Toward sustainable governance with participatory budgeting

Lotta-Maria Sinervo
Faculty of Management and Business, Tampere University, Tampere, Finland
Luca Bartocci
Department of Economics, Universita Degli Studi di Perugia, Perugia, Italy
Pauliina Lehtonen
Faculty of Social Sciences, Tampere University, Tampere, Finland, and
Carol Ebdon
Department of Public Administration, College of Public Affairs and Community Service, University of Nebraska at Omaha, Omaha, Nebraska, USA

Received 13 November 2023
Revised 8 December 2023
12 December 2023
Accepted 12 December 2023

Abstract

Purpose – Sustainability is a pressing challenge of governance and public financial management. One key element of sustainable governance is the role of citizens. Participatory budgeting (PB) is a participatory tool with which citizens can influence public administration. PB is a democratic process that grants people real power over real money and it has spread around the world. This special issue explores the role of PB in the context of sustainable governance. In this editorial, the authors aim to approach PB as a form of sustainable governance.

Design/methodology/approach – In this editorial, the authors collaborate in the analysis of how PB is implicated in the public management of complex social, economic and ecological issues. The authors identify key dimensions of internal and external sustainability based on prior research. The authors approach these dimensions as an internal–external nexus of sustainable governance in which organizational and financial sustainability are the internal dimensions and socio-political and environmental sustainability are the external dimensions.

Findings – Even though PB can be seen as one tool for citizen participation, it has the potential to foster sustainability in multiple ways. PB, as a form of sustainable governance, requires a financially and administratively sustainable organizational process that results in the institutionalization of PB. It also includes thorough consideration of socio-political and environmental sustainability impacts of PB.

Originality/value – Academics are actively studying PB from various perspectives. However, most of this work has approached PB from the viewpoints of design and results of PB, and less is known about its institutional settings. PB has not yet been adequately studied in the context of sustainability, and there is a need to scrutinize PB as a form of sustainable governance.

Keywords Sustainability, Financial sustainability, Local government, Participatory budgeting, Organizational sustainability, Sustainable governance

Paper type Research paper

1. Introduction

Providing sustainable welfare ecologically, socially, and financially is a pressing challenge of governance and public financial management (Steccolini, 2019). The concept of sustainable

Journal of Public Budgeting, Accounting & Financial Management
Vol. 36 No. 1, 2024
pp. 1-19
Emerald Publishing Limited
1096-3367
DOI 10.1108/JPBAFM-11-2023-0205

governance was initially developed in the field of natural sciences but has since drawn attention from disciplines and organizations focusing on public policy and administration as a guiding idea (Fiorino, 2010) and governing activities for public administration (Lange *et al.*, 2013). With sustainable governance, we refer to this two-fold understanding of aiming for sustainability and sustainability-oriented governing activities within public administration (cf. Bornemann and Christen, 2019).

While sustainability has become a highly debated issue which is strongly promoted by supranational institutions (e.g. UN), there are concerns about its functionality to a neoliberal vision of society. Significantly, it has been affirmed that "sustainability – embedded in intergovernmental global agreements and filtering, reassuringly, into 'common sense' – is now the globally dominant environmental discourse" (Tulloch and Neilson, 2014, p. 26). One key element of sustainable governance is the role of citizens (cf. Fung, 2015; Aleksandrov and Mauro, 2023). The role of citizens in sustainable governance can be strived for through participatory budgeting (PB), a participatory tool in which citizens can influence public administration and give substantial value to sustainability in democratic perspective. PB is recognized as an instrument to prevent or mitigate a neoliberal vision of society (Goldfrank and Schneider, 2006). The idea of PB as a democratic process that grants people real power over real money has spread through various experiments and experiences around the world (Pinnington *et al.*, 2009; Sintomer *et al.*, 2008). PB has been implemented in over 7,000 cities worldwide, and interest in it is continuing to grow (Dias *et al.*, 2019).

Alongside this practical interest, academics are actively studying PB from various perspectives (e.g. Aleksandrov *et al.*, 2018; Ebdon, 2002; Ebdon and Franklin, 2006; Jayasinghe *et al.*, 2020). Because of its openness to various modifications and context-specific adjustments, PB can be implemented in several ways (Lehtonen, 2018). In addition, scholars have mainly focused on the design and results of PB (e.g. Patsias *et al.*, 2013; Jung, 2022; Mattei *et al.*, 2022; Manes-Rossi *et al.*, 2023), and less is known about its institutional settings (Bartocci *et al.*, 2019). It is our understanding that PB has not yet been adequately studied in the context of sustainability, and there is a need to scrutinize PB as a form of sustainable governance (cf. Güngör Göksu, 2023). This special issue engages with PB through the focal issues of citizen participation in decision-making and the demands that PB imposes on public organizations, public administration, and public financial management practices (Bartocci *et al.*, 2019; Holdo, 2016; Irvin and Stansbury, 2004; Lehtonen, 2018).

The concept of sustainability encompasses the global aims of social, economic, and ecological sustainability. PB can impact, for instance, how sustainability aims are positioned in the agenda and how sustainability-related topics are navigated in PB. Here, however, sustainability is also intended as "the continued utilization of an externally promoted activity for multiple years after external assistance for its introduction has come to an end" (Bland, 2017, p. 112). Few studies (e.g. Kasymova, 2017) have addressed conditions for the sustainability of PB, and little research has considered the role of organizational and managerial factors. In this sense, this special issue takes a step forward from previous symposia on PB. While earlier special issues have primarily discussed the core idea of PB, the viewpoint of citizen engagement, and analyses of different PB experiences as part of participatory governance, this special issue explores the role of PB in the context of sustainable governance. Moreover, it introduces studies that have investigated PB as a possible tool for strengthening sustainability and welfare. This special issue also offers possibilities for less-studied research topics regarding administrative structures, relationships, and practices in and between organizations implementing PB.

In this editorial, we collaborate in the analysis of how PB is implicated in the public management of complex social, economic, and ecological issues. Following this introduction, Section 2 reviews prior literature on the range of approaches to PB to recognize the variety of meanings and goals of PB in the context of sustainability. Then, Section 3 approaches the

elements of sustainable governance in PB, and Section 4 discusses the contributions and insights gained from the articles in the special issue. Finally, Section 5 explores the meaning of PB as a form of sustainable governance and suggests directions for future research.

2. Participatory budgeting in the context of sustainability

PB can be defined as a practice built on the active participation of citizens in budgetary decisions with the aim of influencing resource allocation (Bartocci *et al.*, 2023). Prior literature has typically presented two distinct approaches to PB: the radical democratic approach, which involves issues of deliberation and large-scale institutional changes; and the liberal governance approach, which understands PB as a more modest institutional modification (Pereira and Figueira, 2022). PB approaches vary greatly and may range from limited citizen participation in one part of the budget to openness to all citizens in a combination of direct and representative democracy and deliberation (Bartocci *et al.*, 2023). Thus, PB serves numerous functions that can be both complementary and, to some extent, contradictory. Moreover, these approaches demonstrate the two strands of the history of PB. While PB emerged in South America at the end of the 1980s, it also builds on the long tradition of citizen involvement in the budget process – for instance, in the United States – through mechanisms such as public hearings and citizen budget committees (Bartocci *et al.*, 2023; Ebdon and Franklin, 2006).

PB has spread globally in a rather short period of time. While the diffusion of PB is impressive, Brun-Martos and Lapsley (2017, p. 1007) have highlighted that it has also caused complications due to PB "being implemented in very different ways, largely as a result of legal, social, political and historical traditions that exist in different countries." Thus, PB assumes different forms and aims depending on the context (Jung, 2022; Sintomer *et al.*, 2008). While PB is not a management tool itself, it can be defined as a mediating instrument between the two worlds of city management and citizens (Brun-Martos and Lapsley, 2017). Prior literature has recognized two goals of utilizing PB: to open the government and bring citizens closer as an evident part of administration and to strengthen democracy and trust with direct participation in decision-making (Pereira and Figueira, 2022). In support of these missions, PB can enhance both democratic accountability and effective city management by promoting transparency (Brun-Martos and Lapsley, 2017). Moreover, it can be considered a form of sustainable governance relating to the issues of accountability and transparency that are typically principles of administrative practices. However, it must be highlighted that while PB might promise a lot the realization might be unexpected, unwanted, or limited (Boulding and Wampler, 2010; Baiocchi and Ganuza (2014).

It is well known that the design and implementation of PB started in the late 1980s, when the concept of sustainable development was also gaining attention around the world. Early experiences of PB were especially focused on urban regeneration and social empowerment at the local level (Nylen, 2002). Nowadays, sustainability processes are also often analyzed at the city level, thus linking environmental improvements to local economic development (Bednarska-Olejniczak *et al.*, 2020). The UN Agenda 2030 is a clear testament to the connection between citizen participation and the issue of sustainability (especially target 16.7, ensure responsive, inclusive, participatory, and representative decision-making at all levels, and target 11.3, sustainable human settlement planning and management). In fact, the promotion of citizen participation can be considered as one component of sustainability, and PB can represent a possible tool for improving sustainability and achieving sustainable development goal (SDG) targets (Allegretti and Hartz-Karp, 2017; Cabannes, 2021).

While PB has been widely studied and internationally recognized, its ability to bring about sustainability has rarely been addressed. In an analysis of PB and its social, environmental, and ecological outcomes from democratic and deliberative perspectives, Calisto Friant (2019)

has demonstrated that the deliberative nature of the participatory process is principally responsible for its positive impact on the urban environment. Moreover, Demediuk *et al.* (2011) have studied the first participatory budget in Swedish local government and highlighted the potential of community engagement initiatives to support social, economic, and environmental sustainability. They have stated that these contributions flow directly to sustainability through better contemporary ideas and decisions or to future policy and action via enhanced organizational capabilities and community capacity. While PB has the potential to foster sustainability, certain risks may arise when the good intentions and substantial resources dedicated to a project for citizen participation collide with a contrary organizational culture and poorly matched political and managerial frameworks (Demediuk *et al.*, 2011). Bland (2017) has studied sustainable PB, in the sense of continued utilization of PB, in cases of externally promoted PBs over the course of more than a decade and found that PB continued to be utilized in more than half of the 28 municipalities that were examined – a striking example of long-term sustainability.

One reason for the global success of PB is its designation by UN-Habitat, the WBG, and USAID as one of the "best practices" for improving public administration (Ganuza and Baiocchi, 2012). Prior PB literature has also framed PB as a form of good governance and interpreted a disconnection between governments and citizens as the result of bad public governance. This perspective assumes that governments do not effectively solve the problems they are supposed to address because of a range of factors, including a limited capacity to respond to voices, a lack of transparency, a low-quality regulatory system, corruption, and weak rule of law (Pereira and Figueira, 2022). PB can be seen as one solution since it represents an initiative to increase openness and effectively attain the ideals of good governance (Fung, 2015).

Good governance and sustainability can be seen as intertwined topics in that good governance is considered a central issue or prerequisite for achieving sustainability (Stojanović *et al.*, 2016). While these concepts have different historical roots and should be perceived as two distinct concepts, the sustainability-good governance nexus in the context of PB can be viewed as an aim or desired outcome. In this special issue, we approach sustainability in the context of sustainable governance in PB, which allows us to discern the elements of good governance in PB as well. Typically, these elements refer to effective mechanisms, processes, or institutions that enable the engagement of discrete groups of citizens and other stakeholders. Moreover, good governance implies responsible and transparent ruling effectiveness, legality, and consensus to promote the rights of individuals and the public interest (Drobiazgiewicz, 2019). A key element of good governance is citizen participation.

3. Participatory budgeting as a tool for sustainability

In this section, we explore the potential of PB to foster sustainable governance in light of existing literature. Specifically, we distinguish both internal and external dimensions of sustainable governance. Organizational and financial sustainability comprise the internal dimensions, while social and environmental sustainability are considered the external dimensions. We see that both internal and external dimensions are needed in sustainable governance; without internal sustainable governance, the external sustainability outcomes and impacts are difficult to achieve. Also, in this special issue, PB is approached from the viewpoints of organizations and the outcomes and impacts that can be created for the pursuit of sustainability (Bornemann and Christen, 2019).

Organizational sustainability is the capacity of an entity to interiorize and reflect elements that typically define the concept of sustainability and assure the organizational conditions for sustainable development. In other words, it is the capacity of an organization to

pursue, maintain, and be consistent in its sustainability-inspired modus operandi. In this sense, the spread of "sustainability competences" within the organization is a central issue (Wals and Schwarzin, 2012). This aspect is related to **financial sustainability**, which is interpreted as the capacity of an entity to preserve its existence by effectively balancing its accounts, securing adequate financial resources to fulfill its responsibilities, and not accruing an amount of debt that cannot be repaid by future generations without compromising their financial possibilities. Important factors for financial sustainability are the rationalization of choices in terms of the quantity and quality of expenditures and the capacity for gaining legitimacy and consensus both internally and externally (Bergmann and Grossi, 2014). Financial sustainability is a precondition of organizational sustainability; at the same time, sustainable management aims for financial sustainability.

Since its conception, the notion of sustainable development has centered on promoting the capacity to produce favorable external effects on society and especially on the environment. **Social sustainability**, which strongly relates to the human dimension, gained more prevalence during the 1990s. It has been promoted to emphasize the interdependence of economic, social, and environmental goals with a growing concern toward the eradication of poverty and social exclusion (Falanga *et al.*, 2021). Meanwhile, **environmental sustainability** is based on the ecological dimension and pays considerable attention to the local level (i.e. urban development). The interrelation of these dimensions is clearly reflected in the goals and targets of the UN Agenda 2030 (UN-Habitat, 2016).

In the next sub-section, we identify specific areas in which PB can contribute to the development of each dimension in sustainable governance. Table 1 summarizes the key topics for each dimension. Key topics represent promises, but also practices of PB in the pursuit of internal and external sustainability.

3.1 Organizational sustainability

PB is often accompanied by institutional decentralization (Albert, 2010). From an organizational viewpoint, PB requires the establishment of a specific office with the aim of supporting and coordinating the internal activities and actors involved in the process.

Organizational sustainability	Financial sustainability	Social sustainability	Environmental sustainability
Stimulating collaborative innovation	Rationalization of planning activities and budget allocations	Empowering citizens	Supporting green transition
Making organizations more horizontal	Making organizations more efficient, effective, transparent and accountable	Building sense of community	Responding to climate change
Improving internal accountability	Stimulating investments	Promoting well-being	PB as a tool for localization of SDGs
Interaction with digitalization	Dealing with special conditions (e.g. austerity, emergencies)	Favoring equality	
Constitution and institutionalization of a "participatory space"		Focusing on marginalized groups and fighting gender discrimination (inclusivity)	

Source(s): Authors' own creation/work

Table 1.
Internal and external dimensions of sustainable governance in PB

Top-down approaches may be useful in launching the initiative (Patsias *et al.*, 2013), but internal actors must be actively engaged to maintain it. PB involves a process of distributing power within an organization and disrupting the silo-inspired mindset that usually prevails in public administration. Moreover, hierarchical models of organization may create problems in terms of informative asymmetry and accountability (Kim and Schachter, 2013). PB can help managers and councilors become aware of these problems and set up a process for enhancing internal and shared accountability (Kluvers and Pillay, 2009).

PB requires internal skills in an organization. Research has indicated that complex organizations are generally more inclined to introduce participatory innovations (Ewens and Van der Voet, 2019). In this sense, specific programs for training staff can be helpful, and the support of external advisors or non-profit organizations can be significant (cf. Koltun, 2017). The adoption and management of PB often present an opportunity to enhance organizational capabilities and stimulate sensitivity toward innovation (Demediuk *et al.*, 2011). In this regard, Kim and Schachter (2013) have shown how the combination of exploration and exploitation strategies in the organizational learning trajectory is relevant for successful PB.

The recent developments and applications of ICT in PB can make a public organization more digitally oriented. Robbins *et al.* (2008) have provided evidence that employing web-based techniques can lower the cost of participation and improve the quality of informed judgments. Support for ICT-based communication is vital to increase internal and external participation and encourage balanced representation (Justice *et al.*, 2006). Technology has allowed for a multichannel approach in which traditional offline participation has increased with online participation, thus improving digital inclusion (Parra *et al.*, 2017; Rose and Lippa, 2010). However, further research is needed to identify obstacles to a more comprehensive exploitation of the web and other e-government technologies, especially in regard to organizational implications and effects.

It is not rare for PB to be fragile and volatile; it can be promoted and then quickly interrupted or subjected to many changes (Bartocci *et al.*, 2023). It appears that some municipalities engage in PB when the opportunity presents itself – for instance, through political contacts, access to resources, or links to an NGO – rather than approaching it as a long-term institutional commitment (Bland, 2017). The stabilization and institutionalization of PB are crucial for this instrument to yield impactful results. In the last decade, PB has become more institutionalized, which "may allow us to be more optimistic about the potential effects of participation in international development" (Bland, 2017, p. 110).

On a more general level, PB can involve implementing a set of participatory tools that results in interactions among them. Thus, a "side effect" of adopting PB is the creation of a "participatory eco-system" (Allegretti and Copello, 2018) composed of different tools and practices that can modify the "way of thinking" of a public organization. The diffusion of a more interdepartmental approach and an openness toward external actors, especially citizens, are crucial characteristics of this "space." PB can be a medium for fostering a more "holistic approach" in an organization (Allegretti and Hartz-Karp, 2017).

3.2 Financial sustainability

Decision-making can be more informed when it accounts for the direct preferences of citizens. In this sense, PB has the potential to improve the correspondence among planning, budgeting, and citizen preferences (Im *et al.*, 2014). Previous studies have described several cases in which PB became the central form of allocating public expenditures (e.g. Gonçalves, 2014; Novy and Leubolt, 2005). Neshkova and Guo (2012) have demonstrated a positive association between citizen participation in the budget process and the achievement of better program outcomes. Jung (2022) has similarly found that instances of PB implementation were followed by improvements in multiple dimensions of government efficiency, especially fiscal

sustainability and administrative efficiency. Moreover, PB tends to realize a more transparent distribution of budget funds (Brun-Martos and Lapsley, 2017) as well as an improvement in external accountability (Callahan and Yang, 2009; Célérier and Cuenca Botey, 2015; Kim and Schachter, 2013). Naturally, these results are not mechanical; some studies have shown how PB can contribute to populism, lost time, failure to conceal deficiencies in governance, and an overestimation of citizens' expectations in the face of limited resources (e.g. Voznyak and Pelekhatyy, 2017).

PB can play a role in rationalizing decisions and gaining legitimacy under special conditions. With regard to budget-cutting strategies, Jimenez (2013) has demonstrated that participatory cities adopted more high-conflict responses (e.g. reducing or eliminating services, laying off personnel) compared to non-participatory cities; at the same time, for revenue-raising responses, they were more likely to implement slight-loss, low-conflict measures (e.g. increasing sales tax, introducing service fees). PB could be a valuable instrument for dealing with emergencies, as it supports more informed decision-making and cultivates community support. Some studies have identified a connection between certain adoptions of PB and resource availability (e.g. Rios *et al.*, 2017; Ye, 2018), noting that governments were more likely to adopt administrative reforms, including to enhance citizen participation in the budget process, only when there was greater resource availability. Thus, it seems that PB might be a "luxury" to be practiced during good times.

PB has typically been associated with capital spending. Examples from the Brazilian context show that PB cannot be implemented until a high level of public investment is guaranteed (Goldfrank and Schneider, 2006). Boulding and Wampler (2010) have found that municipalities that adopted PB spent a significantly higher share of their budgets on health and education programs compared to their non-PB counterparts. Likewise, in the study of Gonçalves (2014), the municipalities that utilized PB made a significant increase in their spending on health and sanitation compared to their non-PB counterparts.

3.3 Social sustainability

PB seeks to empower citizens and has proven to have such capacity, especially for non-elite activists and former activists (Nylen, 2002). Indeed, PB has led to the opening of political space for groups who were previously denied meaningful participation (Lehtonen and Radzik-Maruszak, 2023; Wood and Murray, 2007). The formalization of participatory processes has supported the success of citizens and civil society groups in pursuing and inducing desired policy changes (Jaramillo and Wright, 2015). Better decision-making and stimulation of investments can increase social well-being. Some studies have demonstrated the capacity of PB programs to improve social well-being, especially in the health care sector (e.g. Touchton and Wampler, 2014; Wampler and Touchton, 2019).

PB aims to reverse spatial, social, and political priorities to the benefit of those who are most deprived (Franco and Assis, 2019). In Porto Alegre, PB proved to be trans-classist in nature (de Sousa Santos, 1998). Participatory budgeting produces more redistributive policy outcomes compared to traditional bureaucratic budgeting (Hong, 2015). Studies have observed how social justice was enhanced by ensuring equitable access to the opportunity to engage in the budgeting process, which validates the important redistributive potential of PB and its capacity to foster social justice sensibilities (e.g. Avritzer, 2012; Christensen and Grant, 2016; Russell and Jovanovic, 2020). Furthermore, PB allows for the inclusion of marginalized groups (e.g. migrants, elderly people, youth) in the budgeting process, which can positively impact decision-making, outcomes, and intangible values (Hernández-Medina, 2010). Prior studies have specifically pointed to the benefits of engaging young people in the process (Augsberger *et al.*, 2017; Collins *et al.*, 2018; Hernández-Medina, 2010). In other research, PB encouraged squatters to participate and assume political roles that granted them access to

social rights, such as security and housing (Walker, 2013). Moreover, PB can positively influence the daily lives of immigrants and is likely to increase the mobilization of immigrant communities (Hayduk *et al.*, 2017). Generally, PB can support a better understanding of the structural constraints of gender, race, and disability and how they impact people's lives (O'Hagan *et al.*, 2020).

Engaging citizens in budgeting can enrich their perceptions and provide them with a "pedagogy of reasoning" that can eventually strengthen democracy (Célérier and Cuenca Botey, 2015). PB can open new channels of communication between residents and local officials as well as forge a collective communal identity among those who participate (Gilman, 2016). In Chicago, for example, PB presented participants with a space for civic learning about the needs of their ward, the interests of their neighbors, and the city budgeting process. Following their participation in PB, a majority of community representatives were more likely to become involved in other community processes (Weber *et al.*, 2015).

3.4 Environmental sustainability

Because of the deliberative nature of PB, it is a particularly suitable tool for promoting new policies in the urban environment. PB has typically focused on public works, urban regeneration, and greenery and has delivered a great number of environmental benefits in many cases (Calisto Friant, 2019). For example, it has been applied to devise sustainable mobility solutions at the neighborhood level (Val and de la Cruz, 2020) and to introduce innovations in sustainable agriculture (Epting, 2016). Generally, citizens are particularly inclined to express preferences for projects related to environmental issues (Drobiazgiewicz, 2019).

Initiatives on climate change are usually driven at the supra-municipal level; however, local governments can also play an important role in these projects together with a host of other actors, including international organizations. The experiences of certain cities have revealed the crucial role of organized communities in initiating change and how PB can contribute to climate change adaptation as well as mitigation strategies, policies, and programs (Cabannes, 2021). In particular, PB can be a medium for sharing information about climate change projects in addition to supporting their mobilization and leveraging resources for them.

The UN Agenda 2030 requires a bottom-up approach in which local governments have a key role in implementing and monitoring the degree of attainment of macro-objectives at a subnational level (UN-Habitat, 2016). PB may be a good practice for linking national objectives to local planning, programming, and budgeting. In Porto Alegre, PB supported the achievement of remarkable results in the environmental field in relation to various SDGs regarding water and sanitation, waste management, transportation and paving, green areas, and health (Calisto Friant, 2019). So far, PB has been more focused on social issues, and there have been few internationally documented experiences with some exceptions (Cabannes, 2021). Thus, localization of SDGs might be a promising avenue for future applications of PB.

4. Key lessons from the special issue articles

4.1 Overview of articles

Each of the five articles in this special issue addresses PB and sustainability in a unique way. The articles examine a variety of experiences with PB, including case studies from Lisbon, Portugal, Lahti, Finland, multiple cities in Slovakia, Benin, and Niger as well as a comparative review of regions around the world. Thus, they present an opportunity to examine the relationship between PB and sustainability across countries and continents. This section summarizes the five articles in the special issue.

First, in "Youth participation in environmental sustainability: Insights from the Lisbon participatory budget," Falanga (2024) addresses the 2021 PB experience in the Portuguese city of Lisbon. A city-wide PB process was implemented in Lisbon in 2007–2008, and the city has consistently used the mechanism since then, with the exception of during the COVID-19 pandemic in 2020. The 2021 process was conducted entirely online and devoted to environmental sustainability based on the European Green Deal. However, Falanga found that participation declined over time, and the 2021 participation rates were lower than in the previous years, possibly due to the pandemic. In 2021, the city made special efforts to include youth in the process, and a two-day workshop was held to understand the perceptions of students. Funded projects were in the areas of climate, energy, biodiversity, food, mobility, and health, especially facilities for sports activities.

In "Premises for sustainability – Participatory budgeting as a way to construct collaborative innovation capacity in local government," Pulkkinen *et al.* (2024) present a case study of the city of Lahti, Finland that explores the institutionalization of PB through an organizational innovation capacity lens. Drawing from a variety of data sources on the first two rounds of PB from 2019 to 2022, they found that a small group of key employees was involved, and this core group selected the citizens who would serve as coaches and guardians in the process. While the core group was enthusiastic and had strong political support, the resources were inadequate, and communication issues arose when funding and staffing were reduced in the second round. In addition, there was little interdepartmental collaboration, which limited the capacity to institutionalize PB. On the other hand, both rounds included an evaluation of the PB process, and the budget allocation doubled. Ultimately, the authors emphasize the importance of a commitment to sustainability from both politicians and managers.

In the third article, Murray Svidroňová *et al.* (2024) test the relationship between economic and organizational variables with the sustainability of participatory budgeting between from 2014 to 2021 in Slovakian municipalities. Their sample includes 155 municipalities, 59 of which used PB. The first use of PB was in 2011, and diffusion initially occurred with NGO support. The authors focus on three determinants of sustainability: debt ratio as a measure of financial condition, integration of PB into the overall program performance-based budgeting process (PPBB), and mayoral re-election. Using correlation analysis, they determine that municipalities that employed PB accrued less debt over time. Furthermore, municipalities with more years of usage included PB in their PPBB process, which should further enhance the sustainability of PB. Finally, the authors report a modest positive relationship between the number of years of PB usage and mayoral re-election, thus demonstrating the importance of the support of elected officials.

In "Participatory budgeting in Francophone Africa: A comparative perspective between Benin and Niger," Lassou *et al.* (2024) apply a comparative approach to analyze PB in 2020 and 2021 in two African Francophone countries with a history of neopatrimonialism. They specifically study the implementation of PB in five local governments in Benin and three in Niger. The authors find that PB was more prevalent in localities that experienced less influence from central governmental actors, although the central governments of both countries exercised some control over the process. Donors also played an important but more indirect, behind-the-scenes role. It is critical to understand the local context and values, which result in differences in implementation across municipalities. For example, support from religious leaders was important in many Nigerian communities, and traditional chiefs could be highly influential in both Niger and Benin. In Niger, safety issues presented challenges in some areas, and it was more difficult for women to participate due to cultural norms. Unfortunately, sustainability was limited after external support had ended, partly because of a lack of trust among citizens and insufficient resource availability to conduct the PB process. In addition, political patronage and influence were involved. Still, the community benefited

from projects for the provision of safe water, health and sanitation, community markets, and school facilities.

The final article in the special issue is "Participatory budgeting and well-being: Governance and sustainability in comparative perspective" by Touchton and Wampler (2014), which focuses on the impact of PB on community well-being (e.g. improved health outcomes). The authors review existing evidence in the literature from five regions around the world: Latin America, Asia, North America, Europe, and Sub-Saharan Africa. In Latin America, the implementation of PB led to improved physical well-being in Brazilian communities and, to a lesser extent, in Peru. The support of government officials and sustained PB were key factors along with an emphasis on redistribution and social justice. In Asia, PB was mandated for local governments in South Korea, Indonesia, and the Philippines, but it is not clear if such mandatory programs effectively improved well-being since local governments may not have been supportive. However, positive results were observed for low-income neighborhoods in Seoul over time due to political will, civil society organization involvement, and available resources. In Western Europe and North America, PB has tended to focus on community empowerment and education, while less wealthy Eastern European countries have emphasized physical and economic needs. Nevertheless, little evidence is available on the impacts in these regions. Data on well-being effects in Africa are also scarce. Resources for PB are limited in this region, and the process varies widely depending on distinct local conditions. Civil society is not well organized, and citizens tend to be consultants rather than decision-makers. Ultimately, the authors conclude that different types of well-being (e.g. physical, economic, social, psychological) may be more likely in certain areas and contexts around the world.

4.2 Internal and external dimensions of sustainability of participatory budgeting in the special issue articles

This section analyzes the articles as they relate to the previously discussed internal and external dimensions of sustainability (see Table 1). Notably, each article focuses on specific aspects of sustainability and may not address all four types in the framework (organizational, financial, social, environmental) (see Table 2). However, this does not necessarily mean that those aspects of sustainability were not present in the communities that were studied. For example, in their article on Lahti, Finland, Pulkkinen *et al.* (2024) are mainly concerned with the internal management of the process rather than the outcomes, whereas Falanga's (2024) study on Lisbon, Portugal focuses largely on participation and the types of projects that were funded.

Time spans vary widely in terms of organizational sustainability. PB was first adopted by Lisbon in 2007 and by Slovakian municipalities in 2011, but Lahti only implemented it in 2020, and Benin and Niger are more recent adopters as well. Institutionalization is strong in Lisbon but limited in the African countries. The support of local officials (e.g. the mayors in Slovakia) was found to be important along with buy-in from public administrators (in Lahti) and donors or civil society organizations (in the African and comparative studies) and the integration of PB into the larger budget process (in Slovakia). Institutionalization challenges included resource limitations, a lack of communication or internal collaboration and involvement, and government co-optation of the process and projects.

Only the study by Murray Svidroňová *et al.* (2024) specifically addresses the relationship of PB to financial sustainability. Their analysis of municipalities in Slovakia reveals that municipalities that used PB had lower debt ratios over time. This finding implies that PB can have a positive effect on financial conditions – and, therefore, on financial sustainability – at least based on this one measure of fiscal health. In three of the other studies, having limited

Authors	Organizational sustainability	Financial sustainability	Social sustainability	Environmental sustainability
Falanga	Use of PB since 2007	N/A	Focus on youth in 2021; low participation from citizens with less education; declining participation over time	PB process devoted to environment in 2021; inclusion of health as environmental issue
Pulkkinen, Sinervo, Kurkela	First uses of PB in 2020 and 2021; Inadequate resources; Motivated core group of employees; Process competes with traditional silo bureaucracy; Communication issues; Evaluation built-in	Resource issues; PB allocation doubled in second round	Voting rate increased from 3.3% to 3.9%; Citizen leaders selected by city, and were underutilized; strong political support	N/A
Murray Svidroňová, Benzoni Baláž, Klimovský, Kaščáková	PB first used in 2011; Sustainability related to integration with PPBB; Relationship between sustainability and mayoral re-election	Municipalities using PB have with lower debt ratios over time	Relationship between sustainability and mayoral re-election	N/A
Lassou, Ostojic, Barboza, Moses	Study in 2020 and 2021; Limited sustainability over time; Influence of central government and donors; Clientelism and patronage are challenges	Limited resources for PB process	Importance of local context in adapting PB (e.g. safety concerns, role of religious and tribal leaders); Cultural barriers to participation by women; Citizen trust is an issue	Projects improved water, health and sanitation
Touchton, McNulty, Wampler	Well-being may improve over time, so PB sustainability is important; Government support is crucial	Limited resources hinder well-being effects	Importance of local context; PB redistribution rules may affect well-being outcomes; Role of civil society; Political support	Some effects on physical well-being have been found (e.g. Brazil)

Source(s): Authors' own creation/work

Table 2. Internal and external dimensions of sustainable governance in PB in the special issue articles

resources to manage the PB process was found to be an issue that may affect the outcome and sustainability of PB.

In connection to organizational sustainability, all of the studies address the domain of social sustainability. Pulkkinen *et al.* (2024), Murray Svidroňová *et al.* (2024), and Touchton *et al.* (2024) stress the importance of political support for PB. The composition of the participants is also a consideration. The participation rates increased in the second round of PB in Lahti, where the citizen leaders were selected by the government. Meanwhile, in Lisbon, participation fatigue could be observed over a longer period of time, and less-educated

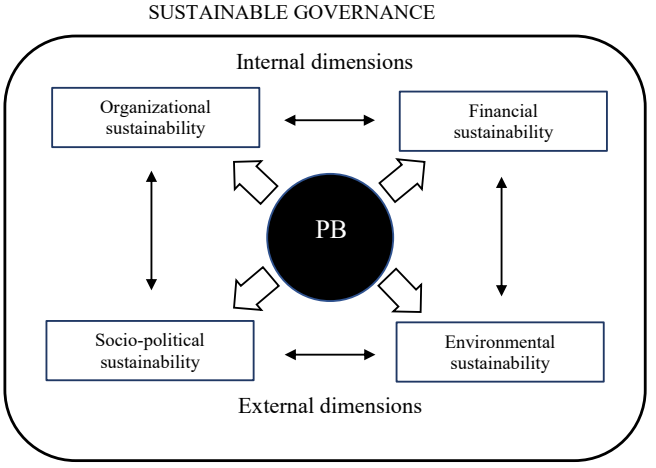
citizens were under-represented, though the city expanded its outreach by focusing on youth in its 2021 process. Barriers to participation were found in Africa as well. Touchton *et al.* (2024) are the only authors to focus directly on outcomes. They acknowledge that evidence of how PB affects well-being is still limited; yet, like Lassou *et al.* (2024), they highlight the importance of understanding the local context and designing the rules of the process around the specific needs and challenges of that locality to achieve the greatest impact on physical, social, economic, or psychological well-being.

The final type of sustainability relates to the environment. Three of the studies address this area and find some positive results. In Lisbon, the 2021 PB process focused entirely on the environment, and all of the funded projects related to environmental sustainability. Some projects in Benin and Niger were also found to relate to environmental issues. While the effects of PB on well-being outcomes are still relatively unknown around the world, Touchton *et al.* (2024) provide evidence of improved physical well-being in areas such as Brazil, where PB was initiated and has been studied for the longest period of time.

These studies shed light on various aspects of the relationship between PB and sustainability. In this way, they contribute to an understanding of critical factors for enhancing sustainability. Moreover, they offer insight into challenges and opportunities. Together, these articles can help with the development of a roadmap for future areas of research.

5. Participatory budgeting as sustainable governance: in search of a meaning

Approaching PB as a form of sustainable governance evokes key dimensions of sustainability. In this editorial, we formulate a theoretical framework that identifies these key dimensions of internal and external sustainability in PB (see Figure 1). Even though PB can be seen as one tool for citizen participation, it has the potential to foster sustainability in multiple ways. We approach these dimensions as an internal–external nexus of sustainability in which organizational and financial sustainability are the internal dimensions and social and environmental sustainability are the external dimensions. The overall idea of the theoretical framework is that PB, as a form of sustainable governance, requires a financially and administratively sustainable organizational process that results in the



Source(s): Author's own creation/work

Figure 1.
PB as a form of sustainable governance

institutionalization of PB but also includes thorough consideration of social and environmental sustainability impacts of PB. However, it is noteworthy that in the pursuit of sustainability, there will be tensions and, in practice, trade-offs between the different dimensions. Thus, there is also room for further studies on PB in the context of sustainability.

As mentioned, PB has been identified as a potential path to good governance, which implies effective mechanisms, processes, and institutions that enable the engagement of different groups of citizens and other stakeholders (Drobiazgiewicz, 2019). PB aims to open up governance to citizens and build the trustworthiness and legitimacy of governance to citizens (Aleksandrov and Mauro, 2023). In this sense, PB can ensure that public decisions regarding sustainability are not just a result of a global discourse promoted at an international level, but are choices shared by citizens. It can be a tool to combat the risks of using the theme of sustainability in terms of legitimacy of the "capitalist discourse" (Tulloch and Neilson, 2014).

In this special issue, the application of a sustainability lens to study governance and PB reveals how (good) governance should not be considered only by investigating interactions and processes between human actors and organizations (e.g. citizens–administration–decision-makers). From a broader planetary perspective, there is an urgent need to explore how to advance governance that would not jeopardize future generations' possibilities to meet their needs. This calls for research that scrutinizes governance practices that are sustainable and just in all four domains of sustainability. This would entail advancing research and practice collaboration in encouraging and studying PB processes that focus on sustainability, such as climate and green PBs as well as underline PBs' social and financial accountability.

Discussions of sustainability have recognized the sustainability transition as a pressing issue for modern societies and governments (e.g. Avelino *et al.*, 2016). One objective of the sustainability transition is to increase the resiliency of societies and communities. Resilience can be defined as "a community's capability to resist shocks without sustaining significant damage to critical infrastructure, absorbing the after-effects, and restoring itself to a similar or greater level of functionality in a timely and efficient manner" (Moradi *et al.*, 2019, p. 406). Many studies on resilience have discussed the role of governance in handling a range of challenges related to disaster mitigation and preparedness, engineering the built environment, and the social organization of communities (e.g. Mayer, 2019). The role of governance in advancing resiliency is also something to consider in further PB research. Can PB have a role in strengthening communities' capability to resist and survive challenges? Studying the adoption and utilization of PB processes that account for the diverse dimensions of sustainability could allow research to produce knowledge on how localities become more resilient in addressing pressing problems.

Our analysis shows how PB can advance multiple and even contradictory aims and functions (e.g. Baiocchi and Ganuza, 2014; Ganuza and Baiocchi, 2012). As an arena for citizens to take part in decision-making, PB can be limited by time and resources. However, at its best, it can contribute to sustainability both internally and externally. This special issue enriches our understanding of PB in the context of sustainability and highlights directions for future research on PB. While existing literature has dedicated substantial attention to PB, there is still room for more studies on this subject to elaborate on the perspectives of internal and external sustainability. Also, PB could be approached more as a process of budgeting and financial management.

The implementation of PB has been underway for decades, but its institutionalization and sustainability warrant further analysis. The studies in this special issue highlight challenges of PB, particularly related to resource issues and cultural barriers, and the need for understanding the local context. They also reveal some evidence of positive effects across the four types of sustainability. We encourage researchers to continue to explore the institutional

processes that are taking place locally as well as their internal and external impacts. In organizational and financial sustainability contexts, additional research is needed not only to identify how PB paves the way for other participatory tools and participatory practices for creating participatory (space in) governance but also to recognize the financial implications of PB and, for instance, the connection of its usage to resource availability. Furthermore, a comprehensive understanding is needed regarding the possible tensions and trade-offs between the internal and external sustainability dimensions, as well as the obstacles of digital tools and e-government technologies that impact organizations. PB has been implemented locally, but it could foster sustainability from a sustainable governance perspective, including as a localization of SDGs. This idea could be extended to other levels of administration (e.g. regionally, nationally). So far, environmental viewpoints and ecological sustainability have received limited attention in scholarship on PB. While this special issue provides clarity on comparative perspectives of PB, there is still a need for in-depth analyses of the differences between PB implementations with respect to sustainability impacts. Overall, future research should continue to examine how PB can build sustainable governance.

References

Albert, V.A. (2010), "Participatory opportunity and collective action: a critical reflection on Brazil's recent experiments in democracy", *Journal of Iberian and Latin American Research*, Vol. 16 No. 2, pp. 133-149, doi: 10.1080/13260219.2010.527287.

Aleksandrov, E. and Mauro, S.G. (2023), "Searching for dialogue in public sector budgeting research: the case study of the JPBAFM", *Journal of Public Budgeting, Accounting and Financial Management*, Vol. 35 No. 2, pp. 141-171, doi: 10.1108/jpbafm-12-2021-0175.

Aleksandrov, E., Anatoli, B. and Grossi, G. (2018), "Participatory budgeting as a form of dialogic accounting in Russia", *Accounting, Auditing and Accountability Journal*, Vol. 31 No. 4, pp. 1098-1123, doi: 10.1108/aaaj-02-2016-2435.

Allegretti, G. and Copello, K. (2018), "Winding around money issues. What's new in PB and which windows of opportunity are being opened", *Hope for Democracy*, Vol. 30, pp. 34-53.

Allegretti, G. and Hartz-Karp, J. (2017), *Participatory Budgeting: A Methodological Approach to Address Sustainability Challenges*, Edward Elgar, Cheltenham.

Augsberger, A., Collins, M.E., Gecker, W., Lusk, K. and Zhao, Q.J. (2017), "'She treated us like we bring valid ideas to the table': youth experiences of a youth-led participatory budgeting process", *Children and Youth Services Review*, Vol. 76 No. C, pp. 243-249, doi: 10.1016/j.childyouth.2017.02.025.

Avelino, F., Grin, J., Bonno, P. and Jhagroe, S. (2016), "The politics of sustainability transitions", *Journal of Environmental Policy and Planning*, Vol. 18 No. 5, pp. 557-567, doi: 10.1080/1523908x.2016.1216782.

Avritzer, L. (2012), "The different designs of public participation in Brazil: deliberation power sharing and public ratification", *Critical Policy Studies*, Vol. 6 No. 2, pp. 113-127, doi: 10.1080/19460171.2012.689732.

Baiocchi, G. and Ganuza, E. (2014), "Participatory budgeting as if emancipation mattered", *Politics and Society*, Vol. 42 No. 1, pp. 29-50, doi: 10.1177/0032329213512978.

Bartocci, L., Grossi, G. and Mauro, S.G. (2019), "Towards a hybrid logic of participatory budgeting", *International Journal of Public Sector Management*, Vol. 32 No. 1, pp. 65-79, doi: 10.1108/ijpsm-06-2017-0169.

Bartocci, L., Grossi, G., Mauro, S.G. and Ebdon, C. (2023), "The journey of participatory budgeting: a systematic literature review and future research directions", *International Review of Administrative Sciences*, Vol. 89 No. 3, pp. 757-774, doi: 10.1177/00208523221078938.

Bednarska-Olejniczak, D., Olejniczak, J. and Svobodová, L. (2020), "How a participatory budget can support sustainable rural development—lessons from Poland", *Sustainability*, Vol. 12 No. 7, p. 2620, doi: 10.3390/su12072620.

Bergmann, A. and Grossi, G. (2014), "Symposium on financial sustainability of the public sector: a critical issue for the stakeholders", *Journal of Public Budgeting, Accounting and Financial Management*, Vol. 26 No. 1, pp. 91-93, doi: 10.1108/jpbafm-26-01-2014-b004.

Bland, G. (2017), "Sustainability as a measure of success: externally promoted participatory budgeting in El Salvador 10 years later", *Public Administration and Development*, Vol. 37 No. 2, pp. 110-121, doi: 10.1002/pad.1788.

Bornemann, B. and Christen, M. (2019), "Sustainability governance in public administration: interpreting practical governance arrangements in Swiss cantons", *Environmental Policy and Governance*, Vol. 29 No. 3, pp. 159-169, doi: 10.1002/eet.1840.

Boulding, C. and Wampler, B. (2010), "Voices, votes and resources: evaluating the effect of participatory democracy on well-being", *World Development*, Vol. 38 No. 1, pp. 125-135, doi: 10.1016/j.worlddev.2009.05.002.

Brun-Martos, M.I. and Lapsley, I. (2017), "Democracy, governmentality and transparency: participatory budgeting in action", *Public Management Review*, Vol. 19 No. 7, pp. 1006-1021, doi: 10.1080/14719037.2016.1243814.

Cabannes, Y. (2021), "Contributions of participatory budgeting to climate change adaptation and mitigation: current local practices across the world and lessons from the field", *Environment and Urbanization*, Vol. 33 No. 2, pp. 356-375, doi: 10.1177/09562478211021710.

Calisto Friant, M. (2019), "Deliberating for sustainability: lessons from the Porto Alegre experiment with participatory budgeting", *International Journal of Urban Sustainable Development*, Vol. 11 No. 1, pp. 81-99, doi: 10.1080/19463138.2019.1570219.

Callahan, K. and Yang, K. (2009), "Symposium on citizen participation in the budgetary process: part II", *Journal of Public Budgeting, Accounting and Financial Management*, Vol. 21 No. 3, p. 366.

Célérier, L. and Cuenca Botey, L.E. (2015), "Participatory budgeting at a community level in Porto Alegre: a Bourdieusian interpretation", *Accounting, Auditing and Accountability Journal*, Vol. 28 No. 5, pp. 739-772, doi: 10.1108/aaaj-03-2013-1245.

Christensen, H.E. and Grant, B. (2016), "Participatory budgeting in Australian local government: an initial assessment and critical issues", *Australian Journal of Public Administration*, Vol. 75 No. 4, pp. 457-475, doi: 10.1111/1467-8500.12219.

Collins, M.E., Augsberger, A., Gecker, W. and Lusk, K. (2018), "What does youth-led participatory budgeting reveal about youth priorities? Ideas, votes, and decision", *Journal of Youth Studies*, Vol. 21 No. 4, pp. 476-494, doi: 10.1080/13676261.2017.1394994.

de Sousa Santos, B. (1998), "Participatory budgeting in Porto Alegre: toward a redistributive democracy", *Politics and Society*, Vol. 26 No. 4, pp. 461-510, doi: 10.1177/0032329298026004003.

Demediuk, P., Solli, R. and Burgess, S. (2011), "We can get something more complete: participatory budgeting to enhance sustainability", *The International Journal of Environmental, Cultural, Economic, and Social Sustainability: Annual Review*, Vol. 7 No. 1, pp. 179-192, doi: 10.18848/1832-2077/cgp/v07i01/54864.

Dias, N., Enríquez, S. and Júlio, S. (Eds) (2019), "Participatory budgeting world atlas", available at: https://www.pbatlas.net/index.html

Drobiazgiewicz, J. (2019), "The importance of a participatory budget in sustainable city management", *Zeszyty Naukowe Akademii Morskiej W Szczecinie*.

Ebdon, C. (2002), "Beyond the public hearing: citizen participation in the local government budget process", *Journal of Public Budgeting, Accounting and Financial Management*, Vol. 14 No. 2, pp. 273-294, doi: 10.1108/jpbafm-14-02-2002-b006.

Ebdon, C. and Franklin, A.L. (2006), "Citizen participation in budgeting theory", *Public Administration Review*, Vol. 66 No. 3, pp. 437-447, doi: 10.1111/j.1540-6210.2006.00600.x.

Epting, S. (2016), "Participatory budgeting and vertical agriculture: a thought experiment in food system reform", *Journal of Agricultural and Environmental Ethics*, Vol. 29 No. 5, pp. 737-748, doi: 10.1007/s10806-016-9631-x.

Ewens, H. and van der Voet, J. (2019), "Organizational complexity and participatory innovation: participatory budgeting in local government", *Public Management Review*, Vol. 21 No. 12, pp. 1848-1866, doi: 10.1080/14719037.2019.1577908.

Falanga, R. (2024), "Youth participation in environmental sustainability: insights from the Lisbon participatory budget", *Journal of Public Budgeting, Accounting and Financial Management*, Vol. 31 No. 1, doi: 10.1108/JPBAFM-12-2021-0176.

Falanga, R., Verheij, J. and Bina, O. (2021), "Green(er) cities and their citizens: insights from the participatory budget of Lisbon", *Sustainability*, Vol. 13 No. 15, p. 8243, doi: 10.3390/su13158243.

Fiorino, D.J. (2010), "Sustainability as a conceptual focus for public administration", *Public Administration Review*, Vol. 70 No. s1, pp. 78-88, doi: 10.1111/j.1540-6210.2010.02249.x.

Franco, S.H.R. and Assis, W.F.T. (2019), "Participatory budgeting and transformative development in Brazil", *Geoforum*, Vol. 103, pp. 85-94, doi: 10.1016/j.geoforum.2019.03.025.

Fung, A. (2015), "Putting the public back into governance: the challenges of citizen participation and its future", *Public Administration Review*, Vol. 75 No. 4, pp. 513-522, doi: 10.1111/puar.12361.

Ganuza, E. and Baiocchi, G. (2012), "The power of ambiguity: how participatory budgeting travels the globe", *Journal of Public Deliberation*, Vol. 8 No. 2, 8, doi: 10.16997/jdd.142.

Gilman, H.R. (2016), *Democracy Reinvented: Participatory Budgeting and Civic Innovation in America*, Brookings Institution Press, Washington, DC.

Goldfrank, B. and Schneider, A. (2006), "Competitive institution building: the PT and participatory budgeting in Rio Grande do Sul", *Latin American Politics and Society*, Vol. 48 No. 3, pp. 1-31, doi: 10.1353/lap.2006.0032.

Gonçalves, S. (2014), "The effects of participatory budgeting on municipal expenditures and infant mortality in Brazil", *World Development*, Vol. 53, pp. 94-110, doi: 10.1016/j.worlddev.2013.01.009.

Güngör Göksu, G. (2023), "A retrospective overview of the journal of public budgeting, accounting and financial management using bibliometric analysis", *Journal of Public Budgeting, Accounting and Financial Management*, Vol. 35 No. 2, pp. 264-295, doi: 10.1108/jpbafm-04-2022-0061.

Hayduk, R., Hackett, K. and Tamashiro Folla, D. (2017), "Immigrant engagement in participatory budgeting in New York City", *New Political Science*, Vol. 39 No. 1, pp. 76-94, doi: 10.1080/07393148.2017.1278855.

Hernández-Medina, E. (2010), "Social inclusion through participation: the case of the participatory budget in São Paulo", *International Journal of Urban and Regional Research*, Vol. 34 No. 3, pp. 512-532, doi: 10.1111/j.1468-2427.2010.00966.x.

Holdo, M. (2016), "Reason of power: explaining non-cooptation in participatory budgeting", *International Journal of Urban and Regional Research*, Vol. 40 No. 2, pp. 378-394, doi: 10.1111/1468-2427.12378.

Hong, S. (2015), "Citizen participation in budgeting: a trade-off between knowledge and inclusiveness", *Public Administration Review*, Vol. 75 No. 4, pp. 572-582, doi: 10.1111/puar.12377.

Im, T., Lee, H., Cho, W. and Campbell, J.W. (2014), "Citizen preference and resource allocation: the case for participatory budgeting in Seoul", *Local Government Studies*, Vol. 40 No. 1, pp. 102-120, doi: 10.1080/03003930.2013.812963.

Irvin, R.A. and Stansbury, J. (2004), "Citizen participation in decision making: is it worth the effort?", *Public Administration Review*, Vol. 64 No. 1, pp. 55-65, doi: 10.1111/j.1540-6210.2004.00346.x.

Jayasinghe, K., Adhikari, P., Simon, C. and Sopanah, A. (2020), "Multiple rationalities of participatory budgeting in indigenous communities: evidence from Indonesia", *Accounting, Auditing and Accountability Journal*, Vol. 33 No. 8, pp. 2139-2166, doi: 10.1108/aaaj-05-2018-3486.

Jaramillo, M. and Wright, G.D. (2015), "Participatory democracy and effective policy: is there a link? Evidence from rural Peru", *World Development*, Vol. 66, pp. 280-292, doi: 10.1016/j.worlddev.2014.08.011.

Jimenez, B.S. (2013), "Raise taxes, cut services, or lay off staff: citizen in fiscal retrenchment process", *Journal of Public Administration Research and Theory*, Vol. 24 No. 4, pp. 923-953, doi: 10.1093/jopart/mut018.

Jung, S.M. (2022), "Participatory budgeting and government efficiency: evidence from municipal governments in South Korea", *International Review of Administrative Sciences*, Vol. 88 No. 4, pp. 1105-1123, doi: 10.1177/0020852321991208.

Justice, J.B., Melitski, J. and Smith, D.L. (2006), "E-government as an instrument of fiscal accountability and responsiveness: do the best practitioners employ the best practices?", *The American Review of Public Administration*, Vol. 36 No. 3, pp. 301-332, doi: 10.1177/0275074005283797.

Kasymova, J. (2017), "Understanding the challenges and sustainability of citizen engagement in the budgeting processes of developing countries", *Administration and Society*, Vol. 49 No. 3, pp. 374-393.

Kim, S. and Schachter, H.L. (2013), "Citizen participation in the budget process and local government accountability: case studies of organizational learning from the United States and South Korea", *Public Performance and Management Review*, Vol. 36 No. 3, pp. 456-471, doi: 10.2753/pmr1530-9576360304.

Kluvers, R. and Pillay, S. (2009), "Participation in the budgetary process in local government", *Australian Journal of Public Administration*, Vol. 68 No. 2, pp. 220-230, doi: 10.1111/j.1467-8500.2009.00636.x.

Koltun, A. (2017), "From a text to practice and back again. Making knowledge(s) work for participatory budgeting in Poland", *Central European Journal of Public Policy*, Vol. 11 No. 1, pp. 13-27, doi: 10.1515/cejpp-2016-0029.

Lange, P., Driessen, P.P.J., Sauer, A., Bornemann, B. and Burger, P. (2013), "Governing towards sustainability—conceptualizing modes of governance", *Journal of Environmental Policy and Planning*, Vol. 15 No. 3, pp. 403-425, doi: 10.1080/1523908x.2013.769414.

Lassou, P.J.C., Ostojic, M., Barboza, J.U. and Moses, O. (2024), "Participatory budgeting in Francophone Africa: a comparative perspective between Benin and Niger", *Journal of Public Budgeting, Accounting and Financial Management*, Vol. 36 No. 1, doi: 10.1108/JPBAFM-04-2022-0070.

Lehtonen, P. (2018), "Shifting the power to people: opening the practices of governance with participatory budgeting", *Nordicom Information*, Vol. 40 No. 1, pp. 63-69.

Lehtonen, P. and Radzik-Maruszak, K. (2023), "Inclusion as ownership in participatory budgeting: facilitators' interpretations of public engagement of children and youth", *Critical Policy Studies*, pp. 1-19, doi: 10.1080/19460171.2023.2192412.

Manes-Rossi, F., Brusca, I., Orelli, R.L., Lorson, P.C. and Haustein, E. (2023), "Features and drivers of citizen participation: insights from participatory budgeting in three European cities", *Public Management Review*, Vol. 25 No. 2, pp. 201-223, doi: 10.1080/14719037.2021.1963821.

Mattei, G., Santolamazza, V. and Grandis, F.G. (2022), "Design of the participatory budget: how to turn citizens into process protagonists", *International Journal of Public Sector Management*, Vol. 35 No. 3, pp. 294-316, doi: 10.1108/ijpsm-02-2021-0045.

Mayer, B. (2019), "A review of the literature on community resilience and disaster recovery", *Current Environmental Health Reports*, Vol. 6 No. 3, pp. 167-173, doi: 10.1007/s40572-019-00239-3.

Moradi, S., Vasandani, V., Student, B.S. and Nejat, A. (2019), "A review of resilience variables in the context of disasters", *Journal of Emergency Management*, Vol. 17 No. 5, pp. 403-432, doi: 10.5055/jem.2019.0431.

Murray Svidroňová, M., Benzoni Baláž, M., Klimovský, D. and Kaščáková, A. (2024), "Determinants of sustainability of participatory budgeting: slovak perspective", *Journal of Public Budgeting, Accounting and Financial Management*, Vol. 36 No. 1, doi: 10.1108/JPBAFM-04-2022-0082.

Neshkova, M.I. and Guo, H. (2012), "Public participation and organizational performance: evidence from state agencies", *Journal of Public Administration Research and Theory*, Vol. 22 No. 2, pp. 267-288, doi: 10.1093/jopart/mur038.

Novy, A. and Leubolt, B. (2005), "Participatory budgeting in Porto Alegre: social innovation and the dialectical relationship of state and civil society", *Urban Studies*, Vol. 42 No. 11, pp. 2023-2036, doi: 10.1080/00420980500279828.

Nylen, W.R. (2002), "Testing the empowerment thesis: the participatory budget in Belo Horizonte and Betim, Brazil", *Comparative Politics*, Vol. 34 No. 2, pp. 127-145, doi: 10.2307/4146934.

O'Hagan, A., MacRae, C., Hill O'Connor, C. and Teedon, P. (2020), "Participatory budgeting, community engagement and impact on public services in Scotland", *Public Money and Management*, Vol. 40 No. 6, pp. 446-456, doi: 10.1080/09540962.2019.1678250.

Parra, C., Rohaut, C., Maeckelbergh, M., Issarny, V. and Holston, J. (2017), "Expanding the design space of ICT for participatory budgeting", *Proceedings of the 8th International Conference on Communities and Technologies*, Troyes, France.

Patsias, C., Latendresse, A. and Bherer, L. (2013), "Participatory democracy, decentralization and local governance: the Montreal participatory budget in the light of empowered participatory governance", *International Journal of Urban and Regional Research*, Vol. 37 No. 6, pp. 2214-2230, doi: 10.1111/j.1468-2427.2012.01171.x.

Pereira, D. and Figueira, A.F. (2022), "Rationales and barriers to citizen participation in public budgeting: A systematic literature review", *Revista Brasileira de Ciência Política*.

Pinnington, D., Lerner, J. and Schugurensky, D. (2009), "Participatory budgeting in North America: the case of guelph, Canada", *Journal of Public Budgeting, Accounting and Financial Management*, Vol. 21 No. 3, pp. 455-484, doi: 10.1108/jpbafm-21-03-2009-b005.

Pulkkinen, M., Sinervo, L.-M. and Kurkela, K. (2024), "Premises for sustainability – participatory budgeting as a way to construct collaborative innovation capacity in local government", *Journal of Public Budgeting, Accounting and Financial Management*, Vol. 36 No. 1, doi: 10.1108/JPBAFM-04-2022-0077.

Rios, A.M., Benito, B. and Bastida, F. (2017), "Factors explaining public participation in the central government budget process", *Australian Journal of Public Administration*, Vol. 76 No. 1, pp. 48-64, doi: 10.1111/1467-8500.12197.

Robbins, M., Simonsen, B. and Feldman, B. (2008), "Citizen and resource allocation: improving decision making with interactive web-based citizen participation", *Public Administration Review*, Vol. 68 No. 3, pp. 564-575, doi: 10.1111/j.1540-6210.2008.00891.x.

Rose, J. and Lippa, B. (2010), "Technology support for participatory budgeting", *International Journal of Electronic Governance*, Vol. 3 No. 1, pp. 3-24, doi: 10.1504/ijeg.2010.032728.

Russell, V. and Jovanovic, S. (2020), "Public deliberation and social justice sensibilities in Greensboro participatory budgeting", *Communication and Critical/Cultural Studies*, Vol. 17 No. 2, pp. 111-128, doi: 10.1080/14791420.2020.1746371.

Sintomer, Y., Herzberg, C. and Röcke, A. (2008), "Participatory budgeting in Europe: potentials and challenges", *International Journal of Urban and Regional Research*, Vol. 32 No. 1, pp. 164-178, doi: 10.1111/j.1468-2427.2008.00777.x.

Steccolini, I. (2019), "Accounting and the post-new public management: Re-considering publicness in accounting research", *Accounting, Auditing and Accountability Journal*, Vol. 32 No. 1, pp. 255-279, doi: 10.1108/aaaj-03-2018-3423.

Stojanović, I., Ateljević, J. and Stević, R.S. (2016), "Good governance as a tool of sustainable development", *European Journal of Sustainable Development*, Vol. 5 No. 4, p. 558, doi: 10.14207/ejsd.2016.v5n4p558.

Touchton, M. and Wampler, B. (2014), "Improving social well-being through new democratic institutions", *Comparative Political Studies*, Vol. 47 No. 10, pp. 1442-1469, doi: 10.1177/0010414013512601.

Touchton, M., McNulty, S. and Wampler, B. (2024), "Participatory budgeting and well-being: governance and sustainability in comparative perspective", *Journal of Public Budgeting, Accounting and Financial Management*, Vol. 36 No. 1, doi: 10.1108/JPBAFM-04-2022-0067.

Tulloch, L. and Neilson, D. (2014), "The neoliberalisation of sustainability", *Citizenship, Social and Economics Education*, Vol. 13 No. 1, pp. 26-38, doi: 10.2304/csee.2014.13.1.26.

Un-Habitat (2016), *Urbanization and Development: Emerging Futures*, United Nations Human Settlements Programme, Nairobi.

Val, S. and de la Cruz, M.T. (2020), "Sustainable mobility solutions at neighbourhood level: enabling insights, success stories and solutions", Müller, B. and Meyer, G. (Eds), *Lecture Notes in Mobility: towards User-Centric Transport in Europe 2*, Springer, Cham, pp. 28-40.

Voznyak, H. and Pelekhatyy, A. (2017), "Participatory budgeting as a tool for the implementation of the fiscal policy of regional development of Ukraine", *Economic Annals-XXI*, No. 167, pp. 53-56, doi: 10.21003/ea.v167-11.

Walker, A.P.P. (2013), "Embodied identity and political participation: squatters' engagement in the participatory budget in Brazil", *Ethos*, Vol. 41 No. 2, pp. 199-222, doi: 10.1111/etho.12015.

Wals, A.E. and Schwarzin, L. (2012), "Fostering organizational sustainability through dialogic interaction", *The Learning Organization*, Vol. 19 No. 1, pp. 11-27, doi: 10.1108/09696471211190338.

Wampler, B. and Touchton, M. (2019), "Designing institutions to improve well-being: participation, deliberation and institutionalization", *European Journal of Political Research*, Vol. 58 No. 3, pp. 915-937, doi: 10.1111/1475-6765.12313.

Weber, R., Crum, T. and Salinas, E. (2015), "The civics of community development: participatory budgeting in Chicago", *Community Development*, Vol. 46 No. 3, pp. 1-18, doi: 10.1080/15575330.2015.1028081.

Wood, T. and Murray, W.E. (2007), "Participatory democracy in Brazil and local geographies: porto Alegre and belo horizonte compared", *Revista Europea de Estudios Latinoamericanos y Del Caribe*, Vol. 71 No. 2, pp. 122-135.

Ye, J. (2018), "No money, no representation: a case study of Zeguo Town in China", *Politics and Society*, Vol. 46 No. 1, pp. 81-99, doi: 10.1177/0032329218754511.

Corresponding author
Lotta-Maria Sinervo can be contacted at: lotta-maria.sinervo@tuni.fi