

CONCLUSION

Local government has become a key institution in facing three fundamental issues in Mexico: improving domestic economic, democratic and development conditions; legitimizing state activity; and consolidating the state institution. The current trend in political and academic thought emphasizing the importance of the local sphere of government has become strengthened because a large number of countries, especially developing ones, are having to face similar challenges as a result of generalized international practices. Widespread liberalism has had a strong effect on states as well as their communities mainly because of the limitation set on state activity and intervention in national affairs and the downgraded view of individuals' participation in public affairs. As a result the state has become weakened, its activities hard to legitimize in the liberal perspective, and many countries have not been able to translate the benefits of liberalism into positive growth and development.

By now, it should be clear why local governments are the appropriate government institution to face these challenges and the reasons for which they haven't been able to do so in Mexico. The aim of this closing chapter is to suggest the appropriate measures needed to be taken in order to overcome the legal and political obstacles set on local government in the Mexican political system. Although it is clear that the *municipio* should play an enhanced role in governing, it is not clear how Mexico should go about strengthening its local governments.

In my view, there are three steps that need to be taken in order to effectively strengthen the *municipio*. The first includes actions taken by all three levels of government within the existing legal and political framework. These actions need to show a high degree of

innovation and creativity in order to overcome the historical, political and legal limitations currently set on local government. The second step includes a thorough reform of municipal government structure and responsibilities at the state level, which is responsible for establishing these through the municipal codes known as the *códigos municipales* and the municipal organic laws or *leyes orgánicas municipales* they create. Finally, the status of local government within the Mexican political system needs to be reestablished by means of a constitutional amendment which would set forth the legal definition of local government along with its rights, privileges and responsibilities. If all three of these steps are taken, it is my belief that local government would become a strengthened player in the Mexican political arena, and many of the most serious problems that the country is facing today could be effectively tackled.

Step 1: Working around the existing legal and political framework

A lot can be achieved in order to enhance the work being done by local governments within the existing legal and political framework. Despite the fact that there is a significant amount of limitations currently set on local governments, there is a wide margin within which all three levels of government can work in order to strengthen the Mexican *municipio*. Local governments themselves have to be the main promoters for this change to occur. As demonstrated by the case studies in the analysis of innovative local government administration carried out by Cabrero, local governments can innovate in the way they govern and obtain very positive results. Working within the existing legal framework is going to require a high degree of innovation on behalf of local governments in carrying out practices and activities that strengthen municipal government finances, modernize the administration, increase civil participation, and improve intergovernmental relations.

When it comes to increasing local governments' financial capacity, local governments can do so by better administering their resources, giving priority to investment spending, eliminating unnecessary spending, avoiding corruption, creatively administrating the local patrimony in a more business-like manner, and improving the local tax recollection systems in order to collect all taxes that are at their disposal. As pointed out by Nickson,

There is still enormous potential for raising municipal revenue... New sources of local revenue can be identified, grants can be mobilized from international sources, and municipal borrowing can prudently be increased. But municipal revenue gains can be obtained most rapidly by improving the administration of existing local sources of revenue. Techniques designed to ensure that all revenue due is properly collected are cheap and administered ways to maintain the buoyancy of locally generated revenue... there is a strong case for giving priority instead to collection efficiency, through making compliance convenient and noncompliance subject to rapid and costly penalties (58).

Municipal administrations in Mexico are characteristically overstaffed and inefficient in many of the tasks they are responsible for performing. A key measure in improving local government performance is overhauling the administrative structures of local governments in order to make them more cost-efficient. Besides this, local government administrations need to be improved if additional responsibilities are to be assigned to them through decentralization. "The transfer of new competencies and financial resources to municipalities will not guarantee an increase in either the efficiency or the efficacy of local service provision if existing administrative practices are continued" (Nickson, 79). As a result, renewing municipal administrations is needed for both improved local government performance and effective decentralization. Local government officials should receive

specific training for the jobs they will be performing, a higher degree of professionalism needs to be achieved among the rank and file of local government employees, and technical assistance must be sought on behalf of local government administrations. In Mexico, salaries vary greatly among local government officials and local governments themselves, and there is an extremely high percentage of confidence posts that are filled at the discretion of the mayor. In addition to this, skilled personnel is usually hired on short-term contracts within each of the three year municipal cycles at very high costs. The way in which government workers and officials are recruited is by no means standardized and performance is rarely evaluated (Nickson 2003). Mauricio Merino states that

An efficient municipal administration should be able to: a) detect and organize the demands on behalf of society; b) efficiently and effectively administer the financial resources that are at its disposal, and c) carry out executive projects in accordance with the two previous points. Sadly, though, when stated as the opposite, these three basic points tend to summarize the greatest deficiencies of Mexican local governments (557).

To improve these administrative and personnel system conditions, local governments can resort to a series of strategies that are at hand. They can turn to the federal government to train local government officials in order to offer them useful tools and knowledge concerning fiscal, financial, public and judicial administration as well as technical advice on how to provide public services and carry out urban projects. The Mexican Federal government has an agency called the *Instituto Nacional para el Federalismo y el Desarrollo Municipal (INAFED)* that is dedicated to train and inform local government officials, as well as to increase understanding and communication among these two levels of government. Unfortunately, it is not always viewed by local governments as a tool to

improve local administrative conditions and they remain hesitant about cooperating with the federal government on policy issues.

In addition to this, local government administrations can increase their degree of professionalism by creating a system of civil service at the local level in order to occupy posts related to the areas that were previously mentioned and avoid problems having to do with under-qualified personnel as well as salary and labor issues. Finally, local government administrations can establish systems based on private sector and business models of administration and personnel that have proven to be efficient when applied to businesses, companies and private institutions.

Local governments have to be especially innovative when it comes to promoting participation of society and citizens in its activities and decision making process. As was seen in the cases of the cities of León and Xico, local governments have to find ways in which they can encourage citizens to participate in governing their cities through mechanisms that are appropriate and adequate to the characteristics of the municipality. For obvious reasons, mechanisms used in the city of Monterrey, the second largest in the country, cannot be the same as those applied in the municipality of Oquitoa, Sonora which has a little over 400 inhabitants. Local governments need to open their doors to both individual citizen participation as well as to new emerging social actors which include non-governmental organizations and civil groups representing particular interests. As stated by Diego Carrión,

From a community perspective, it is imperative that different local groups (neighborhood or community associations, local planning groups, etc.) are capable of expressing their demands and defining alternative approaches to their own problems. Given that they are the nearest form of power with which the community

groups will have contact, local governments play a central role. But in order for them to channel popular participation, their structures must be adapted to allow and promote such participation and to be sensitive to the demands emerging from it (214).

Therefore, local governments must come up with mechanisms in order to promote popular participation and effectively channel it into the rest of their activities. *Ayuntamientos* are rarely limited by state or federal authorities to do so and thus have the ability of creating and implementing programs that create spaces for increased citizen participation.

Finally, local governments must find ways in order to improve and enhance their relations with the other two levels of government. Despite the fact that often local governments are limited in their ability to effectively work and cooperate with higher level government officials due to political differences, there is still the possibility of working closer with both the state and the federation. Closer cooperation and communication will often lead to positive results and increased benefits for the population. Currently, the INAFED is carrying out a program called *Programa desde lo Local* which offers a good example of the kind of results that can be achieved by increasing cooperation among the national and local levels of government. The program's objective is to give local governments practical tools in order to improve their performance and solve the problems of society. Once municipal governments agree to adopt the program, local and federal cooperation automatically starts by means of federal participation in making local governments more efficient and helping them solve their most urgent necessities. The INAFED first offers the *municipios* a self examination kit for them to carry out a diagnosis of the conditions of their administration. As a result, they are able to identify their most important weaknesses and latter ask for appropriate aid in tackling these problems. Once the self diagnosis has been carried out, the

INAFED seeks the appropriate solutions coming from the federal government to each one of the municipalities' problems. They offer legal, financial and administrative tutoring and assistance, and identify federal programs that are available and can be applied in the municipality in order to solve important needs. The program has already been applied in more than 400 *municipios* in 15 different states and has generally achieved very positive outcomes. It is a good example of what can be done within the existing legal framework in order to improve the quality of local governance and increase cooperation among levels of government in doing so.

Step 2: Restructuring local government at the state level

Municipalities are constitutionally defined as territorial and administrative divisions of states. Because Mexico is a federation, the national government recognizes the authority of states when it comes to administering and regulating their territories and the municipalities existing within them. Therefore, municipalities respond to state authority more than they do to the federal one. As was mentioned in previous chapters, there is scarce legal regulation concerning the *municipio* at the federal level, whereas at the state level, almost the whole of local government structure, privileges and responsibilities are legally defined. Therefore, strong modifications have to take place at the state level of government, where the bulk of the legal framework of local governments is established.

The restructuring of local governments that has to take place at the state level should also focus on the four main obstacles local governments need to overcome: strengthening municipal government finances, modernizing the administration, increasing civil participation, and improving intergovernmental relations. State legislatures possess the ability to strongly influence these areas due to the fact that they are responsible for

establishing the municipal codes that structure local governments and determine their functions and responsibilities. Therefore, the following suggestions can only be carried out by state level authorities and legislatures and go beyond any of the suggestions made earlier concerning the actions that can be carried out within the existing legal and political framework. These suggestions imply deeper modifications to the legal code and thus will be much more difficult to achieve.

The main task of state governments in relation to local government finances is not to increase their ability of self recollection of taxes and revenue. Instead, the main issue that state governments should address is how distribute both state and federal transfers correctly and help local governments obtain revenues from additional sources other than their own municipalities. Therefore, state governments need to reduce the margin for political maneuvering when assigning funds to local governments by establishing a standardized system based on each of the localities' populations, needs and income levels. As stated by Roberto Ortega in his article on fiscal federalism in Mexico, "there are only 15 states in Mexico that have laws concerning fiscal coordination between the state and the local level of government, that establish the basis, amounts and time frames for the distribution of *participaciones* destined for municipios" (635). Additional recommendations include the establishment a legal framework regarding public debt of local governments in order to promote healthy lending and avoid confusion; increase the amount of information available regarding state and municipal financial conditions; and making sure all municipalities that are able to deliver the services that are defined in the constitution do so while ensuring the adequate collection of fees from citizens.

When carrying out this effort in order to strengthen local government finances, state governments should not take increased transfers from the federal government and

themselves to *municipios* as a sign of growing dependence of local governments towards them. Instead, increased funding from national and state governments will allow local governments to fulfill any new responsibilities that might be assigned to them.

State governments also have an important role to play in the effort of making local government administrations more efficient and modern. The state government should offer local government officials the appropriate training in their fields of work and can therefore be an important source of information and knowledge for new local government administrations. In addition to this, the state government should ensure the continuity in local government administrations due to the fact that state officials are elected for six year terms while local government officials are only elected for three years. Therefore, the state can play an important role in watching over the continuity of both projects and the administrations that handle them.

States should consider the possibility of creating within local government administrations the post for a non-elected official to serve exclusively as a municipal manager or administrator in charge of managing the municipality while avoiding the political aspects that usually come with it. The idea has been suggested by several authors and local government officials, and the post has actually been created in several municipalities throughout Latin America. Results have usually been very positive. Gershberg points out that many of local governments' administrative problems can be overcome by

strengthening civil service systems; lengthening terms of mayors, or permitting re-election; and or restructuring the entire management apparatus of local government, by training mayors and council members to focus on policy formation, while hiring a professional city manager to oversee the municipality's day to day operations and

manage personnel... professional city managers may be better protected from perverse incentives in the political environment (415).

The former mayor of Villanueva, Honduras, Guadalupe López stated that in her municipality there came a time when it became necessary to set in place actions based on a more reasoned cost-benefit analysis with the objective of making better use of financial resources that were available. It thus became necessary to separate the political functions from the administrative ones in order to increase the level of professionalism and technical creativity in the administration of local government projects. The position for a municipal administrator was then created which allowed them to carry out this division of labor and created in turn a more efficient local government (*Gobernabilidad y Desarrollo Democrática en América Latina y el Caribe*, 160).

An additional administrative suggestion would be to decentralize municipal government where it is necessary. Many times, the delegation of power and decision making capacity from the municipal government to lower organized communities has proven to be very beneficial, especially in large cities or in municipalities where communities are not concentrated in one area. In this case, local government administrations would transfer the authority, resources and personnel to neighborhoods or communities that would allow for a closer interaction with the residents and an increased understanding of their problems (Borja 35). In Mexico, the former governor of the state of Tabasco, Enrique Gonzalez Pedrero, modified the state constitution in order to decentralize the power of local governments and create an integrated group of neighboring communities called “Centros Integradores”. These centers were given a limited self-governing capacity and a series of municipal attributions. In this way, a fourth level of government was created: the government of the community that provided a direct link between local, state and federal

levels of government and smaller forms of social association (*Gobernabilidad y Desarrollo Democrático en América Latina*, 183).

Municipal codes created by state legislatures should become the means through which local governments become more open to popular participation and civil society. The role played by local governments is enhanced when it takes into account the opinions of citizens and social groups, and acts as a mediator between local interests. Diego Carrión points this out in his analysis of democracy and social participation in Latin American cities by saying that

from a community perspective, it is imperative that different local groups are capable of expressing their demands and defining alternative approaches to their own problems. Given that they are the nearest form of power with which community groups will have contact, local governments play a central role. But in order for them to channel popular participation, their structures must be adapted to allow and promote such participation and to be sensitive to the demands emerging from it (214).

State governments should therefore play a central role in establishing the proper structures to ensure effective public participation and the taking into account of popular interests and opinions. It is their responsibility to create special local government agencies and mechanisms that allow groups to participate in the decision making process and the actions taken by elected local government officials. To a certain extent, it should not be left to local government initiative to involve civil society in local governance. Rather, state governments should force them to take steps in promoting popular participation and active citizenship, and to take it into account on a real basis. In order for this to happen state governments will need to establish the necessary legal framework to protect and promote the existence of civil society organizations (CSOs), to develop the political will of local

authorities to work with them and to offer the adequate resources CSOs need to fully participate in the decision-making process. “An indicator of success in democratizing local governance would be CSO participation in defining urban policy priorities after municipal elections” (Carrión 214).

Step 3: Reform at the federal level of government

A fundamental part of the drive to strengthen local government in Mexico is going to have to come from the federal government. All three branches of the federal government have the ability to permanently and homogenously strengthen local government as an institution throughout the country. The national government is responsible for establishing the basis and the platform for an improved legal framework within which local governments function, mainly through a solid constitutional amendment of Article 115 and a generalized reform of the state. As mentioned by Jordi Borja, “the *municipio* may be the institutional backdrop of a renewed political legitimacy and popular participation. However, in order for this to take place a reform of the state is needed that gives back power and representation to the *municipio*, along with a fiscal reform that gives it access to the proper resources” (37). In order to do so, the federal government will have to carry out a two sided strategy which includes decentralization on the one hand and reinvigoration of the *municipio* on the other. As was mentioned previously, the execution of the former doesn’t guarantee the taking place of the latter and therefore decentralization cannot be counted on as the only means in order to strengthen local governments. As a result, federal efforts directed towards achieving this goal should include some of the following elements.

The first and most important is the constitutional amendment of Article 115 that establishes the status of the Mexican *municipio* in the federal system of government. There are a series

of points that not only need to be changed, but also added in order to make the *municipio* better legally defined and strengthened, as well as more administratively efficient and to solve the democratic deficit it is currently facing. The most important changes that need to be made have been summed up by Janetti and Pontifes in the following points (32):

- Establishing a new and more precise constitutional definition of what a *municipio* is that includes and emphasizes its political authority.
- Definition of the rights and means of legal defense that the *municipio* has in order to effectively carry out its responsibilities and governing tasks.
- Protection against the intervention of second or third parties of government or any legislation or administrative activities that they create and are forced upon the *municipio*.
- Creation of specific political rights in order for the *municipio* to be able to settle conflicts between itself and other state authorities within the adequate federal and state agencies.
- The right to freely and independently administer and designate the use of its financial resources.
- The right of self administration and self determination as regards the decisions taken by local governments on development, social and economic plans and activities.
- Recognition of the proper administrative means that guarantee respect for democratic practices within local governments.
- Clearly defining the responsibilities and duties of each level of government.

In addition to these, there must also be an amendment to fraction I of Article 115 in order to expand the municipal election period to at least four years and allow the possibility of reelection for the immediate term after. An extended period of office will permit greater continuity of projects and programs that could otherwise not be carried out over a three year span, and would give local government elected officials more time to become familiarized with the conditions of the administration and then take actions to improve them. In addition to this, local elections should not be limited to candidates presented by political parties. In Mexico only registered political parties, not citizen organizations, are allowed to present candidates to local elections. Manuel González Oropeza points out that, in order for local government to become more citizen oriented, local government elections should be open to any candidate without the necessity of support from a political party (238). This is due to the fact that the necessities of the country as a whole that are usually taken into consideration by national party platforms are different in nature to those of smaller communities. As a result, support on behalf of society is more often directed to natural candidates familiar with the issues rather than to candidates imposed by political parties that were selected in a manner exogenous to society.

Changes also need to be introduced to the electoral system in order to overcome the four most important issues having to do with local electoral systems: “the high ratio of citizens to councilors, the close linkage with national elections, the closed party list system... and the absence of territorial representation” (Nickson 64). Mexico, by international standards is one of the countries with the highest citizen to local council member ratios. The city of Guadalajara for example, has one council member for every 82,000 citizens. The number of council members usually never goes above 25, no matter what the size of the locality. The closed party voting system doesn’t allow the participation of council members representing

different interests existing within the municipality, and therefore the council usually becomes a subordinate instrument of the will of the mayor. There is no representation of groups, neighborhoods or civil organizations. These are all elements that create the conditions of democratic deficit in local governments and can only be modified through federal government initiative.

If Mexico and the governments on all three levels decide to follow a strategy similar to the one that I have suggested, the conditions for local government may be considerably improved. However, there is no single recipe for effective decentralization and strengthening of local government, nor is there an end to this gradual process, which can only advance one step at a time. Like any other process, there are lessons to be learned on a trial and error basis before any significant progress can be made. In addition to this, there are thousands of issues that come into play when putting into place significant changes in any government system. There are interests to overcome and traditions to change, but still, there is a permanent need for evolution in order for governments to satisfy the demands and living conditions of society. Rescuing the Mexican *municipio* is an effort that has already been started by many, and will probably be continued by many others. Progress has already been made and it should be taken advantage of. However, Mexican government officials, present and future, along with society still have a lot to do in order to rebuild the country based on solid municipal institutions.