

Do Participatory Governance Institutions Matter?

Municipal Councils and Social Housing Programs in Brazil

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Many development scholars argue that when more citizens are involved in politics, politicians will distribute resources more equitably among the population.¹ It stands to reason that in developing countries, where the poor represent the majority of the population, participatory governance institutions should lead to policies and programs incorporating their interests. To that end, scholars, development practitioners, and donors recommend the creation of decentralized and formal institutions to increase participation.² In Brazil civil society organizations (CSOs) lobbied for the inclusion of decentralization and participatory governance institutions in the Constitution of 1988. CSOs, including nongovernmental organizations and social movements, continue now to demand the implementation of participatory governance institutions and the release of resources from the federal to the municipal level.

Though participatory budgeting initiatives, particularly those in Porto Alegre, have received the most international attention as examples of institutions demonstrating the potential benefits of collaboration between citizens and government, numerous other types of municipal-level councils exist throughout Brazil, tasked with both policy and programmatic responsibilities. These councils generally allocate half the seats for government officials and half for representatives of civil society. While informative case studies suggest these municipal councils and other types of participatory governance institutions provide a voice for previously marginalized citizens, questions remain regarding the extent of resulting benefits for the poor and the context in which these institutions have the greatest impact.³

This article focuses on the effect of participatory governance institutions on pro-poor policy outcomes, examining two questions: (1) Does incorporation of civil society through participatory governance institutions have an impact on the provision of social programs? (2) If so, is the effectiveness of participatory governance institutions in bringing about program adoption contingent on a highly organized civil society? Past research suggests that civil society must be highly organized to influence policy and program

decisions, and that a strong civil society increases the effectiveness of participatory governance institutions. Few researchers, however, have compared participatory governance institutions across contexts or concretely defined policy outcomes as a measure of effectiveness. In response to question one, I hypothesize that participatory governance institutions have an independent effect on increasing program adoption. A public forum for communication and debate should encourage responsiveness and accountability of government officials. Officials are presented directly with information regarding the needs of the community and are more likely to act on CSO demands made in public, particularly if they are concerned with reelection. Regarding the second question, I hypothesize that a highly organized civil society increases the effectiveness of participatory governance institutions. Civil society needs the capacity to make proactive proposals while also presenting a united front to counteract the reticence of government officials to expend scarce resources on social programs.

To test these claims, I examine social housing policy as an area that holds important consequences for the poor. In Brazil approximately seven million families lack access to housing, while ten million more live in housing without adequate infrastructure.⁴ Housing policies and programs in Brazil are administered almost entirely at the municipal level, though increasingly resources and programmatic guidelines are transmitted from the federal level. Under a new federal system for housing, by the end of 2009 all Brazilian municipalities receiving federal funds had to have a municipal housing council, with members from civil society and the government. Even before this mandate, many municipalities had already created participatory municipal councils to direct housing policy and program decisions. As an increasing number of municipalities adopt housing councils, it is critical to assess whether the formal incorporation of civil society into local government decision making has had an impact on policy and program outcomes.

Brazilian government data, supported by evidence from the field, are used to assess the impact of municipal housing councils and civil society on social housing programs. Across Brazilian municipalities, the evidence affirms the first hypothesis that municipal housing councils lead to more resources dedicated to housing provision for the poor. Formal incorporation of civil society does appear to be important for redistribution of resources. Contrary to the second hypothesis, however, a highly organized civil society does not appear to have a consistent impact on the adoption of housing programs where municipal councils exist. A strong civil society does not necessarily influence government officials to expend resources any more than CSOs in a weaker civil society environment. This is good news in that it suggests that the effectiveness of participatory governance institutions is not contingent on a highly organized civil society. Across contexts, incorporation of civil society in participatory governance institutions may still lead to pro-poor policy change.

Municipal Councils and Housing Policy

Municipal councils in Brazil, which deliberate on policy direction, program implementation, and the allocation of resources, are one type of participatory institution.⁵ Brazil's

1988 Constitution established municipal-level councils for healthcare, education, social assistance, and child/adolescent rights. Many other types of councils, including those for housing, emerged later, either through the demands of civil society or by ideologically driven municipal officials.⁶ Municipal policy councils, such as those for health, are directly involved in the formation of national legislation. Programmatic municipal councils, such as housing, are directed more toward developing government programs for a well-defined population.⁷ Different councils are given varying degrees of responsibility. For example, health councils have the power to veto the plans of the Health Secretariat, which leads to funding being withheld from the Health Ministry.⁸ Where municipalities have established a specific fund for housing, municipal housing councils are generally responsible for allocating those funds.⁹

According to the Brazilian Constitution, the municipality is the entity responsible for implementing housing policy.¹⁰ As such, municipal housing councils would seem well placed to make a large impact on policy and program decisions. In 2005 municipal housing councils existed in 18 percent of Brazilian municipalities, while by 2008 the percentage had risen to 31.¹¹ Across years, councils are created either by legislation passed by the city council or by decree from the mayor. Both mechanisms generally establish rules for the composition of the council, how often the council will meet, and the scope of the council's decision-making authority. The great majority of councils mandate that at least half the council's membership come from civil society, with municipal and state government officials making up the other half.¹² In interviews in cities across Brazil, council members from various types of CSOs told me their role on the councils is both to propose new programs and policies and to respond to government proposals and information provided on current programs. In this way, civil society plays both proactive and reactive roles in establishing social housing policy.

Since democratization until 2005 when federal law created the National System for Housing in the Social Interest, Brazil had not had a national housing policy.¹³ As Renato Cymbalista argues, even with the new federal system resources have been slow in reaching municipalities. Municipal housing policies include providing new units, upgrading *favelas*, distributing land titles, allocating construction materials, and intervening in slum disputes. Though these types of housing policies are common throughout the developing world, and to some extent in industrialized countries, scholars argue that Brazil has an especially diverse array of housing policies and programs as a result of the decentralized policymaking process.¹⁴ The tendency in Brazil has been toward recognizing informal settlements and improving settlements through technical, social, and legal intervention. However, more traditional programs to construct new units for the poor, either through rental or ownership mechanisms, are still the most common types of programs across Brazil.

Civil Society for Housing Issues

The goals of CSOs working on housing issues in Brazil and other developing countries revolve primarily around government provision of resources and land claims. CSOs

related to housing policies and programs range from small neighborhood associations representing narrow interests to national or regional umbrella organizations representing numerous NGOs, social movements, and associations. In identifying CSOs related to housing, I focus on those organizations acting in the interests of the poor. Municipal councils concentrate their efforts on policies directed toward improving slums and producing low-cost housing for the poor, which coincides with the primary goals of most CSOs elected to the councils.

Both nationally and locally, organizations in Brazil have been particularly vocal about the need for strong participatory institutions to which they can direct their demands.¹⁵ At the same time, many CSOs continue to undertake a number of different strategies calling for policy change and increasing housing assistance. For instance, social movements concerned with housing in urban areas, such as the *Movimento dos Trabalhadores Sem-Teto* (MTST, or the Roofless Workers' Movement), which began in São Paulo and now operates around the country, carry out occupations of city buildings. CSOs also engage in direct lobbying, arranging personal meetings with municipal housing officials, or, if they cannot secure a meeting, protesting outside the housing secretariat until their demands for negotiation are met. In rural areas, workers' organizations and social movements, such as the *Movimento dos Trabalhadores Rurais Sem Terra* (MST, or Landless Workers' Movement), struggle for benefits from the municipal, state, and federal governments. While urban CSOs are concerned with improving *favelas*, rehabilitating city centers, and constructing new units, in rural areas CSOs are more likely to petition for programs to provide construction materials, plots of land, and flexible financing options.

CSOs of all kinds involved in housing developed strength in the 1980s under democratization, waned in the 1990s under structural reforms, and reemerged in the late 1990s under worsening economic conditions.¹⁶ Since democratization, social movements focused on housing have consolidated under four major groups, which lead policy demands at the federal, state, and municipal levels.¹⁷ Though São Paulo and Rio de Janeiro remain the centers of activity for movement leaders, each of the four main movements has strong networks of members throughout the country. Their demands can be traced from federal legislation and spending priorities to municipal-level housing councils and increasingly diverse programs at the local level. Alongside social movements, professional NGOs, such as the *Instituto Pólis*, are engaged in research, advocacy, and capacity building for smaller organizations, and often participate in the councils themselves.

Theoretical Background

When and how CSOs affect policy outcomes remain enduring questions in political science. Previous studies suggest that CSOs on their own and working through participatory governance institutions influence policy outcomes based on the dynamics of responsiveness and accountability.¹⁸ CSOs present information to government officials regarding the depth and intricacies of the problem in an effort to provoke satisfactory responses. Once government officials make promises to act on this information, councils then offer transparency and a

public forum to encourage accountability.¹⁹ Some scholars, however, find that participatory governance institutions perpetuate clientelistic relationships between CSO members and government officials where CSOs are primarily concerned with securing benefits for their members.²⁰ Municipal councils, then, would serve the needs of CSOs without generating an increase in social housing programs to benefit the population more broadly. Contrary to these claims, however, the contention in this article is that municipal councils will produce social housing programs to benefit the poor due to the existence of a formal space for airing demands and to the public nature of deliberation.

In addition, where civil society is more highly organized, its capacity to work collaboratively should help to counteract business interests and government reluctance to allocate scarce resources to social programs. Civil society needs the capacity to express demands within the council in order to be proactive and form alliances to prepare responses to government proposals. Working in coordinated networks within the councils is likely to dilute the strength of bilateral relationships between CSOs and government officials, resulting in the adoption of a broad range of programs.

Responsiveness and Accountability Within municipal councils, government officials and civil society members are tasked with discussing problems and deliberating together to generate solutions.²¹ Through this process, officials sit face-to-face with CSO members and are made aware of the preferences of citizens. Officials can then respond more effectively to heterogeneous needs in the community.²² Given the locally specific nature of housing policy and programs, municipal councils ensure that attention is given to the precise needs of the community.

Studies of participatory governance institutions often maintain that civil society is able to hold governments accountable through these discussions by exposing officials' policy positions. The public nature of the forums adds to the transparency of the policy-making process. By increasing information sharing among and between CSOs, government officials, and the public at large, scholars argue that CSOs hold governments accountable within the forum and within the municipality by generating public scrutiny.²³ When the public has access to greater information and CSOs communicate issues to their members, both appointed and directly elected officials are persuaded to act out of self-interest to maintain their positions. For example, several studies find that the public participatory budgeting process in Porto Alegre has resulted in greater access to services, including water and sanitation.²⁴ Benjamin Goldfrank claims specifically that the municipal government in Porto Alegre began to invest more in public works projects as a result of public pressure through participatory budgeting councils.²⁵ Without the councils there is no formal space for civil society to air grievances and for the government to transmit information about its activities to civil society. Armed with information about government actions, civil society should be better equipped to publicize shortfalls in the government's response to housing needs, including to residents within favelas for whom housing weighs heavily in voting decisions.

Accountability has also been defined in terms of reduction in corruption and clientelism. John Ackerman claims that participatory governance institutions reduce

possibilities and incentives for corruption, the political use of funds, and the capture of state institutions by elites.²⁶ Merilee Grindle, however, finds that in municipal participatory institutions in Mexico, organizations were able to extract more resources for their constituents, but were less able or willing to hold governments accountable for corrupt or clientelistic behavior.²⁷ In these cases CSO members of participatory governance institutions appear to be acting in their rational self-interest to provide selective benefits to their bases, along the lines suggested by Mancur Olson in his classic, *The Logic of Collective Action*.²⁸

In Brazilian municipal housing councils, the opportunity to promote self-interests certainly exists, but there are several reasons to expect that municipal councils still offer an opportunity for promoting broad benefits. First, as other scholars have argued, participatory governance institutions offer spaces for negotiating between groups, which leads to a breakdown in bilateral CSO-government ties.²⁹ As an activist in Recife, Brazil suggests, municipal councils level the playing field in terms of CSO access to government officials, leading to negotiation among groups for benefits rather than local government officials selectively choosing which groups should receive access.³⁰ Second, not all CSOs elected to councils are social movements or neighborhood associations responsible to their members. Professional NGOs without membership bases also participate in the councils and are likely to steer program decisions toward a broader pro-poor agenda. Third, since municipal councils for housing in Brazil are increasingly adopted in response to the new federal system instead of by ideologically driven mayors, municipal officials and CSOs are often from different parties and lack strong party ties. This may make the councils even more relevant as spaces for negotiation between sides otherwise not apt to cooperate.

But does a particularly strong civil society have a different effect on the outcomes of participatory governance institutions? Most scholars studying participatory governance institutions, building on Robert Putnam and others, argue specifically that high levels of social capital are necessary for participatory governance institutions to have any significant impact.³¹ In a cross-municipal study of participatory budgeting councils in Brazil, Leonardo Avritzer found that an existing community of organizations was necessary to create the intended forum for deliberation.³² Without considerable mobilization of demands, participatory governance institutions may be easily coopted by elites and have no effect on democratic deepening or policy outcomes.³³ Without a strong civil society, scholars have argued, participatory governance institutions may be little more than rubber stamps for government proposals.³⁴ In addition, Brazilian researchers find that effective councils are dependent on CSOs' technical capacity to formulate and analyze public policy and on their ability to make strategic alliances.³⁵

The counterargument is that a stronger civil society environment could also lead established CSOs accustomed to competition for scarce resources to fight for selective benefits within the councils, thereby limiting the broad effectiveness of the councils for generating pro-poor benefits. In fieldwork I witnessed professional CSOs, including NGOs and social movements dedicated to housing, using strategies developed over time to gain access to government officials in private or public meetings. In these meetings,

most of the discussions center on specific housing projects—which families will be included, and the contributions from the municipal, state, and federal levels—rather than broader allocation of resources across diverse programs. The introduction of participatory fora to debate programmatic decisions should mitigate the need for these types of bilateral strategies. Where civil society is particularly well established, the desire for CSOs to continue to seek particularistic benefits for their members, and for governments to appease CSO members by responding to their demands in exchange for political loyalty, may remain strong. However, based on my observations, particularly in the cities of São Paulo and Salvador, CSOs have learned the value of working in a coordinated network to confront government proposals and business interests. Civil society representatives are still accountable to their membership bases, but they also recognize there is strength in numbers. An organized civil society working through municipal councils should therefore increase rather than decrease governmental responsiveness and accountability.

As developing countries move forward with decentralization and participatory democracy, it is crucial to assess when participatory governance institutions and a strong civil society actually lead to policies and programs to reduce poverty and inequality. Municipal councils for housing in Brazil offer an opportunity for systematic comparison of the outputs of participatory governance institutions and the impact of civil society on policies benefiting the poor in developing countries.

Data

Survey data for this analysis were collected by Brazilian government agencies. Currently in Brazil there are 5,564 municipalities, providing a high degree of variation. An annual survey conducted by the national statistical agency yields considerable data on the structure of municipal governments, with thematic questions varying by year.³⁶ The survey is sent to municipal officials annually and is mandatory to complete. In most years of the survey since it began in 1999, there are questions relating to housing needs, institutions, and programs. For the present analysis, data from both 2005 and 2008 are used to increase the reliability of the findings.

Housing Programs as Dependent Variables The existence of various types of social housing programs indicates the commitment of the municipality to addressing housing needs. In the survey, municipal government officials check “yes” or “no” to indicate whether each type of housing program exists in their municipality. The construction of new units, provision of construction materials, regularization of land titles, and awarding of plots of land are all programs that address the demands of CSOs representing the needs of the poor. These needs include affordable, safe housing on land they can occupy without the threat of seizure by the state or private entities. In 2008 the survey included three additional types of programs—for acquiring housing units, improving units, and urbanizing neighborhoods. These programs represent the shifting priorities

in housing policy, influenced by national housing movements, trickling down from the federal to the municipal level, often through federal funding. Though programs for constructing new units have been the most common type of intervention,³⁷ CSOs also have fought for programs that stop short of removing residents and relocating them to distant peripheral areas lacking infrastructure and job opportunities. Programs to improve favelas through street paving, supplying electricity, rehabilitating houses, or acquiring units for renovation often in urban centers allow residents to remain in their communities, and provide alternatives for reducing the housing deficit. For this analysis, I assess the determinants of individual types of programs as well as the number of programs in a municipality using a housing program index. Adopting multiple housing programs represents the government's willingness to address diverse needs of citizens and demands of CSOs.

Municipal Housing Councils The key independent variable of interest for this analysis is the existence of a municipal council for housing. Participation through a municipal housing council should put pressure on the municipality to enact housing programs and may also lead to a search for more resources from the federal level. There is significant variation in the existence of councils by region and population levels in both 2005 and 2008, but the data show that these institutions are not limited to one region or to urban areas.³⁸

H1: Municipalities with housing councils are significantly more likely to adopt individual programs and a diverse array of programs as measured by a housing program index.

Civil Society While broad data on CSOs at the municipal level are limited, the registry of businesses in Brazil coordinated by IBGE offers a section of data on nonprofits and foundations from 2005.³⁹ To measure the depth of civil society in the municipality, I use the number of nonprofits and foundations per capita.⁴⁰ Though nonprofits and foundations do not comprise the entirety of civil society, they are an important part of the whole. It is important to note, however, that this measure accounts only for registered CSOs, which may not include less formalized housing movements and neighborhood associations. The average number of nonprofits and foundations per 1,000 residents in a municipality is 2.6, with a standard deviation of 2.4 and a range from .043 to 32. A strong civil society environment may have an independent impact on the probability of municipalities adopting housing programs, though the key question here is whether a strong civil society makes a difference in the outcomes of municipal housing councils. A strong civil society should increase the government's willingness to adopt social housing programs, particularly where there is also a municipal council to enable collaboration among CSOs.

H2: Where municipal councils exist, a higher number of CSOs per capita is associated with an increase in the probability of municipalities adopting all types of housing programs.

Additional Factors Influencing Housing Program Adoption In general, local governments choose to adopt social programs of any type based on need, access to resources, and political will. Though housing councils and civil society theoretically are important to determining program adoption, here I also control for and assess the independent effects of other variables.

Ideology of the administration. For both 2005 and 2008, the ideology of the administration is measured by the existence of a PT mayor. Previous research in Brazil indicates that the PT is often associated with an increase in social programs,⁴¹ leading to the expectation that the PT may also have a positive effect on housing programs.

Availability of resources. Where more resources are available, there will likely be a greater number of housing programs. An established fund dedicated to housing programs illustrates the commitment of the municipality to expend resources on low-income housing programs.⁴² Municipalities with housing funds should be more likely to adopt multiple housing programs. Also, for both years I include a measure of the municipal budget per capita. Municipalities with higher budgetary resources should be more willing and able to allocate funding for housing programs. Finally, I use state dummy variables to control for variation in state resource transfers for housing programs.

Inequality. Within any setting, inequality may reduce governmental accountability by limiting participation of the poor.⁴³ I use a municipal-level Gini coefficient from 2000 to measure inequality. Where inequality is highest, elites may be less inclined to implement social programs for housing. The Gini coefficient among Brazilian municipalities ranges from a low of .358 to a high of .819, with .56 as the average.

Urbanization and population size. According to the data, as the population increases, municipalities are significantly more likely to adopt all types of housing programs, with the exception of programs to provide construction materials for which the marginal difference is small. I use both percentage of the population living in urban areas,⁴⁴ as well as population size,⁴⁵ since theoretically population size represents the size of the municipality whereas the percentage urban represents clustering in the administrative center of the municipality. Perhaps surprisingly, these two measures are correlated only at .165. Since the federal government often uses population and urbanization as criteria for program eligibility, both these measures should control for the federal impact on program adoption.

Need. In wealthier municipalities, there should be less need for housing programs. Therefore, income per capita is expected to have a negative relationship with housing programs. Income per capita varies widely among Brazilian municipalities—from a low of R\$28 to a high of R\$955, with R\$171 as the average.⁴⁶ In addition, a variable indicating the presence of favelas is available from the MUNIC survey. Clearly, where there

are favelas registered by the municipal government, there is a need for some type of housing program to address the housing deficit.

Addressing Endogeneity Before proceeding with the statistical analysis, it is useful to clarify the role endogeneity may play in biasing the estimates. First, one might expect that housing councils were created in municipalities in which government officials were already interested in addressing housing needs. These municipalities would then be more likely to have previously adopted multiple housing programs, creating endogeneity between housing councils and housing programs. To address this concern, I evaluated whether municipalities with each type of housing program in 2005 were more likely than average to create a housing council by 2008. About 21 percent of municipalities across Brazil adopted a housing council between 2005 and 2008. Municipalities with existing programs in 2005 were only slightly more likely to adopt housing councils. The exception are municipalities with regularization programs, which were about 16 percent more likely than average to adopt housing councils. This is probably because both regularization programs and housing councils are significantly more likely to be adopted in urban areas. In the full model, in which I include population and percentage of population in urban areas, this relationship should be mitigated.

Second, there is a question of endogeneity between civil society and housing councils. Particularly prior to 2005, when the federal government created the new system requiring municipalities receiving federal funds to create municipal housing councils by the end of 2009, housing councils were created largely in response to the demands of CSOs. Therefore, it might appear that the depth of civil society is endogenous to the creation of municipal councils for housing. However, the data show that the average number of nonprofits and foundations per capita across municipalities (.0026) is not significantly different than the average in municipalities with housing councils (.0033 in 2005 and .0031 in 2008). For this reason, I do not believe that this measure of civil society is endogenous to the existence of housing councils.

Further, the PT has been the party most strongly associated with participatory governance institutions.⁴⁷ According to the data, however, municipalities with housing councils were approximately 3.5 percent more likely to have a PT mayor in charge across years. Though this shows the odds are slightly higher that a municipality with a council has a PT mayor, the difference does not lead me to conclude that the PT is endogenous to the existence of a council.

Model I estimate several probit models to assess the relationships between these independent variables and the adoption of housing programs. Probit is an appropriate regression model for dichotomous dependent variables and provides intuitive results regarding the probability of program adoption. I also use negative binomial regression models to measure the effects on the adoption of multiple housing programs using a housing program index.⁴⁸ I begin with the first hypothesis that municipal councils lead to housing program adoption, before using interactive models to analyze the effect of civil society within and outside of municipalities with housing councils.

Municipal Housing Councils

The existence of municipal housing councils is associated with an increase in the adoption of all types of social housing programs across years (see Tables 1 and 2).⁴⁹ This provides evidence to confirm the primary hypothesis that participatory governance institutions lead to programs benefitting the poor.

Table 1 Probit Results for the Impact on Housing Programs, 2005*

	Constr. of Units	Offer Materials	Offer Land	Regularization	Other Programs
Municipal Housing Council	0.26*** (0.07)	0.10 (0.07)	0.24*** (0.08)	0.39*** (0.09)	0.34*** (0.07)
Municipal Housing Fund	0.39*** (0.07)	0.31*** (0.07)	0.34*** (0.08)	0.25*** (0.09)	0.19*** (0.07)
Population (log)	0.27*** (0.03)	0.13*** (0.03)	0.19*** (0.04)	0.44*** (0.05)	0.27*** (0.04)
Percent Urban Population (log)	0.16*** (0.06)	0.12** (0.06)	0.19*** (0.07)	0.08 (0.10)	0.12* (0.07)
Municipal Budget per capita (log)	0.61*** (0.08)	0.46*** (0.08)	0.43*** (0.08)	0.36*** (0.10)	0.40*** (0.08)
PT Mayor	0.05 (0.08)	-0.27*** (0.08)	-0.02 (0.09)	-0.11 (0.12)	0.20** (0.09)
Gini Coefficient	0.51 (0.42)	0.85** (0.43)	0.08 (0.49)	0.87 (0.63)	0.77* (0.46)
Income per capita (log)	-0.19** (0.09)	-0.306*** (0.09)	-0.12 (0.10)	0.23* (0.13)	-0.12 (0.10)
Non-profits and Foundations per capita (log)	0.07* (0.04)	0.00 (0.04)	0.03 (0.04)	-0.01 (0.06)	0.12*** (0.04)
Existence of Favelas	0.07 (0.06)	-0.02 (0.06)	-0.20*** (0.07)	-0.01 (0.08)	0.08 (0.06)
Constant	-5.66*** (0.81)	-4.06*** (0.80)	-5.20*** (0.88)	-9.99*** (1.10)	-5.11*** (0.84)
Observations	3869	3864	3878	3869	3878

* State dummies included in model. Standard errors in parentheses: *** p<0.01, ** p<0.05, * p<0.1.

Table 3 illustrates the substantive effect of the municipal councils. Using the full probit model, the percentages reported represent the marginal effect of the existence of a municipal council on adoption of each type of housing program, holding all other variables at their means. In other words, the percentages indicate the change in the probability of each housing program (coded as 0–1), given a one-unit change in the dependent variable (the existence of a housing council coded as 0–1). In both years the presence of a council makes a substantial difference in whether programs are adopted, holding all else constant.

Table 2 Probit Results for the Impact on Housing Programs, 2008*

	Const. of Units	Offer Material	Offer Land	Regularization	Acquire Units	Improve Units	Urban
Municipal Housing Council	0.29*** (0.07)	0.14** (0.06)	0.16** (0.07)	0.24*** (0.07)	0.16** (0.07)	0.28*** (0.06)	0.18** (0.08)
Municipal Housing Fund	0.25*** (0.06)	0.09 (0.06)	0.19*** (0.07)	0.14** (0.07)	0.09 (0.07)	0.03 (0.06)	0.16** (0.08)
Population (log)	0.20*** (0.04)	0.08** (0.03)	0.10*** (0.03)	0.35*** (0.04)	0.13*** (0.04)	0.06* (0.03)	0.43*** (0.04)
Percent Urban Pop. (log)	0.14** (0.06)	0.20*** (0.06)	0.26*** (0.06)	0.03 (0.07)	0.03 (0.07)	0.18*** (0.06)	0.03 (0.08)
Municipal Budget per capita (log)	0.49*** (0.08)	0.37*** (0.07)	0.27*** (0.08)	0.34*** (0.08)	0.18** (0.08)	0.19** (0.07)	0.46*** (0.09)
PT Mayor	0.05 (0.08)	0.10 (0.08)	-0.10 (0.09)	0.25*** (0.09)	0.07 (0.09)	0.12 (0.08)	0.06 (0.10)
Gini	1.25*** (0.42)	1.28*** (0.42)	0.01 (0.45)	-0.03 (0.48)	0.24 (0.49)	1.98*** (0.41)	0.98* (0.53)
Income per capita (log)	0.07 (0.09)	-0.17* (0.08)	0.03 (0.09)	0.17* (0.10)	0.10 (0.10)	-0.11 (0.08)	0.04 (0.11)
Non-profits & foundations per capita (log)	-0.04 (0.04)	-0.07* (0.04)	0.03 (0.04)	-0.09** (0.04)	-0.01 (0.04)	0.13*** (0.04)	-0.11** (0.05)
Existence of Favelas	-0.00 (0.05)	-0.06 (0.05)	-0.00 (0.05)	0.30*** (0.06)	0.06 (0.06)	-0.04 (0.05)	0.38*** (0.06)
Constant	-6.43*** (0.83)	-4.36*** (0.77)	-4.10*** (0.82)	-8.27*** (0.88)	-4.33*** (0.87)	-2.06*** (0.76)	-10.4*** (0.98)
Obs.	4093	4080	4093	4093	4093	4083	4083

* State dummies included. Standard errors in parentheses: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 3 Percentage Change in Probability that a Municipality Has Each Type of Program, Given the Presence of a Municipal Council, Holding All Other Variables Constant

Type of Program	2005	2008
Construction of Units	10%	11%
Construction Materials	4%	5%
Offering Plots of Land	7%	5%
Regularizing Land Titles	6%	6%
Other Programs	11%	
Acquisition of New Units		4%
Improvement of Units		11%
Urbanization of Settlements		3%

To assess the impact of the presence of municipal councils on the diversity of programs adopted by a municipality, I also created an index of programs for analysis in a negative binomial model. In both years the mean number of predicted programs is significantly higher in municipalities with housing councils than in those without councils. In 2005, on average, municipalities without housing councils only adopted one program, while municipalities with housing councils adopted two programs. In 2008 the predicted number of programs where housing councils did not exist was around 1.8, while the predicted number of programs for municipalities with housing councils was around 2.8. All other independent variables were set to their means. In sum, the presence of a municipal council is strongly associated with the adoption of each type of program as well as an increase in the number of programs in a municipality.

Table 4 Variables Associated with Housing Program Adoption, Including an Interaction Effect for Civil Society and Housing Councils, 2005

	Constr. of Units	Offer Material	Offer Land	Regularization	Other Progs.
Municipal Housing Council	0.64	1.13***	0.99**	0.04	0.71
	-0.44	-0.43	-0.49	-0.64	-0.45
Municipal Housing Fund	0.39***	0.31***	0.34***	0.25***	0.19***
	-0.07	-0.07	-0.08	-0.09	-0.07
Population (log)	0.27***	0.14***	0.19***	0.44***	0.27***
	-0.03	-0.03	-0.04	-0.05	-0.04
Percent Urban Population (log)	0.16***	0.12*	0.19***	0.08	0.12*
	-0.06	-0.06	-0.07	-0.1	-0.07
Municipal Budget per capita (log)	0.61***	0.46***	0.43***	0.36***	0.40***
	-0.08	-0.08	-0.08	-0.1	-0.08
PT Mayor	0.05	-0.26***	-0.02	-0.12	0.20**
	-0.08	-0.08	-0.09	-0.12	-0.09
Gini Coefficient	0.5	0.83*	0.06	0.87	0.76*
	-0.42	-0.43	-0.49	-0.63	-0.46
Income per capita (log)	-0.19**	-0.31***	-0.12	0.23*	-0.12
	-0.09	-0.09	-0.1	-0.13	-0.1
Non-profits and Foundations per capita (log)	0.05	-0.03	0.00	0.01	0.11**
	-0.04	-0.04	-0.05	-0.07	-0.04
Existence of Favelas	0.07	-0.02	-0.21***	-0.01	0.08
	-0.06	-0.06	-0.07	-0.08	-0.06
Council x Non-profs and Foundations (log)	0.06	0.17**	0.12	-0.06	0.06
	-0.07	-0.07	-0.08	-0.1	-0.07
Constant	-5.76***	-4.35***	-5.41***	-9.85***	-5.22***
	-0.82	-0.81	-0.89	-1.12	-0.85
Observations	3869	3864	3878	3869	3878

* Model includes state dummies. Standard errors in parentheses: *** p<0.01, ** p<0.05, * p<0.1.

Civil Society Impact As shown in Tables 1 and 2, civil society, as measured by the number of nonprofits and foundations per capita, does not have a strong, consistent effect on the adoption of housing programs across programs or across years. But does a strong civil society increase the probability of social program adoption where mechanisms for formal incorporation, in the form of municipal housing councils, exist? To shed light on this question, I add an interaction variable for civil society and housing councils to the original probit models (see Tables 4 and 5).

Table 5 Variables Associated with Housing Program Adoption, Including an Interaction Effect for Civil Society and Housing Councils, 2008*

	Const. of Units	Offer Mat.	Offer Land	Reg.	Acquire Units	Impr. Units	Urban.
Municipal Housing Council	0.16	0.17	0.58	-0.07	-0.38	0.92**	0.2
	-0.38	-0.37	-0.4	-0.43	-0.43	-0.37	-0.51
Municipal Housing Fund	0.25***	0.09	0.19***	0.14**	0.09	0.03	0.16**
	-0.06	-0.06	-0.07	-0.07	-0.07	-0.06	-0.08
Population (log)	0.20***	0.08**	0.10***	0.35***	0.12***	0.07**	0.43***
	-0.04	-0.03	-0.03	-0.04	-0.04	-0.03	-0.04
Percent Urban Pop. (log)	0.14**	0.20***	0.26***	0.03	0.03	0.18***	0.03
	-0.06	-0.06	-0.06	-0.07	-0.07	-0.06	-0.08
Municipal Budget per capita (log)	0.49***	0.37***	0.28***	0.34***	0.18**	0.19***	0.46***
	-0.08	-0.07	-0.08	-0.08	-0.08	-0.07	-0.09
PT Mayor	0.05	0.11	-0.1	0.24***	0.06	0.12	0.06
	-0.08	-0.08	-0.09	-0.09	-0.09	-0.08	-0.1
Gini	1.25***	1.28***	-0.02	-0.02	0.28	1.93***	0.98*
	-0.42	-0.41	-0.45	-0.48	-0.49	-0.41	-0.53
Income per capita (log)	0.07	-0.17*	0.03	0.17*	0.1	-0.11	0.04
	-0.09	-0.08	-0.09	-0.1	-0.1	-0.08	-0.11
Non-profs & founds per capita	-0.03	-0.07*	0.00	-0.07	0.02	0.09**	-0.11*
	-0.04	-0.04	-0.04	-0.05	-0.05	-0.04	-0.06
Existence of Favelas	0	-0.06	0	0.30***	0.06	-0.04	0.38***
	-0.05	-0.05	-0.05	-0.06	-0.06	-0.05	-0.06
Council x Non-profs & foundations (log)	-0.02	0.00	0.07	-0.05	-0.09	0.11*	0.00
	-0.06	-0.06	-0.06	-0.07	-0.07	-0.06	-0.08
Constant	-6.38***	-4.38***	-4.28***	-8.13***	-4.10***	-2.32***	-10.4***
	-0.84	-0.79	-0.84	-0.9	-0.89	-0.78	-0.99
Observations	4093	4080	4093	4093	4093	4083	4083

* Model includes state dummies. Standard errors in parentheses: *** p<0.01, ** p<0.05, * p<0.1.

The results show that the density of civil society is not consistently associated with the adoption of housing programs across years, either where municipal councils exist or do not exist. However, there are several exceptions depending on the type of program. In 2005, where municipal councils for housing exist, a strong civil society is positively

associated with programs to offer families construction materials. This could indicate that CSOs, who often lobby for self-build (*auto-gestão*) projects in which families receive government funding for materials to build their own homes, are more successful when they are able to make these demands within municipal councils. By 2008, however, a stronger civil society is negatively associated with programs that offer construction materials, and the relationship is unchanged by the presence of a municipal council.

In 2008 interesting associations emerge for two programs that likely fall under the catchall category of “other programs” in the 2005 survey—programs to improve units and urbanization programs. A strong civil society increases the probability of municipalities adopting programs to improve units, and the presence of a municipal council amplifies this effect. This may mean that housing associations, particularly those working with more professional NGOs, which are more likely to be included in this measure of civil society, are reaching government officials to improve housing units, allowing residents to stay within their communities. Again, the presence of a municipal housing council may provide the forum for CSOs to negotiate these demands. The relationship between urbanization programs and civil society, however, contradicts the result for programs to improve units. Here, a strong civil society is negatively associated with urbanization programs, and the presence of a municipal housing council has no effect. Though speculative, this relationship could be a result of strong CSOs focusing on gaining selective benefits for their members in the form of improving individual units rather than demanding improvements in whole communities through urbanization programs. For instance, in Santo André, a large city outside of São Paulo, CSOs have fought for the improvement of individual, run-down public housing units, rather than for infrastructural projects. Given limited resources, CSOs may focus on small victories rather than more expensive, large-scale urbanization projects.

The statistical results confirm the main hypothesis that municipalities with housing councils are more likely to adopt all types of housing programs. However, the results regarding civil society do not provide consistent evidence to support H2, that a strong civil society working through municipal housing councils increases the adoption of social housing programs.

Discussion

According to the results, overall municipal councils are effective mechanisms for incorporating civil society into decision making to bring about greater numbers of social programs and pro-poor policies. Municipal councils for housing seem to be credible institutions for promoting accountability and responsiveness among governments at the municipal level. Municipal councils are associated with a greater probability of municipalities adopting each type of program and a broad range of programs, which may reflect the negotiation of CSOs and government officials to respond to calls for

new units as well as renovation of existing favelas and renewal of city centers. But previous claims that a strong civil society is a necessary condition for effective councils, however that is defined, do not hold true in the present analysis that defines effectiveness through program outcomes. This analysis suggests that municipal housing councils level the playing field for civil society to access government officials. Contrary to previous research and my own hypothesis, the results show that the density of civil society, which may indicate increased capacity, is not a prerequisite for effective participatory governance institutions.

Leaving aside the interaction of a strong civil society, municipal councils appear to alter the policy environment toward heterogeneous needs by increasing the probability of municipalities adopting each type of program. In large cities, social movements have often criticized municipal governments for marginalizing the poor by building large public housing complexes in the periphery of the city, cut off from essential services and employment.⁵⁰ For example, in São Paulo, the *União dos Movimentos da Moradia* has fought against the continued construction of large public housing blocks on the periphery, instead calling for communally built projects and affordable housing in the city center. According to Raquel Rolnik, an urban policy expert in Brazil who is currently the Special Rapporteur on Housing Issues to the United Nations, in the 1970s and 1980s government officials were interested in removing residents from favelas and illegal occupations of land and placing them in public housing units. The participatory movement, including the councils, has changed how people view solutions to housing problems. Today, she says “the dissemination of the idea that favelas must be urbanized and integrated, and that [residents] have rights to stay, is something that changed the administrative culture and housing policies in this country.”⁵¹ Rural-based movements have also argued that housing policy in Brazil has not addressed the needs of seasonal laborers and geographical variation in the country. People living in rural areas prefer more freedom to construct houses that meet their needs and to be able to pay back loans on a more flexible schedule.⁵² The MST encourages members to voice their demands for government support, including construction materials and mortgage subsidies.

The call for acknowledging the diversity of needs in urban and rural areas is underscored by the increase in the adoption of an array of programs between 2005 and 2008, which is strongly affected by the presence of a municipal council for housing. For instance, programs to regularize land titles, in essence to legalize the occupation and dwelling of favela or rural residents to provide them with land security, increased from 9 percent of municipalities in 2005 to 20 percent in 2008. Holding all other variables constant, Table 3 shows that the probability of a municipality adopting a regularization program is 6 percent higher where municipal housing councils exist. Municipalities with housing councils are also significantly more likely than municipalities without councils to adopt different types of housing programs in both years, indicating that councils appear to have an effect on the government’s responsiveness to a diversity of demands.

In the end, participatory governance institutions, as demonstrated by the case of municipal housing councils in Brazil, are able to positively affect policy outcomes for the poor by increasing the transfer of information between citizens and government

officials regarding needs and by improving transparency to allow CSOs to hold the government accountable for its actions. As a social movement leader from the north-eastern city of Salvador explained, the councils are important forums for them to direct resources; but more broadly they use the councils to solicit information, demand responses, and follow up to make sure the government does what it says it will. Though the councils are not perfect mechanisms for accountability, they provide greater access to government and serve as a place for discussion that never existed before. Across Brazilian municipalities, incorporating civil society into decision making appears to induce local governments to invest in social housing programs, while perhaps breaking some of the clientelistic relationships of the past.

Civil Society The results do not confirm previous claims that a strong civil society is necessary for creating effective participatory governance institutions. Though the measure used here is an imperfect representation of all civil society, it provides a proxy for the density of civil society based on the number of registered organizations. One conclusion from this result is that CSOs working through participatory governance institutions are able to collaborate and form alliances to make proactive proposals and counter government and business interests, regardless of the number of existing organizations. Municipal housing councils offer the space for cooperation against common “threats,” which unite CSOs of all types to make common demands.

The results regarding programs to improve units and urbanization programs in 2008, however, insinuate that a strong civil society may have an opposing effect for different types of programs. A different process may be taking place in the adoption of these two types of programs. CSOs continuing to pursue traditional bilateral relationships with government officials to gain selective benefits for their members may be reflected in the finding that a stronger civil society tends to bring about programs to improve individual housing units rather than community-enhancing urbanization programs. Alternatively, the number of registered nonprofits and foundations tends to be higher in cities where real estate interests are also likely to be strong. In urban areas, the value of land is higher, and it may be more difficult to convince municipal leaders to clean up the slums without any financial gain for construction companies. The councils may not be mechanisms powerful enough to overcome business interests, even where a strong civil society exists.

Conclusion

The findings in this article contribute to the debate about whether and when participatory governance institutions bring about pro-poor policy outcomes. According to this analysis, incorporation of civil society through participatory governance institutions leads local governments to adopt social programs to benefit the poor. These types of institutions may then be innovative mechanisms for welfare provision, particularly in developing countries without a strong history of broad participation. The findings also

suggest that the depth of civil society is less important than the formal incorporation of CSOs in decision-making institutions. Though past research finds that a strong civil society within participatory governance institutions is necessary to counter elite proposals and to avoid cooptation, the present analysis implies collaboration among CSOs is possible regardless of the depth of formal organization.

Answers regarding the effectiveness of civil society and participatory governance institutions hold important implications for developing countries seeking to address mounting social needs, particularly in urban areas where the poor seek housing solutions to overcome political, geographic, and economic marginalization. Though the analysis produced significant results regarding the effect of municipal councils on pro-poor outcomes, additional research is needed to demonstrate the internal struggles that go on within participatory governance institutions and to provide direct evidence of accountability. Research on the effects of institutional rules and the political environment on the process and outcomes of the councils will further clarify how and when participatory governance institutions make a difference for the poor.

NOTES

1. See, for example, The World Bank, *The World Bank Participation Sourcebook* (Washington, DC: World Bank, 2006).

2. See, for example, The World Bank, *World Development Report: Making Services Work for Poor People* (Washington, DC: World Bank, 2004); and Archon Fung and Erik Olin Wright, *Deepening Democracy: Institutional Innovations in Empowered Participatory Governance* (New York: Verso Publishing, 2003).

3. Though, see Brian Wampler, *Participatory Budgeting in Brazil: Contestation, Cooperation, and Accountability* (University Park, PA: The Pennsylvania State University Press, 2007); and Krister Andersson and Frank van Laerhoven, "From Local Strongman to Facilitator: Institutional Incentives for Participatory Municipal Governance in Latin America," *Comparative Political Studies*, 40 (September 2007): 1085–1111.

4. Ministério das Cidades, "Política Nacional de Habitação," 2004, <http://www.cidades.gov.br/secretarias-nacionais/secretaria-de-habitacao/politica-nacional-de-habitacao>.

5. The number of council members and mix of civil society and government membership vary by council and by rules established by the municipal government. Civil society members may come from professional NGOs, local social movements, and neighborhood associations. They are elected either in an open public forum or by a formal public election. The majority of government members are appointed by the relevant municipal agency, though seats are also reserved for state and federal government representatives.

6. José Roberto R. Afonso and Luiz de Mello, "Brazil: An Evolving Federation," Prepared for the IMF/FAD Seminar on Decentralization, Washington, DC, November 20–21, 2000.

7. Lavinia Pessanha, Vanessa Campagnac, and Denise Ferreira Matos, "Panorama Brasileiro dos Conselhos Municipais de Políticas Setoriais," Presented at the 30th Encontro Nacional da ANPOCS, Caxambu, Brazil, 2006.

8. Vera P. Schatten Coelho, Barbara Pozzoni, and Mariana Cifuentes, "Participation and Public Policies in Brazil," in John Gastil and Peter Levine, eds., *The Deliberative Democracy Handbook: Strategies for Effective Citizen Engagement in the Twenty-First Century* (New York: Jossey-Bass, Inc, 2005).

9. Patrícia Gomes, "Conselho Municipal de Habitação: Uma Experiência de Participação Popular na Cidade de Goiânia Macedo," Conference Paper delivered to the Conference on Social Movements, Participation, and Democracy, UFSC, Florianópolis, Brazil, 2007.

10. Renato Cymbalista, Paula Freire Santoro, Luciana Tagatiba, and Ana Cláudia Chaves Teixeira, *Habitação: controle social e política pública* (São Paulo: Instituto Polis, 2007).

11. Instituto Brasileiro de Geografia e Estatística (IBGE), "Pesquisa de Informações Básicas Municipais: Perfil dos Municípios Brasileiros, Gestão Pública (MUNIC)," 2005 and 2008, <http://www.ibge.gov.br/>.

12. IBGE, MUNIC 2008.

13. Cymbalista et al; Sonia M. Draibe, "The Brazilian Developmental Welfare State: Rise, Decline, Perspectives," UNRISD Project, "Social Policy in a Development Context," 2005, http://cep.cl/UNRISD/Papers/Brasil/Brazil_Paper.doc.

14. Marie Huchzermeyer, *Unlawful Occupation: Informal Settlements and Urban Policy in South Africa and Brazil* (Trenton, NJ: Africa World Press, 2004).

15. For example, the *União Nacional dos Movimentos da Moradia Popular*, and Rede Jubileu Sul Brasil, "Assembléia Popular: Mutirão por um novo Brasil" (São Paulo: Expressão Popular, 2006).

16. Michel Duquette, Maurilio Galdino, Charmain Levy, Berengere Marques-Pereira, and Florence Raes, *Collective Action and Radicalism in Brazil: Women, Urban Housing, and Rural Movements* (Toronto: University of Toronto Press, 2005).

17. These four movements are *União Nacional dos Movimentos da Moradia Popular*, *Confederação das Associações da Moradia* (CONAM), *Movimento Nacional pela Luta da Moradia* (MNLM), and the *Central dos Movimentos Populares* (CMP).

18. This argument draws on decentralization literature, in which scholars find that decentralization of responsibilities and resources to local officials often leads to improved responsiveness and accountability of local governments to citizens' concerns. See, for example, The World Bank, *The World Bank Participation Sourcebook* (Washington, DC: World Bank, 1996); Ariel Fiszbein, "The Emergence of Local Capacity: Lessons from Colombia," *World Development*, 25 (June 1998): 1029–43; and H. Blair, "Participation and Accountability at the Periphery: Democratic Local Governance in Six Countries," *World Development*, 28 (January 2000): 21–39. Participatory governance institutions formally involve civil society in the process of decentralization.

19. See, for example, Hartmut Schneider, "Participatory Governance for Poverty Reduction," *Journal of International Development*, 11 (1999): 521–34; John Ackerman, "Co-Governance for Accountability: Beyond 'Exit' and 'Voice,'" *World Development*, 32 (January 2004): 447–63; and Brian Wampler, *Participatory Budgeting in Brazil*.

20. Merilee Grindle, *Going Local: Decentralization, Democratization and the Promise of Good Government* (Princeton: Princeton University Press, 2007).

21. Leonardo Avritzer, *Democracy and the Public Space in Latin America* (Princeton: Princeton University Press, 2002); Fung and Wright.

22. Pranab Bardhan and Dilip Mookherjee, eds., *Decentralization to Local Governments in Developing Countries: A Comparative Perspective* (Cambridge, MA: MIT Press, 2006).

23. John Gaventa, "Triumph, Deficit or Contestation? Deepening the 'Deepening Democracy' Debate," IDS Working Paper 264, Institute of Development Studies at the University of Sussex, 2006, <http://www.ids.ac.uk/ids>; Benjamin Goldfrank, "The Politics of Deepening Local Democracy: Decentralization, Party Institutionalization, and Participation," *Comparative Politics*, 39 (January 2007): 147–68.

24. United Nations Development Program, *Human Development Report 2002* (New York: Oxford University Press, 2002); Gianpaolo Baiocchi, "Participation, Activism, and Politics: The Porto Alegre Experiment," in Fung and Wright.

25. Goldfrank.

26. Ackerman.

27. Grindle.

28. Mancur Olson, *The Logic of Collective Action: Public Goods and the Theory of Groups* (Cambridge: Harvard University Press, 1965).

29. Victor Nunes, *Coronelismo, Enxada e Voto: o Município e o Regime Representativo no Brasil* (São Paulo: Editora Nova Fronteira, 1997); Frances Hagopian, *Traditional Politics and Regime Change in Brazil* (New York: Cambridge University Press, 1996); Evelina Dagnino, Alberto J. Olvera, and Aldo Panfichi, *A Disputa Pela Construção Democrática na América Latina* (São Paulo: Paz e Terra, 2006); Brian Wampler, "Can Participatory Governance Institutions Promote Pluralism? Mobilizing Low-Income Citizens in Brazil," *Studies in Comparative International Development*, 41 (December 2007): 57–78.

30. Interview, Recife, Brazil, November 2008.

31. Robert D. Putnam, *Making Democracy Work: Civic Traditions in Modern Italy* (Princeton: Princeton University Press, 1993); Peter Houtzager and Mick Moore, eds., *Changing Paths: International Development and the New Politics of Inclusion* (Ann Arbor: University of Michigan Press, 2003); Leonardo Avritzer, "New Public Spheres in Brazil: Local Democracy and Deliberative Politics," *International Journal of Urban and Regional Research*, 30 (September 2006): 623–37.

32. Avritzer, "New Public Spheres in Brazil."

33. Bill Cooke and Uma Kothari, eds., *Participation: The New Tyranny?* (London: Zed Books, 2002); Leonardo Avritzer, *Participatory Governance Institutions in Democratic Brazil* (Washington, DC: Woodrow Wilson Center Press, 2009).

34. Zander Navarro, "O Orcamento Participativo de Porto Alegre (1989–2002): Um conciso comentário crítico," in Leonardo Avritzer and Zander Navarro, eds., *A Inovação Democrática no Brasil* (São Paulo: Cortez, 2003).

35. Orlando Alves dos Santos, L.C. Ribeiro, and S. De Azevedo, *Governança democrática e poder local: a experiência dos conselhos municipais* (Rio de Janeiro: Fase, 2007); Carvalho, Maria do Carmen Albuquerque, "Participação Social no Brasil Hoje," *Pólis Íntegras*, 2 (2002), http://www.polis.org.br/publicacoes_lista.asp?cd_serie=18; Carneiro, C.B.L., "Conselho de políticas públicas: institucionalização," *RAP*, 36 (March/April 2002): 277–92.

36. IBGE, MUNIC, 2005 and 2008.

37. In 2005 48 percent of municipalities reported the presence of programs to construct new units, while the percentage increased to 61 in 2008.

38. The number of municipal housing councils increased in all regions of Brazil between 2005 and 2008. In 2008 the South had the largest concentration with 51 percent of municipalities adopting housing councils, and the North and Northeast had the fewest with 18 percent and 19 percent, respectively. The percentage of municipalities with housing councils also increases with population. In 2008 25 percent of municipalities with populations less than 20,000 had housing councils, while 74 percent of municipalities with populations greater than 500,000 had housing councils.

39. Instituto Brasileiro de Geografia e Estatística (IBGE), "Fundações Privadas e Associações sem Fins Lucrativos no Brasil (FASFIL)," Cadastro Central de Empresas (CEMPRE), 2002, <http://www.ibge.gov.br/>.

40. The data follow the internationally recognized classifications of the *Handbook on Nonprofit Institutions in the System of National Accounts* distributed by the United Nations in collaboration with Johns Hopkins University. The nonprofit sector is characterized by Johns Hopkins University collaborator Anheier as "the social infrastructure of civil society, creating as well as facilitating a sense of trust and social inclusion that is seen as essential for the functioning of modern societies." Helmut K. Anheier, *Civil Society: Measurement, Evaluation, Policy* (London: Earthscan Publishing, 2004), p. 5.

41. See, for example, Gianpaolo Baiocchi, *Radicals in Power: The Workers' Party (PT) and Experiments in Urban Democracy in Brazil* (London: Zed Books, 2003); and Rebecca Abers, *Inventing Local Democracy: Grassroots Politics in Brazil* (Boulder, CO: Lynne Rienner, 2000).

42. The existence of municipal housing councils and funds are correlated at .53 in 2005 and .69 in 2008. In 2005 456 municipalities of 979 had a housing council but no fund. In 2008 there were 374 municipalities of 1,709 which had housing councils but no fund.

43. Bardhan and Mookherjee.

44. Instituto de Pesquisa Econômica Aplicada (IPEA), <http://www.ipeadata.gov.br/>.

45. IBGE.

46. IPEA.

47. Pedro Jacobi, "Challenging Traditional Participation in Brazil: The Goals of Participatory Budgeting," Washington, DC: Woodrow Wilson Center for Scholars, 32 (1999).

48. Though an ordered probit model would also seem appropriate to assess the probability of a municipality adopting multiple programs, after performing a Brant test of the parallel regression assumption, I discovered that the ordered probit model violated the assumption of equal proportional odds between categories. A negative binomial regression model is appropriate to use instead for extradispersed data. Rather than predicting probabilities, the negative binomial model predicts expected counts.

49. The one exception is programs offering construction materials in 2005, for which municipal housing councils are not statistically significant in the model.

50. Scholars have long documented the effects of locating poor residents on the peripheries of cities. For example, see Janice Perlman, *The Myth of Marginality: Urban Poverty and Politics in Rio de Janeiro* (Berkeley, CA: University of California Press, 1976); and Ananya Roy and Nezar Al Sayyad, eds., *Urban Informality: Transnational Perspectives from the Middle East, Latin America, and South Asia* (New York: Lexington Books, 2004).

51. Interview with Raquel Rolnik, São Paulo, Brazil, December 2008.

52. Interview with leader from the Movimento dos Trabalhadores Rurais Sem Terra (MST), São Paulo, Brazil, June 2008.