

Does Participation Strengthen Civil Society?

PARTICIPATORY DEVELOPMENT PROJECTS OFTEN INCLUDE BUILDING “social capital” and hearing the “voices of the poor” as key objectives. This chapter reviews the literature on how effective participatory development projects have been in achieving these goals. It presents evidence on several important questions. How do deliberative processes actually work in developing countries? Is deliberation equitable? Is it sustainable? Under what conditions does it build the capacity to engage? Can local inequalities in power and social structure be remedied by mandating the inclusion of women and discriminated minorities in leadership positions? Does participation build “social capital”? Can inducing participation improve a community’s capacity to address disputes and improve cohesion in postconflict settings? Is there evidence that induced participation enhances social cohesion and the “voice” of marginalized groups in local decision-making bodies?

Participatory Decision Making and Social Cohesion in Induced Development Projects

Participatory development projects expend considerable resources and effort building community-level organizations with the expectation that doing so not only allows disadvantaged groups to participate directly in decision-making processes but that it can also encourage dialogue between groups otherwise separated by wealth, gender, or social status, thereby creating the basis for greater social cohesion. If this is the case, induced participation may help build social cohesion and strengthen democratic values and practices even in communities where there are

The hypothesis that induced participation may help build social cohesion turns out to be a particularly difficult one to evaluate.

important social cleavages caused by inequality, ethnic heterogeneity, or conflict.

The hypothesis that induced participation may help build social cohesion turns out to be a particularly difficult one to evaluate. The measurement of social outcomes is itself challenging, because projects usually provide resources for local public goods, private transfers, micro-credit, and skills training, in addition to community mobilization. The provision of resources makes it difficult to isolate the impact of participation on social outcomes. Exposure to participatory messaging may also make members of program communities more likely to indicate more willingness to cooperate or to report higher levels of trust and support for democracy regardless of any substantive change in attitudes or practices. Local facilitators spend considerable time with community members elucidating the benefits of program participation, community collective action, self-help groups, contributions to development projects, and so forth. Isolating the impact of participation on preferences, trust, networks, or cooperation is therefore likely to be difficult even in the best-designed evaluation. Self-reported retrospective accounts of change are perhaps the least reliable source of information.

To make matters worse, very few evaluations of community-driven development or social fund projects have been able to deal effectively with the problem of identifying comparison communities for assessing project impact. In the majority of cases, comparison groups are created by identifying communities that did not get the program but look otherwise similar to program communities. Because matching communities on the relevant social variables (trust, cooperation, density of social networks, political participation, and so forth) is rarely an option, most studies match on the usual set of sociodemographic variables available in national income statistics and expenditure surveys. Matching in this way is particularly problematic if, as is often the case, participatory programs rely on community “willingness” or “readiness” to participate rather than on clear eligibility criteria. Although matching in this way may be sensible from a programmatic perspective, it makes causal inference challenging, because outcomes of interest (such as greater political awareness) may be precisely why a community was selected in the first place, rather than an outcome of the program.

These challenges affect both the quantity and quality of the literature on participation and social cohesion. Three recent studies, all of which focus on community-driven reconstruction projects, are exceptions.

The first evaluates a community reconstruction project implemented by the International Rescue Committee in northern Liberia (Fearon, Humphreys, and Weinstein 2009).¹ Survey results indicate a reduction in social tension and an increase in trust in local leadership, as well as an increase in participation by marginalized groups in community decision-making activities. The authors use a behavioral public goods game to augment and validate these survey-based findings on the impact of participation on social cohesion and cooperation.² They find that a larger percentage of households in the program communities (71 percent versus 62 percent in the comparison communities) contributed the maximum amount. However, the difference was driven mainly by contributions from internally displaced persons who had returned to their villages after the war and benefited from this project as well as other programs directed at resettling them. Moreover, the evidence does not support any increase in broader collective action or in democratic values or practices in program villages. There was also no change in the attitudes of traditional leaders toward community decision making.

The second study is an ongoing evaluation of a community-driven reconstruction program in Afghanistan. It also finds some positive, albeit preliminary, evidence on the impact of a national community-driven reconstruction project (the National Support Program) on political attitudes and social cohesion (Beath, Christia, and Enikolopov 2011).³ The results from an initial follow-up suggest significant shifts in political attitudes (regarding trust in government and local leaders, in women's role in the community, and in women as leaders, for example) and in social cohesion. A caveat is that self-reports of political attitudes such as trust in government or greater community cooperation can be difficult to interpret in the absence of corroborating evidence on outcomes. There is little evidence that village elites in program villages were less likely to exercise influence in village development councils or that there was any change in the types of households that benefited from government programs. As discussed in earlier chapters, communities that have community-driven development projects routinely report greater social cohesion and levels of satisfaction, and self-reports are generally more positive when questions are posed in language that more closely evokes the language used by facilitators.⁴

The third study, by Casey, Glennerster, and Miguel (2011), finds less positive results. The GoBifo (Move Forward) project in Sierra Leone, funded primarily by the World Bank, provided block grants

A project in Liberia shows an increase in trust and participation by marginalized groups and a reduction in social tension. But there is no evidence of an increase in broader collective action capacity.

An ongoing evaluation of a community-driven reconstruction project in Afghanistan finds preliminary positive evidence on political attitudes and social cohesion.

A study from Sierra Leone finds no evidence that a community-driven program had any impact on social cohesion or collective action.

worth about \$5,000 per community (roughly \$100 per household) for local public goods, skills training, and microentrepreneurship. The project staff also provided training in democratic decision making and encouraged the participation of socially marginalized groups (mainly women and youth) in local decision-making bodies.⁵ Like the first two studies, this study randomly assigned eligible communities to program and comparison status and combined survey methods with what they refer to as “structured community activities.” These activities assessed how communities responded to a matching grant opportunity to invest in a small public good (building materials), made communal decisions between two alternatives, and allocated a small endowment among community members. Despite the careful design and the long evaluation period (four years between baseline in 2005 and endline in 2009), the study finds no evidence that the program had an impact on any measure of social cohesion or collective action used (local fundraising capacity, decision-making processes, and so forth). There was also no evidence of a shift in social attitudes or norms with respect to women’s participation in public activities.

Another approach to measuring social cohesion is to assess the extent to which community-level organizations bring together diverse groups of people who may otherwise not have an opportunity to interact with one another, thereby creating a new deliberative space. A growing body of literature on participatory councils is starting to generate interesting evidence on this issue in the context of local decentralization, but only three studies look at the extent to which community organizations are cohesive in their membership patterns. Doing so is important, because community-driven projects often work through self-help groups, which are endogenously formed. A community or village may therefore have several such groups, which may or may not be brought together into higher-level organizations.

Arcand and Fafchamps (2012) look at community organizations in Burkina Faso and Senegal. They find that community organizations tend to sort sharply by wealth and status. Survey research in São Paulo and Mexico City also finds that citizens who participate in associations are likely to be highly stratified by education, gender, labor market status, and other factors (Houtzager, Acharya, and Lavallo 2007). Mansuri (2012) finds that community organizations supported by the National Rural Support Program in Pakistan were highly segregated along wealth, ethnicity, education, and political power within villages,

in addition to almost complete sorting by gender. However, she finds that some communities do much better than others. Sorting on status (education, land, and caste) is significantly dampened in villages with above-average levels of schooling but similar levels of land inequality and caste composition. In contrast, sorting by land intensifies in villages that are more unequal in land wealth, and sorting by caste status intensifies in villages that have more low-caste households.

Four other studies provide some interesting insights, though their evaluation designs are flawed. Chase, Christensen, and Thongyou (2006) use data from an evaluation of the Thailand Social Fund to assess whether the fund selected villages with specific characteristics and whether implementation of the program had an impact on the level of social capital in the selected villages. Using a combination of household survey and qualitative data, they find that the social fund provided funding to villages with particular preexisting social capital characteristics (greater norms of self-sacrifice, higher levels of trust among neighbors, and a history of collective action). They also find some evidence that exposure to the program enhanced social cohesion.⁶ These results are suggestive at best, as the social capital variables were generated after program implementation, making any causal inference difficult. Moreover, program effects were weak, with social fund villages performing significantly better than control villages on only 19 percent of the social capital measures listed in the study.

Labonne and Chase (2008) study KALAHI–CIDSS, a large community-driven development program in the Philippines. Using data from 135 villages in 16 municipalities, the authors assess the program's impact on social capital indicators such as participation in local governance activities, village group membership, and relationships between local officials and citizens. They find that trust in local officials increased in villages that received funding—even though the proportion of households that requested services decreased.

Two studies use data from the District Poverty Initiatives Project (DPIP) in India to measure changes in social capital and political empowerment. The DPIP supported the formation of women's self-help groups to promote economic and social empowerment.

Deininger and Liu (2008) use recall data to measure changes in social capital and political participation in treatment and control groups in Andhra Pradesh between 2000 and 2004.⁷ They find a significant increase in the level of social capital and political participation in DPIP

areas, with identical effects across participants and nonparticipants.⁸ They interpret this finding as evidence that the program had large positive social externalities. However, the design of the evaluation does not allow for a clean test of this effect, because it is unclear whether control communities are comparable on the relevant measures of social cohesion or social capital at baseline. The measures of social cohesion used are also closely linked to the rhetoric of participatory projects.

Kumar (2007) examines whether participation in DPIP, which runs parallel to and outside the local government structure, helped poor and lower-caste households engage effectively with the participatory processes organized by local governments in Madhya Pradesh. She finds a significant impact on political participation by poor rural women in program areas. Households in program villages not only had greater political awareness and better knowledge of other government programs, but they were also more likely to participate in village affairs, to know about *gram sabha* (village assembly) meetings, and to participate in them. They also reported being more active participants, and speaking, voting, or objecting to decisions more often than other participants. As in the study by Deininger and Liu, however, this paper's evaluation strategy is problematic, because it cannot identify why some villages were selected into DPIP and others were not.⁹

There is also fair bit of suggestive evidence that localities in which civic institutions are more vibrant have better outcomes. Few, if any, of these studies are able to identify a causal link from decentralization or participation in a community-drive development program to the quality of civic institutions, however. Olken (2006) finds that villages with more social organizations (community self-help groups, religious study groups, women's organizations) were less likely to experience both outright corruption in the form of missing rice and less leakage to village elites. Camacho and Conover (2011) find that municipalities in Colombia that had better monitoring by community organizations experienced less leakage from targeted programs. Galasso and Ravallion (2005) find that Bangladeshi villages in which the Grameen Bank was present received more program resources from the center and that these resources were better targeted to the poor. Arcand, Bassole, and Tranchant (2008) examine the extent to which participatory governance bodies, such as the *Conseil de Concertation et de Gestion* (CCG) in Senegal, are able to compete with local elected leaders from the *Conseil Rural* in attracting project funds to their communities. The

community-driven development project designed the CCG as a parallel participatory institution to ensure the representation of vulnerable and marginalized groups that were less likely to be represented in the *Conseil Rural* through the electoral process. The authors find that villages with more CCG members who were not in the *Conseil Rural* were more likely to receive a project, suggesting that although political elites may direct projects to their own villages, villagers who engage in participatory governance structures can enhance resource flows to their communities.

Some evidence suggests that localities in which civic institutions are more vibrant have better outcomes . . .

. . . but whether decentralization, or participation in a community-driven development program, improved the quality of civic institutions remains unclear.

Representation Quotas and Inclusion Mandates

This section focuses on how reservations and quotas in local councils and inclusion mandates have been used to address specific types of social exclusion and make democratic institutions (and political incentives) more responsive to people who would otherwise have little voice. Many of the results come from the literature on mandated representation in Indian village councils (*gram panchayats*). These studies look at whether leaders from disadvantaged groups have incentives to align their actions with the interests of their particular group or the general public.

Effects on Women

Women are systematically excluded from collective bodies, and from positions of power, in many parts of the world. Looking at what she calls “participatory exclusions” in community forestry groups in India and Nepal, Agarwal (2001) finds that fewer than 10 percent of the members of groups with decision-making authority are women, even though women are required to do much of the work involved in forest management. Women’s underrepresentation affects the decisions made by these groups and thus has distributional consequences. It also reduces the effectiveness of the organizations, by failing to make use of the information and skills women may have. Such exclusion can have a reinforcing impact on discrimination against women.

On the basis of fieldwork conducted over two years, Agarwal finds that participatory exclusions occur for a variety of reasons. Social norms exclude women from participating in public spaces, and gendered norms of “acceptable” behaviors restrict women’s attendance

at public gatherings. Women find men's behavior "aggressive." Restrictions on women's visibility and mobility affect their ability to participate, they face negative stereotypes about their ability to contribute effectively to proceedings that have public implications, and they face norms that relegate them to work on women-specific tasks. Many groups also have exclusionary rules, such as allowing only one person per household to belong to a forestry group, which effectively excludes women.

To get around social restrictions of this kind, in 1992 India adopted a constitutional amendment mandating that one-third of all seats on village councils and a third of all presidencies of these councils be reserved for women. Many states randomly rotate the council seats and presidencies reserved for women. A series of studies has exploited this random allocation to study the impact of mandating seats for women on a variety of outcomes.

Chattopadhyay and Duflo (2004b) analyze survey data from 265 village councils in the states of West Bengal and Rajasthan. In the Birbhum district of West Bengal, the share of women among participants in the village council was significantly higher when the president was a woman (rising from 6.9 percent to 9.8 percent), and female presidents in reserved villages were twice as likely as male presidents to have addressed a request or complaint to the *gram panchayat* in the previous six months. In contrast, in Rajasthan the fact that the president was a woman had no effect on women's participation in the village council or on the incidence of women's complaints.

The authors also look at the effect of the policy of reserving seats for women on the provision of public goods. They find that the gender of the president affected the provision of public goods in both West Bengal and Rajasthan, with significantly more investments in drinking water in *gram panchayats* in which the president was a woman. In West Bengal, *gram panchayats* were less likely to have set up informal schools when the presidency was reserved for a woman. The evidence on roads was mixed, with roads receiving significantly more funding in *gram panchayats* reserved for women in West Bengal and less in *gram panchayats* reserved for women in Rajasthan. In both states, the provision of public goods in reserved constituencies was more closely aligned with the preferences of women than with the preferences of men. Women invested less in public goods that were more closely linked to men's concerns (education in West Bengal and roads in Rajasthan).

Duflo and Topalova (2004) look at the effects of political reservation for women with data from a larger geographical area (11 states in India). They present evidence on three aspects of women's performance in office (as measured by the quality and quantity of various public goods provided and the likelihood of taking bribes) as well as evidence on perceptions of their performance by voters in India's village councils. Consistent with the results in Chattopadhyay and Duflo (2004b), they find that reservation for women led to more investment in drinking water infrastructure, with significantly more public drinking water taps and hand pumps when the leadership of the *gram panchayat* was reserved for a woman and weak evidence that the drinking water facilities were in better repair. Overall, the average effect of reservation on the availability of public goods in a village was positive and statistically significant. The average effect of the reservation on the quality of public goods was positive as well but not significant. The authors conclude that women leaders did a better job than men at delivering drinking water infrastructure and at least as good a job delivering other public goods.

Duflo and Topalova also find that both men and women reported being less likely to pay a bribe to obtain a service when the *gram panchayat* presidency was held by a woman. However, respondents in villages with female presidents were also 2 percent less likely to declare that they were satisfied with the public goods they received. Interestingly, respondents also reported being significantly less satisfied with the quality of the public health services in villages with women presidents, despite the fact that health services were centrally administered and not under the jurisdiction of *panchayats* in any of the 11 states during the study period.

Beaman and others (2009) compare villagers' attitudes toward hypothetical and actual women leaders in councils that have been reserved for women once, twice, or never in West Bengal. Random allocation of reservation implies that a difference in voter attitudes in reserved and unreserved villages captures the causal effect of mandated reservations. An important innovation of this study is the collection and use of detailed survey and experimental data on voters' taste for female leaders, their perceptions of gender roles, and of the effectiveness of female leaders. The authors examine explicit and implicit measures of voters' tastes. Explicit tastes are captured through voters' stated feelings toward the general idea of male and female leaders; implicit tastes are captured through Implicit Association Tests (IATs).¹⁰

Reservation of *gram panchayat* seats for women led to more investment in drinking water infrastructure . . .

. . . and to less spending on public goods preferred by men.

Both men and women in India perceive women as less effective leaders than men.

To examine voter perceptions of leader effectiveness, the authors asked villagers to evaluate the effectiveness of hypothetical female and male leaders described through vignettes and recorded speeches in which the leader's gender is experimentally manipulated. The results show that in villages that never experienced political reservation, villagers, particularly men, disliked the idea of female leaders. On a scale of 1–10, the average man rated his feeling toward female leaders one point below his feelings toward male leaders. Men perceived female leaders as less effective than male leaders. The average male villager rated the same speech and vignette describing a leader's decision 0.05 standard deviations lower when the leader's gender was experimentally manipulated to be female. Female villagers' evaluation of hypothetical female leaders, although less negative, was not statistically different from that of male villagers'.

Mandated exposure to a female leader did not affect villagers' stated taste for male leaders. Neither the "feeling" rating of leaders nor the taste IAT showed increased approval of female leaders in villages reserved for a female leader. However, among male villagers, it weakened the stereotype (as measured by the occupation IAT) that men are associated with leadership activities and women with domestic activities. It also radically altered perceptions of the effectiveness of female leaders among male villagers. In the speech and vignette experiments, male villagers who were required to have a female leader considered hypothetical female and male leaders equally effective. This reduction in bias was absent among female villagers. The authors provide evidence suggesting that a likely reason for this difference is the lower levels of political knowledge and exposure to local politics among women. Consistent with the experimental data, they find that prior exposure improved villagers' evaluation of their actual leader along multiple dimensions.

Reserving *gram panchayat* seats for women may elevate the aspirations parents have for their daughters and the aspirations of girls themselves . . .

. . . but reserving seats for women has not always led to positive effects.

Analyzing data from the same sample, Beaman and others (2012) find that the reservation of seats for women has effects outside the political sphere. According to their study, reservations positively affected both the aspirations parents had for their daughters and the aspirations of girls themselves. They examine the impact of women's reservations on parents' preferences for their children not to become housewives, to hold a job requiring a good education, not to marry before 18, to receive higher education, and to be the president of a village. The gap between mothers and fathers in *gram panchayats* in which positions for women were never reserved was large, ranging from 24 percent for their child

not marrying before 18, to 75 percent for their daughter not becoming a housewife. This gap was, on average, 20 percentage points smaller in *gram panchayats* with a randomly assigned woman president. The authors also surveyed adolescents ages 11–15. They find that the gender gap in their career and education aspirations was 32 percentage points smaller in villages that reserved seats for women.

Bhavnani (2009) assesses the long-term impact of the reservation of seats for women on municipal councils in Mumbai by examining the relative change in political power in councils that had previously been reserved for women. He tests for the continuing effects of the 1997 reservations on various aspects of the 2002 elections. His main finding is that women won 21.6 percent of wards that had been reserved for women in 1997 but were open to both genders in 2002 (treatment wards) and only 3.7 percent of wards that were open to both men and women in 1997 and 2002 (control wards). Women's chances of winning ward elections in 2002 were thus more than quintupled by the reservation of seats five years earlier. Bhavnani also examines the mechanisms through which the electoral chances for women may have increased in the previously reserved constituencies. He finds that the increase is explained by both an incumbency effect and an increase in the number of woman candidates running in the previously reserved constituency.

Some studies show that reserving seats for women has not always led to positive effects. Bardhan, Mookherjee, and Torrado (2010) examine all 16 rural districts in West Bengal (89 villages in 57 *gram panchayats*), drawing on the results of a household survey conducted between 2003 and 2004. Using a stratified random sample of 20 households per village, they examine the determinants of access to a variety of local government programs, including provision of toilets, participation in public works, receipt of Below Poverty Line (BPL) cards, and access to agricultural minikits. They find that the reservation of seats for women led to no improvement in intravillage household targeting to female-headed households and a worsening of targeting to households from schedule castes and tribes. These effects were mitigated in villages that had high land inequality. The authors interpret these findings to suggest that female leaders are inexperienced and weak and that their leadership exacerbates clientelistic allocations. In high inequality areas, female leaders are also from elite families, which makes them more effective.

Ban and Rao (2009) draw on community-level and household survey data and surveys of village presidents in four southern Indian states.

They find no significant effect of women's leadership on participation in public village meetings or the existence of women's organizations in the community. They also find that women presidents in reserved *gram panchayats* were significantly less likely than male presidents to meet with higher-level officials. Relative to unreserved *gram panchayats*, *panchayats* reserved for women invested significantly more in education-related activities. But on the vast majority of activities, female presidents behaved no differently from male presidents. In contrast to Chattopadhyay and Duflo (2004a), Ban and Rao find no evidence that female presidents acted in accordance with women's preferences.

More experienced female presidents in reserved *gram panchayats* were unambiguously more effective than less experienced ones.

Ban and Rao find considerable heterogeneity in their results. In particular, female presidents in reserved *gram panchayats* were unambiguously more effective when they were more experienced. Women in reserved *gram panchayats* performed worse when most of the land in the village was owned by upper castes, suggesting that caste structures may be correlated with structures of patriarchy in ways that make conditions particularly difficult for women. The authors also find that female presidents in reserved *gram panchayats* performed best in states where reservations had been in place longest, indicating the importance of the maturity of the reservation system. This effect, in conjunction with the positive effect of the president's political experience, points toward a hopeful future, as it suggests that as women acquire more experience and the system continues to mature, women will become more effective leaders.

Leino (2007) examines whether incentives for female participation improved the maintenance of infrastructure in Kenya. The intervention aimed to increase women's participation in the maintenance of water sources by encouraging them to attend community meetings at which water management committees were elected. Once elected, the water management committees were trained by a facilitating NGO to manage maintenance tasks for water schemes. The meetings were held at times convenient for women, and NGO facilitators emphasized the importance of women's participation at each meeting.

The intervention was successful in increasing the number of women on water management committees. It also increased the number of women holding leadership positions in the committee, more than doubling the odds that a woman was a committee chair. This effect appears to have persisted through the three-year period of the study. The increase in female leadership on the water management committees

had no impact on the quality of infrastructure maintenance, however. There is thus little evidence of any efficiency gain because of greater female participation—although, as the author notes, the more interesting result may be that increased inclusion can be achieved with no apparent efficiency cost.

In Kenya, incentives for inclusion increased female leadership on water management committees, but the increase had no impact on the quality of infrastructure maintenance.

Effect on Disadvantaged Castes

Chattopadhyay and Dufflo (2004a) examine how the type and location of public goods differs in unreserved *gram panchayats* and *gram panchayats* in which presidencies were reserved for historically disadvantaged Scheduled Castes (SC) in West Bengal.¹¹ Identification of the caste reservation effect was based on the random assignment of *gram panchayats* reserved for scheduled castes. The authors studied investments in drinking water facilities, irrigation facilities, roads, and education centers, measured using a participatory survey in which a representative group of villagers was shown a village map that depicted the location of all infrastructure schemes and then was asked which investments had been built or repaired since the last election.

The authors find that SC presidents did not significantly change the types of investments in public goods relative to presidents from unreserved *gram panchayats*. SC hamlets in SC-reserved *gram panchayats* received 14 percent more investment in public goods than SC hamlets in unreserved *gram panchayats*.

Chin and Prakash (2010) assess the extent to which reservation for disadvantaged castes and tribes improves living conditions for the poorest. Using panel data from 16 Indian states over the period 1960–92, they examine the effect of state-level reservations for SCs and Scheduled Tribes (STs) on state-level measures of overall poverty. The main question of interest is whether on balance, minority political representation is welfare enhancing for all of the poor. The authors find that reservations for SCs reduced overall poverty—that is, benefits to minority groups did not appear to have come at a cost to poor or near-poor nonminorities. Reservation policies for STs were more effective in reducing poverty in rural than in urban areas, suggesting some caution in generalizing findings in the absence of more empirical work.

Using data from four southern Indian states, Besley and others (2004) examine the effect of reservations for SCs and STs on the distribution of low-spillover and high-spillover goods within and

between villages at the *gram panchayat* level. They measure access to low-spillover (household-level) public goods through a household survey that defines access as having had a house or toilet built under a government scheme or having received a private water or electricity connection through a government scheme since the last *gram panchayat* election. They measure access to high-spillover public goods (public goods that are easily accessed across groups and neighborhoods) using data on *gram panchayat* activity from an independent audit of village facilities. An index constructed from these data measures whether the *gram panchayat* undertook any construction or improvement activity on village roads, drains, streetlights, or water sources since the last *gram panchayat* election.

Using a household-level regression with village fixed effects, the authors find that low-spillover public goods (access to which is more easily restricted to particular groups and neighborhoods) were targeted more toward SC/ST households. On average, a household from an SC/ST was 6 percent more likely to receive such a public good than a non-SC/ST household. The extent of such targeting was enhanced by living in a reserved *gram panchayat*. Relative to living in a nonreserved *gram panchayat*, living in a reserved *gram panchayat* increased a SC/ST household's likelihood of getting such a low-spillover public good by 7 percent.

Besley and others (2004) consider the village-level incidence of high-spillover public goods, as measured by the *gram panchayat* activity index. They find that on average, this index was 0.04 points higher in the president's village. Thus, for high-spillover public goods, proximity to the elected representative matters. In contrast, for low-spillover public goods, sharing the politician's group identity matters most.

Besley, Pande, and Rao (2005) show that reservation makes it more likely that SC/ST households will receive a Below Poverty Line card, which provides access to targeted benefits. This finding suggests that SC/ST leaders favor members of their own group.

Bardhan, Mookherjee, and Torrado (2010) find that SC/ST reservation has a positive effect on per capita benefits allocated to the village as a whole. It also improves intrahousehold targeting to both female-headed and SC/ST households—a sharp contrast to their results on women's reservations. In a related paper combining theory with an analysis of the same data set, Bardhan and Mookherjee (2012) find that the effects of SC/ST reservation are entirely consistent with a model of

clientelism. This result is also consistent with the results of Besley and others (2004).

This literature details the largely positive impacts of inclusion mandates. Other studies find that reservation mandates have had a mixed impact in terms of giving groups more voice or aligning the interests of caste leaders with the preferences of their groups.

Palaniswamy and Krishnan (2008) identify the effects of SC/ST political reservation in the Indian state of Karnataka by exploiting the random allocation of reservations, conditional on village population size and the proportion of the SC/ST population in the village. In looking at the distribution of grants within village councils, they find that villages represented in the village council by SC/ST members attract fewer resources. They also find that reservations for other backward classes (OBCs) allow some politically dominant castes (Vokkaligas and Lingayats) to run in these reserved constituencies. Such villages are likely to receive more resources, suggesting that elite capture may persist despite the presence of reservations.

Dunning and Nilekani (2010) use a regression discontinuity design to compare the impact of caste reservations on otherwise similar village councils in Karnataka. They find very weak policy and redistributive effects.

Munshi and Rosenzweig (2009) analyze survey data on Indian local governments at the ward level over multiple terms. They show that reservations for disadvantaged castes can have adverse village-level outcomes, by increasing the odds of electing lower-quality politicians who are able to attract fewer public resources. The caste system, the authors contend, serves as a commitment-enforcing device. Fearing social sanctions, a leader elected with the support of his or her caste is more likely to make decisions that reflect the preferences of the caste. When a caste group is large, it is able to elect its most able leader and to ensure that the leader implements a policy that does not deviate from the policy preferred by the median member of the caste. However, political reservations for disadvantaged castes make it less likely that a leader will be elected from a numerically dominant caste. Setting the main explanatory variable as the existence of a numerically dominant caste, the authors run a ward-level regression (the dependent variables are the characteristics of the elected ward leader and the ward-level provision of public goods). As they observe the same ward over multiple electoral terms, they are able to isolate within-ward variations in the identity

The majority of studies find that India's constitutionally mandated rules on inclusion have given disadvantaged groups more benefits. . . .

. . . but some studies find that reservation mandates have had adverse effects.

of leaders from a numerically dominant caste. The results show that, without a caste reservation, the existence of a dominant caste results in the election of a wealthier leader, as well as a leader who is more likely to be in an occupation involving independent decision making (farm operator, business person, or professional), and this appears to increase the overall level of local public resources the ward receives by about 16 percent.

In sum, while mandates thus seem to increase the representation of women and excluded groups in leadership positions and can be an effective mechanism for promoting greater inclusion in local councils. Their effects on resource allocation and the effectiveness of local governments seem to depend on the context. In particular, while women leaders are more effective in more mature reservation systems, their political effectiveness continues to be hampered by land inequality, the strength of existing structures of patriarchy, and the power of dominant caste groups.

In contrast, caste reservation seems to affect the local political economy by changing the incentives for clientelistic allocations. For the most part, clientelism seems to narrowly benefit SC/ST households with potentially detrimental effects for the majority of village residents.

The evidence also hints at the possibility that reservation rules are sometimes not properly enforced but instead captured by male-dominated structures of power. The vast majority of the evidence derives from Indian village democracies, however. The effects in non-democratic settings may be different.

Community-Driven Reconstruction

The active involvement of citizens in public life has come to be viewed as an important mechanism for managing or mitigating conflict at all levels; participatory development projects are seen as an important mechanism for reengaging citizens in public life. In the aftermath of widespread conflict, participation usually takes the form of reconstruction projects. The basic argument is that broad-based involvement in reconstruction planning can play an important role in rebuilding citizenship and trust in government institutions in a context in which state-society relations are frayed (Cliffe, Guggenheim, and Kostner 2003; World Bank 2011).

The conflict-reducing role of participatory development goes beyond postconflict conditions, however. Community-driven development projects are usually implemented in contexts where formal governance institutions are weak and access to judicial institutions, courts, or the local police is limited largely to people with wealth or political power. In such settings, ordinary conflicts over property rights, the use of natural resources, and violence (domestic or communal) must often be arbitrated within the community itself, often through informal justice institutions. The impartiality of such informal mechanisms may be limited for marginalized groups within a community.

In such environments, participatory projects could change the conditions under which disputes emerge and are resolved. On the one hand, the new informal institutional structures created by such projects could empower marginalized groups to demand more even and effective judicial services, from both formal and informal providers. On the other, they could create new struggles over the allocation of project resources and the distribution of power within localities, which could exacerbate local conflicts.

There is as yet little reliable evidence on the relative effectiveness of community-driven reconstruction projects as a means of delivering development aid or (re)building civil society under conditions of conflict. What evidence there is, is not altogether encouraging, though there are some positive findings.

Strand and others (2003) review 14 World Bank–funded community-driven reconstruction projects. They find that although community-driven reconstruction projects may provide a fast-track disbursement tool, the poor and marginalized have only limited access to such projects. Governments often have an incentive to provide community-driven reconstruction resources selectively, in order to increase their political support and may be reluctant to extend such programs to areas that are less important politically, making it difficult to scale programs up.

The authors also find that community-level trust and reconciliation building is effective only if it is linked to a comparable process at the national level. They conclude that community-driven reconstruction projects should be viewed not just as humanitarian efforts but also as potential political tools. An understanding of existing political and social relations and reconciliation structures on the ground, as well as the establishment of community capacity, are thus necessary preconditions for the equitable distribution of resources in such projects.

Overall, the evidence on the effectiveness of community-driven reconstruction projects as a means of delivering development aid or rebuilding civil society is weak.

Community-level trust and reconciliation building is effective only if it is linked to a comparable process at the national level.

Pearce (2007), who studied civil society participation in Colombia and Guatemala, argues that civil society organizations can play a prominent role in building citizenship by confronting violent actors in all spaces and levels of socialization. By restoring plurality and opening “invisibly sealed boundaries,” civil society organizations can curb violence by encouraging victims to understand violence.

A key metric of the success of community-driven reconstruction projects is the extent to which they improve state-society relations and build social cohesion and citizenship. This set of objectives can be difficult to evaluate, as the studies reviewed below illustrate. A second and perhaps equally important measure of success is the extent to which resources flow to activities and groups most targeted by such programs, usually the people most likely to be victimized by violence.

Barron, Woolcock, and Diprose (2011) examine a community-driven reconstruction project in Aceh, Indonesia (BRA–KDP) that built on the national Kecamatan Development Program by targeting resources to victims of the conflict.¹² Program targeting by the center worked well, as conflict-affected communities were included in the program. Targeting within communities was weak, however, with conflict victims generally faring no better than nonvictims, despite the explicit intended targeting of conflict victims. Conflict victims were also more likely to report that their preferred projects were not selected for implementation.

A postconflict reconstruction project in Indonesia may have reduced rather than increased conflict victims’ acceptance of excombatants.

Project funds were also used to provide private transfers to beneficiaries rather than investments in public goods. Not surprisingly, survey responses revealed income gains in program communities (the survey was conducted while the program was still disbursing funds). The study finds little evidence for any improvement in social cohesion or trust in governmental institutions, however. In fact, there is evidence that BRA–KDP was associated with less acceptance of excombatants by conflict victims in project areas, though there is no evidence of a greater tendency for tensions to escalate into violence (possibly because excombatants received some of the funds that were meant for civilian conflict victims).

A potential solution to the problem of measuring social cohesion is to complement survey data with behavioral games, which provide clearer measures of political practice and cooperation. The Fearon, Humphreys, and Weinstein (2009) study cited earlier suggests that there is a greater propensity to contribute cash and labor in program villages,

with much of the effect coming from contributions by excombatants. Survey evidence also suggests that individuals in communities with community-driven reconstruction projects report less social tension and exhibit greater acceptance of previously marginalized groups. There is no evidence, however, of any improvement in material well-being, though there is some evidence of improvement in local public goods. Fearon, Humphreys, and Weinstein do not see this improvement in public goods as unmixed evidence of the benefits of community-driven reconstruction in a conflict environment. In fact, they make the point that conflict usually occurs at levels that are higher than the “community” that such programs target. It is possible that strengthening cohesion at the local level could exacerbate conflict across communities. Their study finds no discernible effect on participants’ beliefs in broader democratic principles or other measures of citizenship. Furthermore, there was little impact on measures of social inclusion of refugees or new migrants into the community, although respondents in treated communities report greater trust in their leaders (see also Beath, Christia, and Enikolopev 2011 on Afghanistan).

Bellows and Miguel (2006) estimate the effects of the civil war in Sierra Leone (1991–2002), using unique nationally representative household data on conflict experiences, postwar economic outcomes, and local politics and collective action. They find strong evidence that individuals whose households had been subjected to intense violence were much more likely to attend community meetings, vote, and contribute to local public goods; they were also more likely to be cognizant of local political dynamics. Several tests indicate that selection into victimization is not driving the results.¹³ The relationship between conflict intensity and postwar outcomes is weaker at more aggregate levels, however, suggesting that the war’s primary impact was on individual preferences rather than on institutions or local social norms.

The use of community-driven reconstruction in postconflict settings is deeply affected by the context. The limited evidence is mixed. In some settings (Afghanistan, Liberia), such projects may have a positive effect on social cohesion. In some settings, people with a more direct experience of war (excombatants in Liberia, people affected by violence in Sierra Leone) were more likely to contribute to their communities and to participate in community meetings; in other settings, this was not the case. There is also no evidence to suggest that community-based

There is no evidence that postconflict community-based interventions increase trust or cohesion beyond the community level, or improve material outcomes.

interventions in postconflict settings increased trust and cohesion, had an affect beyond the community level, or improved material outcomes.

Participatory Councils and Deliberative Spaces

Public deliberation envisions a world in which citizens engage in reasoned, thoughtful debate to come to a consensual decision.

Public deliberation envisions a world in which citizens engage in reasoned, thoughtful debate to come to a consensual decision. It is the ideal form of participation. Its goal is to aggregate preferences through conversation, to allow the diverse views of a community to be consolidated and presented as one representative view.

Public deliberation is expected to have a number of beneficial effects—mirroring but intensifying the effects of participation. At the intrinsic level, public deliberation is expected to give voice and create a sense of agency and community; at the instrumental level, it is expected to enhance the capacity for collective action and repair civic failures by bringing the interests of citizens to the attention of the state. Important are not only formal deliberative forums but also what Mansbridge (1999) calls “deliberative systems,” where discussion and debate continue outside formal spaces as informal conversations between citizens and representatives, political activists, media, and other citizens. This everyday deliberation changes the nature of participation, making it more discursive and consensual than merely ritualistic. Mansbridge claims that “when a deliberative system works well, it filters out and discards the worst ideas available on public matters while it picks up, adopts, and applies the best ideas.” If, however, “the deliberative system works badly, it distorts facts, portrays ideas in forms the originators would disown, and encourages citizens to adopt ways of thinking and acting that are good neither for them nor for the larger polity” (Mansbridge 1999, 211). Deliberation is also at the heart of what Fung and Wright (2003) call “empowered participatory governance,” a system of governance that translates deliberative decision making into policy decisions and actions (see chapter 4).

Two sets of questions arise in considering the effectiveness of such a system. The first has to do with whether deliberation that empowers all participants is possible in highly unequal societies. The second has to do with whether deliberative capacity can be built and nurtured. Can policy interventions induce a system of empowered participatory governance? In what contexts does deliberation work well?

Africa

Deliberative democracy is not widespread in Africa, although indigenous traditions of deliberative decision making, particularly in rural communities, have carried over to public decision making to varying degrees (see chapter 1). In the island nation of São Tomé and Príncipe, all adults were invited to a national forum in 2004 to gather in facilitated groups to discuss policy issues related to the use of the newly discovered oil reserves. Local facilitators were randomly assigned throughout the country. Humphreys, Masters, and Sandbu (2006) find that leaders significantly influenced the outcomes of deliberation, with one-fifth to one-third of the variance in outcomes explained by leader fixed effects. They also find that groups led by women and older men tended to have different priorities and emphasize different processes than other groups.

A similar situation appears to prevail in Malawi, where evidence from more than a thousand ethnographic journals, in which field researchers capture the conversations of rural Malawians, shows a marked difference between the quality of deliberation in informal and formal settings (Swidler and Watkins 2011). The data, collected in conjunction with a study on the role of social networks in the HIV/AIDS epidemic, show that people in rural areas engage in deliberation “frequently, energetically, sometimes vociferously” in everyday settings—markets, village meetings, and chiefs’ courts—and freely “assert a variety of claims and moral principles” (p. 4). In induced settings such as donor-funded projects with deliberative modalities, however, they behave more like students in a rote-learning environment. Such settings “invoke the hierarchical template of school, with its colonial remnants and its deference to the prestige of modern learning” (Swidler and Watkins 2011, 4). Both facilitators and participants treat such forums like classrooms, where deliberation must be taught, giving citizens neither voice nor agency, as they are not engaging in a debate over their interests but simply acting out the scripts written by facilitators who are, in turn, following the dictates of donors.

Can deliberative skills be transferred from the private sphere to formal democratic settings? Can deliberation be cultivated without active instruction? In many contexts, communications media promise to be a useful tool. Paluck and Green (2009) examine the effects of a radio program that attempted to promote independent thought and collective action while discouraging blind obedience and deference to authority in

Deliberative decision-making groups led by women and older men tend to have different priorities and emphasize different processes than other groups.

postgenocide Rwanda. The program was randomly assigned to pairs of communities matched on a vector of observable characteristics, with the control community receiving a comparable structured program about HIV/AIDS. The program encouraging independent thought improved people's willingness to express dissent and seek collective solutions to common problems, but it had little effect on their beliefs and attitudes.

Paluck (2010) tests the impact of a year-long radio talk show that was broadcast in tandem with a soap opera on randomly assigned communities in the Democratic Republic of Congo. Control communities heard only the soap opera. The talk show was designed to encourage tolerance and sharing of different perspectives; the soap opera promoted intergroup contact. Compared with individuals exposed only to the soap opera, talk show listeners were more likely to engage in discussion. However, they were also more intolerant, more focused on grievances, and less likely to aid members of the community whom they disliked.

Deliberative skills
are ubiquitous in informal
forums in Africa . . .

. . . but it is difficult to
translate those skills to formal
settings, which tend to be
driven by leaders and follow
predetermined scripts.

These two media experiments demonstrate the potential and pitfalls of media-based strategies to promote deliberation in different post-conflict African contexts. Although deliberative skills are ubiquitous in informal forums, it is difficult to translate those skills to formal settings, which tend to be driven by leaders and follow predetermined scripts. The challenge for citizens is to develop appropriate political and cultural skills—what Swidler (1986) has called a cultural toolkit—to navigate the public sphere. The radio experiments in Rwanda and the Democratic Republic of Congo were structured precisely to develop this toolkit. They had mixed effects, helping build the capacity for deliberation and collective action in Rwanda while generating more noise than signal in collective discussions in the Democratic Republic of Congo. The radio experiments also raise the question of how long-lasting these effects are in the absence of active participation by a state that is committed to the idea of deliberation. Whether the effects will be sustained after the programs stop airing remains an open question.

Asia

Gram sabhas (village assemblies) constitute the largest formal deliberative institution in human history, affecting more than 700 million rural Indian residents living in more than a million villages. Besley, Pande, and Rao (2005) analyze data on *gram sabhas* from 5,180 randomly

selected households in 527 villages in South India to determine whether they yield instrumental (policy) benefits. They focus on a specific policy administered at the village level—access to a BPL card, which provides an array of public benefits. The authors estimate a regression that exploits within-village variation in individual characteristics to examine whether the targeting of BPL cards differs depending on whether the village held a *gram sabha* the previous year. They find that the targeting of landless and illiterate individuals was more intensive in villages that had held a *gram sabha*. Moreover, these effects were economically significant, raising the probability of receiving a BPL card from 8 percent to 10 percent. Some caution about these results is warranted, however, as it is possible that holding a *gram sabha* is correlated with other village characteristics that are important in shaping the way public resources are targeted.

Rao and Sanyal's (2010) qualitative analysis of 290 *gram sabha* transcripts from the same villages finds that the forums allow disadvantaged castes to gain voice and seek dignity and agency (see chapter 4). Ban, Jha, and Rao's (2012) quantitative analysis of coded versions of these transcripts emphasizes that these forums have characteristics that are consistent with an efficient democracy. Deriving hypotheses from models of group decision making under uncertainty, they analyze the transcript data to test two competing hypotheses of the types of equilibrium that could characterize *gram sabha* interactions: "cheap talk" (discussions are not substantive even though they may appear equitable) and "efficient democracy" (meetings follow patterns of good democratic practice). They find that in villages with high caste heterogeneity and less village-wide agreement on policy priorities, the priorities of the median "voter" (a reference individual whose expressed preferences track those of 50 percent of the population) are more likely to dominate the discourse, and landed elites have a negligible effect. Ban, Jha, and Rao conclude that *gram sabhas* are more than mere opportunities for cheap talk, that they more closely follow patterns observed in a well-functioning democracy.

Heller, Harilal, and Chaudhuri (2007) analyze qualitative and quantitative data from a survey of 72 *gram sabhas* in Kerala, where a "people's campaign" systematized and empowered deliberative systems in *gram sabhas*, which are considered exemplars of Fung and Wright's (2003) "empowered participatory governance." The authors find that civil society inputs strongly influenced the decisions of local and state

Gram sabhas are more than mere opportunities for cheap talk . . .

. . . discourse within them follows patterns observed in a well-functioning democracy.

governments and that the campaign had positive effects on social inclusion, giving both lower-caste groups and women a more active role in decision making.

Gram sabhas work because they are constitutionally mandated, which gives them legitimacy and clout and ensures that they are seen as ongoing rituals that will not disappear.

The evidence from India highlights three main principles of effective participatory governance. First, *gram sabhas* work because they are constitutionally mandated, which gives them legitimacy and clout and ensures that they are seen as ongoing rituals that will not disappear. Regularity ensures that public interactions have to accommodate all citizens, regardless of class, caste, or gender and that all citizens can voice their opinions publicly in a way that holds local government accountable. If deliberative forums are temporary or ad hoc events, they can be much more easily ignored, manipulated, and rendered ineffective.

Second, the evidence suggests that in order to provide the right incentive for participation, deliberative forums must have clout. Third, embedding such forums within the context of electoral democracy is helpful, but providing voice and agency to all citizens in settings with low literacy is a challenge.

Indonesia has a long tradition of consensual decision making at the local level. The World Bank–supported Kecamatan Development Program (KDP) attempted to move these traditions into more formal, modern settings. Over its 10-year life (1998–2008), KDP provided block grants directly to rural communities to fund projects prepared and selected through a deliberative process. The aim was to create participatory structures that would be a permanent alternative to decision making led by elites. KDP has been the subject of much scholarship and has generated a large number of important research findings highlighted throughout this report. The focus here is on the findings on the efficacy of deliberative forums.

One study finds that deliberation may be less effective in equalizing decision making than plebiscites . . .

Olken (2010) presents the results of an experiment in which 49 KDP villages were randomly assigned to choose development projects through the standard KDP deliberative process or by plebiscite (direct vote). Two types of projects were chosen by these processes for each village—a general project and a women’s project chosen exclusively by women. Olken finds that plebiscites resulted in dramatically higher satisfaction among villagers and increased their knowledge about the project, their perception of benefits, and their willingness to contribute. He finds that the type of projects selected did not change as a result of the plebiscite. For the women’s project, the plebiscite resulted in projects being located in poorer areas of the village, suggesting that it shifted

power toward poorer women, who may have been disenfranchised in more elite-dominated deliberative meetings. These results demonstrate that deliberation may be less effective in equalizing decision making than a direct election and that plebiscites may increase the legitimacy of and satisfaction with development interventions.

Olken's results are contradicted, to some degree, by an in-depth, large-sample qualitative study by Barron, Woolcock, and Diprose (2011), who take the unusual approach of combining a counterfactual design with qualitative analysis to study the mediating impact of KDP's deliberative spaces on local conflict. Their analysis investigates two central questions: how KDP interacted with prevailing social tensions and management of local conflict and, more generally, whether deliberative interventions such as KDP support progressive, nonviolent social change in a dynamic environment or make things worse.

The authors selected two districts in Indonesia considered to have high capacity in their ability to manage conflict and two considered to have low capacity. Within each district, three subdistricts (*kecamatan*s) were chosen—three that had KDP matched with one that was a control. The treatment and control subdistricts were matched through propensity score analysis, with the scores reflecting various economic indicators, including poverty rates and the availability of infrastructure. Qualitative observations supplemented the propensity score matching method in order to eliminate poor matches. Data were collected from 41 villages in these matched *kecamatan*s where conflicts were observed, and cases of conflict in the treatment and control *kecamatan*s were matched to be similar in type. Data collection was conducted over a seven-month period by a team of researchers who conducted case studies of conflict, interviewed key informants, observed deliberative processes, and conducted focus group discussions. The researchers also culled data on other local conflicts from local newspapers.

The study finds that although KDP and other development projects frequently trigger conflict because of competition over resources, the deliberative spaces within KDP make those conflicts far less likely to escalate and turn violent, largely because decisions emerge from a consultative process that communities perceive as legitimate and equitable. The likelihood of violence is also mitigated by the fact that KDP has facilitators and other procedures to manage conflict as it arises. However, there is little evidence that KDP has a positive impact on conflict at an aggregate level or even a direct positive impact on nonproject-

... and that plebiscites may increase the legitimacy of and satisfaction with development interventions.

In Indonesia, deliberative spaces made conflicts far less likely to escalate and turn violent, because decisions emerged from a consultative process.

related conflict at the local level. The project's main impacts, in fact, are on conflicts that emerge from the project itself. There are three main reasons for this finding: villages have other mechanisms to deal with nonproject-related conflicts, KDP facilitators are not perceived to have the legitimacy to mediate disputes outside KDP, and project facilitators do not have the capacity to deal with nonproject disputes.

KDP impacts are highly variable, though in both low- and high-capacity districts, program functionality matters more than the inherent capacity to manage conflict. There is also considerable variance over time, because KDP was not a standard project but had a considerable learning-by-doing component. This learning took place at different rates in different contexts, depending on the support the project received from government officials, the resistance of people whose interests were most threatened by KDP's transparency and accountability, and the quality of implementation. KDP is an assemblage of principles and procedures over which frontline facilitators have some modest discretion while interacting with villagers over many months. The quality of facilitators also varies, with some working tirelessly, beyond the call of duty; some merely doing what the job description requires; and some (though not many) capitulating to corruption.

Latin America

Latin America has witnessed several significant innovations, notably participatory budgeting. As described in chapter 1, participatory budgeting began as an organic innovation in the city of Porto Alegre, Brazil, where over time civic activists made the case for greater public deliberation in determining municipal budgets. When the party supported by activists (the Partido dos Trabalhadores [PT]) came into power, it implemented a deliberative process for budgetary decision making that came to be called "participatory budgeting" (Baiocchi 2011).

A series of studies tracking outcomes before and after the introduction of participatory budgeting (albeit without a counterfactual) finds substantial improvements. The budgeting process became substantially more transparent and responsive to citizens' needs (Souza 2001; Schneider and Baquero 2006; Zamboni 2007), it also empowered marginalized groups and made the budget more pro-poor (Souza 2001; Schneider and Goldfrank 2002; Serageldin and others 2003; Evans 2004). And the level of corruption decreased (Ackerman 2004;

Participatory budgeting made the budgeting process more transparent and responsive to citizens' needs, empowered marginalized groups, made the budget more pro-poor, and reduced corruption.

Cabannes 2004). However, while accountability improved as a result of a more transparent and deliberative process, the forums' lack of legal authority resulted in power remaining with the mayor's office (Wampler 2004).

These studies are descriptive or tracking analyses of largely organic innovations. They say little about how participatory budgeting would work if induced by an intervention or how any changes that resulted would compare to a counterfactual in which participatory budgeting was not introduced.

One of the few counterfactual analyses of participatory budgeting is by Baiocchi, Heller, and Silva (2011), who use a discontinuity design. They match five municipalities in which the PT came to power with a small margin of victory in 1996 and subsequently implemented participatory budgeting with five municipalities in the same region and of similar size in which the PT lost by a small margin, resulting in the nonadoption of participatory budgeting. As the PT is very much a party born of civil society and Brazil's social movements of the 1980s, Baiocchi, Heller, and Silva (2011) assume that two municipalities in which the PT garnered similar vote shares will be similar in terms of their local tradition of political activism and the composition and strength of civil society. In matching municipalities in this manner, they also try to control for scale and geography.

The researchers selected five pairs of the best-matched municipalities (one pair in the South, two in the Southeast, one in the Northeast, and one in the North). Analyzing a mix of data from quantitative surveys and carefully collected in-depth interviews and group discussions, they find that, in general, participatory budgeting municipalities facilitated much more effective forms of engagement than their non-participatory budgeting counterparts. In all municipalities with participatory budgeting, the effect was to increase the flow of information about municipal governance, create a space for citizens to voice their demands and to scrutinize what were once highly insulated and discretionary decision-making processes. This allowed citizens to bargain from a position of greater strength with municipal authorities.

There was considerable variation across the municipalities in how these outcomes were achieved, however. One municipality, João Monlevade, combined direct participation with a range of planning and coordination functions. Another, Gravataí, fashioned a set of processes that were very direct and required little mediation but that also made it

Participatory budgeting facilitated much more effective forms of engagement . . .

much more difficult to coordinate at higher levels. A third, Camaragibe, built a system that went beyond the budget to encompass administration. Its participatory administration resulted in a highly complex institutional design that combined forums with a range of coordinating institutions. The Camaragibe model required a high degree of mediation, in the form of powerful delegates who were often closer to the state than to their communities. These differences reflected pragmatic adaptations of participatory budgeting to local realities, in particular to local civic capacity.

Participatory budgeting improved governance outcomes, but did it repair civil society failures? In three of the five cases studied, Baiocchi, Heller, and Silva find that changes in civil society–state relations brought about by participatory budgeting were in the direction of democratic deepening, with municipalities graduating from the status of simple representative democracies in which civil society had little power to communities with more deliberative systems. However, the introduction of participatory budgeting does not inevitably deepen democracy, as illustrated by one case (Mauá), in which an improvement in the mode of engagement came at the expense of civil society’s autonomy, and the political party actually exercised more control over civic actors. Overall, institutional reform mattered mostly for changing the institutional setting—for creating more meaningful points of interface between the local state and civil society. Institutional reform did not have much of an impact on the self-organization of civil society.

. . . it did not inevitably deepen democracy, however.

Summary

What the evidence from all these regions shows is that context—the degree of capacity of civic groups, their relationship with the state, the responsiveness of the state, and the quality of facilitation and implementation—affects the impact of deliberative processes. Geography matters, as does history, the literacy levels of the population, culture (especially the culture of deliberation), and the level of social and economic equality. It is possible to build deliberative capacity and to use that capacity to repair civil society failures in some contexts—but it does not happen quickly; doing so requires long-term and sustained engagement. There may be some role for interventions that focus on communications media, but questions remain as to how long-lasting such effects will be. The quality of facilitation matters, but facilitators may also lead

Context—the capacity of civic groups, the responsiveness of the state, and the quality of facilitation—affects the impact of deliberative processes.

discussions that reflect their own preferences rather than the preferences of citizens. Most important, the degree to which the state is responsive to deliberative innovations makes a great deal of difference.

Conclusions

Collective civic action has two broad aspects. The first is cohesion—the ability of a community to coordinate and to manage its own affairs on matters that are relatively independent of states and markets. The second is the ability of a community to represent its collective interests to the agents of the state and persuade the state to be more responsive to its needs.

Can projects that attempt to induce participation and build “social capital” help repair civil society failures? The evidence on this important question is weak, for several reasons.

First, there is a problem of attribution. Because much of what induced participation does is get facilitators to work with communities, an important question is whether it is the facilitators who are causing the impact or the community’s experience with managing collective activity. The few studies that have tried to measure facilitator effects find that facilitators strongly influence stated preferences. Participation also tends to be driven by project-related incentives—people get together to derive benefits from project funds. It is very difficult to know whether these effects will last beyond the tenure of the project, although the limited evidence on this issue indicates that it may not.

Respondents also tend to repeat project slogans in their responses, in the belief that this is what outsiders want to hear. As a result, simple survey questions on complex concepts like “trust” and “ability to cooperate” often tend to elicit answers that are more reflective of rhetoric than reality.

Keeping these important caveats in mind, there is some evidence, mainly from self-reports of participants, indicating a higher incidence of trust and cooperative activity in treatment than in control areas. Group formation, however, tends to be both parochial and unequal. Absent some kind of affirmative action program, groups that form under the aegis of interventions tend to systematically exclude disadvantaged and minority groups and women. Moreover, similar types of people tend to

Whether projects that attempt to induce participation and build “social capital” can help repair civil society failures remains unclear.

Facilitators strongly influence the preferences community members state.

Community members repeat project slogans in their responses, in the belief that outsiders want to hear them.

Absent affirmative action, groups that form under the aegis of interventions tend to exclude disadvantaged groups and women, sometimes reinforcing existing divisions.

Evidence from Africa seems to suggest that people emerging from civic conflict have a strong desire to participate. A well-designed and implemented project could draw on this inherent need.

Quotas for women and other disadvantaged groups in decision-making bodies must remain in place long enough to change perceptions and social norms.

Deliberative forums seem to work when they have teeth.

form groups with one another. As a result, projects rarely promote cross-group cohesion and may even reinforce existing divisions.

Participatory interventions are often also seen as a valuable tool in postconflict settings, where the need to get funds on the ground quickly is great. The limited evidence on the effectiveness of such projects in postconflict areas suggests that context matters a great deal, as does the quality of the intervention. Projects tend to have very limited impact on building social cohesion or rebuilding the state. They tend to exclude the poor and be dominated by elites. However, evidence from Africa seems to suggest that people emerging from civic conflict have a strong desire to participate. A well-designed and implemented project could effectively draw on this inherent need.

Repairing civic failures requires reducing social inequalities. One way of doing so is to mandate the inclusion of disadvantaged groups in the participatory process. Evaluations of community-driven development projects provide virtually no evidence on this important question. However, a growing body of evidence from village democracies in India indicates broadly positive impacts. Quotas in village councils and presidencies for disadvantaged groups and women tend to change political incentives in favor of the interests of the group favored by the quota. Mandated inclusion also appears to provide an incubator for new political leadership while changing the incentives for clientelism. Evidence indicates that women and other excluded groups are more likely to stand for office for nonmandated seats once they have had some experience in a mandated seat. Quotas can also weaken prevailing stereotypes that attribute low ability and poor performance to traditionally excluded groups. However, lasting change requires that the inclusion mandates remain in place long enough to change perceptions and social norms.

Do deliberative forums help improve voice? Forums in which citizens gather to make direct representations to civic authorities or are empowered to make decisions that have a direct bearing on their lives seem to work when they have teeth. In particular, when the central and local governments recognize the legitimacy of deliberative forums and are responsive to them, they can transform the nature of civil society and state interactions. The ability of citizens to engage in public discussions on policy questions is strongly related to literacy: deliberation is far more effective in literate settings. However, even in poor, unequal settings, there is evidence that deliberation may have intrinsic value by promoting dignity and giving voice to the disadvantaged. Perhaps the

most consistent finding is that deliberative forums are more effective where they are an integral part of the policy-making process and where higher-tier governments are committed to ensuring greater citizen participation.

Deliberative forums are more effective where they are an integral part of the policy-making process and where higher-tier governments are committed to ensuring greater citizen participation.

Notes

1. The community reconstruction project was randomly implemented in 42 of 83 eligible communities (program villages were selected through a public lottery). The project aimed to improve the material well-being of resident households, reinforce democratic political attitudes, and increase social cohesion. To assess the impact of the program, the authors used survey data collected at baseline and follow-up as well as a study on behavioral outcomes. The survey data included the usual range of socioeconomic welfare measures as well as measures of social cohesion and trust.
2. The public goods game assessed the amount of funding a community could raise for a collective project. Each player started out with an “endowment” provided by the game implementer. Players were then offered an opportunity to invest their endowment in a common pool. Money added to the common pool was multiplied—typically doubled or tripled—by the game implementer and divided equally among all players, irrespective of individual contributions, which remained anonymous. If all players cooperate fully (that is, contribute the entire endowment), the common pool is maximized and each player gets a multiple of his or her initial endowment. With anonymous contributions, each player faces the temptation to free-ride on the contributions of others.
3. Village pairs were randomly allocated to treatment and control groups.
4. Because project resources were spent largely on local public goods that were under construction at the time of the survey, the welfare effects were not assessed.
5. The village development committees (VDCs) set up by the project were required to channel their village development plans through ward development committees (WDCs), which forwarded them to the district council for final approval.
6. The authors use matching techniques and national survey data collected before program implementation to select comparison communities. The social capital measures were obtained through qualitative work in the sample villages, following program implementation.
7. The comparison group is obtained by exploiting a pipeline setting. The program was introduced in phases. The second phase (Rural Poverty Reduction project [RPRP]) started three years after the first phase (DPIP) and was introduced in different districts. At the time of the survey, DPIP had been available to survey villages for about three years and RPRP was just starting. A potential concern with the pipeline strategy is geographical variation across treatment and control areas. The study does not test for

parallel trends. Instead, it uses propensity score matching on observables over an area of common support at the village and household level.

8. The authors identify three subgroups of interest: people who joined new groups under the program (new participants), people who already participated in a self-help group before the program started but converted into a program group subsequently (converted participants), and people who did not join the program (nonparticipants). To control for household self-selection into a program's self-help group, they form control groups using households that were potentially new, converted, and nonparticipants in the control districts based on their participation status three years after the program became available.
9. The author attempts to deal with selection into DPIP by using a quasi-experimental evaluation design that exploits state borders as an exogenous source of variation in treatment assignment. The strategy involves selecting only treatment villages in Madhya Pradesh that are close to its border with Uttar Pradesh and then "pairing" each village with its neighbor in Uttar Pradesh, which did not have the option of being a DPIP village but is assumed to be similar to the treated village in all other respects. She uses a similar strategy for control villages, selected from villages in Madhya Pradesh that were also on the border but did not get DPIP, yielding "control pairs." This identification strategy rests on two crucial untested assumptions, namely, that (a) the treatment and control villages in Madhya Pradesh had the same baseline levels for the relevant response variables as the "paired" village in Uttar Pradesh and (b) any difference in the relevant baseline outcomes in Madhya Pradesh and Uttar Pradesh was the same in the control and treatment pairs. Only under these conditions could this approach reveal the treatment effect of DPIP. There is no *prima facie* reason to expect this set of assumptions to hold, and the author provides no evidence in support of them, other than a comparison based on village population, caste composition, and gender ratio before the program. It is unclear why these variables are the relevant ones for the outcomes of interest.
10. The IAT is an experimental method used in social psychology. It relies on the idea that respondents who more easily pair two concepts in a rapid categorization task associate those concepts more strongly. The taste IAT is a computer-based double-categorization task that examines the strength of respondents' association between images of (anonymous) male and female leaders and normative categories of good and bad. To measure gender occupation stereotypes, the authors use an IAT that examines the strength of association between male and female names on the one hand and leadership and domestic tasks on the other.
11. Scheduled Castes and Scheduled Tribes (SCs and STs) are groups mandated by Indian federal constitutional guarantees for affirmative action because of their former status as "untouchables." OBCs (Other Backward Classes) are castes listed by state governments in India as deserving of affirmative action because of a history of poverty or discrimination.
12. The study used propensity score matching to identify control villages that did not receive project funds. It used an instrumental variable approach to evaluate the effects of the program in treatment villages.

13. The authors acknowledge that they cannot rule out the possibility that omitted variable bias is playing some role—that is, that the types of people victimized tended to be the people who would have become postwar local leaders anyway. However, there is no strong evidence that more educated people or community leaders were targeted. Additional tests—demonstrating robustness in the youth subsample and in chiefdoms without permanent bases, where conflict-related violence victimization is likely to be more indiscriminate or random—argue against the hypothesis that the systematic targeting of community leaders is driving the results.

References

- Ackerman, J. 2004. “Co-Governance for Accountability: Beyond ‘Exit’ and ‘Voice.’” *World Development* 32(3): 447–63.
- Agarwal, B. 2001. “Participatory Exclusions, Community Forestry, and Gender: An Analysis for South Asia and a Conceptual Framework.” *World Development* 29(10): 1623–48.
- Arcand, J.-L., L. Bassole, G. Rota-Graziosi, and J. P. Tranchant. 2008. “The Making of a (Vice) President: Party Politics, Ethnicity, Village Loyalty and Community-Driven Development.” CERDI Working Paper 200633, Centre d’Etudes et de Recherches sur le Développement International, Clermont-Ferrand, France.
- Arcand, J.-L., and M. Fafchamps. 2012. “Matching in Community-Based Organizations.” *Journal of Development Economics* 98(2): 203–19.
- Baiocchi, G., P. Heller, and M. Silva. 2011. *Bootstrapping Democracy: Transforming Local Governance and Civil Society in Brazil*. Stanford, CA: Stanford University Press.
- Ban, R., S. Jha, and V. Rao. 2012. “Who Has Voice in a Deliberative Democracy: Evidence from Transcripts of Village Parliaments in South Asia.” *Journal of Development Economics* 99(2): 428–38.
- Ban, R., and V. Rao. 2009. “Is Deliberation Equitable: Evidence from Transcripts of Village Meetings in India.” Policy Research Working Paper 4928, World Bank, Washington, DC.
- Bardhan, P., and D. Mookherjee. 2012. *Political Clientelism and Capture: Theory and Evidence from West Bengal*. Working Paper, Department of Economics, University of California, Berkeley.
- Bardhan, P. K., D. Mookherjee, and M. P. Torrado. 2010. “Impact of Political Reservations in West Bengal Local Governments on Anti-Poverty Targeting.” *Journal of Globalization and Development* 1(1): 1–34.
- Barron, P., M. Woolcock, and R. Diprose. 2011. *Contesting Development: Participatory Projects and Local Conflict Dynamics in Indonesia*. New Haven, CT: Yale University Press.
- Beaman, L., R. Chattopadhyay, E. Duflo, R. Pande, and P. Topalova. 2009. “Powerful Women: Does Exposure Reduce Bias?” *Quarterly Journal of Economics* 124(4): 1497–540.
- Beaman, L., E. Duflo, R. Pande, and P. Topalova. 2012. “Female Leadership Raises Aspirations and Educational Attainment for Girls: A Policy Experiment in India.” *Science* 335(6068): 582–86.

- Beath, A., F. Christia, and R. Enikolopev. 2011. *Elite Capture of Local Institutions: Evidence from a Field Experiment in Afghanistan*. Working Paper, Department of Government, Harvard University, Cambridge, MA.
- Bellows, J., and E. Miguel. 2006. "War and Institutions: New Evidence from Sierra Leone." *American Economic Review* 96(2): 394–99.
- Besley, T., R. Pande, L. Rahman, and V. Rao. 2004. "The Politics of Public Good Provision: Evidence from Indian Local Governments." *Journal of the European Economic Association* 2(2–3): 416–26.
- Besley, T., R. Pande, and V. Rao. 2005. "Participatory Democracy in Action: Survey Evidence from Rural India." *Journal of the European Economic Association* 3(2–3): 648–57.
- Bhavnani, R. R. 2009. "Do Electoral Quotas Work after They Are Withdrawn? Evidence from a Natural Experiment in India." *American Political Science Review* 103(1): 23–35.
- Cabannes, Y. 2004. "Participatory Budgeting: A Significant Contribution to Participatory Democracy." *Environment and Urbanization* 16(1): 27–46.
- Casey, K., R. Glennerster, and E. Miguel. 2011. "Reshaping Institutions: Evidence on Aid Impacts Using a Pre-Analysis Plan." Abdul Latif Jameel Poverty Action Lab Working Paper, MIT, Cambridge, MA.
- Camacho, A., and E. Conover. 2011. "Manipulation of Social Program Eligibility." *American Economic Journal: Economic Policy* 3(2): 41–65.
- Chase, R. S., R. N. Christensen, and M. Thongyou. 2006. *Picking Winners or Making Them? Evaluating the Social Capital Impact of CDD in Thailand*. World Bank, Social Development Department, Washington, DC.
- Chattopadhyay, R., and E. Duflo. 2004a. "The Impact of Reservation in the Panchayati Raj: Evidence from a Nationwide Randomized Experiment." *Economic and Political Weekly* 39(9): 979–86.
- . 2004b. "Women as Policy Makers: Evidence from a Randomized Policy Experiment in India." *Econometrica* 72(5): 1409–33.
- Chin, A., and N. Prakash. 2010. "The Redistributive Effects of Political Reservation for Minorities: Evidence from India." NBER Working Paper 16509, National Bureau of Economic Research, Cambridge, MA.
- Cliffe, S., S. Guggenheim, and M. Kostner. 2003. "Community-Driven Reconstruction as an Instrument in War-to-Peace Transitions." Conflict Prevention and Reconstruction Working Paper 7, World Bank, Washington, DC.
- Deininger, K., and Y. Liu. 2008. "Economic and Social Impacts of Self-Help Groups in India." World Bank, Development Economics Research Group, Washington, DC.
- Duflo, E., and P. Topalova. 2004. "Unappreciated Service: Performance, Perceptions, and Women Leaders in India." Working Paper, Department of Economics, MIT, Cambridge, MA.
- Dunning, T., and J. Nilekani. 2010. "When Formal Institutions Are Not Enough: Caste, Party Politics, and Distribution in Indian Village Councils." Working Paper, Department of Political Science, Yale University, New Haven, CT.

- Evans, P. 2004. "Development as Institutional Change: The Pitfalls of Monocropping and the Potentials of Deliberation." *Studies in Comparative International Development* 38(4): 30–52.
- Fearon, J. D., M. Humphreys, and J. M. Weinstein. 2009. "Can Development Aid Contribute to Social Cohesion after Civil War? Evidence from a Field Experiment in Post-Conflict Liberia." *American Economic Review* 99(2): 287–91.
- Fung, A., and E. O. Wright. 2003. "Thinking about Empowered Participatory Governance." In *Deepening Democracy: Institutional Innovations in Empowered Participatory Governance*, ed. A. Fung, and E. O. Wright, 3–42. New York: Verso.
- Galasso, E., and M. Ravallion. 2005. "Decentralized Targeting of an Antipoverty Program." *Journal of Public Economics* 89(4): 705–27.
- Heller, P., K. N. Harilal, and S. Chaudhuri. 2007. "Building Local Democracy: Evaluating the Impact of Decentralization in Kerala, India." *World Development* 35(4): 626–48.
- Houtzager, P., A. Acharya, and A. J. Lavallo. 2007. "Associations and the Exercise of Citizenship in New Democracies: Evidence from São Paulo and Mexico City." IDS Working Paper 285, Institute of Development Studies, Brighton, United Kingdom.
- Humphreys, M., W. A. Masters, and M. E. Sandbu. 2006. "The Role of Leaders in Democratic Deliberations: Results from a Field Experiment in São Tomé and Príncipe." *World Politics* 58(4): 583–622.
- Kumar, N. R. 2007. *Pro-Poor Targeting and Participatory Governance: Evidence from Central India*. Institute for Economic Development Working Paper, Department of Economics, Boston University, Boston, MA.
- Labonne, J., and R. S. Chase. 2008. *Do Community-Driven Development Projects Enhance Social Capital? Evidence from the Philippines*. Policy Research Working Paper, World Bank, Washington, DC.
- Leino, J. 2007. "Ladies First? Gender and the Community Management of Water Infrastructure in Kenya." Working Paper, Department of Economics, University of California, Berkeley.
- Mansbridge, J. 1999. "Everyday Talk in the Deliberative System." In *Essays in Democracy and Disagreement*, ed. S. Macedo, 211–42. New York: Oxford University Press.
- Mansuri, G. 2012. "Harnessing Community: Assortative Matching in Participatory Community Organizations." Poverty Reduction and Equity Group, World Bank, Washington DC.
- Munshi, K., and M. Rosenzweig. 2009. "The Efficacy of Parochial Politics: Caste, Commitment, and Competence in Indian Local Governments." NBER Working Paper 14335, National Bureau of Economic Research, Cambridge, MA.
- Olken, B. 2006. "Corruption and the Costs of Redistribution: Micro Evidence from Indonesia." *Journal of Public Economics* 90(4–5): 853–70.
- . 2010. "Direct Democracy and Local Public Goods: Evidence from a Field Experiment in Indonesia." *American Political Science Review* 104(2): 243–67.

- Palaniswamy, N., and N. Krishnan. 2008. "Local Politics, Political Institutions and Public Resource Allocation." IFPRI Discussion Paper, International Food Policy Research Institute, Washington DC.
- Paluck, E. L. 2010. "Is It Better Not to Talk? Group Polarization, Extended Contact, and Perspective Taking in Eastern Democratic Republic of Congo." *Personality and Social Psychology Bulletin* 36(9): 1170–85.
- Paluck, E. L., and D. P. Green. 2009. "Deference, Dissent, and Dispute Resolution: An Experimental Intervention Using Mass Media to Change Norms and Behavior in Rwanda." *American Political Science Review* 103(4): 622–44.
- Pearce, J. 2007. "Violence, Power and Participation: Building Citizenship in Contexts of Chronic Violence." IDS Working Paper 274, Institute of Development Studies, Brighton, United Kingdom.
- Rao, V., and P. Sanyal. 2010. "Dignity Through Discourse: Poverty and the Culture of Deliberation in Indian Village Democracies." *Annals of the American Academy of Political and Social Science* 629(May): 146–72.
- Schneider, A., and M. Baquero. 2006. "Get What You Want, Give What You Can: Embedded Public Finance in Porto Alegre." IDS Working Paper 22, Institute of Development Studies, Brighton, United Kingdom.
- Schneider, A., and B. Goldfrank. 2002. "Budgets and Ballots in Brazil: Participatory Budgeting from the City to the State." IDS Working Paper 149, Institute of Development Studies, Brighton, United Kingdom.
- Serageldin, M., J. Driscoll, L. M. S. Miguel, L. Valenzuela, C. Bravo, E. Solloso, C. Sola-Morales, and T. Watkin. 2003. "Assessment of Participatory Budgeting in Brazil." Paper prepared for the Inter-American Development Bank, Washington, DC.
- Souza, C. 2001. "Participatory Budgeting in Brazilian Cities: Limits and Possibilities in Building Democratic Institutions." *Environment and Urbanization* 13(1): 159–84.
- Strand, A., H. Toje, A. M. Jerve, and I. Samset. 2003. "Community-Driven Development in Contexts of Conflict." Case Study, Chr. Michelsen Institute, Bergen, Norway.
- Swidler, A. 1986. "Culture in Action: Symbols and Strategies." *American Sociological Review* 51(2): 273–86.
- Swidler, A., and S. Watkins. 2011. "Practices of Deliberation in Rural Malawi." Paper presented at the conference "Deliberation and Development: New Directions," World Bank, Washington, DC, November.
- Wampler, B. 2004. "Expanding Accountability through Participatory Institutions: Mayors, Citizens, and Budgeting in Three Brazilian Municipalities." *Latin American Politics and Society* 46(2): 73–99.
- World Bank. 2011. *World Development Report 2011: Conflict, Security, and Development*. Washington, DC: World Bank.
- Zamboni, Y. 2007. "Participatory Budgeting and Local Governance: An Evidence-Based Evaluation of Participatory Budgeting Experiences in Brazil." University of Bristol, United Kingdom.