Promoting Social Equity by Building Transparency into State Budgeting Processes

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State budgets are extremely complex and important social equity issues are present in many budgets. Probably the largest and best known social equity issue concerns state payments to local school districts and the distribution of state funds to promote fairness in public schools. The documentation behind many large state budgets can run into hundreds of thousands of pages and many organizations and interested persons in the community have little or no chance to analyze the issues in the state budget. While the issue of school finance has received some publicity many issues that affect the distribution of moneys and social equity remain hidden in the complex budgeting documents produced by many state governments. Lobby groups with budgeting expertise may be able to make an adequate analysis of the issues for their clients, but many in the community are simply left with little or no input into the budget.

The State of New York has a complex budgeting process that involves the issuance of an executive budget by the Governor each January and a review by the State Legislature in the spring. Due to the complexity of the process there has always been an issue of how small interest groups and interested individuals can become involved in the process. While these groups could try to follow the process without a lobbyist, the chance of their successful intervention into the budgeting process is extremely remote.

During January 2013 the State of New York announced a new budgeting transparency process which attempts to make the budgeting process more available to interest groups and

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individuals in New York. The chief tool is a new budgeting web page called “Open budget.ny.org” and has the intent of “Bringing People Back into government” according to New York State officials. The website is organized to allow researchers to study budgeting versus actual spending, appropriations, and capital appropriations and includes an archives section with historical documents from 1954 to 2013 and can be accessed at www.openbudget.ny.gov/.

Researchers can also download data in Excel documents and review specialized charts for analysis purposes. The innovative web page also has a current news section to allow researchers to follow the budgeting process. The website is described as follows in a January 22, 2013 press release:

The Open Budget website provides easy, single-stop access to New York’s wealth of budget data, including comprehensive machine-readable raw financial data along with tools and charts to make that information more understandable. To support transparency and to encourage participation in government, researchers, citizens, business and media will now have direct access to high-value data which they can search, explore, and download; use for analysis; and use to build their own additional tools that find practical use for the data for all New Yorkers.

In the past it was possible for researchers to study the New York State budgeting process by examining the detail of the website maintained by the New York State Division of the Budget. The new website provides more focus for researchers and hopefully it will enhance the ability of smaller interest groups and individuals to participate in the budgeting process. The new budget research tool was unveiled on January 22, 2013 with a stated goal to enhance citizen engagement in the budgeting process. A number of public service interest groups in New York State endorsed the proposal as being helpful to enhance transparency in government.

Academic research can be used to help increase public participation in governmental processes such as the annual budget review. The January/February 2013 issue of Public
Administration Review contains an article entitled “Designing Public Participation Processes” authored by John M. Bryson and a group of researchers from the Humphrey School at the University of Minnesota. The article contains an analysis using 250 studies and 127 references which enable practitioners to design better processes to enhance public participation in governmental processes. The Bryson analysis develops twelve design guidelines to help enhance public participation. Design guideline number 3 calls for government practitioners to “Analyze and appropriately involve stakeholders.” The analysis also discusses the issue of advancing social justice by addressing three specific areas. First, the Bryson paper calls for practitioners to perform stakeholder analysis in the governmental processes to determine how interested parties are affected. Second, diverse views should be incorporated into the governmental process. Third, the governmental activity should consider the distribution of benefits and potential harm from the process.

The three concepts discussed in the social justice portion of the Bryson analysis can be incorporated into the New York State budget website to study the participation level by small organizations and individuals. Metrics could also be developed to study the social justice outcomes of specific proposals in the New York State budget. Bryson’s design guideline number 11 discusses the need to develop metrics to examine the outcomes of processes which are designed to enhance public involvement in government. These types of metrics could be published on the “Open budget.ny.org” website to ensure that social equity and public participation goals are achieved in the New York State budget process. The activity associated with the current New York State budget cycle should be analyzed to present baseline metrics on citizen participation. The metrics could be updated yearly to measure progress on the citizen participation issue.
The Bryson paper discusses many other aspects involved with the design of public processes to enhance public participation. For instance guideline number 10 endorses the enhanced use of technology as is being implemented in the New York State budget website to help citizens become involved in government. Practitioners designing processes such as the New York State budget should examine the Bryson study’s proposals in detail and consider implementing them into their budgeting reform effort.