

## RESEARCH ARTICLE

# Deliberative participatory budgeting: A case study of Zeguo Town in China

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**Summary**

The search for a better practice instrument of civic engagement has led to participatory budgeting and deliberative polling in recent years. Participatory budgeting stresses empowerment and citizens' struggle against the establishment and unequal social structures, whereas deliberative polling works within the system and focuses on improving democratic decision-making processes by applying credible social science methods. Often, these two processes are presented as being in conflict with each other, which is to the detriment of the search for best practice in deliberative governance. This paper develops a theoretical analysis of deliberative participatory budgeting which is distinguished from unrepresentative and non-deliberative but self-selected participatory budgeting; that is, it considers how the quality of participatory budgeting can be improved through deliberative polling. This theoretical analysis is backed by an empirical study of deliberative participatory budgeting in Zeguo Township, Zhejiang Province, China. It explores whether, how, and under what conditions it is possible to combine deliberative polling and participatory budgeting. It details four experiments and assesses the successes, failures, limitations, and problems of the experiments. The case of Zeguo offers scholars, activists, and officials lessons about how to pursue best deliberative practice in both authoritarian states and democratic societies.

**KEYWORDS**

China, civic engagement, deliberative participatory budgeting, deliberative polling, participatory budgeting, political participation

## 1 | INTRODUCTION

The search for a better practice instrument for generating civic engagement has historically been evaluated according to two different lines of thinking. One, following de Tocqueville (2000), stresses empowerment and citizens' struggle against unequal social structures, whereas the other, following Max Weber, works within the system and focuses on improving official democratic decision-making processes by applying proper and credible social science methods. Participatory budgeting (PB) represents the first approach; deliberative polling (DP), developed by James Fishkin, represents the second. Often, these two approaches are presented as mutually exclusive, which is to the detriment of the search for best practice in deliberative governance.

In real democratic life, the political activism and empowerment of PB can and should be combined with DP. Indeed, Fishkin (2018) applies his DP to the fledgling PB processes in China and Mongolia. In his case study of Mongolia, Fishkin (2018, p. 92) offers DP as a correction to the self-selection method of PB and develops a concept of deliberative PB, that is, "how to combine deliberation with participation to exert popular control" over the budgeting areas of policymaking (Fishkin, 2018, p. 91). Nevertheless, a more thorough theoretical notion of deliberative PB remains largely underdeveloped. Moreover, there are empirical questions regarding whether or how DP is or can be effective in addressing the problems associated with PB and whether or how the combination of DP with PB can deepen democratic practices. Contrarily, questions remain as to whether or how this

combination may inadvertently create a new set of problems. This paper aims to bridge the intellectual gap, given that the literature on PB has to date not properly attended to the question on PB through DP.

This paper, informed by solid empirical case studies, analyses PB and DP as a combined form of deliberative and participatory practice. It undertakes a case study of why and how the town of Zeguo introduced a series of experiments that combined DP and PB in the period from 2005 to 2009. It details four experiments and assesses their successes, failures, limitations, and problems. It examines how DP techniques can improve the existing practice of PB, overcome some of its limitations, and give rise to a new set of problems.

China was introduced to the concepts of public budgeting and PB more than a decade ago with mixed success (see Chen, 2007; Chen & Chen, 2007; China Development Research Foundation, 2006; He, 2011). In Chengdu, more than 40,000 projects, in more than 2,300 communities, were implemented through PB between 2009 and 2012 (Cabannes & Zhuang, 2014). However, throughout China, serious problems have resulted from PB experiments, including the scaling up of projects, weaknesses in civil society, dependence on leadership in the budgetary process, poor design of the PB process, lack of sound social science methods, and insufficient research and evaluation (Cabannes & Zhuang, 2014; He, 2011; Yan & Xin, 2017). What makes Zeguo special in the Chinese context of PB experiments is that it has, over the years, introduced PB using DP techniques. Zeguo's experiments provide a solid case to explore the question of whether or how DP can improve PB and therefore create a new type of deliberative PB. Zeguo allows me not only to investigate the politics of the logic of the social science enterprise inherent in DP experiments (see He, 2011) but also to examine the broader issue concerning best practice instruments for deepening local democracy.

It should be made clear that the purpose here is not to present empirical evidence that China has established local deliberative democracy. Zeguo's experiments are very rare in China; China is a long way off from establishing deliberative democracy. As Fishkin (2018, p. 196) argues well, one isolated instance of "the successful application of deliberative democratic methods to a given policy problem at the local level, does not mean that the political system has become a deliberative democracy." However, these experiments do send the message to democratic countries that if local officials in an authoritarian state can combine PB and DP, then officials in democratic countries can do more of these experiments.

The two key terms, PB and DP, used throughout in this paper, can be summed up as the following: PB is a form of active civic engagement that enables citizens to participate in budgetary decision-making processes; and DP is a social scientific effort that explores more informed and engaged public opinions than those garnered from the conventional use one-off public opinion surveys (see Fishkin, 2006; Fishkin & Luskin, 2005). A key feature of DP is the requirement of participants to complete two surveys—one before and one after deliberation—so as to detect or gauge the opinion changes of the participants.

The structure of this paper is as follows. Section 1 introduces the methodology of this paper. It includes a brief discussion of the participatory action research (PAR) method, outlines why I have chosen

Zeguo Township as the case study, delineates institutional and process approaches in relation to DP and PB, and provides an overview of the collection and analysis of the data. Section 2 develops a theoretical argument on the complementarity of PB and DP, demonstrating why the combination of the two is desirable and feasible to create deliberative PB. In particular, it delineates three main problems associated with PB and how DP methods can address these problems. Section 3 offers a detailed study of the Zeguo experiments to describe and explain how and why the two processes were combined. Section 4 first analyses the benefits of the combinations and then discusses the local modifications of the DP methods and associated problems. The paper ends with a brief discussion of how deliberative PB has been developed and expanded with its limitations and the new areas of research it opens up.

## 2 | METHODOLOGY

This paper adopts the PAR method, which combines researchers' participation in local community, engagement with local government and citizens, and finally, research and reflection. In short, PAR aims to understand the world through direct involvement, collaboration, and design to address real-world questions that are significant for local communities and citizens (Reason & Bradbury, 2008). Indeed, this author was engaged in these capacities during most of Zeguo's DP experiments.

Zeguo provides a good case study because its DP experiments provide ample empirical material to address the research problems discussed in the following section. Foremost, this is evidenced by the random samples of Zeguo citizens participating in the DP who deliberated on public budgeting issues and made recommendations to the Local People's Congress. Most of the recommendation were accepted, thus demonstrating a form of deliberative PB, at least on selected issues, in an admittedly authoritarian regime. At the same time, why and how DP methods were modified by Zeguo officials in the experiments help us to understand what the implications are for democratic governance under an authoritarian regime.

This paper, using an institutional approach, focuses on the changing institutional design of PB and DP and offers an original way to understand local dynamics in the effort to develop deliberative PB. The historically informed and process-linked approach is also deployed in this paper to trace the evolution of the dual use of PB and DP to show how the two together improve upon PB. Special attention is also given to the changeover of local leaders who bring with it the need for new designs or modifications in deliberative PB.

Zeguo's experiments adopted basic DP methods, including conducting two surveys before and after deliberation, generating substantial qualitative and quantitative data, to which this author has been given access. The data were analysed through standard statistical testing. In addition to carrying out detailed literature reviews on DP and PB and research using the official Zeguo DP documents, this author conducted a series of face-to-face interviews with past participants from Zeguo's experiments. In 2009, to maintain impartiality, I

developed my own system of random selection, using the number 7 to select from a list of past participants whose registration number contained the number 7. In all, I interviewed 20 past participants. On verifying how they were selected for the DP experiment, I asked interviewees to what extent they participated in the proceedings, how they evaluated the event at the time, and what they thought of it now.

In examining the data from the Zeguo experiments, this paper uses a simplified version of the discourse quality index, developed by Steenbergen, Bachtiger, Spornelli, and Steiner (2003) to measure the quality of deliberation in small-group sessions. The discourse quality index uses seven categories that cover, among other things, the extent of participation, the level and content of justifications, mutual respect, and constructive comments and proposals. I have simplified it down to three indices. The first is a diversity-of-opinion measure: the greater the diversity of opinions among the participants, the higher the level of deliberation. The second is a reasoning measure: both the total number of reasons and the number of reasons per statement by groups are taken into consideration. The third is a response measure: how the participants respond to the opinion of others and how they revise their original point of view after considering others' opinions. All group discussions were recorded, with a facilitator taking notes during the discussion. These materials were coded by two PhD research assistants from Zhejiang University.

### 3 | DELIBERATIVE PB

PB originated in Brazil in the late 1980s and has spread around the world including to Europe, North America, and Asia (Blakey, 2007; Lerner, 2004). PB allows citizens to play a role in budget allocation (Novy & Leubolt, 2005). The logic of citizen empowerment is reproduced by activist citizens and NGOs who regard citizen participation in the budgeting process a political right and therefore demand citizens have the power to make decisions regarding the allocation of budgets in local communities. PB aims to cultivate and empower citizens and, in doing so, change the relationship between the state and citizens in favour of the latter. Much of the literature on PB is built upon this empowerment logic. Nevertheless, it has some limitations, in particular stemming from methodological problems.

The processes of DP include recruiting a scientific random sample of the public and providing them with a baseline questionnaire and balanced briefing materials. On the day of the deliberative event, participants engage in small- and large-group sessions to deliberate over policy alternatives, after which they are provided with a final questionnaire. DP techniques are able to identify public opinion and generate considered public judgment through discussion and debate. They generate deliberative influence, from which political leaders take guidance and upon which they rely for the legitimacy of their decisions. Currently, there are more than 100 DP exercises in 28 countries. A recent example is the DP that Fishkin (2018) conducted around Ulaanbaatar's budgeting in 2015 and in 2017 around national

constitutional revision for Mongolia. DP has been seen as setting a gold standard for civic participation (Mansbridge, 2010).

PB and DP are often presented as mutually exclusive, which is to the detriment of the search for best practice in deliberative governance. Theoretically, PB and DP are inherently related to each other; they share the same foundation, both value participatory democracy, and both aim to establish and deepen democracy. The combined practices of deliberation and participation "enable significant levels of both democratic deliberation and popular control" (Graham Smith, 2009, p. 197). By bringing together ideas from deliberative democracy and direct democracy, like PB, citizens are encouraged to reflect on their preferences before they engage in direct decision making, making the democratic process more legitimate (Saward, 2001).

PB and DP are complementary in their distinct responses to two problems commonly associated with democratisation—weak state institutions and an inactive civil society. In Weberian terms, developing countries have low levels of institutionalisation, society is not well integrated into the state, and citizens are largely unable to hold the government to account and have little say in the political process, other than through occasional elections (Baiocchi, Heller, & Silva, 2011, p. 11). In Tocquevillian terms,<sup>1</sup> citizens have formal democratic rights but often lack the capacity to assert those rights, due to social problems such as poverty or educational inequality, resulting in weak civil society and dysfunctional democracy. In recent decades, the development of PB and public consultation processes such as DP represent strong democratisation movements outside of conventional electoral politics. PB and DP respectively address Tocquevillian and Weberian aspects of the democratic problem. PB is effective for facilitating participation by the poor, thus addressing the Tocquevillian associational problem (Baiocchi et al., 2011, p. 12). In contrast, DP is an effective tool for institutionalising the transmission of public preferences to decision makers, thus addressing Weber's problem while also promoting and facilitating a deliberative form of participation (Fishkin, 2009).

Nevertheless, PB has a set of methodological problems to which DP offers a correction. DP's deliberative intervention in PB is able to enhance deliberative capacity and to develop a better practice of deliberative PB (Kersting, Gasparikova, Iglesias, & Krenjova, 2016). Below I present the ideal of how PB should be, followed by an examination of the existing problems associated with PB that have failed to meet a democratic vision, and then show how DP can correct them to achieve a democratic vision.

Fishkin (2018, p. 93) proposes the ideal version of PB as follows:

- The process should provide useful data on citizen views about budget priorities.
- The process should involve deliberation by citizens.
- Citizens who participate should show increases in relevant knowledge and their sense of efficacy.
- The process should produce results that are actually implemented.

<sup>1</sup>PB is Tocquevillian in the sense that it is a kind of New England town meeting.

Whereas most PBs have met the fourth criterion, some fall short of the first three criteria. There are three major methodological problems associated with PB. First, PB is not representative but is instead an exceptional case that “provides the opportunity to demonstrate how citizens exert influence over elected municipal administrations” (Brian Wampler, 2004, p. 79). PB has often adopted a self-selection method that favoured the certain groups, for example, the poor in Brazil, the older in China, and the middle class in some European countries (Baiocchi, 2005; He, 2011; Fishkin, 2018). Although PB provides data about citizens' needs, these data, because of their lack of representation, cannot truly reflect the opinion of the community as a whole. Over-representation of any one particular group results in the domination of special interest groups, which in turn gives PB a credibility problem as a form of public consultation and participation.

Second, although PB involves many discussions and debates, deliberative element or quality is not sufficient. The participants are provided with information, but not necessarily balanced information. Where participants are encouraged to articulate their needs for certain budgets, there is inadequate attention to the needs of other groups not present and to the question of how a balanced budget should be achieved. PB makes it difficult to foster noninstrumental outcomes; for example, educating the public about civic values and local budgetary issues often do not deal with larger underlying social problems (Wampler, 2007, pp. 45–47).

Third, PB uses various methods of collecting citizens' opinions, including a scoring system (in which the projects that receive the highest scores from participants are selected) and sometimes a survey, usually only one during the event. PB methods are useful for understanding what participants want for certain budgets, but they cannot tell us how participants increase their relevant knowledge and their sense of efficacy in quantitative terms.

Fishkin (2018) details how DP methods can successfully address the problems associated with PB. DP, through random selection of participants, is a statistical representation, in both demographics and attitudes, of the sample. This scientific and statistical representation can successfully address the over-representation problem of one special group, ensuring balance and inclusiveness to make PB a better model of participatory governance.

Holdo (2016) presents yet another concept of deliberative capital to deal with the deficiency of the deliberation problem in PB. Here, DP offers a concrete method to develop deliberative capital through a set of deliberative designs including balanced briefing materials that are provided to participants, plenary sessions and small-group discussions, and the active role of facilitators. Moreover, the DP process “generates both quantitative and qualitative data that provides evidence about the deliberative process” (Fishkin, 2018, p. 94) and is able to discover genuine public opinion through deliberation and policy preference transformation.

Due to the two surveys' requirement, DP can measure change in public opinion before and after deliberation. Moreover, there are some survey questions about knowledge and efficacy; thus, DP can measure knowledge change and the increased efficacy of the participants. As previously mentioned, an important part of the DP process is the

educational briefing to participants, which could be interpreted as an attempt to address the Tocquevillian issue of reducing barriers to participation.

## 4 | THE COMBINATION OF PB AND DP IN ZEGUO

In China, local governments are increasingly required to consult with the public and face the issue of how best to do this. The Zeguo leaders were willing to try a new method of consultation and combined PB and DP successfully. Zeguo's case provides valuable material with which to address questions concerning the possibility and desirability of combining PB and DP.

Zeguo Township has jurisdiction over 89 villages and nine urban residential committees. The permanent local population is about 119,200, and the floating (migrant) population is 120,000. With a vibrant private economy, private tax contributions constitute a large proportion of the local budget. Private businessmen and interest groups are keen to express their concerns and interests in public policies that affect their economic activities.

Zeguo's former party secretary, Jiang Zhaohua, was the key figure in the Zeguo DP experiment. He decided to adopt this method after taking part in an international conference on deliberative democracy in November 2004. Jiang had organised a series of Chinese indigenous “heart-to-heart talks” (*kentan*) when he was party secretary in Wenqiao town in 2003 and saw DP as an extension of his previous work with a more scientific basis. In 2008, the then party secretary, Zhao Ming, was vital to the decision to hold “regular annual” public consultations about the Zeguo budget using the DP method. Of particular note, in 2013, the Zeguo People's Congress passed two regulations on the detailed procedures of how to conduct public deliberation.

There were annual DP experiments from 2005 to 2018 with some modifications to the process. In this paper, I focus on four of these experiments—all prior to 2010, when Zeguo completely adopted DP methods. In the 2005 and 2006 experiments, participants ranked infrastructure projects, which made up about 30–40% of the town's budget expenditure. In the 2008 and 2009 experiments, the participants examined the entire town budget. The attempt to link PB and DP came through citizens debating and identifying budgeting priorities or amounts to allocate; such a strategy is a core tool for implementing PB through DP. This practice has also been used in deliberative PB in Mongolia and in small cities in the United States (Fishkin, 2018).

After 2010, Zeguo began introducing the mixed method, discussed later. In 2017, Zeguo held eight public hearings with different professional bodies, including small-scale discussions by migrant groups, and 2018 witnessed three big public hearings, though each only went for half a day. Moreover, Zeguo introduced an e-voting method in 2016, which has been used in place of the traditional hand-raising method, making it more difficult for officials to control the voting process. Notably, since 2016, the deputies of Zeguo People's Congress have voted down three budget proposals.

Several factors played a role in facilitating the combination of PB and DP in Zeguo. Fiscal affluence based on land was one important background factor for the introduction of PB through DP (Ye, 2018). Officials at Wenling City required its townships to examine their budget issues through civic participation in 2008. To meet this administrative order from city officials, Zeguo used DP methods, whereas Xinhe Township used other simpler methods. The reason Zeguo combined DP and PB was partially due to institutional path dependence: It had used DP methods twice before and wanted to continue using this institutional design for popular participation. Moreover, the requirement to examine the annual budget provided an opportunity to regularise the DP method. The four experiments are discussed below.

#### 4.1 | The first experiment: Ranking 30 infrastructure projects

On April 9, 2005, officials in Zeguo conducted an innovative experiment in which ordinary citizens were randomly selected to deliberate over how to spend about 30% of the annual budget in Zeguo Town, in the city of Wenling, Zhejiang Province. The participants had first been surveyed in March and then brought together for a full day of discussion on infrastructure projects. They were given balanced briefing documents, participated in small-group discussions with trained moderators, and brought questions, which were developed in the small groups, to two expert-panel sessions. At the end of the day, the participants completed a questionnaire similar to the one they completed before deliberation. The results from the Zeguo deliberative poll were submitted to Zeguo's People's Congress for discussion on April 30, 2005. Out of 112 deputies, 92 attended the meeting, 84 voted for the top 12 projects identified by citizens, seven voted against them, and one deputy abstained (for a detailed description, see Fishkin, He, Luskin, & Siu, 2010).

#### 4.2 | The second experiment: Enhancing deliberative capacities

The second experiment took place in Zeguo Town on March 20, 2006, when 237 participants were randomly selected to participate in a 1-day event to discuss how to spend the annual infrastructure budget, consider advantages and disadvantages of each project, and finally rank the options.

The 2006 experiment focused on enhancing the deliberative capacities of the participants. It was designed to address the criticism that low-quality deliberation casts doubt over whether the result of deliberation can be used as policy input. To strengthen the close linkage between deliberation and decision making, a deliberative forum must produce a high quality of deliberation and enhance the deliberative capacities of the participants.

To achieve this, an experiment dividing all participants into a treatment or control group was carried out. In the treatment group, the moderators played active roles, such as through summarising the

reasonable arguments presented by the group during the discussion, encouraging participants to think about counterarguments and solid and sound reasons, pointing to the briefing materials, and driving the argument or discussion further, harder, and deeper. In the control (or conventional) group, the moderators simply ensured the implementation of procedures (e.g., all participants are required to speak out in turn, and no one is allowed to speak more than 2 min so as to prevent the domination of one or two persons in group sessions) and maintained the order of discussion. They were not permitted to engage in any reason-based argument. In this group, the participants carried on their discussion without interference from the moderators. The participants were randomly assigned to each group. Given all other conditions were the same (except for the active interference from the moderators in the treatment group), we tested whether the participants of the treatment group would have a higher level of deliberation or whether the deliberative capacities of the treatment group would be significantly enhanced.

The facilitators for the treatment group were trained to get people deliberating and to develop three "ladders" of deliberation. The first ladder relates to the ability of the participants to express and reflect each of their views. The second ladder relates to the way in which the participants listen to each other and whether they did so with an open mind. The third ladder involves the synthesis of the competing views in a systematic manner (He, 2010, p. 725). Participants were encouraged to challenge their own biased views, change perspectives, and develop a general view on public interest.

The results of this experiment were striking, in that the treatment group's scores on all three indices of deliberation (discussed in Section 2) were much higher than those of the control group. The index of the expression of opinion was 4.95 for the average person in the treatment group but only 2.42 for that in the control group. The index of making reasoned arguments was 1.82 for the average person in the treatment group but only 1.02 for the average person in the control group. The index of making responses to others in a group discussion was 7.21 for the average person in the treatment group but 4.10 for that in the control group.

The survey result confirmed a high level of deliberation in both groups. More than 85% of participants felt their small-group moderator led their "group members to consider opposing arguments." In addition, 87% of participants agreed that "group members who had different views from you often have their own rational reasons." The Zeguo experiment clearly demonstrates that deliberation is capable of cultivating citizen's deliberative capacities (He, 2018; Holdo, 2016).

Other improvements in the 2006 experiment compared with the 2005 experiment included the fact that the number of women participants increased, constituting 41.8% of the sample, and participants were not only provided with detailed information about the projects but also taken to visit all of the project sites. The participants again expressed their serious concern over environmental issues by ranking environmental projects first. As a result, after the 2006 DP, one official was put in charge of environmental affairs and about 1 million yuan was allocated to clean up the town. Each village received



8,000 yuan to build a rubbish collection centre. Finally, a supervision group comprising randomly selected people's deputies was formed to monitor the implementation of the results. (A year later, this author interviewed some angry members of the group who recounted how they had discovered a sewage pipe that was much smaller than that in the plan and had to request that all be redone.)

### 4.3 | The third experiment: Opening the town budget

The third experiment involved 197 randomly selected citizens and was held on February 20, 2008 (for a detailed description, see He, 2008). It was widened to encompass all of the town's budgetary issues.

Wang Xiaoyu, the head of Zeguo's government, made a decision to release the town's 48-page budget to participants, saying, "We introduced the PB experiment genuinely and seriously, we are not afraid of people's criticism. In fact we welcome people's criticism and monitoring." This set a higher standard for the increased transparency of PB and social accountability.<sup>2</sup> In past years, Xinhe Township, near Zeguo, had supplied a general budget figure to participants. To make PB meaningful and valuable, all budget information should be made available to the public. Zeguo has continued to provide balanced briefing materials to all participants, conduct two surveys in the PB process, and present the results of the second survey to the Zeguo People's Congress.

The interaction between randomly selected participants and the deputies of the local People's Congress was improved in a twofold process in the 2008 experiment. In order to better understand public opinion, a delegation of 20–30 (out of the total 97) deputies observed the entire process.<sup>3</sup> Fifteen local officials in charge of PB from other townships and districts in Wenling City also attended the event. Ten of the 197 participants were randomly selected to observe how the deputies deliberated over the budget at the meeting of the local People's Congress on February 29, 2008, so as to improve the direct interaction between citizens and deputies.

The results of the PB were presented by the head of Zeguo Township to local deputies, who revised and accepted four main recommendations from the results. They include increasing the budget from 20,000 to 100,000 RMB for the rural seniors' pensions and allocating 400,000 RMB to the "village projects" programme. Support for the Wenchang Pavilion, both among participants and the deputies of the People's Congress, significantly dropped following deliberation. In response, the Zeguo People's Congress decided to cut its 2 million RMB in half.

### 4.4 | The fourth experiment: Further improvements

On February 21, 2009, the Zeguo government held its fourth experiment by inviting the randomly selected sample participants from

2008. The 171 participants from 197 participants in the 2008 experiment attended public deliberation in 2009. By using the same sample, the government thought that it could determine whether the participants' priorities had changed since 2008.<sup>4</sup> In 2009, in addition to receiving a copy of the entire Township budget and briefing materials, participants received a report from the government that detailed the finished and unfinished projects and explained why some projects were not completed.

The 2009 experiment focused on the education section of the budget rather than discussing the whole budget. This decision was based on lessons learned from the 2008 experiment, during which participants discussed the entire Township budget but felt that it was too complex to be addressed adequately in 1 day.

The survey results from 2009 were presented to the Zeguo People's Congress 2 days later. The Zeguo government identified 11 hot topics from the participants and adjusted the budgets accordingly. For example, the budget for rural social assistance was increased from 296,000 to 396,000 RMB.

The 2009 experiment made several improvements on previous years. First, the township leaders provided a detailed report of whether or not the government met its 2008 promises. Second, it developed a form of questions in the survey that were more suited to budget issues. For example, the questionnaire enabled participants to express which aspects of the budget should be increased, decreased, or kept the same. In budgetary terms, such recommendations enable the government to reallocate resources and tailor their projects towards the people's recommendations. Third, it invited 10 migrant workers, out of 150,000 migrant workers in Zeguo, to form a small discussion group along with other groups to discuss budget issues.<sup>5</sup> This inclusion allowed for migrant voices to be heard and accounted for in the DP result.

## 5 | DISCUSSION

### 5.1 | How DP addresses PB's problems in Zeguo's experiments

Here, I return to the discussion of how DP helps to overcome three problems associated with PB. First, DP is inclusive. In PB, most participants are self-selected. For example, in Wuxi, Jiangsu Province, China, PB attracted self-selected retirees; hence, the chosen projects favoured the needs and interests of the aged population (He, 2011; China Development Research Foundation, 2006). DP overcomes the biased self-selection method of PB through random selection of a diversity of citizens. The random selection of participants, together with Zeguo's practice of randomly assigning participants to small groups, prevents the domination of any particular group in group

<sup>4</sup>The same sample was used in 2009, but this practice was subsequently abandoned.

<sup>5</sup>Such practice continues today. Fifty and 20 migrants participated public discussions on township budgets in 2017 and 2018, respectively. In one earlier DP experiment, in response to migrants' concern with the health and safety of their rented rooms, Bianyu village built an apartment for them to improve their living conditions (He & Wang, 2007).

<sup>2</sup>In 2015, Zeguo even published all budgeting items in *Wenling Daily*, a local newspaper; they have since been released online annually.

<sup>3</sup>The process is a common standard in DP practice.

discussions. Random sampling reflects the principle of fairness and equality because everyone has an equal probability of being selected. It also prevents government officials from selecting participants likely to express views that are in line with government priorities.

Second, DP can develop and enhance deliberative capacities through its institutional design using small-group discussions, surveys, and citizen comments during the plenary session. This prevents the process from becoming a lecture by government officials. In particular, through the active “intervention” of facilitators in the 2006 experiment, participants in the treatment group improved their deliberation score significantly. Through meaningful and high-quality deliberation, participants developed a sense of public spirit; for example, in the 2005 experiment, participants' priorities shifted towards projects benefiting the entire town after deliberation (Fishkin et al., 2010, p. 441). DP therefore can be seen as cultivating civic spirit. It is a mistake to see it as only focused on providing efficient and accurate information to policymakers about public preferences.

Third, PB in Huinan town, Shanghai, China, used a scoring method to aggregate support for certain proposed projects. This method is useful for needs-based distribution but is of limited applicability for measuring policy preference change and increased efficacy of the participants. DP addresses this sort of problem by requiring participants to fill out the same questionnaire before and after discussion so as to identify quantitatively the value, effects, and results of the democratic deliberation. Since DP results show the percentage changes of certain policy preference statistically, it can constitute the basis for policymaking. For example, the four deliberative polls examined here all confirmed that the most important public concern was the environment. It would be difficult to construct such a result through manipulation. This evidenced-based result clearly reject the claim that DP is a constructive form of public opinion (Sturgis, Roberts & Allum, 2005) and that DP potentially alters the result through its methods artificially (Price & Neijens, 1998). DP is indeed a process by which to discover informed public opinion.

To summarise, DP can overcome some of the problems associated with PB so as to create a deliberative model of PB, which has the added value of fostering accountability and transparency and enhancing trust. An overwhelming majority of participants in the Zeguo experiments felt that the discussions were equal and balanced. Over 90% affirmed that their small-group moderator provided “everyone with an equal opportunity for discussion.” Through deliberative PB, Zeguo Township made its budget public, and government officials presented reports and answered questions during the plenary session. The project has placed pressure on the Township government to continue to be accountable. The 2009 experiment included a report on the implantation status of 2008 projects. Deliberative PB has led to more accountability in the use of government funds in Zeguo. By increasing financial transparency, as a direct result of earlier DP experiments, government officials have become more careful about using public funds and abiding by the budget. Take the official banquet as an example. This author was often invited to eat and drink at these lavish banquets before 2008. Since the publication of the budget, which includes funds spent on banquets, this author has instead been

asked to have a simple meal at the staff canteen. This is a clear illustration of how PB has overcome official extravagance and waste.

The combination of PB and DP has increased the level of trust and the sense of empowerment in the Zeguo population. For example, in answering the question, “Will the government take DP seriously,” on a 0–10 scale, where 0 is *unlikely* and 10 is *the most likely*, the mean value was 7.55 in the 2005 survey but increased to 8.43 in the 2006 survey. With regard to the question, “Do you think the government will use the results of the Democratic Deliberative meeting?” the mean score increased from 7.33 in the 2005 survey to 8.16 in the 2006 survey (He, 2008, p. 157, p.189; also see Wu & Wang, 2012).

## 5.2 | Local modification of the DP method

Zeguo officials were concerned with Parkinson's (2003, p. 188) question about “the legitimating bonds of authorization and accountability between participants and non-participants.” and with Olsen and Trenz's (2014) concern about the necessary linkage between scientific DP and political presentation of decision-making process. To address this, the local officials developed several ways to engage the Zeguo Township People's Congress. First, about 20–30 deputies were required to sit in the panel sessions to listen to the voices of the people during the 2008–2010 deliberative events; this provided the deputies with an opportunity to learn more about the citizens they were supposed to represent. Approximately five to six People's Congress deputies reported that it helped them better understand public opinion. Second, 10 randomly selected participants in the public deliberation were invited to attend the meetings in which the Zeguo Township People's Congress discussed and decided the 2008 and 2009 budgets. By allowing citizens to observe these meetings, the project fostered greater government transparency. Third, the result of DP has to be discussed and endorsed by elected deputies in the Zeguo Township People's Congress. Here, we see the political logic returning to or strengthening the elected deputies. This is because people's deputies are perceived as politically representative as they are elected by all citizens. In short, Zeguo officials' attempt to combine populist random sampling with the existing representative system of the People's Congress favours a combination of elite-led deliberation and broad popular participation.

Zeguo officials also modified the DP method through the process of experimentation. From the perspective of participation, they raised the question of whether randomly selected participants can really represent everyone, including those who are not selected. To deal with this issue and to ensure wide participation, they required that all randomly selected participants visit at least 10 families and collect their opinions on the issues to be deliberated. The local officials called them “public opinion representatives,” whose job was to gather public information. Local officials were unconcerned that such a methodology violated the statistical requirements.<sup>6</sup> Their only concern was that this measure helped to bolster political participation and

<sup>6</sup>Following DP's requirement, officials ought to be encouraged to think about issues for themselves, and not represent the voice of others being consulted (which in this case was 10 families).

representation, although whether this modification achieves the desired result remains to be seen. Another method to address the issue of those who are excluded by a random selection process is rotation. In ancient Greece, the rotation of citizens was used in the court and council and ensured the equal chance of participation. Similarly in Zeguo, annual DP throughout 2005–2018<sup>7</sup> served the same function: “if you are not selected, you will have a chance next time.”

Local officials faced illiteracy issue with roughly 9% of the sample. There were two different approaches towards this issue. Former party secretary Jiang Zhaohua regarded this as a valuable thing to do. In the past, illiterate people would not have been selected. In Zeguo's DP, illiterate participants were given the same opportunity to express their views and fill in the survey with the help of trained moderators who read the briefing material and questionnaires to them. However, the new party secretary, Zhao Min, observed the whole deliberation process and found that some of the illiterate participants were often quiet and did not deliver high-quality public debates. To resolve this, he invented a mixed method, which was applied in 2010. Half of the DP participants were randomly selected from the whole population, but the other half were randomly selected from elected village representatives who were elected by all villagers so that they had a legal basis for political representation. The variation of this mixed method has also been applied in other local consultations in Shanghai and Yunan. Professor Fuguo Han (2018) from Fudan University provides a theoretical justification for this hybrid model and conceptualises it as an innovative “socialist deliberative democracy.”

It is premature to claim that this mixed method is superior to the DP method. It is more problematic to claim this as “an innovation” or an established “China model” (see He, 2016). There are theoretical and practical problems associated with this hybridity. First, through random selected sampling, DP is intended to represent what the people think. It is not clear what a hybrid model would represent when the participants are half officials and half people. In fact, the mixed method distorts the sample, violates the statistical principle, and dilutes the democratic principle. Second, a hybrid model opens up the process to manipulation by local officials whose voice might align with the official preference or follow the politically “correct line” (for more discussion on the hybrid model, see He, 2016). A new research question of whether the small groups in this mixed method move in the direction of local officials' preferences also presents itself here, and moreover, there is a lack of empirical evidence to support the claim that the mixed method increases the degree of political representation and improves deliberation.<sup>8</sup>

### 5.3 | Problems associated with the combination of DP and PB

The Zeguo experiments have depended on the political will of local governments, a lack of which would make the combination a difficult

prospect going forward. DP methods have been promoted over the last 10 years by many scholars. There have been numerous talks, speeches, and lectures in governmental organisations, think tanks, and universities across a series of workshops and seminars promoting PB and DP. Indeed, through balanced briefing materials, smaller group discussions, and expert sessions, DP has offered a strategy for making PB in Chengdu, Wuxi, and Heilongjiang more deliberative. So far, however, only three communities in Shanghai, Guangdong, and Yunnan have adopted and modified DP methods to improve PB. There are numerous political and cultural obstacles to the spread of solid social science methods. Most local towns or townships employ the simple method of holding public meetings or involving local elites as local officials find that it is too complex to undertake two surveys and the careful design of a questionnaire required by DP. Even in Zeguo, the officials have expressed a desire to simplify DP techniques. For example, one official argued that “to save the cost, we need only one survey after the deliberation.” The suggested modification of DP reveals that the Zeguo government is more concerned with the practical impact rather than the scientific design of DP.

Surveys face a number of challenges. Budgeting processes often involve numerous and complex figures—in the case of Zeguo, 48 pages of figures. It is impossible to design a questionnaire to cover all these figures. In the rural Chinese context, the survey should be no more than five to seven pages and should be able to be completed within 15–20 min. This gives rise to the inherent tension between the complex figures and the limited scope of a questionnaire. Apart from time and space constraints, the survey method has difficulty in achieving the practical balance of different interests. In addition, it is easy to design a survey to ask questions about specific amounts of money, but in the Chinese context, if it is too specific, it will leave little political freedom for the local leaders.

In Zeguo, these problems have been addressed through the following solutions. Surveys ask questions concerning the budget direction but deliberately avoided specific figures, thus leaving flexibility for local leaders and deputies to decide the concrete figures. Often, as happened in Zeguo and other places, most participants tend to ask for an increase in the budget. To achieve a balanced budget, a pie chart of all major component categories is presented to the participants, who are asked to develop holistic thinking about the budget by ranking the most important categories.

Deliberative PB requires deliberative citizens (He, 2018) to understand financial figures and to develop special knowledge of finance. Often, citizens, even scholars, are not equipped with financial knowledge. Briefing materials are often difficult to understand, and citizens often face difficulties in discussing complex financial issues. To address these issues, Zeguo officials invited experts and scholars to give lectures for the randomly selected participants and deputies and provided a shortened version of the briefing material. In addition, there is a trade-off between the level of deliberation and the scope of discussion. The 2005 and 2006 experiments identified the top priorities among 30 projects related to one section of the town budget. The scope of discussion was relatively narrow, but the level of deliberation was higher; in particular, the 2006 experiment enhanced the

<sup>7</sup>With the exception of 2009, participants have been randomly selected each year.

<sup>8</sup>Because all participants are randomly assigned into small groups and the survey is anonymous, it is impossible to analyse the initial positions of the local officials and others in each group. Researchers need to find other empirical methods to examine the question.



deliberative capacities of the participants. In contrast, the 2008 experiment discussed all the budget items and all aspects of the budget. But the increased scope led the participants to feel that the numbers were too overwhelming to be discussed fully. As a result, the 2009 experiment asked the participants to identify priorities as part of their input to policymaking. Perhaps there is no need to turn the people into technocrats to know all financial figures, as long as they are given an opportunity to make a policy recommendation for certain budget priorities. Citizens do not need to be accountants to respond to the technical questions posed. They can easily identify and choose the priorities through coherent reasons. This was proved by the 2005 Zeguo experiment in which the participants chose clean water and sewage treatment plants over the “image” projects. All the Zeguo cases (also see the Mongolia case; Fishkin, 2018) clearly show the competence of participants expressing their value-laden priorities for coherent and identifiable reasons, both in the questionnaire results and in the discussions.

In the face of popular pressure and vested interests, to achieve a balanced budget is an issue in all PB. Zeguo used random selection methods to minimise the bias of one particular group and developed a dual-decision-making model that involved both the people's voice and deputies' deliberation. It imposed the balance rule, that is, increasing the budget for one project must decrease the budget for another project. This ensures a balanced budget but rules out many budget proposals from citizens.

## 6 | CONCLUSION

This paper has developed a theoretical argument for the complementarity of PB and DP. The two models share the same source and value of participatory democracy, and both aim to establish and deepen democracy. They complement each other in their distinct responses to two problems commonly associated with democratisation. In particular, DP offers a methodological correction to the problems associated with PB, making for a better practice of deliberative PB.

The combined practice of PB and DP in a series of experiments in Zeguo has made PB more deliberative, in that it provides balanced briefing materials and promotes a higher level of discussion; more representative, in that it achieves a democratic and deliberative microcosm through the random selection of the participants; and more decisive, in that the results of DP carry weight in the actual decision-making process, as evidenced by the adoption of public suggestions by the Zeguo People's Congress. When a PB project faces unbalanced or over-representation, bringing into question the sustainability of PB itself, DP offers a way of renewal.

The paper investigates the logic of the social science enterprise inherent in the combined practice of DP and PB. The Zeguo experiments have demonstrated how solid and sound social science methods improve the PB process, enhance its credibility, and refute the criticisms of DP. However, we do need to take seriously the politics of deliberative PB. Those officials who are concerned with public administration and governance issues are not always in favour of pure social

science methods. Even Li (2008), an active promoter of PB in China, argues that the process of PB cannot be “scienticised.” Consequently, rigorous application of DP methods in some of the Zeguo experiments was sacrificed, and the mixed method that has been introduced has polluted the sampling and diluted the democratic principle. Future experiments need to address the problems associated with the mixed method, rather than celebrating it as China's democratic “innovation.”

Zeguo's experiments are a rare case in China. This paper does not claim that China has successfully established deliberative democracy. Instead, I argue that if some townships in an authoritarian state can implement such deliberative governance practices, many other local towns in democratising and well-established democratic countries can carry out similar experiments. If so, Zeguo offers some useful lessons in terms of technical designs and novel solutions to the issues arising from such a combination. Further, Zeguo's experiments reveal generic issues in methods and design. Indeed, a set of new problems arises from the combination of PB and DP. They include inherent tension between the requirements of deliberative democracy and the nature of the budgeting process and between the multiple and complex figures in a budget and the limited scope of a questionnaire. Practical challenges also include how to ensure a balanced budget and how to achieve a high level of deliberation on complex budgetary problems. These issues will be the subject of future research. Dealing with these issues successfully is critical to further improve the best practices of deliberative PB.

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