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<td>Rights</td>
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Citizen Participation in the Budget Process and Local Government Accountability: Case Studies of Organizational Learning from the United States and South Korea

Soojin Kim
PhD student
School of Public Affairs and Administration, Rutgers University, Newark

and Hindy Lauer Schachter, Professor Management, New Jersey Institute of Technology

E-mail: hindy.l.schachter@njit.edu
Citizen Participation in the Budget Process and Local Government Accountability: Case Studies of Organizational Learning from the United States and South Korea

Abstract

Citizen participation in budgeting can be one governmental mechanism to minimize organizational learning pathologies incurred by sole reliance on an administrative accountability model. March (1991) argued that organizations need two strategies for effective learning: exploration and exploitation. Together these strategies raise information distribution allowing organizational decision makers greater access to useful knowledge.

This presentation will analyze case studies of Los Angeles, USA and Bukgu, South Korea to show how participative budgeting combines exploration and refinement strategies over time to create processes to foster information exchange between citizens and public officials. Although analysis finds that representativeness problems remain in both cases, scholars, administrators and citizen advocates should have an interest in the narratives on how cities construct and refine processes that can improve citizen-administrator information exchange.

Keywords: citizen participation, citizen involvement, budget process, participatory budgeting
**Introduction**

This article examines and compares the organizational learning trajectories introduced by participatory budgeting—a decision-making process through which citizens deliberate and negotiate over the distribution of public resources—in two cities that introduced innovative plans about 10 years ago. One is Los Angeles, California, an American metropolis with over nine million inhabitants, and the other is Bugku, a Korean city with approximately 400,000 residents. The narrative examines the trajectory of participative budgeting process formation as a mechanism for helping administrators gain input on citizen desires to improve organizational decision making.

In many democratic societies, the role of citizens in the budget process has steadily widened over recent decades. One reason is the assumption that dialogue between administrators and citizens is a useful mechanism for increasing accountability in contested areas (Roberts, 2002). It is a valuable tool to improve citizen trust in government (Halachmi and Holzer, 2010). It aligns budgetary decisions with actual citizen priorities and values (e.g., Kahn, 1997; Franklin, Ho, and Ebdon, 2009). Berman (1997) shows that participation can feed useful information into budgeting; in addition, he found that citizens in cities with more participation were less cynical and more supportive of local governments.

One way that participation can increase budgetary effectiveness is by increasing the ability of governments to improve decision making—what management scholars call organizational learning. March (1991) identified two organizational learning strategies: exploration, the search for new procedures to increase effectiveness, and exploitation, the refinement of existing procedures. He argued that successful learning requires an appropriate
mix of both strategies. Exploration alone leads to "too many undeveloped ideas" (p. 71). Exploitation alone is only effective in the short run.

The core of the theory is that process matters in organizational learning. To improve decision making organizations must find a combination of exploration/refinement processes to undergird effective information distribution. They must unite those units that possess information with those units that need it (Huber, 1991). In budgeting, this means uniting administrators--who have information on municipal finance and budgetary processes--with their constituencies who have information on their own preferences. As Huber (1991, 101) notes, in such situations, "Combining information...leads not only to new information but also to new understanding." (Of course, the use of "exploitation" in this theory refers to extending available ideas rather than exploiting human workers.)

This article argues that participatory budgeting can be an effective organizational learning tool because it merges exploration and exploitation strategies. At its outset, participatory budgeting always represents a mode of systemic exploration--letting new people have input into a system when government officials can have no clear picture where such participation will lead. After its initial implementation, participatory budgeting requires refining and enhancing the new procedures so that they mesh with actual citizen schedules and needs.

This article argues that such refinement is necessary because aspects of participative budgeting make it difficult to structure effective systems a priori. First, initial participants are not always representative of their communities (Ebdon, 2000). In addition, those who do participate may underestimate the structural complexity in budgeting (Miller and Evers, 2002).
In the current system, specialized knowledge and terminology introduced by experts are serious barriers to meaningful citizen participation (DeSario and Langton, 1987; Fisher, 1993; Callahan, 2002). Both Berman (1997) and Ebdon (2002) argue that contemporary budgeting is inherently complex and difficult to understand for many people who do not even know how to obtain information to answer questions. Moreover, Miller and Evers (2002) insist that most public officials view citizen participation as a road to increased conflict due to the population's lack of knowledge. Thus, many public administrators and elected officials are reluctant to involve citizens in the budget process (Bland and Rubin, 1997; Ebdon, 2000; Berner and Smith, 2004).

In addition, constructing a participation system is difficult because simply supporting an abstract right to participate does not identify which participation techniques are most likely to increase accountability in a given jurisdiction. Numerous participation techniques are available. Table 1 provides illustrative examples of positive and negative aspects of various citizen participation mechanisms based on previous research. It is clear from this analysis that no perfect technique for successful citizen involvement exists. Effective techniques emerge from specific implementation contexts. Governments inaugurating participatory budgeting originally lack the information to structure the right mix of involvement forums to interest a sizable, representative group of people. After participation begins, interactions in the process allow officials to acquire additional knowledge about citizen needs that is key to organizational learning (Huber, 1991). Officials can then use this information to develop a more appropriate mix of forums through serial refinement. March (1991) notes that this type of extended learning process not only benefits the organization itself but also may help entities with which the learning organization interacts figure out how to improve their own decision making.
This article examines how the cycle of inauguration, information acquisition and structural refinement played out in two cities: Los Angeles, USA and Bukgu, S. Korea, both of which were early participatory budgeting pioneers. Because of the innovative work done in both municipalities, substantial literatures exist identifying steps the governments took to construct participatory processes. By examining innovations over time—seeing what changed and what remained the same—comparative case studies can be an appropriate method of learning about actual policy implementations trajectories in a given place and culture (Rhee and Schachter, 2010). Studying the development and implementation of participatory budgeting in Los Angeles and Bukgu, two very different cities in different polities, can show how similar exploration/refinement issues play out in different political systems once a jurisdiction inaugurates participatory budgeting plans.

<Table 1> Illustrative Advantages and Disadvantages of Citizen Participation

<table>
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<tr>
<th>Techniques</th>
<th>Advantages</th>
<th>Disadvantages</th>
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<tbody>
<tr>
<td>Vote (Ballot) (e.g., Budget Referenda)</td>
<td>• Enables citizens to express their opinions on specific public policy issues (Ebdon, 2000).</td>
<td>• Due to many specific budget referenda/rules in different states, it may yield inconsistent effects (Ebdon, 2000).</td>
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<td>Public Hearing</td>
<td>• Enables anyone who has interest in the specific policy to participate (Baker, Addams, and Davis, 2005).</td>
<td>• Attendance at the public hearing is usually very low (Ebdon, 2002).</td>
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<tr>
<td>Citizen Advisory Committee</td>
<td>• Effective in program planning and identifying community needs and interests and soliciting recommendations to meet those needs (Heikkila and Isett, 2007)</td>
<td>• Citizens who tend to get involved may not necessarily be representative of their communities (Thomas, 1995; Ebdon and Franklin, 2004).</td>
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<tr>
<td>Citizen Panel (e.g., Jury System)</td>
<td>• Citizen juries allows an opportunity to engage in self-governance and to inculcate civic virtue (Gastil and Weiser, 2006)</td>
<td>• Even though the jury provides a vehicle for direct citizen participation in an arena otherwise dominated by professional advocates and government officials, a lack of representativeness can compromise the jury as an institution (Kairys, Kadane, and Lehoczky, 1977).</td>
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<tr>
<td>Citizen Survey</td>
<td>• Institutionalized citizen surveys can provide a productive mechanism to incorporate citizen preferences into local government processes (Watson, Juster, and Johnson, 1991)</td>
<td>• Data from a systematic evaluation of citizen opinion are not necessarily comprehensive or representative of the entire community (Webb and Hatry, 1973).</td>
</tr>
<tr>
<td>Focus Group (Citizen Discussion Group)</td>
<td>• Relatively open-ended, face-to-face sessions can maximize the ability of respondents to emphasize which parts of a situation they consider key (Schachter and Liu, 2005)</td>
<td>• If a dominant member of the group monopolizes the floor or if most group members choose not to speak for whatever reason, problems can occur (Schachter and Liu, 2005).</td>
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<tr>
<td>Deliberation (e.g., Mini-publics, Consensus Conference, and Public Consultation)</td>
<td>• Can bring to bear fresh perspectives, scrutinize all the dimensions of complex issues in light of different perspectives, and articulate the concerns of the citizenry as opposed to special interests (Dryzek and Tucker, 2008).</td>
<td>• As in any complex policy-making process featuring multiple citizen inputs, it is not easy to trace the direct impact on public policy from any one input (Dryzek and Tucker, 2008).</td>
</tr>
<tr>
<td>Open Meetings (e.g., town meeting)</td>
<td>• Meetings can give people opportunities to speak and be listened to so affect their beliefs about the agency’s responsiveness and performance (Halvorsen, 2003).</td>
<td>• Attendance is often low and may not represent the community as a whole, and participants may have insufficient knowledge for effective input (Ebdon and Franklin, 2004).</td>
</tr>
<tr>
<td>Co-production</td>
<td>• Co-production between users and their communities can help build trust based on mutual relationships; it may transfer some power from professionals to users (Bovaird, 2007).</td>
<td>• Conflicts result from differences in the values of the co-producers (Taylor, 2003).</td>
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Two Case Studies

In modern globalized society, political innovations diffuse rapidly throughout the industrialized world often starting in the United States or Western Europe and then moving into Asia. Although citizen participation in the United States has a much longer history than in S. Korea which endured authoritarian, military dominated governments until the 1970s, yet both polities have experimented with involving citizens in developing and implementing policy in the last thirty years. Today cities in both polities use multiple participation forums including public hearings, meetings, internet surveys, and community advisory boards to involve citizens. In both polities, non-governmental organizations (NGOs) monitor activities of public officials. Comparing cities from these different milieus shows that despite variations in culture, history and size among other attributes, a commonality for Los Angeles and Bukgu was that officials initially lacked sufficient information to bring together a large, representative body of citizens to participate. The narrative in the next section shows that both governments then tried to introduce serial enhancements to refine the process--a project that continues in both entities at the present day. Analysis of the cases using principal-agent theory offers an explanation why it was easier for public officials to propose enhancements after the process started--how the process itself generated new and useful information for refinement. A final section offers conclusions.

(1) Los Angeles, California

Participatory budgeting came to Los Angeles in the wake of 1999's charter reform which incorporated neighborhood councils and a Department of Neighborhood Empowerment into
the governmental structure “to allow agencies and community organizations to discover shared interests” (Kathi and Cooper, 2005, 562). Charter reform itself was a response to dissatisfaction among residents of certain neighborhoods against a municipal government that "not only appeared remote from local concerns, but that was... remote in a city of 100 neighborhoods" (Musso et.al., 2007, 13). Prior to institutionalizing the neighborhood council system, speaking at City Council public hearings constituted the only official mechanism for budget process participation. These hearings, however, had little impact and led to few changes to the Mayor’s proposed budget (Musso, Kitsuse, Okumu, Sithole, and Stainberger, 2003).

With the reform, Los Angeles added nearly 90 certified neighborhood councils ¹, with seven to over 30 board members each selected by citizen voting in even numbered years. The new charter permitted the City Council to delegate to neighborhood councils its authority to hold public hearings prior to making a decision about matters of local concern, authorized neighborhood councils to present to the Mayor and Council an annual list of priorities, and required neighborhood councils to monitor service delivery and meet periodically with responsible city department officials to discuss concerns (sections 908, 909, and 910, respectively).

Lacking further charter specificity on how to involve neighborhood residents in budgeting early implementation centered on increasing communication from the center to educate citizens on budget complexities. October 2002 saw the inauguration of Budget Day at the Los Angeles Convention Center where city officials tried to explain the budget process to

¹ Department of Neighborhood Empowerment (DONE), Los Angeles, CA. Accessed at: http://done.lacity.org/dnn/
several hundred citizens. The city also offered members of the neighborhood councils a class called "City Budget 101."

A 2003 evaluation faulted this approach as tokenism absent more two-way communication. The evaluators pressed for feedback from the mayor regarding action on neighborhood proposals. They proposed situating deliberation in a series of regional budget panels composed of neighborhood council members that would meet with city officials in two regional budget forums. An October forum would allow panels to present neighborhood priorities to the mayor. A February meeting would involve dialogue on budgetary trade-offs prior to the mayor's April budget submission to the council (Musso, Kitsuse, Okumu, Sithole, and Stainberger, 2003).

For FY 2004-2005 Mayor James Hahn and the Department of Neighborhood Empowerment refined the original program. They tried to follow the evaluators' suggestions to improve actual citizen impact. They asked each neighborhood council to send two representatives to regional caucuses. At regional budget workshops, these representatives deliberated to select five budgetary priorities. Representatives from each region then presented these priorities to the mayor who could use them in his report to the city council.

FY 2005-2006 saw the additional refinement of an online survey to provide a snapshot of citizen budgetary priorities (Musso et al., 2007). After completing surveys, citizens had an opportunity to gather at Neighborhood Council Roundtables to review survey data and provide additional feedback. Council leaders then brought insights from these discussions to the mayor in their February meetings. In 2008, over 4,900 citizens submitted surveys (Los Angeles
Participatory Budget Program, n.d.) Table 3 summarizes the enhanced budget cycle in the City of Los Angeles.

<Table 3> The Budget Cycle in the City of Los Angeles

<table>
<thead>
<tr>
<th>January 20</th>
<th>February 10</th>
<th>February (Regional Budget Forums)</th>
<th>March 3</th>
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<tbody>
<tr>
<td>CAO (City Administrative Office) Budget Hearings with Departmental Management</td>
<td>Mayor’s Budget Conferences with CAO and Departmental management</td>
<td>Budget Conference regarding Regional Priorities between Regional Budget Panels (RBPs), Mayor, CAO, and Department Managers</td>
<td>Mayor’s Final Budget to CAO</td>
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<tr>
<th>April 20</th>
<th>June 1</th>
<th>August 5</th>
<th>August 15</th>
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<tr>
<td>Charter Deadline for Mayor to submit Proposed Budget to City Council</td>
<td>Charter Deadline for Council to adopt Budget as Proposed by Mayor or as Modified by Council</td>
<td>Mayor’s Budget Policy Letter Released (for Preparation for Next Budget)</td>
<td>Mayor/CAO Budget Orientation for Departmental Staff (Internal Review, Consultations and Negotiations)</td>
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<table>
<thead>
<tr>
<th>October (Regional Budget Forums)</th>
<th>November 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood Councils present Budget Priorities and deliberate on Regional needs to inform Mayor’s Budget Proposal</td>
<td>Departmental Budget Submittals due to Mayor and CAO</td>
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These efforts show the city government’s organizational learning through continuous efforts to engage the public with diverse participation mechanisms including neighborhood council elections, forums and surveys. Nevertheless, evaluations of participatory budgeting remained mixed. Musso et al (2007) praised the use of diverse participation tools which brought many stakeholders to the table. Yet, election participation for neighborhood council members remained low. More explicit legislation was needed to structure neighborhood council involvement in budgets including detailed procedures for involving neighborhood councils in city council deliberations, public hearings, and monitoring service delivery. Because of these challenges, Musso et al (2007) argued that the City’s implementation of participatory budgeting remained largely tokenistic, and has been hampered by limited resources, a challenging socio-economic environment, and organizational cultures that have not supported maximum participation.

(2) Bukgu District in Gwangju Metropolitan City Government

Participatory budgeting came to Bukgu in May 2003. It fulfilled Jae Kyjun Kim’s mayoral election promise to inaugurate a Citizen Participatory Budgeting Study group (CPBSG) that would initiate open deliberative forums on budgetary issues thus "holding civil servants accountable" (Choi, 2009, 137). As in Los Angeles, inviting participation as a way of enhancing accountability emerged in response to high popular distrust of the government with citizens blaming officials for opaque decision making (Ka, 2010)

In Korea, however, the proposal also received support from national officials. In 2004, during the Rho Moo Hyun administration, the national Ministry of Public Administration and Security strongly recommended that local governments implement citizen participatory
budgeting systems (Kwack, 2007). The Local Government Finance Act of 2005 gave mayors and district leaders’ responsibility to prepare and implement procedures to enable citizens to participate in the local budgetary decision-making process noting that some possible techniques of citizen participation were public hearings, meetings, and internet surveys (Kim et al., 2010).

As one of the few local governments with participatory budgeting, Bukgu found itself a subject of emulation from other Korean local governments which tried to learn from its example. At least equally interesting, Bukgu itself constantly tried to learn how its innovations worked in practice and expanded the techniques offered when this seemed necessary to increase involvement. In 2003-2004, the city began to offer its citizens budget information—including each municipal department's proposed budget and planning documents—through bulletins, cyber forum rooms, and an e-Budget portal on Bukgu’s government homepage (http://bukgu.gwangju.kr/). Also, since 2003, Bukgu's Planning and Finance Bureau has held public hearings to solicit citizen input before the bureau submitted a proposed budget to the City council. In addition, a budget participation citizen committee was formed composed of members of the general public, representatives of selected non-governmental organizations (NGOs), and members of resident self-government committees selected by recommendation\(^2\) and public invitation. (Currently, the committee has 95 citizen members and 5 sub-committees.)

In 2005, Bukgu added another deliberative forum that invited citizen involvement. Working with the NGO Participatory Autonomy Forum for 21C (PAF21C) it set up a public

\(^2\) Non-profit governments and a budget participation regional committee participate in the process of recommendation. Accessed at http://bukgu.gwangju.kr/
deliberation process named Budget Policy Debate. The NGO also set up a School of Citizen Budgeting to educate residents on budget complexities.

In April 2007, the e-budget portal began to conduct surveys to aggregate citizen budgetary preferences. In addition, using the Bukgu government homepage website, the government can easily monitor citizens’ requests and complaints and receive some idea if the participatory budgeting forums increase public interest and satisfaction regarding the budget process (Kwack, 2007).

In 2008, Bukgu inaugurated a budget participation regional committee composed of 198 members, selected by self-affiliation and recommendation. Specifically, after a public notice residents can apply for the committee or be recommended by citizens in the neighborhood. Each dong (a part of the gu or district) then gathers and delivers the information on all its applicants to the Bukgu government. And then both the Bukgu government and the citizen participatory budgeting study group select members for the committee.

Under these participatory budgeting processes, the budgeting cycle in Bukgu in Gwangju Metropolitan City government had four on-going stages: (1) gathering citizen opinions, (2) deliberation and adjustment, (3) budget resolution, and (4) budget evaluation and feedback (Ahn and Choi, 2009). Table 4 shows the major budget calendar of the Bukgu government.

<Table 4> The Budget Calendar in Bukgu, Gwangju Metropolitan City Government

<table>
<thead>
<tr>
<th>Annual On-going Process (Real-time)</th>
<th>July/August</th>
<th>September</th>
<th>September/October</th>
</tr>
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<tbody>
<tr>
<td>Citizens’ opinions are interacted with</td>
<td>Budget Orientation and Budget Policy</td>
<td>Planning and Finance Bureau delivered the</td>
<td>Involving Citizens’ Opinion in the proposed</td>
</tr>
<tr>
<td>Planning and Finance Bureau through the Homepage Website</td>
<td>Debate hosted by Planning and Finance Bureau</td>
<td>budget guidelines to each department</td>
<td>budget and Call for Budget Request is open to the public through Website</td>
</tr>
<tr>
<td>----------------------------------------------------------</td>
<td>--------------------------------------------</td>
<td>-----------------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>September/ October</td>
<td>October</td>
<td>September/ October</td>
<td>October</td>
</tr>
<tr>
<td>Planning and Finance Bureau submit Result of Citizens’ Budget Request and Opinions to City Council</td>
<td>Open the Budget Request Document of each department to the Public and Reflect Citizens’ Opinions to the Budget/ Negotiation and Adjustment among district departments and then Report the result</td>
<td>Budget Policy Debate (Public Deliberation for each budget issue) and Regional needs are deliberated to inform Budget Proposal</td>
<td>Internal Review and Negotiations of Councils before Opening Proposed Budget to the Public</td>
</tr>
<tr>
<td>October/ November</td>
<td>November</td>
<td>November</td>
<td>November</td>
</tr>
<tr>
<td>Planning and Finance Bureau Gather Citizens’ Opinions</td>
<td>Adjustment Committee is held for Local Finance Planning, Result of Citizens’ Opinions to the Budget and Result of Public Deliberation</td>
<td>Adopt Proposed Budget and Approval by Head of District Government</td>
<td>Submit Proposed Budget to City Council</td>
</tr>
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</table>


Overall, the whole participatory budgeting system was successfully operated through: (1) a central government’s encouragement as one of its local self-government/ decentralization reforms, (2) strong leadership by the head of the Bukgu government, and (3) interaction and communication between NGOs and experts (Park, 2006). In addition, the whole process included on-going feedback based on real-time interacting between the Planning and Finance Bureau and interested citizens.
Yet, Bukgu’s citizen participatory budgeting still has some problems. First, due to lack of time and resources, the budgeting system was not capable of reflecting all citizens’ opinions. A majority of people still do not express their actual preferences on budget priorities and related issues. Also, those people who did participate were not necessarily representative of the community since members of major committees were not elected but selected by putting their own names forward or being recommended by other people in their neighborhoods. In addition, most citizen members have no expertise about the budget so it is difficult for them to make speedy budget adjustments and decisions (Park, 2006). In addition, some of Bukgu’s public officials are not pleased to share budget information when they previously dominated interactions with citizens. Along with this challenge, the growing workload from the citizen input in the budget process may result in increasing some administrators' negative views on participatory budgeting (Kwack, 2007), a problem that Callahan (2002) found occurs in the American context as well.

Analysis

Similarities and differences emerge from these narratives of how two cities developed participatory techniques. One variation whose consequences are not clear emanates from differences in the levels of government involved in spearheading each original change. Los Angeles’ reform emanated solely from the needs of local government itself and the leadership of the city's mayor. Bukgu's move to innovate was based both on reform efforts of a central government agency, the Ministry of Public Administration and Security, and the agendas of local government officials. Additional research is needed to ferret out the role of national programs on local learning trajectories.
In addition, Bukgu gave non-governmental organizations (NGOs) a more important role in helping run the participatory budgeting system. This difference may emanate from the Korean city's smaller size, a relationship that might be confirmed in further research.

However, in the main, comparisons of Los Angeles and Bukgu show important similarities in how introducing participatory budgeting influences local budget processes. First, the two case studies reveal that members of both local governments—public officials, departments, the head of government, and councils—expanded the innovation during its first decade, in particular developing various additional participation methods to solicit additional citizen input. Although Korean scholars who analyzed Bukgu's offline and online methods generally rated them highly (Kwack, 2003; 2007; Na, 2005; Kim, 2006; Chun, 2008; Kim et al., 2010), unlike the early negative evaluations scholars gave Los Angeles, nevertheless both cities engaged in serial refinements.

A long line of public administration research argues that public hearings do little to involve citizens because such meetings lack two-way communication and citizen education opportunities (e.g., Arnstein, 1969; Middendorf and Busch, 1997; Baker, Adams and Davis, 2005). Yet this research has not altered the fact that public hearings remain a staple of government involvement efforts. They were part of the original participatory budgeting building blocks in both cities. Only over time did Los Angeles and Bukgu move beyond traditional public hearings to two-way deliberative communication between governments and citizens, a move that awakened some citizens’ interest in the budget process.

Problematically, however, both cases still retained relatively low participation levels and a lack of true representativeness. Despite Los Angeles' racial and ethnic diversity, no formal plans and ordinances regulated council participation to ensure racial, gender or income equity.
Bukgu’s procedure for composing major citizen committees cannot be considered representative as it was based on self- or neighborhood-recommendations.

One question that emanates from both jurisdictions decision to continually reassess and add to their programs is: Why did government officials not realize the need for all these various forums at the start? The answer seems to come from a physical and emotional distance between public officials and citizens arising from asymmetric information common in principal-agent interactions (Moe, 1984). In governmental budget processes, citizens are the principals and public officials are their agents. Prior to the introduction of participatory budgeting, officials lacked knowledge about citizen preferences; citizens lacked mechanisms for monitoring their agents and holding them accountable. Through citizen participation in the budget process, however, the distance between principals and agents became somewhat shorter; such processes gave interested citizens access to more and better information about governments and simultaneously, gave the local governments more information on a subset of citizens’ needs and preferences. <Figure 1> summarizes a conceptual framework of how participatory budgeting prods refinement in principal-agent theory.

<Figure 1> Conceptual Framework for Participatory Budgeting
This relationship corroborates the assumption that participating in the budget process can train citizens to deliver their preferences to their governments (Ebdon, 2002; Irvin and Stansbury, 2004 and Callahan, 2002). In the same context, it supports Mikesell’s (2007) contention that participatory budgeting helps to strengthen citizen’s participatory potential; in turn, this strength may result in more responsive and effective government. In addition, the Los Angeles and Bukgu cases accord with Irvin and Stansbury's (2004) argument that citizen participation can build strategic alliances between government and citizens.

The case studies from the United States and South Korea, ultimately suggest that citizen participation can lead to better governance since a closer distance between government and citizens can result in making public officials and government more accountable to citizens under certain limited precipitating circumstances. In Los Angeles, the precipitating circumstances that shook up government planners was the attempt of certain neighborhood residents to secede from the city. Bukgu also suffered from high citizen distrust of local government. It may be that cities engage in the uncertainty of inaugurating participative mechanisms only under the prod of negative public opinion for the status quo. For cities
undergoing similar prods, the case narratives accord with previous pro-participation studies that see citizen input into the budget process as a starting point to more effective governance if municipal accountability advocates pay attention to an ongoing process of creating and refining institutionalized engagement methods. In addition, attempts of other Korean cities to emulate Bukgu, support March’s (1991) assumption that organizational learning by one entity can help similar entities as effects extend through network externalities.

**Conclusions**

When public administration scholars write about organizational learning and accountability in public budgets, they generally seek to discover processes that will support organizational decision makers who see themselves as responsible to further citizen desires to the extent possible. Such a stance requires at least that decision makers be cognizant of citizen opinions. However, recent survey evidence suggests that administrators cannot correctly gauge citizen opinions on public-service questions; an information deficit exists (e.g., Poister and Thomas 2007). Organizational learning requires enhanced unity between those who have this information (the citizens) and those who need it (the administrators). To propel better information distribution some municipalities therefore develop forums where citizens and administrators can interact in the budget process. The case studies suggest that initial attempts require tweaking and refinement as administrators learn better way to engage citizens. This serial change process requires constructing additional forums and refining the original techniques to better meet citizen schedules. As Neblo et al (2010) suggested, some citizens prefer deliberative forums rather than one-way communication and such opportunities for
feedback emerge in the refinement process. As March (1991, 73) noted in his theory of organizational learning, the "advantages of exploitation cumulate."

However, even refinement efforts only bring relatively small groups of people into active involvement. In both case studies, these refinement efforts inevitably jostle head-on with many citizens’ lack of interest possibly due to their busy life, scarce resources, and distrust of politics. Involving large, representative bodies in budgeting would be the Alpha information distribution aim as administrators could then receive a fair picture of actual citizen agendas. When only part of the population participates, elected officials and administrators may not know how to respond; are they hearing the voice of the community or only the pleading of a few special interests? But the failure to achieve the goal of widespread and representative involvement, should not elide the increase--although limited--in citizen participation brought by both innovations studied in this article and the subsequent advance in information distribution provided to administrators and participating citizens. This increase caught the attention of the other Korean cities that subsequently tried to emulate Bukgu.

Information distribution is a systemic rather than individual-level operation (Huber, 1991). In the long run, administrator/citizen information synergy comes not from the efforts of one or two extraordinarily motivated agency employees or citizen leaders but rather through the institutionalization of appropriate forums available and attractive to large populations. To further enlarge the circle of those involved in authentic public participation, governments will have to develop multiple forums for citizens including education, training, meetings, and other deliberative processes as necessary. In addition, as the process teaches the public official more about citizen desires, officials will have to stay faithful to carrying out their constituents’
mandates. This need requires that cities have to set up forums to educate administrators how to interact with citizens; both parties in the process require training.

As Wampler (2007) points out, for participatory budgeting to succeed, city leaders have to make all budget processes including long-term planning clear and open to the public and not manipulate them for the benefit of public officials and politicians. Such participatory budgeting, combining exploration and refinement, is a tool to increase the information administrators need to stay accountable and provide responsive city management.
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