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# The Politics of Participatory Budgeting in Nigeria: A Case Study of Community Development Associations (CDAs)

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**KEYWORDS** Deliberative Democracy. Democratic Governance. Public Participation

**ABSTRACT** This paper sets out to look at the relationship between Community Development Associations (CDAs) and Participatory Budgeting (PB) in Nigeria, with a view to highlight the missing links between the two paradigms and identifying the reasons for the non-effectiveness of participatory budgeting in the country. The paper therefore submits that community development and participatory budgeting despite all the challenges remain relevant in our contemporary sociopolitical context. This is in view of the importance that it has been accorded by over forty democratic governments and over one thousand five hundred cities around the world. This is mainly a qualitative paper hence no primary data will be used. Among the key recommendations, it is suggested that the Federal Government of Nigeria provide fiscal and institutional support for CDAs in particular.

## INTRODUCTION

Since the earliest period of human history, communities have engaged in self-help and other development activities. These activities generally fall under the rubric of community development. They are not limited to the local scale alone, but have infiltrated state, provincial and national governments. Over the past two decades or so, one of the key instruments that has come increasingly to the fore in terms of promoting community participation, has been participatory budgeting (PB). The intention here is to bring the government closer to the people, to enhance human growth and infrastructural development, to ignite the spirit of community services, and to involve citizens in policy planning, policy development and policy implementation.

According to Cabannes (2015: 257-284), participatory budgeting (PB) “entails citizens meeting to agree on priorities for part of the local government budget for their neighborhood or the city as a whole, and helping to oversee project implementation. PB has contributed significantly to improving basic service provision and management, with projects that are usually cheaper and better maintained because of community control and oversight. PB improves governance and the delivery of services; it does not often fundamentally change existing power relations between local governments and citizens”.

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Del Prado et al. (2015: 1) perceived the participatory budgeting process as a means of “empowering civil society organizations to engage with local governments and national government agencies in local development planning”.

Stiefe and Wolfe (1994: 5) are of the opinion that “participatory budgeting is an attempt by citizens to take control of public resources, insisting that public participation is simply the organized efforts to increase control over resources and regulative institutions in given social situations, on the part of the groups and movements hitherto excluded from such control”.

According to Parry et al. (1992: 16), participatory budgeting refers to “participation in the process of formulation, passage, and implementation of public policies. In essence, public participation is not just about taking part in elections, but also has to do with the engagement of the citizens in social and public issues’’.

Gaventa and Valderrama (1999: 5) identified the changing phases and shifts in public participation in the 21st century. They classified the various shifts as follows: “Beneficiary to Citizens, Project to Policy, Consultation to Decision-Making, Appraisal to Implementation and Micro to Macro”. In essence, public participation is an ever evolving and dynamic concept that remains active as long as there is a need for governance and citizens' participation in governance such as the community development efforts.

According to Creighton (2014: 1), participatory budgeting is "an open, accountable process through which individuals and groups within communities can exchange views and influence decision-making. It is a democratic process of engaging people in thinking, deciding, planning, and playing an active role in the development and operation of services that affect their lives particularly at the community level".

### Objectives

The main objective of this paper is to examine the relationship between Community Development Associations (CDAs) and Participatory Budgeting (PB) in Nigeria, with a view of highlighting the missing links between the two paradigms and identifying the reasons for the non-effectiveness of participatory budgeting in the country.

## MATERIAL AND METHODOLOGY

Materials for this paper were largely based on secondary data. The secondary data was collected from published literature that was relevant to the topic such as books, journal articles, newspapers, magazines and Internet sources as well as other library materials. The paper analyzes materials collected using a qualitative methodological approach. No primary data such as that derived from questionnaires or interviews was used.

## OBSERVATIONS AND DISCUSSION

### Participatory Budgeting

Participatory budgeting is one of the "models or strategies of public participation in democratic governance that was first developed and implemented in the municipality of Porto Alegre, the capital city of Grande do Sul, Brazil in 1989" (Fung and Wright 2003: 3).

There is no universal definition or model of participatory budgeting. However, participatory budgeting may be viewed as "an approach through which an entire community can participate in the public budget process" (UN-HABITAT 2009: 8).

Umo (2014: 178-184) is of the opinion that "a participatory budget prepared by a democratic accountant will boost organizational effectiveness. Empirical evidence is in support of the fact that in majority of cases, the participatory method of budget preparation produces better results as far as the effectiveness and efficiency of organizations is concerned". In essence, participatory budgeting is a means of bringing about organizational effectiveness and efficiency, which will come into play when corruption is reduced to the barest minimum through effective use of the mechanism.

According to Gideon (2014: 1-8), "the poor budget implementation in Nigeria has inevitably led to poor governance, hence the problem of budget implementation will be a thing of the past when it is reviewed periodically to ensure that programs are implemented effectively and to identify any financial or policy slip-ups".

"Participatory budgeting is a process by which citizens, either as individuals or through civic associations, can voluntarily and regularly contribute to decision-making over at least part of a public budget through an annual series of scheduled meetings with governmental authorities" (Chavez and Goldfrank 2004: 20).

Wampler (2007: 8) summarized the goals of participatory budgeting as follows: "participatory budgeting program confronts social and political legacies of clientelism, social inclusion, and corruption by making the budgetary process transparent and public. Social and political exclusion are challenged, as low-income and traditionally excluded political actors are given the opportunity to make policy decisions. By moving the locus of decision-making from the private offices of politicians and technocrats to public forums, public meetings help foster transparency".

For Aragon and Sanchez (2008: 164), "participatory budgeting is a form of community participation in democratic governance that refers the redistribution of resources in favor of the more vulnerable social groups by means of participatory democracy. It is a means of reducing the predominance of the state over civil society, through the distribution of resources and the definition of investment priorities".

In other words, participatory budgeting is a process of democratic deliberation and decision-making. It is a participatory democracy, in which the common people decide how to allocate part of a municipal or public spending on projects. They are empowered by the central government to take decisions about how money is appropriated and spent.

Furthermore, according to Adesopo (2011: 111-116), participatory budgeting is basically a term describing mechanisms through which the public influences public service investment priorities.

The four basic steps that are involved in a participatory budgeting process are:

1. The identification of spending priorities and selection of delegates.
2. Development of specific spending proposals, with expert input.
3. Community members vote for preferred proposal to be funded.
4. City authority implements the top priority proposals (Santos 1998: 461-510).

**Evaluation**

***Community Development Associations (CDAs) and Participatory Budgeting Process in Nigeria***

The history of Community Development Associations (CDA) could be traced to the precolonial period in Nigeria (Okwakpam 2010: 1-3). The aim of setting up the CDA by the Federal Government of Nigeria was for them to serve as an institutionalized channel for robust citizen participation in democratic governance.

The Community Development Associations were put in place by the government to ensure that the communities were well organized with the aim to promote self-help. Initially, a central working committee known as a Community Association is formed in the communities under the supervision of the Ministry of Agriculture, Rural and Social Development.

Furthermore, the Ministry of Agriculture, Rural and Social Development register the Community Development Associations. The Federal Government policy states that CDAs should be formed in every community countrywide. The Community Development Association manages resources for the benefit of all.

The Community Development Association is “a forum for people to articulate their views, aspirations and community needs. It is primarily aimed at helping people within a local community to identify their social needs, to consider the most effective ways of meeting these needs and to set about doing so, as far as their available resources permit. Hence, it aims at building up and preserving society that pre-supposes and reinforces a common direction of interest and cooperation in order to achieve shared aims” (Okwakpam 2010: 1-3).

The roles of the CDA include the following:

1. The implementation and maintenance of self-help projects,
2. Organization of town hall meetings
3. Provision of feedback mechanisms through the community development day celebration
4. Formation and maintenance of Vigilante Groups
5. Organization of community development exchange programs on the basis of inter-community or inter-local government or inter-state exchange basis
6. Facilitation of grants in aid to deserving communities (Omofonmwan and Odia 2009).

Advantages of the CDAs are that it: provides an avenue for networking, serves as an avenue for citizens to articulate their views, aspirations and needs, provides better opportunity for funding from international organizations with the collaboration of the civil society, provides training on governance and citizenship education to the ordinary people who may never have the opportunity to be elected or be in the parliament, helps in the maintenance of peace and security through the vigilante groups in the communities, serves as a means of decentralization from the over-bloated city governance, and encourages and protects local initiatives. A good example of such an initiative or structure elsewhere is the *panchayat* system in India.

According to Ambali and Fajonyomi (2014: 176-181), “Community Based Associations (CBAs) such as the CDA has increased the level of participation in development projects in Kwara state, Nigeria that is, (52.4%) on a scale of 5 which was considered to be high. The relationship between economic status and level of participation has also increased significantly. Variations in the level of participation with employment, access to water and transportation has also made statistically significant contributions”.

Furthermore, Ibok and Akpanim (2014: 1-7) claim that “community development has contributed tremendously to the developmental stride in Nigeria, this has been largely facilitated by the Ministry of Rural Development which serves as the clearing house to these associations thereby instilling confidence in their members. The Ministry has not only streamlined these associations, but has also repositioned them for effective performance''.

"Nigeria has been in partnership with the World Bank prior to its independence in 1960. The essence of the strategy was to enable the Bank to focus on community empowerment and local level development as key elements of its overall strategy for poverty reduction. The agency's intervention in rural communities in Ebonyi State community social development projects has over the years been providing rural settlers with infrastructures such as skill acquisition, processing machine, roads, rural water supply scheme, housing, electricity, building of model communities and access to quality education, improved'' (Nkwede and Samuel 2014: 1-6).

### *Participatory Budgeting in Nigeria*

In Nigeria, particularly in Lagos State and Abuja, the country's capital territory, there have been substantial efforts at enshrining participatory budgeting. Participatory budgeting (PB) was formally established in Nigeria by the administration of President Olusegun Obasanjo in 2001(UN-Global Campaign on Urban Governance 2002). It aimed to acquaint citizens with modern fiscal management methods and to also raise general awareness of citizens.

Furthermore, there is interdependence between the executive, legislature and the judicial branches of the government that aims to include citizens in a form of participatory budgeting through the CDAs. It also aims to encourage the civil society's participation in the budgetary processes.

"Against this background, the use of budgetary structures and reform think tanks as a framework to initiating a new economic order has found replication in emergent practices of public accountability, and the fact that the number of people living in Nigeria's Lagos, the fastest growing megacity in the world, is expanding at more than five percent a year. Through the new budgetary structures that involve the participation of the CDAs and civil society, the citizens have become more determined to redefine budgetary strategies. This is, perhaps more important particularly with the growing incidence of the urbanization of poverty and the challenge of meeting the Millennium Development Goals (MDGs), now the Sustainable Development Goals (SDGs). In essence, the Budget Process is now being legislated to provisionally reinforce the structures such as the CDAs to fuel growth among the economically active poor and disadvantaged citizenry through the instrument of the budget" (UN-HABITAT 2009: 10).

"The significance of this method is that the approach is an assured way of delivering basic social infrastructure and services to the poor as it minimizes the misuse of resources. In this regard, other knowledge sharing for the citizens may help to produce a more participatory practice, accountable and impact driven budget in which the interests and rights of all citizens will find expression" (UNDP-Nigeria 1999: 15).

Substantially, "the massive awareness of the active civil societies and developmental agencies in Nigeria such as the UNDP, the civil society and the CDAs has tremendously impacted the citizens' consciousness and interests in evolving a standard model of participatory budgeting in the public sphere, and this has also led to some noticeable changes in public accountability monitoring. There has been an increased local revenue collection as citizens are given a sense of belonging and a chance to participate in the planning process. Participation and monitoring by residents, non-governmental organizations, civil societies and developmental agencies, such as the Community Development Association (CDA) has risen from fourteen percent to sixty-five point eight percent. Furthermore, wards, districts and local governments where agreed lists of priorities were sent to Lagos State Government, Local Councils and NGOS, in participatory budgeting has also increased on an average of thirty-four point two percent in 2007, and forty-three point six percent in 2008" (UN-HABITAT 2009: 63-64). However, the stark reality reveals that there still exists a significant missing link.

According to Fung and Wright (2003: 5-8), direct democracy and community-based representative democracy are always on a collision course. The PB is a case in point. Following Fung and Wright (2003), the missing link between CDA and PB is the problem of decision-making and oversight.

Adamolekun (2008: 3) is of the opinion that "improving the budget process is a cardinal principle in urban governance and even in the rural communities. This is in view of the fact that budgeting has gone beyond just being an annual ritual of budget appropriation. It is a very strategic essence of governance in view of available scare resources to the government. It is through the instrument of budgeting that priority projects are identified and implemented for development".

According to Adamolekun (2008: 3), "a good budget must contain a process that effectively involves all stakeholders, such as elected officials, governmental administrators, employees and their representatives, citizen groups, and business leaders and must reflect their needs and priorities which will serve as a positive force in maintaining good public relations and enhancing citizens' and other stakeholders' overall impression about government".

It is, however, sad to note that the necessary synergy among the above stakeholders is conspicuously absent in the present scheme. Fung and Wright (2003: 5-8) also identified the following as disadvantages of participatory budgeting: "the successes of participation that is, participatory budgeting is difficult to sustain over a long period of time, the power of the state is often jettisoned and state power is colonized, there is overconcentration on relatively narrow issues that is, redistributive taxation or property rights. There is also the problem of non-availability of expertise, experience and sound knowledge, and when experts are even available they have no final say. Their task in the end is mere making of suggestions and advice".

Also, "participants, as a danger of deliberative process, often use their power to manipulate and enhance the legitimacy of their opinions and positions that are often motivated by particularistic or personal interests". The so-called participants are also not equal in resources, education, intelligence, dominant racial group or ethnicity.

"Participatory budgeting also suffers from animosity and threats, due to strategic bargaining and deregulation, disrespect for local circumstances and intelligence, since they are linked to higher units and these units takes the final decisions, this can ultimately make public participation to fall prey to clientelism, that is, customer-client relationship, in place of state-citizen relationship" (Fung and Wright 2003: 5-8).

In line with the above, Ferguson (1994: 5) also identified the implementation of participatory budgeting, as a better system of (political) control. Therefore, community engagement such as the CDA may not after all necessarily enhance participation. This is in view of the fact that, the needs of the various communities are different, yet the same mechanism is employed in solving these problems, irrespective of the geographical locations.

Other challenges are:

Lack of support from the government to the CDA continues to dwindle annually. Most of the CDAs are demobilized and demotivated. Government officials in the local governments often perceived them as group of people that are encroaching on their authority.

In some cases, CDA members, in view of the fact that the decision-making process does not go through exhaustive deliberation, often take hasty decisions. The time at the disposal of most members is insufficient for thorough deliberation. They attend the meetings on voluntary bases and there are no strict punitive measures against members who default or do not even attend the CDA meeting at all.

Also, insufficient budget allocations constitute a major problem to the CDA. The various levels of government in Nigeria, from the federal, to the state and local government use the same budgetary process. At the beginning of the financial year, the budget is divided into two—the recurrent expenditure, which takes care of salaries, debts and so on and the capital expenditure, which takes care of projects that are to be executed by the government. In essence, it is the remnant of the finance that often gets to the CDA to execute their priority needs

Likewise, undue interference from the traditional rulers comes in the form of imposition of their candidates in key positions such as the chairman, secretary general, treasurers and others.

Furthermore, they often interfere in particular areas of the communities where priority projects are to be sited, and collude with state officials to manipulate the choice of priority projects, such as community halls, water, or electricity projects.

Besides, the dictatorial tendency on the part of members not wanting to leave office is a serious challenge faced by the CDAs in the process of participatory budgeting in Nigeria. This is in view of the fact that some of the officials have some qualities such as leadership charisma, experience, wealth and resources. This makes it possible for them to lord themselves over the less privileged members even to the detriment of the CDA bylaws, and the fact that some of these officials also have one or two things they can contribute to the CDA.

Moreover, there also exists the problem of a general lack of enlightenment, education and awareness on participatory budgeting in Nigeria. The model only exists in Lagos and Abuja, even though the government often sees it as an imposition on them by the United Nation Development Program (UNDP). Hence, government is not always disposed to creating awareness around participatory budgeting. It is mainly driven by civil society who is viewed by government as too radical in their approach and as a perceived enemy.

Additionally, the high level of illiteracy particularly in the rural communities and the local government also militates against the smooth implementation of participatory budgeting. This is in view of the fact that a good number of the attendees at the CDA meetings are illiterate and do not even have a clear understanding of the issues at stake for deliberation at the CDA meetings.

Similarly, "approved projects by governments are left unmonitored either implemented or not implemented. In most cases, the gazette documents of the government for such projects may have been implemented but in reality they are not implemented. The cycle of PB stops at implementation" (UN-HABITAT 2009: 8). There is, therefore, a need to enshrine a project monitoring committee, which includes the ordinary citizens, the civil society and the city government.

Correspondingly, "a good number of the local government personnel who are actually supposed to be facilitators in the participatory budgeting are not well equipped for the task of implementing the program. Most of the officials are employed with secondary school certificates" (Adamolekun 2008: 7). Hence, most are not even trainable, but left on the job due to patronage from the political elite and power holders.

Equally, "the ordinary citizens do have apathy towards the government and any government program even when such programs are put in place to better the life of the citizens" (Alonge 2005: 18), for example the free polio vaccination. Participatory budgeting is not left out of such neglect or apathy. This is as a result of false and unfulfilled promises by successive government administrations.

## CONCLUSION

The paper began with a brief introduction and provided a discussion section, based on the global outlook on participatory budgeting. Then an evaluation of CDAs and PB processes in Nigeria, vis-à-vis the roles of CDAs and the shortcomings of PB processes in Nigeria was carried out.

The position of this paper is that the implementation of participatory budgeting will be effective only if the existing structures work. No system is assumed to be perfect or bad, but the implementers need to take responsibility.

Furthermore, CDAs and PB despite all the attendant challenges remain relevant in our contemporary socioeconomic and political context, in view of the importance that it has been accorded by more than forty democratic governments around the world.

## RECOMMENDATIONS

Participatory budgeting may be difficult, but is not impossible to sustain over a long period of time, even as the power of the state is often jettisoned or colonized. The paper therefore makes the following recommendations.

More experts and professionals should be made available and given the authority and autonomy to have the final say on the actual implementation of participatory budgeting in communities.

Furthermore, mechanisms should be put in place to serve as checks and balances against the overbearing and monopolistic tendencies of participants who often use their power to manipulate and enhance the legitimacy of their opinions and positions that are often motivated by particularistic or personal interests. The so-called participants are not equal in terms of resources, education, intelligence, dominant racial group or ethnicity.

The low level of literacy among the participants is also a drawback for public participation. Hence, efforts should be made by the government to ensure that participants in the program are well informed, as this will determine the quality or otherwise decisions taken by the delegates.

Additionally, support from the government to the CDA continues to dwindle annually. Most of the CDAs are demobilized and demotivated. Government officials in local government often perceive them as a group of people that are encroaching on their authority. Based on this fact, a given percentage of the government annual revenue and income should as a matter of fact be dedicated to the CDA in order to enhance development and participation of the people in the rural areas.

Likewise, undue interference from the traditional rulers and chiefs in the form of imposition of their candidates in key positions such as the chairman, secretary general, treasurers and others needs to be prevented. They often interfere in particular areas of the communities where priority projects are to be sited, and collude with state officials to manipulate the choice of priority projects, such as community halls, water, or electricity projects. This is inimical to the spirit of participatory budgeting. The traditional rulers and chiefs should be made to concentrate on traditional and ancestral issues in the communities and not meddle in politics or participatory budgeting processes.

All stakeholders such as the state, non-governmental organizations, community-based organizations and the civil society must play their part in order to ensure the success of the program.

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