vastuvõetav, kui salvestan meie vestluse.

### Üldised küsimused intervjuueeritava kohta:

- 1) Kas olete nõus, et Teie poolt öeldut kasutatakse anonüümselt käesolevas magistritöös?
- 2) Kui soovite mõnele küsimusele vastamisest loobuda, siis lihtsalt öelge.
- 3) Missuguses osakonnas või muus kohaliku omavalitsuse struktuuriüksuses töötate?
- 4) Missugused on Teie peamised tööülesanded?
- 5) Kes antud kohalikus omavalitsuses kaasavat eelarvet puudutavate teemadega peamiselt tegeleb? Kui suur on meeskond?
- 6) Kas olete algusest peale olnud kaasava eelarve protsessiga seotud?

### Üldised küsimused kaasava eelarve kohta

- 7) Kuidas Te oma sõnadega defineeriksite kaasava eelarve kontseptsiooni?
- 8) Mis aastal võeti kaasav eelarve antud kohalikus omavalitsuses esmakordselt kasutusele?
- 9) Missugused olid peamised põhjused ning motiivid, miks kaasav eelarve kasutusele võeti?
- 10) Mida teadsite enne kaasava eelarve kasutusele võtmist selle praktika kohta? Kuidas hindaksite oma teadmisi? Missuguste kanalite vahendusel saite informatsiooni kaasava eelarve kasutamise kohta?

- 11) Kelle initsiatiivil tekkis kaasava eelarve algatus päevakorda (linnajuhi, linnaametnikud, kodanikud, meedia, muu)?
- 12) Kas esines ka mingisugust vastuseisu antud praktika kasutuselevõtmise osas?
- 13) Missugused on peamised eesmärgid, mida kaasav eelarve peaks Teie hinnangul täitma? Kuidas Teie hinnangul antud hetkel kaasav eelarve neid eesmärke täidab?
- 14) Kui suured peaksid Teie hinnangul olema summad, mida kaasavas eelarves ettepanekute elluviimiseks kohalikul tasandil linna/valla eelarvest eraldatakse? Põhjendage.
- 15) Kas antud kohalikus omavalitsuses on kasutusel ka teistsuguseid kaasamispraktikaid? Kui jah, siis missuguseid?
- 16) Kas olete kaasava eelarve osas koostööd teinud või kogemusi vahetanud ka teiste Eesti kohalike omavalitsustega?

Küsimused kaasava eelarve kasutamise kohta konkreetses kohalikus omavalitsuses

- 17) Kui suured on summad, mida linna/valla eelarvest kaasava eelarve vahendusel esitatud ideede elluviimiseks kasutatakse? Kas need summad on aastate lõikes jäänud samaks?
- 18) Missugused on antud kohalikus omavalitsuses kaasavasse eelarvesse esitavate ideede tingimused? Kas esineb ka mingisuguseid piiranguid?
- 19) Kuidas näeb kogu kaasava eelarve protsess antud kohalikus omavalitsuses välja? Missugune on ajaraam?
- 20) Missugune on kaasava eelarvega seotud teavitustegevuste plaan (ideede esitamise, ideede tutvustamise, hääletamise jms kohta)? Missuguseid kanaleid kasutatakse?
- 21) Missugused ideed on varasematel aastatel võitnud? Missugused on levivad trendid?

22) Kui suur on ideede hääletusel osalevate inimeste osalus? Missugune on hääletajate profiil? Kas kogute ka mingisugust statistikat?

23) Kuidas hindate kohalikus omavalitsuses inimeste teadlikkust kaasava eelarve osas?

#### Kaasava eelarve tugevused ja nõrkused

24) Mida peate kaasava eelarve suurimateks tugevusteks? Palun põhjendage.

25) Mida peate kaasava eelarve suurimateks nõrkusteks? Palun põhjendage.

26) Missugused on Teie hinnangul kaasava eelarve edulood Eestis ja mujal maailmas?

27) Miks Teie arvates mõned kohalikud omavalitsused Eestis on otsustanud kaasavat eelarvet mitte kasutada?

28) Missugune on peamine kriitika, mida olete kaasava eelarve osas saanud? Missugused on olnud peamised väljakutsed?

29) Kuidas kavatsete nende väljakutsetega silmitsi seista?

30) Kas Teil on veel midagi täiendavalt antud teema kohta lisada?

## Appendix 4. Interview questions for local governments not using participatory budgeting

### Sissejuhatus:

Täna vastajat, et ta oli valmis osalema minu magistritöös ning leidis aega antud intervjuu läbiviimiseks. Tutvusta põgusalt töö eesmäärke ning intervjuu läbiviimise protseduuri. Küsi, kas vastaja jaoks on vastuvõetav, kui salvestan meie vestluse.

### Üldised küsimused intervjuueeritava kohta:

- 1) Kas olete nõus, et Teie poolt öeldut kasutatakse anonüümselt käesolevas magistritöös?
- 2) Kui soovite mõnele küsimusele vastamisest loobuda, siis lihtsalt öelge.
- 3) Missuguses osakonnas või muus kohaliku omavalitsuse struktuuriüksuses töötate?
- 4) Missugused on Teie peamised tööülesanded?

### Üldised küsimused kaasava eelarve kohta

- 5) Kas olete midagi kuulnud kaasava eelarve praktika kohta? Kui jah, siis mida?  
Kui ei, siis mis Te arvate, mida see endast kujutab?
- 6) Kuidas Te oma sõnadega defineeriksite kaasava eelarve kontseptsiooni?
- 7) Missuguste kanalite vahendusel on see info teieni jõudnud?
- 8) Kas antud kohalikus omavalitsuses on kunagi arutlusel olnud kaasava eelarve kasutusele võtmine?
- 9) Kelle initsiatiivil kaasava eelarve teemat antud kohalikus omavalitsuses arutatakse/arutati?
- 10) Kui sageli antud arutelud tekivad?
- 11) Miks Teie hinnangul antud teemat ei arutata?
- 12) Missugused on kaasava eelarve kasutuselevõtmise teemal antud kohalikus omavalitsuses peamised poolt ja vastuargumendid?

- 13) Missugused on peamised eesmärgid, mida kaasav eelarve peaks Teie hinnangul täitma?
- 14) Kui suured peaksid Teie hinnangul olema summad, mida kaasavas eelarves ettepanekute elluviimiseks kohalikul tasandil linna/valla eelarvest eraldatakse? Palun põhjendage.
- 15) Kas olete kuulnud teiste Eesti kohalike omavalitsuste ning nende kogemuste kohta kaasava eelarve kasutamisel? Kas olete teiste kohalike omavalitsustega arutanud kaasava eelarve teemasid? Missugune on olukord lähilinnades ja valdades?
- 16) Kas antud kohalikus omavalitsuses on kasutusel mingisuguseid teistsuguseid kaasamispraktikaid? Kui jah, siis missuguseid?

#### Kaasava eelarve tugevused ja nõrkused

- 17) Mida peate kaasava eelarve suurimateks tugevusteks? Palun põhjendage.
- 18) Mida peate kaasava eelarve suurimateks nõrkusteks? Palun põhjendage.
- 19) Kui avatud ja uuendustele vastuvõttev on Teie hinnangul antud kohalik omavalitsus?
- 20) Missugused on Teie hinnangul kaasava eelarve edulood Eestis ja mujal maailmas?
- 21) Miks Teie arvates teised kohalikud omavalitsused Eestis on otsustanud kaasavat eelarvet mitte kasutada?
- 22) Mis on Teie arvates lähiaastate väljakutsed nendes kohalikes omavalitsuses, kes kasutavad kaasavat eelarvet?
- 23) Aga missugused on lähiaastate väljakutsed nendes kohalikes omavalitsustes, kes on otsustanud kaasavat eelarvet mitte kasutada?
- 24) Kuidas kavatsete antud väljakutsetega silmitsi seista?

25) Kuidas hindate tõenäosust, et antud kohalik omavalitsus otsustab tulevikus kaasava eelarve praktikat kasutama hakata? Palun põhjendage.

26) Kas Teil on veel midagi täiendavalt antud teema kohta lisada?