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Corruption, Decentralisation and *Caciquismo* in Mexico in the last decade

Corrupción, descentralización y caciquismo en México en la última década

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Resumen

Mexican governments have encouraged a decentralisation process in recent years as a milestone to reduce poverty and improve governance. However, the corruption has increased and the local elites have reinforced their presence. In this context, this text aims to analyse the impact of decentralisation on the rise of corruption and impunity in Mexico. The article is a revision of the main discussions about the resurgence of *caciquisms* and empowerment of the local elites.

Palabras claves: Decentralisation, Governance, Corruption, Caciquism, Mexico.

Abstract

Los gobiernos mexicanos han fomentado la descentralización en los últimos años como un proceso para reducir la pobreza y mejorar la gobernabilidad. Sin embargo, la corrupción ha aumentado y las élites locales han reforzado su presencia. En este contexto, el presente texto tiene por objeto analizar el impacto de la descentralización en el aumento de la corrupción y la impunidad en México. El artículo es una revisión de los principales debates sobre el resurgimiento del caciquismo y el empoderamiento de las élites locales.

Keywords: descentralización, gobernabilidad, corrupción, Caciquismo, México.

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In Mexico, as well as many other countries in Latin America, have experienced a change towards decentralisation. Local, municipal and regional governments take a decisive role in the governmental administration. Many arguments and projections were given to encourage decentralisation. Among the most important of these were to make more efficient governments, handle political pressures from local municipalities, devolution of responsibilities to communities, encourage local representatives to be closer to their people, reduce poverty, motivate economic growth, implement decentralisation programs in the sectors of education and health care, as well as diminishing levels of corruption and making effective accountability and good governance.

In recent years Mexico has implemented policies promoting political and economic decentralisation¹. Nevertheless, this country has undergone higher levels of corruption in the public sector. According to the Corruption Perceptions Index published by Transparency International in 2010, Mexico is on the rank 98 from a list of 178 countries, with a score of 3.1, using a scale from 0 to 10, where 0 is highly corrupt and 10 highly clean².

On the other side, the indicators of control of corruption presented by the World Bank points out that Mexico gets -0.26 points, where -2.5 is the lower level of governance and 2.5 is the highest level of governance, that's means that Mexico obtained a low level of good governance, in terms of control of corruption³.

Following to the scores from Transparency International and the World Bank, Mexico is far away from good governance⁴, high

¹ Decentralisation is defined as the meaningful authority devolved to local units of governance that are accessible and accountable to the local citizenship, in Harry Blair, "Participation and accountability at the periphery: Democratic Local Governance in Six Countries", *World Development* vol. 28: 1 (2000): 21.

² Transparency International, *Corruption perceptions index (CPI) 2010.* Berlin: Transparency International Secretariat, 2010.

³ Daniel Kaufmann. *Governance Matters VIII: Governance Indicators for 1996-2008*. Washington: World Bank Policy Research, Working Paper 4978 (2009).

⁴ The term governance is understood in terms of the World Bank: "We define governance as a set of traditions and institutions which the power is exerted in a country with the goal to look for the sake of everybody. It involves the methods used by the person in charge of the exercise of power as well as the methods how those representatives are chose, controlled and replaced.

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transparency and accountability, and good control of corruption.

The high levels of corruption⁵ in Mexico have a long history that would provide materials for several books. However, this text will present the impact of decentralisation in the increase of the corruption in the last decade. First of all, it studies the post-revolutionary political system headed by the Institutional Revolutionary Party (PRI), where the political power was highly centralized by this party and by the President. Secondly, it explores the opening of the political regime with the arrival to the Mexican Presidency of the National Action Party (PAN), and finally it describes the resurgence of *caciquisms* and empowerment of the local elites.

Mexico is a federal Republic. Political Power is divided across the national territory in three levels: the central (federal) government; 32 federal entities (31 States and one Federal District), and close to 2,500 municipalities. During most of its modern history and particularly since the creation of the National Revolutionary Party (PNR) in 1929, which would later become the Institutional Revolutionary Party (PRI) that monopolised virtually all levels of government for 71 years, the Mexican politics was characterised by having an authoritarian and centralised political system⁶.

Under the terms of the Constitution, "States are sovereign and free" and have a governor and an assembly of representatives elected by universal suffrage. But in reality, these constitutional prerogatives never were applied rigorously, because the force of this political system was based on other pillars such as the

Equally, it comprises the capacity of the government to manage efficiently their resources at apply the solid policies, encouraging the respect of the citizens, and the respect of state towards the institutions, and the financial and social interactions", in Kaufmann, *Governance Matters*.

⁵ The term corruption is taken as the abuse of public power for private purposes. This definition assumes the distinction between public and private roles. In many societies is not very clear the frontier between both spheres, and it seems to be natural to give some gifts in exchange of assigning contracts and jobs. The distinction between public and private spheres seems to be strange and not clearly defined. However, in developed societies the difference between the two spaces is more pronounced. Susan Rose-Ackerman, *Corruption and Government: Causes, Consequences and Reform.* (Cambridge: Cambridge University Press, 1999), 91.

⁶ OECD, Territorial Reviews: Mexico 2003 (Paris: OECD, 2003), 95.

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existence of an executive with constitutional and extra constitutional powers to control the other powers and the dominance of a political party on the remaining opposition parties⁷. In keeping with Carpizo⁸, the dominance of the Mexican presidency was based on the following faculties: a) The president was the head of the PRI; b) Weakening of the legislative power; c) Integration of the supreme court by supporters of the President; d) Extensive presidential powers in economic matters; e) He was the supreme commander of the armed forces; f) He controlled the media; g) Concentration of federal economic resources; h) Extensive constitutional and extra constitutional powers and the ability to appoint his successor and governors of the states; i) Determination in international affairs; j) He was also the governor of the Federal District, central power of the country; k) He controlled a psychological aspect that gave him a dominant role

In this way, the institutionalisation of the political life in Mexico was achieved through extensive powers on the president and by the foundation of the PRI, which sets up not only the rules of the political game, but also organises the management of public administration.

The PRI, considered here as a hegemonic party⁹, and the corporatism¹⁰ structure, were important tools of political control

⁷ Jorge Carpizo, El presidencialismo mexicano (México: Siglo XXI, 1978), 191.

⁸ Carpizo, El presidencialismo.

⁹ A Hegemonic party, following to Sartori's classification, allows for neither a formal nor a de facto competition for power. Other parties are permitted to exist, but as second class, licensed parties; for they are not permitted to compete with the hegemonic party in antagonistic terms and on an equal basis. According to Sartori, the PRI was a case of a pragmatic-hegemonic party due to its capacity to invent itself and its capacity to be more practical and operative than ideological. Giovanni Sartori, Parties and Party Systems. A Framework for Analysis (Cambridge: Cambridge University Press, 1976), 232-34. ¹⁰ Corporatism can be defined as a system of interest representation in which the constituent units are organised into a limited number of singular, compulsory, non-competitive, hierarchically ordered and functionally differentiated categories, recognized or licensed (if not created) by the state and granted a deliberate representational monopoly within their respective categories in exchange for observing certain controls on their selection of leaders and articulation of demands and supports. Phillippe Schmitter, "Still the Century of Corporatism", in Trends towards Corporatist Intermediation edited by Phillippe Schmitter and Gerhard Lehmbruch (Beverly Hills-London: Sage Publication, 1979), 13.

and administrative organisation. In this vain, Arturo Anguiano indicates that the structure of the PRI through the National Peasant Confederation (CNC), the Confederation of Mexican Workers (CTM) and the National Confederation of the Popular Organisations (CNOP) were the engine of political control of the State. The political party became a corporative tool that centralised and consolidated the control of the State over the society, leading an institutional channel of the political life¹¹.

The post-revolutionary Mexican Political system was highly centralised due to the need to set up peace after the Mexican Revolution (1910-1917), institutionalise the political power through the creation of the National Revolutionary Party (PNR) in 1929¹², create a political channel from all over the country to take into account the social demands without resorting to armed force, and integrate to all generals and *caudillos*¹³ to a political process¹⁴.

Nevertheless, the extreme centralisation of the political power gathered in the PRI and the president of the country caused during many decades monopoly of politics, restriction of plurality, control over the military, labour, bureaucracy and peasant sectors, control on the opposition movements, increase of corruption and control of financial resources from different regions of the country.

The Import Substitution Industrialisation (ISI) model¹⁵, which had influenced the Mexican economic development during many

¹¹ Arturo Anguiano, El Estado y la política obrera del cardenismo (México: Era, 1975), 136-137.

¹² The Institutional Revolutionary Party (PRI) has its antecedents on the National Revolutionary Party (PNR) in 1929 under the administration of Plutarco Elías Calles, later called Mexican Revolutionary Party in 1938 under the government of Lázaro Cárdenas, and finally named PRI in 1946 with the presidency of Manuel Avila Camacho. Anguiano, *El Estado y la política*.

¹³ The word *Caudillo* describes to a political-military leader who controlled a region or local territory. This term is usually related to a leader, chief, or political boss. Arnaldo Córdova, *La formación del poder político en México* (México: Era, 1977).

¹⁴ Córdova, La formación.

¹⁵ The ISI model was highly influenced by Keynes, who advocated for a good dose of state intervention as condition for stability and steady growth. This model also was based on the premise that a country should reduce foreign dependency through the local production of industrialised products. Miguel Basáñez, *La lucha por la hegemonía en México* 1968-1990 (México: Siglo XXI, 1991).

decades after the Mexican miracle in the 40's, entered in crises at the end of the 1970s. Then politicians suggested that the only alternative to overcome the economical crisis was the adoption of neoliberal policies and structural adjustments¹⁶. With the introduction of this economical model would start a new era in the Mexican politics.

The opening of the political regime

The neoliberal economic policies promoted by Milton Friedman and the Chicago School boys were well received by Ronald Reagan in the United States and Margaret Thatcher in the United Kingdom in the late 1970s. In Mexico, Miguel De La Madrid Hurtado (1982-1988) would also advocate these policies, which criticised the centralism of the state and supported the free market as the most efficient mechanism for delivering economic and social development within a global market system.

Following the neoliberal recipe instructed International the Monetary Fund and World decentralisation and local governance would be the new paradigm to encourage economical growth, reduce poverty and social development. The 'new manageralism' in local governance promised to break the power of central ministries, increase revenue generation, increase democracy by "shifting power closer to the people"; increasing efficiency by cutting bureaucracy, increasing available resources through the greater use of local resources, reduce corruption and improve accountability. In this sense, the technocratic elite took as a key of development the decentralisation principle that promised a re-ordering of the political space and a revitalisation of 'the local sphere' in terms of accountability, good governance and democracy¹⁷.

In Mexico, presidents De La Madrid and Carlos Salinas (1988-

¹⁶ The neoliberalism represents a set of economic and social policies, which promotes the control of the economy from public to the private sector, the opening of markets, liberalised trade, reduction of the state in the economy, tax reforms, deregulation on policies that restrict competition, and diminishing of public spending, Basáñez, *La lucha*.

Giles Mohan and Kristian Stoke, "Participatory development and empowerment: the dangers of localism", *Third World Quarterly* vol. 21:2 (2000): 250.

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1994) both claimed in favour of decentralisation. The De la Madrid reforms expanded the responsibilities of *municipios*, including polices and regulatory powers, but limiting financial budgets.

Salinas also argued that decentralisation was a pillar to reduce corruption, because local people could monitor better to their representatives and used state funds more efficiently. Ernesto Zedillo (1994-2000) implemented reforms to make Mexico City's government more autonomous and more democratic. And Vicente Fox (2000-2006) came under heavy pressure to improve local autonomy from both his party colleagues and PRI local authorities demanding more local autonomy¹⁸.

Undeniably, the recognition of opposition victories at the state and local level, contributed to the accumulation of pressures for national-level political change, which reached a milestone with the election of Vicente Fox in 2000.

It is important to underline that with the arrival of Vicente Fox to the presidency, Mexico experienced not only a strong change in the democratic transition¹⁹, but also in the decentralisation process. In terms of democratic changes, the recent emergence of a multiparty democracy Congress is playing an increasing active role. This legislative body is divided between the Senate. Which aims to provide states with a sense of representation (each state is equally represented by three senators, in addition to 32 proportional seats divided in five circumscriptions) and the chamber of Deputies each of this legislative bodies are assuming their role in a more active way than in the past, when they were aligned to the central power²⁰.

On the other hand, in terms of decentralisation, Mexico's 32

¹⁸ Daniel Levy et al., *Mexico: The Struggle for Democratic Development* (California: University of California, 2006), 293.

¹⁹ According to O'Donnell and Schmitter, the term "democratic transition" called the dismissal of an authoritarian regime and the creation or establishment of a new democratic regime: "We understand the transition as an interval between one political regime and another (...) The transitions are defined, on one hand, by the beginning of a process of dissolution of the authoritarian regime, on another hand, by the establishment of a democratic shape, the return to authoritarianism or the appearance of a revolutionary alternative", in Guillermo O'Donell and Philippe Schmitter, *Transition from Authoritarian Rule. Tentative Conclusions about Uncertain Democraties* (London: The John Hopkins University Press, 1986), 6.

²⁰ OECD, Territorial Reviews: Mexico 2003: 96

states have retained their boundaries for over a century but the demographic profile of those states and of the country has changed. With a population of over 103 million, Mexico is now a largely urban country, with over 62% of the national population in 2005 living in cities of 500,000 or more. Indeed, there are now 11 cities of over one million population

in Mexico, 23 of between 500,000 and 999,999, 89 municipalities of between 100,000 and 499,999 and 688 towns of between 10,000 and 99,999. Clearly, the local governments represent an important feature of the new political landscape²¹.

Even within the government itself, as Morris states, the monolith Mexican political system began to crumble as key institutions like the Central Bank, the Federal Electoral Institute, and the Supreme Court began to take on a degree of autonomy unknown in the past, cutting further and deeper into and checking the power of the once omniscient executive. This triple play of heightened electoral competition, divided government, and pluralism strengthened the power and the role of the legislature, the judiciary, state and local governments, and society vis-à-vis the president and the federal government²².

The empowerment of the local elites

The New Mexican political landscape can not be understood without the regional, municipal and local elites²³ in the shaping of

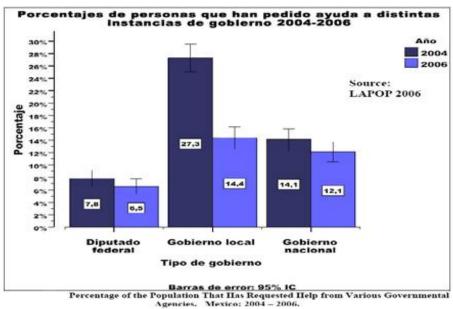
²¹ Pablo Paras et al., The Political Culture of Democracy in Mexico: 2006 (Mexico: Vanderbilt University, Americas Barometer, Data, Lapop & The Democracy and Governance Program of the United States Agency for International Development, 2006), 106.

²² Stephen Morris, Political Corruption in Mexico: The Impact of Democratization (Colorado, USA: Lynne Rienner, 2009), 3.

²³ Firstly, the concept of elite is defined as a group of people which have a privileged position inside of the political, military, economic and cultural structure. The decisions of this group of people have very important consequences for the rest of the society. Charles Wright Mills, La élite del poder (México: FCE, 1956), 11-12. On the other hand, the term of Mexican political elite is characterized following the criterion of Jean Rivelois, who affirms that the Mexican political elite is divided in three levels: the first one is a small council, comprising the President and his favourite members of the executive's board; the second one is formed by representatives linked with political active groups, bankers, entrepreneurs and members of the

the contemporary government. Certainly, decentralisation has increased the contact from Mexican citizens to their local representatives as can be observed on the following graph, but there are many doubts about the efficiency of process²⁴.

Graph 1:



Percentage of the Population That Has Requested Help from Various Governmental Agencies. Mexico: 2004 – 2006.

According to the report of the political culture of Democracy in Mexico 2006, the results suggests that citizens are most likely to seek help from local governments, particularly in rural, small and medium size cities. Despite this, trust in the local authorities has declined. Following the same report, it is observed on graph 1 a general trend of Mexican citizens to lose faith in the intervention of the Mexican representatives. For example, in 2004, 7.8% of the population used to request help from Deputes, as in 2006 it was just 6.5%. The same behaviour is observed for the local government, which in 2004 recorded 27.3%, while in 2006 decreased to 14.4%. The national government also experienced a reduction in confidence from citizens from 14.1% in 2004 to 12.1%

agriculture sector, as well as several ministers, government departments, armed forces and labour union leaders, the third one is composed of leaders placed the highest level of PRI, PAN and PRD at national and regional level. Jean Rivelois, *Drogue et pouvoirs: du Mexique aux paradis* (Paris: L'Harmattan, 1999), 272.

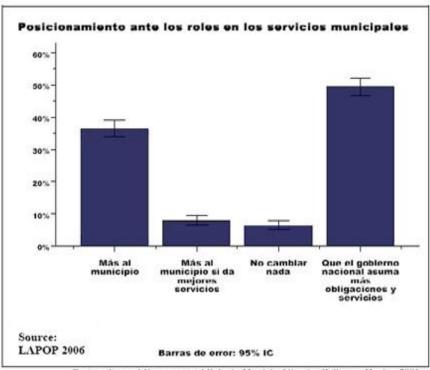
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²⁴ Paras et al., *The Political Culture*, 89.

in 2006²⁵.

On the other hand, conforming to this report it is observed on graph 2 a trend on Mexican citizens to demand that the national government provide more services and assume more responsibilities; almost 50% of citizens in 2006 preferred this option. In contrast with 38% of citizens that expresses their preference for receiving services from municipalities²⁶.

Graph 2:



Posture Toward Governmental Roles in Municipal Service Delivery. Mexico, 2006.

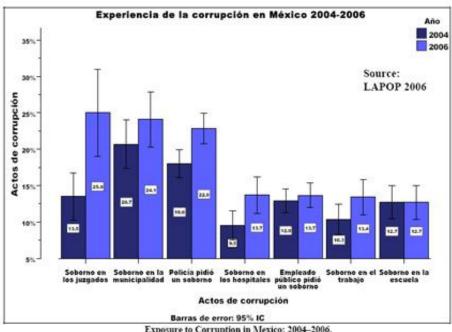
The discontent from different sectors of the society towards to local governments and municipalities comes from corruption levels observed from these institutions. According to the same report, one-fourth on the population reports being a victim of corruption at a municipal level, almost 25% of Mexicans in 2006 have paid bribes to local authorities, in comparison to 2004 that recorded 20.7%²⁷.

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²⁵ Paras et al., *The Political culture*, 105.

²⁶ Paras et al., The Political culture, 105.

²⁷ Paras et al., *The Political Culture*, 57.



Exposure to Corruption in Mexico: 2004-2006.

In keeping with graph 3, there is an increase in the percent of the population that has been victim of corruption between 2004 and 2006 by local representatives. For example, the bribes paid in courts in 2004 were 13.5 %, as in 2006 reached 25%. The bribes paid in the municipalities also recorded a rise from 20.7% in 2004 to 24.1% in 2006. The same trend is observed in bribes demanded by the police, which in 2004 registered 18%, while in 2006 increased at 22.9%. The civil servants also experienced a growth in bribes from 12.9% in 2004 to 13.7% in 2006. Besides, hospitals and places of work also underwent a rise in bribes from 9.5% and 10.3% in 2004 to 13.7% and 13.4% in 2006. However, the bribes in school remained steady at 12.7%.

All in all, it is observed a rise in bribes in the courts, police, hospitals, public offices and work places. The process of decentralisation in Mexico has not only increased the disparity in regional incomes from the north to the south, but it has also increased the levels of corruption.

According to Carbonara, when decentralisation is high, there is a trend to operate under discretion, and illegal services flourish. However, this does not lead automatically to the conclusion that

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decentralisation leads to more corruption. Decentralisation makes easier a discretionary trade, between who sells a service and who buys it²⁸. Carbonara also warns about the risk to concentrate power at local level:

"Decentralisation has another important implication: it concentrates decisional powers in the hands of one individual, eliminating overlaps in competence and makes it easier to identify who took a certain decision. An agent operating at a low level of a hierarchy can always hope that the consequences of his corrupt act will not fall on his head if he is not the sole accountable for it"²⁹

In this sense, decentralisation reduces the amount of monitoring, giving to local offices more freedom to pursue corrupt activities, particularly in rural and small towns in Mexico, where the levels of illiteracy are higher than in the big cities. This situation also contributes to limit accountability of local representatives.

The local elites and *caciques*³⁰ have take advantage of the decentralisation not only to gain more political and economical power, but also to exercise impunity and corruption without federal controls.

The local *caciques* or political bosses have played an important role in the history of Mexico, from the pre-Hispanic times to the Colony, and from the revolution to the construction of the Contemporary State. However, with the institutionalisation of the political power and the centralism of the government through political parties, the influence of caciques in the political decisions was diminished, but they did not disappear³¹.

The *caciquism* is an arbitrary and self-oriented power. The formal rules give way to the informal power: "there is no more

²⁸ Emanuela Carbonara, *Corruption and Decentralisation* (Bologna: Paper presented for the seminar at the universities of Bologna and University of Oxford, 1999), 25.

²⁹ Carbonara, Corruption, 3.

³⁰ Caciquism is a form of power exercised by people who are entitled with two powers: one territorial and another moral. The exercise of this power is characterised for schemes authoritarians and clientelists. François-Xavier Guerra, "Los orígenes socio-culturales del caciquismo", Anuario del IEHS vol. VII: 7 (1992): 181.

³¹ Pablo González, *La démocratie au Mexico* (Paris: Anthropos-Era, 1969), 33-34.

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law than me". This does not mean that the caciques are necessarily capricious despots. Although arbitrary, the caciques can follow predictable paths. But such paths are determined by disorderly practices, not universal principles. There is no formal paths, their power belong to the "local knowledge". The *caciques* do not have to occupy official positions to exercise their power. However, some caciques, compelled in part by the rule of "no reelection" -come and go through a sequence of political functions, with backward, forward and lateral movements-, without losing, despite the specific positions, sustainable regional power³².

The power of the *caciques* comes from different sources: from leadership in syndicates, farmers, party political leaders and entrepreneurs. According to Knigh and Pansters, the peculiarities of the Mexican system have greatly depended on this kind of informal politics, which combines repression, patronage, and charismatic leadership. Though to almost demise of cacique, he has survived, evolved, and adjusted to Mexico post-revolutionary transformation and contemporary.

As Knigh and Pansters states, the presence of the caciques in the recent Mexican political landscape takes an important place, insofar as "caciquism has not only survived to political changes, but even its political exercise is more powerful than ever before"³³. This situation can be explained in a certain way due to the decentralisation policies that reinforce the local powers.

Following to Vannucci, the administrative decentralisation can increase opportunities to develop corruptive actions, by multiplying the centres of power and public purchases³⁴. The decentralisation can also facilitate other types of briberies due to the hierarchy local. In some cases, there is not federal monitoring or there is not accountability of local powers, and whether there is monitoring this function is exercise under discretionary criteria.

In this regard, the OECD in its report about Territorial Reviews

³² Alan Knight and Wil Pansters, *Caciquismo in Twentieth-Century Mexico*. (London: Institute for the Study of the Americas), 2005.

³³ Knight and Pansters, Caciquismo.

³⁴ Alberto Vannucci, "La corrupción en los sistemas políticos democráticos. Algunas notas para un análisis comparado", in *Poder, derecho y corrupción*, edited by Miguel Carbonell and Rodolfo Vázquez (México: Instituto Federal Electoral- Instituto Tecnológico Autónomo de México & Siglo XXI, 2003), 94.

for Mexico expresses its concern about the decentralisation process in this country and its influence in the development of corruption.

"Significant questions arise as to whether decentralisation and responsibility devolution in the context of federalism can achieve its goals towards greater efficiency or if to the contrary they will be undermined thorough the continued prevalence of corruption opportunities and incentives at the local level. In effect, as Mexico strives to achieve greater political and fiscal decentralisation, the issue of corruption and lack of accountability should accordingly be seen in light of this process and the need for institution and capacity building. In decentralising states, agents who have differing interests from principals can manipulate existing information asymmetry and thus benefit from significant discretionary power. The delegation of power can open venues for illegality if adequate institutional conditions do not exist beforehand. An important element lies in the fact that most of the advanced legislation and oversight procedures to date seem to have been achieved at the federal level" 55.

Decentralisation can also have an impact on the perceived cost of public services and accountability. In theory, government tends to become more transparent through increased decentralisation because the funds sources become clearer. Nevertheless, the operational transaction in Mexico has another outcome, which is far away from good governance and accountability

"The true cost of transfers from the federal government is by its nature hidden to a certain extent from local citizens. This gives public officials opportunities for wrongdoing, placing the blame on the central government for not providing sufficient funds" ³⁶

In accordance to the OECD, the insufficient accountability mechanisms, complex bureaucratic procedures and regulations, absence of incentives for agencies and serious engagements from ministries to be efficient, as well as the lack of professionalism among public officials contribute to the existence of widespread corruption in Mexico³⁷.

³⁵ OECD, Territorial, 101-2.

³⁶ OECD, Territorial, 103.

³⁷ OECD, Territorial, 100.

Final comments

The process of decentralisation in Mexico is complex phenomenon, which presents the following features. First all of, the national territory has been divided by economic growth: the north is richer than the south. That means that decentralisation has increased regional inequalities by regional income, quality of social services such as education and health, industrial infrastructure, economic development and employment opportunities. It is also observed that the decentralisation has contributed to polarise the professional resources. The human resources are less trained or less competent by regional position.

The Mexican decentralisation was driven under the idea that citizen participation in political arena would increase, insofar as citizens would have the ability to assess public performance. In this sense, citizens could punish in electoral process those who do not deliver their promises. This mechanism could also reinforce accountability by sanctioning public officials. However, it is observed that competitive elections are limited by local or regional caciques and elites, who play an important role not only in the result of municipal, local and regional elections, but also in corruption matters. Accountability and good governance are far a way to be exercised under this scheme, where local and municipal representatives exercise the political power with impunity, violence and corruption. Without forgetting the reproduction of nepotism³⁸, parenthood and *clientelism* at local and regional level, which make more difficult to establish accountability in the federal governmental administration³⁹.

Decentralisation constitutes a flawed argument that can be utilised by different ideological and private interests. The neoliberalism has used the concept of decentralisation to attack the role of the state and to justify the withdrawal of the state from its social responsibilities, putting the costs of the social development on local communities and increasing opportunities for corruption.

³⁸ Yves Mény, La Corruption de la République (Paris: Fayard, 1992).

³⁹ Oscar Lewis, *Life in a Mexican Village, Tepoztlan Restudied* (Illinois: The University of Illinois Press, 1951); Yves Mény, "La corruption dans la vie politique", *Problèmes politiques et sociaux* 779 (1997): 2.

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Without doubt, Mexico has experienced many democratic changes. Nevertheless, the presence of corruption is still a huge problem. It tends to undermine legitimacy and the public's satisfaction in the "young Mexican democracy". This debilitates popular support for the government and undermines the people's faith, in those institutions needed to establish the rule of law and strengthen the mechanisms of accountability⁴⁰.

In this sense, fighting again corruption at national, local, regional and municipal level became an urgent appeal, insofar as corruption constitutes a threat to the Mexican State, and impunity becomes a cancer that attack mostly to deprive people. In local and regional levels, the *caciques* are "the new rulers", who determine how and when to exercise the law, but they are unaccountable to being judged by the law. "Impunity is the rule and the law the exception".

On the other hand, the level of social development promised by the decentralisation policies has not improved and poverty is on the rise again. Between 2006 and 2008, the percentage of Mexico's population living in extreme poverty (on less than USD 1.25 per day) doubled –from 2% to 4%– while those living on less than USD 2 per day rose from 4.8% to 8.2%. Official figures for poverty in absolute terms, which take into account of access to food, health, education, housing and other factors, rose considerably as well.

The high level of absolute poverty is also reflected in other indicators of living conditions: such as infant mortality which is three times more than in the average of the OECD's countries, and the illiteracy rate is above the OECD's mean⁴¹.

In this context, decentralisation policies in Mexico have not delivered the results expected not only in terms of empowerment of citizens, democracy and social development, but also in accountability and control of corruption, without forgetting the promises of decentralisation as for reducing illiteracy and mortality in rural areas, and improving health care and social services, and of course, reducing the gap between rich and poor.

The process of decentralisation applied in Mexico has not

⁴⁰ Stephen Morris, *Political Corruption in Mexico: The Impact of Democratization* (Colorado, USA: Lynne Rienner, 2009), 10.

⁴¹ OECD, Perspectives: Mexico Key policies for Sustainable Development (Paris: OECD, 2010), 18.

delivered so far the results predicted, this does not mean that it is not a feasible political process, it could be that the decentralisation could better work in other societies, but Mexico is a country with different social, historical and political background, and where the political institutions are still weak and the presence of corruption quite remarkable. Besides, the levels of democratic empowerment are still low. In this context, the decentralisation has not worked properly, and the social and human costs of these measures are hugely painful for the whole country.

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