

# **The Second Democratic Transition in Mexico: Efforts, obstacles and challenges to Mexico in the quest for a comprehensive, coordinated, consistent form of accountability**

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## **I. Introduction**

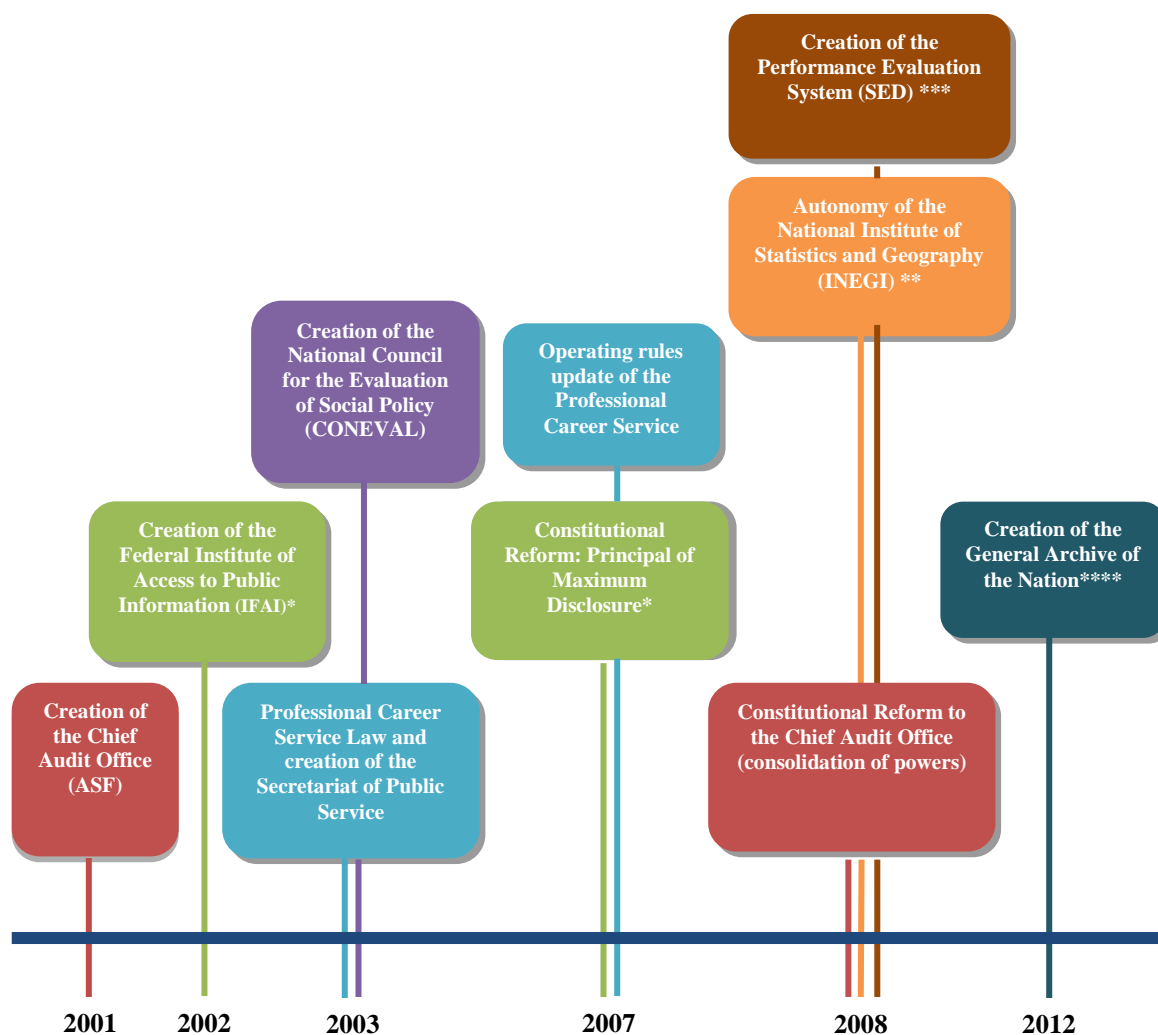
In the past decade, Mexico has launched a comprehensive set of institutional reforms designed to combat discretionary practices, inefficiency and corruption. After the successful effort it undertook during the last decade of the 20th century to construct a new electoral system that allowed a peaceful transition from a virtually single party regime to a pluralistic democracy, the public agenda began focusing on criticism of the traditional forms of exerting authority earned in the polls. In just twenty years, Mexico has not only changed the political system that had ruled it since the 1930s but also embarked on a process of profound changes in governmental rules and practices that have been creating a new social and political awareness of the importance of transparency, open assessment of public administration and accountability in the country. As happened at the time with electoral changes, these changes have not been linear or smooth; they have not reflected a preconceived plan nor have they been without obstacles, regressions or all kinds of resistance. But they now occupy a privileged place in the public debate and form part, as never before, of the political debate that struggles to consolidate the fledgling regime. This text provides a brief account of this set of changes, the challenges faced and the vigorous debate underway to build a comprehensive, coordinated and coherent system of accountability in the country.

## **II. New institutions for democratic governance**

At least seven new political institutions have been constructed in Mexico since 2000 with the express purpose of combating discretionary practices, inefficiency and corruption. They were not developed at the same time, they have not been combined into a single system of accountability, nor have they experienced the same fate. But each of them has helped create a new context of requirements regarding how political power is exercised in Mexico and, together, they have given rise to the current debates on the best ways of consolidating more open practices in government at both the federal and local levels. The launch of these new institutions, the conclusions they have yielded and the information they have provided on the quality of governance and public administration, have given rise to a new cycle of reflection

that now lies at the heart of public debate on how the new government, which has a history of an authoritarian past, must deal with its responsibilities. These institutions are:

**Figure 1.**  
**Creation and changes in institutions for democratic management 2000-2012**



- \* Contained in the Federal Law of Transparency and Access to Public Government Information
- \*\*Enactment of the Law on the National System of Information, Statistics and Geography
- \*\*\*Enactment of the Federal Budget and Fiscal Responsibility Law
- \*\*\*\*Enactment of the Federal Law on Archives

Source: Information prepared and selected by the author

### 1. Chief Audit Office

The first institution on this list was the Chief Audit Office (Auditoría Superior de la Federación, ASF, Spanish acronym), heir to the ancient Accounts Division of the Chamber of Deputies, revived at the beginning of the 21st century under its new name, with technical autonomy and new oversight powers for federal public spending. ASF is the technical body of the legislative branch responsible for verifying the public accounts of the Federation and for ensuring that the

expenses of each fiscal year do in fact correspond to the mandate issued by the Chamber of Deputies. But its work has not yielded to party pressure and, over the years, the quality of its audits and the influence of its conclusions have improved. ASF has earned the explicit recognition of the international organization that brings together supreme audit organizations from all over the world (INTOSAI). After nearly twelve years' work, it has produced a wealth of information on public administration in Mexico, which now constitutes a major collection of data essential for becoming familiar with the details of public administration in Mexico.

In 2008, a new constitutional amendment consolidated its power to assess the performance of all the entities responsible for undertaking federal government spending and also, on its own initiative, ASF itself has been promoting the creation of a National Monitoring System for the purpose of transferring best practices to the states' oversight agencies. During this period, ASF has been directed by prestigious auditors with a strong, independent critical sense, who have firmly promoted a new culture of policy evaluation, hitherto unheard of in Mexico.

## *2. Federal Institute of Access to Public Information*

In 2002, after a successful social movement that had fought for the right of access to public information for some time, composed of academics, journalists and social activists, grouped together under "Grupo Oaxaca," the first Federal Law of Transparency and Access to Public Government Information was enacted in Mexico. This law led to the creation of the Federal Institute of Access to Public Information (IFAI), which, since then, has not only acted as the guarantor of the new "right to know" but also played an extremely active role in promoting the release and use of public information. The first half of the twentieth century saw the creation of agencies guaranteeing the right of access to information in all the states in the country. Various civil society organizations committed to ensuring access to information also gained visibility and influence.

In 2007, an ambitious constitutional reform established the principle of maximum disclosure as an interpretive standard for the implementation of this right and set minimum conditions and parameters of information for all the states in the country. This in turn led to further amendments to local laws and created a new context of requirements to ensure full compliance with this right, which, since then, has been enshrined in the Constitution as a fundamental guarantee. The work undertaken by IFAI to facilitate access to information by electronic means and through the use of federal government websites has earned broad public recognition, while its contributions have served as an example for other countries. IFAI has been, in more ways than one, one of the main political signs of the democratic transition in Mexico.

## *3. Professional Career Service*

Just one year after the enactment of the Federal Law of Transparency, in 2003 the Professional Career Service Law was also enacted and the new Secretariat of Public Service of the federal government was created. The new career system – a long-held democratic ambition of various social groups and academics – was inspired by some of the successful experiences Mexico had already explored, particularly in the Foreign Service and electoral service, to establish merit-based criteria for the recruitment, selection, evaluation and development of personnel of confidence in centralized federal public administration. In 2007, after four years of operation, the operating rules of that system were updated and, although they have encountered resistance and serious difficulties regarding implementation, those rules remain in effect today, and have created a political environment that increasingly demands their consolidation.

## *4. National Council for the Evaluation of Social Policy (CONEVAL)*

Following the enactment of a new General Law of Social Development, which acknowledged and enumerated the social rights of Mexicans in 2003, a new Council was created that would

become part of the federal government, but act with technical autonomy, under the supervision of a group of skilled academic advisors, enjoying broad, well-deserved public recognition. Its primary functions would consist of establishing a scientific methodology for measuring poverty and inequality in Mexico, which would be used as the basis for evaluating the true impact of Mexico's federal social programs. And indeed, since 2005, CONEVAL has issued regular reports that have not only helped lay the foundation for understanding and measuring poverty and inequality as a multidimensional problem, but have also provided timely information on the effectiveness of government programs designed to deal with these two phenomena. These reports have also generated a new culture of increasingly widespread, professional evaluation of social programs.

#### 5. *National Institute of Statistics and Geography (INEGI)*

Although INEGI was established in 1983 with a mandate of producing and gathering statistical and geographical information on the country in a single institution, including taking censuses and specific measurements of demography, geographical conditions and economic performance, it was not until 2008 that this key institution for the compilation of public information gained technical and administrative autonomy through the enactment of the new Law on the National System of Information, Statistics and Geography. Administration of this institution was handed over to a council whose members would be nominated by the president and appointed with the approval of the Senate. Since then, INEGI has not only conducted the 2010 Census but has also produced reliable, systematic information that has addressed issues and undertaken, among many other products, the National Household Income and Expenditure Survey, which has become a key instrument for assessing Mexico's socio-economic performance.

#### 6. *Performance Evaluation System (SED)*

A constitutional amendment passed in 2008 and the enactment of a new Federal Budget and Fiscal Responsibility Law enabled the implementation of a brand new system for evaluating the performance of Mexico's budgetary programs, designed in keeping with the principles of "new public management" in the quest for a new "budgeting for results," which has required the design of strategic, results-based management indicators, which were not part of public administration routines until that year. Together, the indicator and result matrices constructed since then have been incorporated into the Performance Evaluation System, which, in turn, has served to document budgetary progress and deviations and report them regularly to the Chamber of Deputies, and to provide information that has served as the basis for producing social evaluations, academic studies and even for guiding ASF audit work. The system has not covered all budget spending nor has it managed to encompass the entire public administration or the three levels of government. Yet since 2009, its data have undoubtedly provided a new source of available information for the open, public evaluation of government management.

#### 7. *General Archive of the Nation*

One of the oldest institutions in Mexico was the last to join this list of updated or new institutions for democratic governance, as a result of the awareness created by the right of access to information of the importance of producing and protecting the information produced by the Mexican government on its everyday activities. However, it was not until 2012 that a new Federal Law on Archives was enacted that not only obliges the information to be incorporated into the archives of the three branches of federal government so that it is documented and protected, but also requires this of autonomous State bodies and promotes the creation of a National System of Archives in coordination with local levels of government. It has been rightly said that this last link in the chain of newly-created institutions should have been the first. The decision to place the new system in the hands of the General Archive of the Nation was correct. Its main effects will not be able to be assessed until after the writing of this

report, when, in 2013, all the rules derived from the new legislation on the matter are issued and implemented.

This set of institutions was created after Mexico's democratic transition in the late 20th century, when the amendments to the country's electoral system of the country allowed it to leave behind the hegemonic party system that had lasted for seven decades to make way for a new party system that modified the distribution of political power and brought a new dynamic to the relationship between the branches and levels of government. They were also designed and implemented in response to the social and political demands to go beyond the conception of democracy based solely on electoral matters in order to advance the quest for democratic management by the authorities. And the work undertaken by this group of new institutions has made it possible to draw up an unprecedented agenda to promote transparency and the consolidation of the right of access to information, the open audit of budgetary spending, and the evaluation of management and public policy results that has gained an increasingly broad consensus in recent years.

In addition to these public institutions, Mexico has established a broad community of universities and research centers, civil society organizations and media that have driven the critical review of the progress achieved in these areas, produced new diagnoses and fostered an environment of requirements for the construction of an articulated, coherent and complete system of accountability in the country. Some of these organizations have incorporated thematic research and advocacy networks, which, at least since 2010, have formed explicit alliances with some of the new public institutions dedicated to transparency, accountability and the production of public information. One of these is the Network for Accountability – begun and hosted by the Center for Research and Teaching in Economics (Centro de Investigación y Docencia Económicas, CIDE, Spanish acronym), a public institution that forms part of the national system of scientific research centers in Mexico. Its proposals, designed to harmonize and complete a full policy of accountability, have been heard, discussed and incorporated into several bills which, at the end of the administration of President Felipe Calderón and in the period before President Enrique Peña Nieto took office, have offered a new, hopeful perspective that points towards the consolidation of the democratic process that started in Mexico over two decades ago.

### **III. The critical diagnosis: persistent corruption and inefficiency**

The creation of new public institutions dedicated to access to information, the supervision of public resources and the evaluation of the performance and results of public administration have led to more information and greater public awareness of the issues facing Mexican public administration, still tied in large areas of its performance to the bureaucratic routines of the authoritarian regime and largely dominated by political interests and practices that do not correspond to the new democratic context in which they now operate. Thus, paradoxically, the more these new democratic institutions advance and are consolidated, the more they heighten the perception that Mexico has failed to win the battle against government corruption, defeat party domination of public offices, or achieve more effective public administration. The information produced in the past decade has been more open, more complete and more accurate than ever before. At the same time, it has also shed more light on the vast areas of the Mexican state where obscurity, patronage and corruption still prevail. Hence the critical importance of the debate underway in the quest for the democratic exercise of public powers.

Mexico is a country that is severely affected by corruption. Data from the Corruption Perception Index prepared by Transparency International in 2011 ranked it 100th out of the 182 countries evaluated, and 20<sup>th</sup> out of the 32 Latin American nation states. That year, Mexico scored 3 points on a scale of 0 to 10, where 10 means total absence of corruption and 0 means total

corruption, the lowest score obtained by the country in the series of measurements undertaken by Transparency International since 2001.

**Table 1.**  
**Index of Perception of Corruption in Mexico 2001-2011 and position in relation to other countries evaluated**

Year	Score 0/10	Position of Mexico/all countries evaluated
2001	3.7	51/91
2002	3.6	57/102
2003	3.6	64/133
2004	3.6	64/145
2005	3.5	65/158
2006	3.3	70/163
2007	3.5	72/179
2008	3.6	72/180
2009	3.3	89/180
2010	3.1	98/178
2011	3.0	100/182

Source: Transparency International

This international assessment generally coincides with information sources produced by 13 different institutions around the world regarding the perceptions and practices of corruption in Mexico. Taken as a whole, they show that corruption has remained stable over time and that its effects are still felt even after the period of transition to a new political regime.

In an effort to measure corruption more accurately, the Mexican chapter of Transparency International designed the Index of Corruption and Good Government (Índice de Corrupción y Buen Gobierno, ICBG, Spanish acronym), already implemented on five occasions with no significant modifications to the data during the first decade of the 21st century. The index measures the number of times that users of up to 38 different public services were forced to pay a bribe in order to achieve the expected result from following standard procedures. It is striking that during the past decade, the index remained virtually unchanged: approximately 10 out of every 100 transactions reported involved corruption, with the exception of 2003, when this figure dropped to 8.5. According to this measurement by Transparency Mexico, the additional cost of corruption for these services, converted into an additional illegal tax, may have fluctuated between a total of 23.4 billion pesos in 2001 and 32 billion pesos in 2010, while the number of times a bribe was requested did not change significantly: Transparency Mexico estimated that there were 214 million acts of corruption in 2001, and 200 million in 2010. In

other words, after ten years of democratic transition and the creation of various public institutions to combat this phenomenon, corruption remained unchanged.

**Table 2.**  
**Index of Corruption and Good Governance by Transparency Mexico, 2001-2010**

Year	Index	Number of corrupt acts observed	Estimated annual cost (million pesos)
2001	10.5	214 million	23,400
2003	8.5	101 million	10,700
2005	10.1	115 million	19,000
2007	10.0	197 million	27,000
2010	10.3	200 million	32,000

Source: Drawn up by the author using data from Transparency Mexico. Annual costs are rounded.

Note: Index values represent the number of cases of corruption identified per 100 transactions between citizens and government officials.

According to the Global Corruption Barometer, produced by Transparency International, the severity of permanent, systematic corruption in Mexico has led to its inclusion in the group of countries with the second highest levels of corrupt practices in the world. The Barometer is constructed from complementary surveys to the Index of the Perception of Corruption, conducted among the general public in 86 countries and published since 2003. In the latest edition of this survey, published in 2010, Mexico appears in the group of countries where between 30 and 49.9 percent of respondents admitted having paid bribes to obtain any of the nine services included in the barometer. The rest of the group consists of Azerbaijan, Bolivia, El Salvador, Ghana, Kenya, Lebanon, Lithuania, Moldova, Mongolia, Pakistan, Ukraine, Vietnam and Zambia. Among the 86 countries that are part of the sample, there were only thirteen with even higher levels of corruption: Afghanistan, Bangladesh, Cambodia, Cameroon, India, Iraq, Liberia, Malaysia, Nigeria, Palestine, Senegal, Sierra Leone and Uganda. But among all the countries in Latin America, only El Salvador, Bolivia and Mexico appeared on those lists.

The Global Barometer also shows the widespread social opinion about the systematic permanence of corruption in Mexico. Seventy-five percent of respondents declared that this phenomenon had increased during the previous three years, from 2007 to 2010, confirming the view recorded in other international surveys, such as the Latinobarómetro, and complemented by the equally widespread idea among 52% of society according to which the government's actions to fight corruption have proved ineffective, while for another 26% they have been simply futile.

All the available data confirm that the first decade of the 21st century failed to produce satisfactory results as regards mitigating corruption or preventing negative effects on governance, political stability and government effectiveness. A review of global governance indicators (World Wide Governance Indicators) constructed using the methodology of Kaufmann, Kraay and Mastruzzi for the World Bank, shows that Mexico struggled on practically all counts during this period: none of the six aggregate indicators presented in this

report improved from 2000 to 2010.<sup>1</sup> The lowest values unfortunately correspond to political stability and the absence of violence, the rule of law and the control of corruption. None of these data should be overlooked, since these indicators are actually a summary of the greatest number of sources available in the world for assessing the quality of governance in a country and providing reliable parameters for comparison. In this respect, it should be added that the values corresponding to Mexico, on average, only reach a figure of 45.5 out of 100 which, again, places it among the countries with the lowest scores in the world in terms of honesty and government efficiency.

**Table 3.**  
**Worldwide Governance Indicators for Mexico, 2000, 2005, and 2010**

Indicators on:	Year evaluated	Aggregate indicator
<b>Voice and Accountability</b>	<b>2010</b>	<b>52.1</b>
	2005	55.3
	2000	55.3
<b>Political Stability/Absence of Violence</b>	<b>2010</b>	<b>22.6</b>
	2005	33.2
	2000	39.4
<b>Government effectiveness</b>	<b>2010</b>	<b>61.7</b>
	2005	57.6
	2000	62.4
<b>Regulatory Quality</b>	<b>2010</b>	<b>58.9</b>
	2005	60.8
	2000	62.7
<b>Rule of law</b>	<b>2010</b>	<b>33.6</b>
	2005	39.7
	2000	39.2
<b>Control of corruption</b>	<b>2010</b>	<b>44.5</b>
	2005	48.3
	2000	50.7

Source: Information prepared and selected by the author, using World Bank data.

Note: Indicator values are on a scale of zero to 100.

Meanwhile, data from Latinobarómetro, which make it possible to observe the movement of most Latin American perceptions of a wide range of specific problems from the late 1990s to

<sup>1</sup> Daniel Kaufmann, Aart Kraay and Massimo Mastruzzi, “The Worldwide Governance Indicators Methodology and Analytical Issues”, *The World Bank Development Research Group*, September 2010

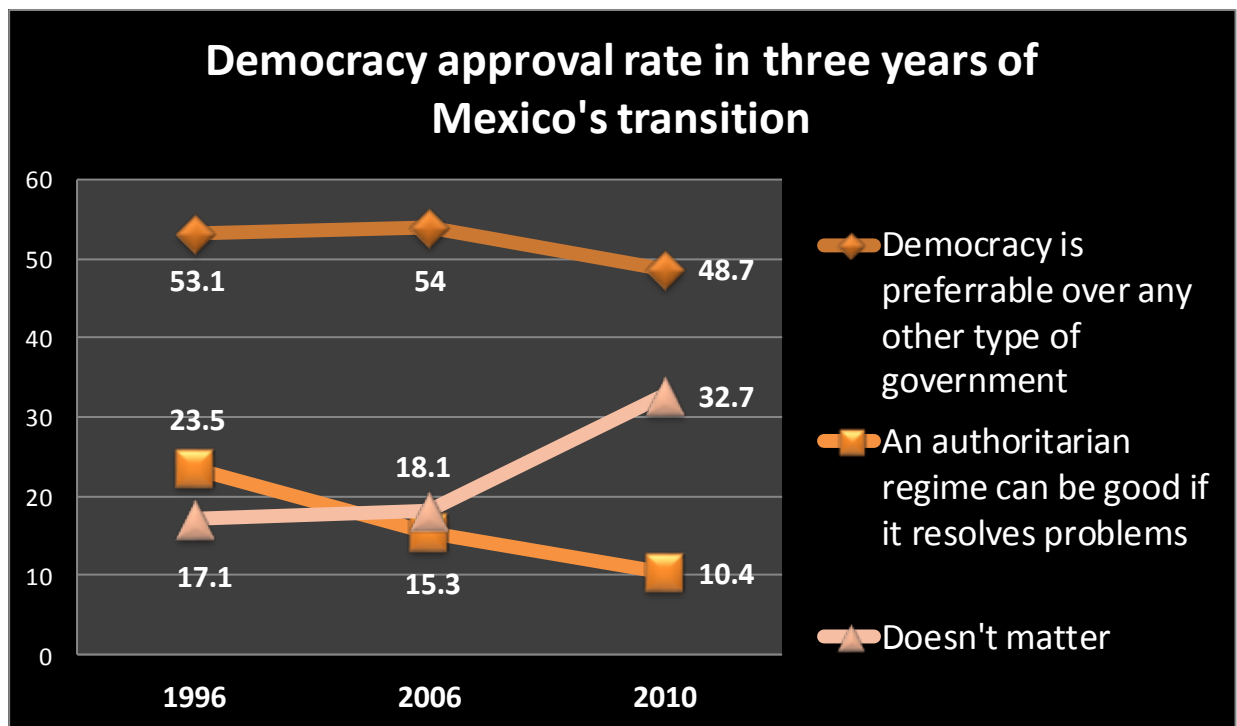


the first decade of the 21st century, show two phenomena associated with corruption that should be emphasized. On the one hand, Mexicans expressed low satisfaction with the democratic regime, even after the transition years. In 1996, the date of the passage of the electoral law that would grant the Federal Electoral Institute autonomy and support the last years of the transition, data from the Latinobarómetro showed that 53.1% of society preferred democracy to any other form of government, and that only 17.1% answered that “it was all the same.” By 2010, after ten years of power-switching in the presidency and the consolidation of the party system, Mexicans’ view of democracy had not improved: only 48.7% still thought it was preferable to any other system of government, while the response that best describes the disenchantment with the regime had almost doubled: 32.7% said that, “it was all the same.” I emphasize this fact because there is no evidence that Mexicans would have preferred a different system to replace democracy: in 1996, 23.5% declared that an authoritarian government might be better if it could solve the country's problems, whereas in 2010 this answer was only given by 10.4%. What is striking is the degree of disenchantment, with figures reflecting the loss of expectations regarding the democratic process as a whole.

**Table 4.**  
**Percentages of approval of democracy in three critical years of the Mexican transition**

Year	Democracy is preferable to any other form of government	An authoritarian government can be better if it solves problems.	It's all the same
1996	53.1	23.5	17.1
2006	54.0	15.3	18.1
2010	48.7	10.4	32.7

Source: Compiled by the author using data from Latinobarometro.



Source: Compiled by the author using data from Latinobarómetro.

Likewise, the data on satisfaction with democracy speak for themselves. In 1996, when the transition was entering a critical phase, 84.5% of Mexicans said they were dissatisfied with democracy, whereas by 2006 this figure had fallen to 52.5%. But four years later, the negative data had returned to 69%, compared with 26.8% declaring that they were partly or very satisfied with the new political regime.

**Table 5.**  
**Percentage of satisfaction with the democratic system in three critical years of the Mexican transition**

Year	Very satisfied	Somewhat satisfied	Dissatisfied	Very dissatisfied
1996	1.3	10.3	51.2	33.3
2006	6.9	34.4	28.4	24.1
2010	3.7	23.1	43.2	25.8

Source: Compiled by the author using data from Latinobarómetro.

One cannot assume that social dissatisfaction and disenchantment with the new regime are due to a single cause. Like all social phenomena, disenchantment with the performance of democracy cannot simply be explained in terms of a variable, nor is the purpose of these notes to provide an explanation of Mexican society's dissatisfaction with the new political regime. But it is possible to say that one of the probable causes of this disenchantment is corruption.

In 2002, when respondents were asked what "the most important aspect for improving the functioning of public institutions" was, 31.7% replied: "Fighting corruption," compared with

12.4% and 12.3% who chose the option of reducing the costs of or modernizing services, respectively. But in the series of responses to the question asked about “progress in reducing corruption in public institutions” since 2003, the sense of failure remained unchanged: the majority always replied that there had been no substantive progress or no progress at all.

**Table 6.**  
**Perception of progress in the reduction of corruption in public institutions, in percentages, 2003-2010**

Year	No progress	Little progress	Some progress	A great deal of progress
2003	29.1	40.7	26.3	3.0
2004	29.9	46.1	20.6	3.0
2005	32.8	35.6	25.1	5.5
2006	27.9	31.5	30.8	5.7
2007	23.7	36.6	29.8	7.5
2008	29.2	40.6	21.8	6.6
2009	28.2	35.1	27.0	5.2
2010	29.2	37.1	27.2	4.9

Source: Compiled by the author using data from Latinobarómetro.

Needless to say, corruption has been consistently mentioned among the five most important problems in the country, with the exception of 2009, when the economic crisis of that year drove the issue of corruption down to sixth place, whereas from 1997 to 2001 (when the perception of the severity of the problems identified was measured), corruption was regarded as extremely serious by the majority.

**Table 7.**  
**Main problems. Position of corruption based on percentage of mentions from 1996 to 2010**

Year	Corruption	Security	Employment	Health	Political crises	Education	Poverty	Inflation	Environment	Salaries
96	9.0 (5th)	--	17.8	--	--	16.1	--	11.1	--	9.8
97	7.3 (5th)	--	14.0	13.5	--	--	--	12.7	8.6	--
98	8.8 (4th)	--	21.8	--	--	--	--	21.1	9.3	--
00	10.0 (4th)	--	--	10.9	--	--	--	11.6	--	12.9
01	13.3 (2nd)	16.4	--	--	--	--	--	--	--	--
02	10.3 (4th)	11.9	15.0	--	--	--	10.3	--	--	19.3
03	11.6 (4th)	--	17.0	--	--	--	12.6	--	--	18.9
04	12.9 (3rd)	--	13.4	--	--	--	--	--	--	15.3
05	7.8 (5th)	24.6	20.0	--	12.9	--	--	12.6	--	--
06	6.8 (5th)	16.6	18.2	--	13.9	--	11.0	--	--	--
07	16.8 (1st)	(12.9)	(13.9)				(11.3)			
08	5.8 (5th)	32.6	14.3	--	7.7	--	--	9.9	--	--
09	5.3 (6th)	17.8	19.6	--	5.9	--	7.1	29.4	--	--
10	4.2 (5th)	39.2	14.8	--	--	--	7.9	13.2		

Source: Latinobarómetro. Only the percentages higher than the mentions of corruption are given, with the exception of 2007, when corruption was identified as the main problem in the country. In that row, the values for the following three problems mentioned are given in parenthesis.

In general, corruption has been seen before, during and after the period of transition to democracy as a permanent problem and one that is largely incorrigible. Hence, according to the perception of the majority of Mexicans, democracy has been unable to correct or curb this problem. Although I insist that it is impossible to establish a causal or automatic relationship between disenchantment with democracy and the prevalence of corruption, one should not overlook the data that speak of both phenomena—stable corruption and growing disenchantment—during the years that saw the change in political regime.

At the same time, data produced by the National Council for the Evaluation of Social Policy (CONEVAL) since 2005, when it began evaluating the social programs supported by funds from the federal budget (as mentioned above) have served to create a formal methodological basis and one that is increasingly used in the country for the measurement of poverty, income distribution and the quality of public programs to alleviate both problems.

The legal apparatus behind CONEVAL's intellectual work was constructed to provide evidence for decision-makers regarding social policy, both in Congress and in the federal executive branch, which eventually enabled them to adjust the programs that were failing to fulfill their mission and encourage those which, on the contrary, contributed more effectively to the progress of public spending in Mexico. As a result of these rules, by the first half of 2012 CONEVAL had already undertaken 550 evaluations of social programs and produced robust technical reports to evaluate the extent and depth of poverty, understood as a problem of income and "social deprivations" (e.g. lack of education or housing)—together with a set of specific recommendations to correct the deficiencies observed in the country's social programs and social policy in general.

Hence the importance of the findings yielded by CONEVAL during the early years of operation. For the purposes of this paper, it is worth focusing on three of them, which, in my opinion, are connected<sup>2</sup>. The first concerns the central purpose of social policy, which is to reduce poverty and inequality. According to the last CONEVAL report, which evaluates the results of that policy from 2008 to 2011:

"The population living in poverty rose to 46.2 percent in 2010, representing 52 million people. This constituted an increase of 3.2 million people over 2008 (...). The increase in the number of people living in poverty was the result of the rise in the number of people with a lack of access to food (4.2 million) and of the population with low incomes (the population below the welfare line increased by 4.8 million while the population located below the minimum welfare line increased by 3.4 million people between 2008 and 2010)".<sup>3</sup>

CONEVAL adds that "the average number of shortages of the population living in poverty fell from 2.7 to 2.5," due to the "increase in the basic coverage of education, access to health services, the quality and size of housing, basic housing services and social security, particularly in the coverage of older adults, factors that are part of poverty measurement."<sup>4</sup> But the aggregate result, despite efforts by the government or governments to increase infrastructure and the services designed to eliminate social deprivation, was that poverty did not decrease over the past five years. It is very likely, as stated by a broad group of experts and CONEVAL itself, that the increase reflects the international crisis of 2008 and 2009, when Mexico again had negative growth, and the inability of the economy to generate wealth had a strong impact on the fight against poverty. As we know, without economic growth it is virtually impossible to alleviate poverty, especially in the short term.<sup>5</sup>

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<sup>2</sup> These conclusions were taken from the *Informe de Evaluación de la Política Social en México, 2011* published by the National Council for the Evaluation of Social Development Policy (Consejo Nacional de Evaluación de la Política de Desarrollo Social, CONEVAL, Spanish acronym), in March 2011.

<sup>3</sup> *Idem*, p. 24.

<sup>4</sup> "Informe de Evaluación de la Política Social en México 2011", CONEVAL, March 2011.

<sup>5</sup> Cfr. Dani Rodrik. *One Capitalism. Many Recipes*.

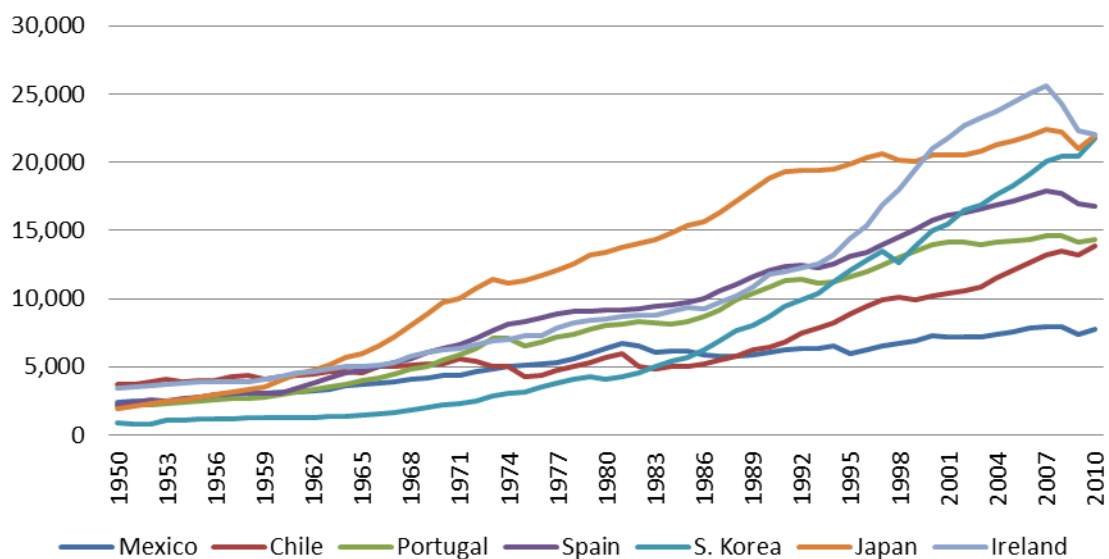
Dani Rodrik, "One Economics Many Recipes: Globalization Institutions and Economic Growth", Princeton University Press, 2007

However, the CONEVAL report acknowledges another dimension that should not be overlooked, which has often been emphasized by leading critics of the model adopted by Mexico: from 1950 until the first decade of the 21<sup>st</sup> century, the per capita growth of the country's Gross Domestic Product was only 2 percent. If the data is reviewed from 1990 onwards, the rate drops to 1.2 percent during that period, while the average real job salary has not grown at all since 1992. CONEVAL compares Mexico's growth with that of Chile, Portugal, Spain, South Korea, Japan and Ireland, countries with a similar domestic product to Mexico in the mid-20th century, which have now far outstripped it, noting that:

"If growth had been 3 percent rather than 2 percent during the same period, in 2010, Mexico's per capita GDP would have been \$25.219 USD instead of the \$14.151 USD we had that year. That is to say, the average standard of living of Mexicans would have been 78 percent higher than it was in 2010, and poverty levels would probably be much lower than what they are today.

"The fact that real income is not higher in Mexico (and that poverty is high) is not only due to the temporary financial crisis or to the increase in food prices but also to the long-term, slow economic growth. Conditions in Mexico will not improve unless changes are made to foster deeper economic changes that encourage productivity, investment, the creation of more formal, better quality jobs and the systematic, sustained increase in real wages.<sup>6</sup>

**Graph 1.**  
**Comparison of the Gross Domestic Product of Mexico with Six Countries 1950-2010 (PPP adjusted)<sup>7</sup>**



Source: "Historical Statistics of the World Economy" Angus Maddison and the International Monetary Fund (2010)

Note: The units are in Geary/Khamis dollars (also known as International dollars or PPP dollars) from 1990

These findings call for the design of public policies capable of simultaneously counteracting the country's poverty and the structural reasons that have prevented it from having higher growth and better income distribution for over half a century. They also refer to the need for these policies to be carried out successfully, meeting the proposed objectives and achieving results. However, in the 2011 report, CONEVAL endorses some of the findings of the studies

<sup>6</sup> CONEVAL, *Op.cit.* p.19.

<sup>7</sup> *Idem*, p. 18.

conducted by John Scott on the direction of public spending, in which he notes that the aggregate expense of the country's main social programs does not contribute to equality and instead tends to increase the gap between rich and poor. In the words of CONEVAL:

“There remains a wide range of results in the concentration of public spending among large functional groups and even within each of them. Overall, targeted cash transfers are the most progressive area (in other words, they most clearly reach the population with the lowest income). Transfers in kind are practically neutral, while indirect subsidies and subsidies for contributory pension schemes are concentrated in the middle and high income population. The total distribution of the public expenditure analyzed is slightly progressive if one excludes subsidies for contributory social security systems and consumption, but slightly regressive when they are included.”<sup>8</sup>

Given these statements, one would expect regressive social programs to be modified or even eliminated to prevent public money from continuing to contribute to deepening inequality in the country, while progressive programs with the greatest impact that effectively manage to reduce the gap between rich and poor would have to be strengthened and more strictly supervised. CONEVAL's findings advise modifying the restrictions that have hindered the country's economic growth and the achievement of better income distribution, but also suggest concentrating public money in programs that effectively contribute to the aims pursued by social policy.

However, the opposite has happened in recent years: rather than selecting programs that promote social cohesion and eliminating those that exacerbate differences, the federal government has increased the dispersion of social programs and further complicated the monitoring and follow-up of its decisions. CONEVAL notes that in effect:

“In 2010 there were 273 federal social development programs and actions. Between 2004 and 2007, the number of programs increased by 17 percent and their budget rose by 1 percent. Between 2008 and 2011, the number of public policy instruments increased by 11 percent and the budget rose 42 percent, contributing to the dispersion of Programs and Actions. ”It is not always clear why social development programs are created every year. Some are created by the Executive Branch, others by the Legislative Branch and others by the states, through the Local Legislative Branch, in order to spend more of the budget on state governments. Several of them may possibly be created to solve the population's specific problems, but since they do not always have clear results, in several of these programs, the suspicion of political use is inevitable.”<sup>9</sup>

However, the problems involved in the guidance, monitoring and evaluation of social programs observed by the council created for this purpose may be much greater, because although CONEVAL has done a reasonable job of reviewing federal public expenditures on social policy, much less is known about the states and municipalities. CONEVAL puts it like this:

“The developments outlined here regarding evaluation concern the federal level. Since there has been a better balance of powers between the executive and legislative branches, the federal government has been asked to provide greater transparency and an objective, independent system of evaluation and audits. Local congresses, however, do not make the same level of demands on the corresponding governments. While there has been progress in evaluation in certain states (Jalisco, the Federal District, the State of Mexico), the level of independence of evaluation schemes is still extremely fragile. The consolidation of democracy requires the swift, aggressive advance of assessment and transparency schemes in state and municipal governments.”<sup>10</sup>

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<sup>8</sup> *Idem.* p.108.

<sup>9</sup> *Idem.* p.132.

<sup>10</sup> *Idem.* p.121.

In sum, the studies produced by the office responsible for the monitoring and evaluation of the federal government's social policy have shown that the central purpose of this policy has not been accomplished during the early years of the new political regime, just as it failed to be achieved from the middle of the last century onwards: measures of economic growth, wages and poverty have each shown mediocre results to say the least for over half a century. Public spending specifically designed to alleviate poverty and reduce social inequality in the country has produced counterproductive effects: the more money is spent, the more inequality increases. Public programs have proliferated without any obvious need to disperse these efforts. Until 2012, we did not know what the aggregate effect of all the actions taken by the Mexican State to comply with the goal of social development enshrined in the Constitution was, because state and local governments had failed to produce the minimum information required to conduct a full assessment.

Yet none of these findings has had a strong, unequivocal effect on the reorientation of public spending, far less on the allocation of public responsibilities for the functionaries who determined this spending, designed policies and, after a sufficient period for evaluating their results, have not only revealed their lack of effectiveness in meeting the goals pursued but have also been inefficient in their performance. CONEVAL studies have provided valuable information for studies such as this and for revealing the deficiencies facing the public in Mexico. However, they are not binding as regards correcting the programs evaluated, nor do their conclusions force the annual negotiation of the public budget, which blindly continues to provide fiscal resources for policies and programs that have failed to deliver the expected results.

A closer look at the results of the "specific performance evaluation 2010-2011," derived from the external evaluation studies coordinated by CONEVAL in the past year, which describe the progress in achieving the goals of 132 public programs, among other data, shows that 14 of them could not be assessed due to the lack of information for issuing a well-founded opinion, while another 36 programs were reported as having "room for improvement" or "moderate progress." In this set of programs, only 20 were rated "outstanding" as regards the fulfillment of their objectives, while another 62 programs were rated, with bureaucratic understatement, "adequate."<sup>11</sup>

Meanwhile, in 2011 the civil organization GESOC, AC published the "Performance Index of Federal Public Programs" (INDEP 2011), designed to assess the performance of the 132 subsidy and public service provision programs, which, in turn, were evaluated by CONEVAL. This index is a valuable tool because it combines and weights the various criteria used in the evaluation of public programs, presenting them on a single scale, standardized from 0 to 100, in which the highest score is equivalent to the highest social profitability of the programs, "understood as the capacity they have shown to solve the public problem they deal with as regards their budget." The usefulness of the exercise is borne out by the fact that 340 billion pesos were spent on this set of programs in 2011, equivalent to 13.26% of the country's projected expenditure. And unlike the way in which CONEVAL presents the results of its reviews, whose methodology and complexity remain a matter of debate<sup>12</sup>, GESOC only uses the achievements obtained and coverage of the target population, depending on the resources granted for each public program. The source of information is the same: the Federal Performance Evaluation System, whose data are assumed to be "true and robust enough to be able to perform a comprehensive evaluation of the programs."

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<sup>11</sup> Cfr. *Results of specific performance evaluation 2010-2011 (External evaluation coordinated by CONEVAL, with information from the Performance Evaluation System of the Secretariat of Finance and Public Credit)*. Available on CONEVAL website.

<sup>12</sup> Guillermo Cejudo and Claudia Maldonado, "De las recomendaciones a las acciones: La experiencia del Premio 2011. Programas Federales comprometidos con el Proceso de Evaluación", CIDE 2011



On that basis, GESOC noted that 53% of the programs evaluated (70 out of 132) “reveal problems of opacity for assessing their social profitability.” However, these programs were allocated budgets of 84.159 million pesos in 2011, accounting for almost a quarter (24.69%) of the total budget assigned to subsidy programs and federal public services; 31 reported no progress in their performance indicators, 22 failed to identify the target population they attended and 17 did not provide sufficient data on progress or beneficiaries for them to be evaluated. Conversely, only seven programs obtained a socially optimal level of profitability equivalent to 22.61% of the budget allocated to the group of programs as a whole, on the basis of five items suggested for classifying the social profitability of programs, with the same number of implications for the following budget allocation. The conclusions were as follows:

**Table 8.**  
**GESOC findings and recommendations on the social profitability of the social programs evaluated by the Federal Performance Evaluation System in 2010**

<b>Social profitability</b>	<b>Number of programs</b>	<b>Budget (Absolute in millions of pesos and relative to the total group)</b>	<b>Budget allocation recommendations</b>
<b>Optimal</b>	7	77.080 (22.61%)	Budget increases should be directly proportional to the growth of the potential beneficiary population
<b>High Potential</b>	9	33.736 (9.90%)	Significantly increase its budget. Every peso invested is a justified social investment.
<b>Room for improvement</b>	7	91.669 (26.89%)	Its budget allocation (even without increases) should be subject to a substantial improvement agenda to achieve acceptable levels of compliance with goals.
<b>Scarce</b>	4	7.572 (2.22%)	No budget increase justified. A comprehensive review must be carried out to significantly increase its performance before thinking of increasing its coverage.
<b>Disperse</b>	35	46.627 (13.69%)	Comprehensive policy review to identify clear priorities
<b>Impossible to estimate</b>	70	84.159 (24.69%)	Do not increase budget and enforce stricter transparency and accountability measures for the 2012 budget.
<b>Total</b>	132	340.846 (100%)	

Source: Social Management and Cooperation GESOC, AC Performance Index of Federal Public Programs. INDEP 2011. Mexico.

By the beginning of 2012, there was still no evidence to prove that the recommendations issued by this civil organization, despite their simplicity and clarity, had been addressed. Although the evaluation system designed by CONEVAL reflects the degree of progress in the “follow-up on the recommendations made by external evaluations,” an area in which only 51 out of the 132 programs evaluated reported having dealt with all the observations, the main difference between

these two approaches is in the person or organization to whom they are addressed: GESOC has attempted to bring this to the attention of the Chamber of Deputies, where budgets are allocated and results are monitored, whereas the system constructed by CONEVAL and the Secretariat of Finance, with the participation of the Secretariat of Public Service, is primarily designed to report to the president. In this respect, one would expect the findings of the assessments coordinated by CONEVAL to have a decisive influence on the design of policies and programs of federal government, within the Performance Evaluation System coordinated by the Secretariat of Finance. One would also assume that the Chamber of Deputies would respond to these assessments by reviewing the assumptions underpinning their budget allocations year after year. But neither of these two things has happened since public budgets are still planned by the executive branch and approved by the legislative branch regardless of the depth of the evaluations carried out and the importance of their recommendations.

In Mexico, however, public policies are not only evaluated by the executive branch through the Performance Evaluation System established by order of the Law of Federal Budget and Fiscal Responsibility enacted in 2006, and directed by the Secretariat of Finance and the Secretariat of Public Service. Nor are the 273 public programs included within the social policy framework until 2012 only evaluated by CONEVAL. Policies are also evaluated by the Chamber of Deputies through the Chief Audit Office as part of the annual process of auditing public accounts, involving a review of the use of public funds, a report on which must be submitted by the federal government to the House of Representatives at the end of each financial year.

The audit of the annual public accounts closes the budget cycle and therefore represents the means by which federal representatives verify compliance with the mandate granted by the government through the authorization of the federal budget. The audit is regulated, in turn, by Law of Audit and Accountability of the Federation, enacted in May 2009, which, at the time, completed and specified the powers granted to the Chief Audit Office of the Federation (hereinafter ASF) since 2000, when it was created as the supreme audit institution of the federation by constitutional mandate. Here, then, is the basic set of legal systems and organs that undertake the evaluation of federal programs in the country and its dual route: the executive branch seeking to design a results-based budget and systematically evaluate it, and the legislative branch, based on the audit of government accounts.

Since its inception, ASF has been called to play an increasingly important role in the evaluation of expenditures, the observance of the law and the performance of public authorities, because as a technical body of the Chamber of Deputies, ASF is empowered to oversee them all at the three levels of government, with the exception of political parties, including “any entity, person or company, public or private, that has obtained, collected, administered, operated or spent federal public funds, including the private law legal entities authorized to issue tax-deductible receipts for donations to achieve their aims.”<sup>13</sup> Although it was not until 2008 that performance evaluations were recorded as another of ASF’s obligations, since 2001 ASF itself decided to add these assessments to the traditional exercise of auditing accounts and legal regularity, creating a Special Performance Audit for this purpose. From then until 2012, it conducted 1,059 performance audits, within a general universe of 6,759 audits performed during the whole of that period.

What I wish to emphasize, however, is the frustrating repetition of the performance and management problems, which ASF has discovered during its annual audits and the low practical usefulness of its recommendations. During the past five years, for example, only a third of the audits performed by ASF were rated as “clean,” while the rest of the reviews elicited negative or qualified verdicts, in other words, basic comments that could not be resolved promptly, or even no opinions, which means that the auditors did not have even the basic information required to carry out their work.

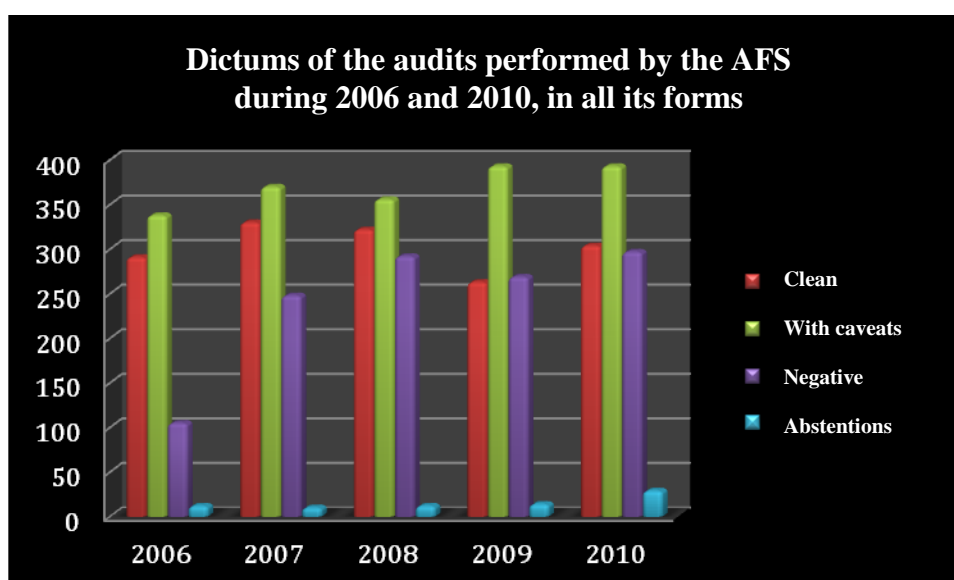
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<sup>13</sup> Cfr. Art. 2, Section IX of the Law of Auditing and Accountability of the Federation.

**Table 9.**  
**Opinions on audits carried out by ASF between 2006 and 2010, in all their forms**

Year/type of opinion	Clean	With caveats	Negative	Abstention
2006	291	338	105	12
2007	330	370	248	10
2008	322	356	292	12
2009	263	393	269	14
2010	304	393	297	29
<b>Total</b>	<b>1,510</b>	<b>1,850</b>	<b>1,211</b>	<b>77</b>
<b>Proportion of total</b>	<b>32.48</b>	<b>39.80</b>	<b>26.05</b>	<b>1.65</b>

Source: Reports on Audit Results of the Chief Audit Office, 2008-2012.



Source: Reports on Audit Results of Chief Audit Office, 2008-2012.

Similarly, if one focuses solely on performance audits, the number of which have consistently increased and whose influence on public administration management should be much higher, one can see that of the 110 audits conducted in 2010, the last year subject to audit, only 22 verdicts were clean, as opposed to 25 that were negative or included abstentions and 63 with caveats. The effort of obtaining and collating data, confirming hypotheses and verifying and comparing results involved in each audit, whose methodological validity has undergone several tests within and outside the country, is not only plausible and valuable in itself but has constructed a vast source of information that could significantly improve public administration.

To date, however, there is not enough evidence to guarantee that this has happened. Instead, every year, ASF produces new information on the way the public bodies audited spend the resources allocated to them in the budget and assumes, as it were, that its conclusions will be examined by the executive and legislative branches. But these effects occur only in exceptional

cases whereas the ASF, compelled to perform new audits every fiscal year, has also failed to implement a comprehensive, systematic effort to follow up on its own conclusions.

**Table 10.**  
**Nature of audits performed by ASF from 2001 to 2010**

Year	Regularity	Performance	Special	Follow-up	Exceptional situation	Forensic
2001	286	30	39	--	--	--
2002	260	24	52	--	--	--
2003	249	24	56	9	--	--
2004	312	44	52	13	--	--
2005	522	51	44	9	--	--
2006	615	72	57	8	--	--
2007	716	190	54	2	--	--
2008	693	228	62	2	2	--
2009	708	191	40	--	6	--
2010	769	205	44	--	2	11

Source: Reports on Audit Results, Auditoría Superior de la Federación, 2008-2012.

However, thanks to ASF's efforts, one can estimate that only a third of the public resources approved by the Chamber of Deputies in the past five years—at best—have been handled in accordance with expectations and with effectiveness, efficiency and honesty. The remainder of the funds has not: almost two-thirds of the expenditures audited by ASF have had caveats, failed to meet the criteria or simply been unable to be assessed. And yet, every year the rituals of budgetary approval are repeated and public funds are allocated on the basis of future expectations: not on the basis of the evidence of what actually happened but on what new funds promise society, despite the data proving the ineffectiveness of the operation, deviations, and failure to achieve previous targets. As if the world were reborn each year, annual budgets are filled with promises about their benefits and are subjected to new assessments, with the knowledge that they will have no substantive effect on the way public spending is carried out.

Hence Mexico's unique position when its monitoring and follow-up systems are compared with other countries in Latin America and the rest of the world. From the point of view of the regulatory framework, the existence of agencies dedicated to the evaluation and audit of public spending, and even the sophistication and quality of the methods used to assess each fiscal year, Mexico is in a leading position. But when one considers the effects that these methods and evaluation and oversight bodies have had on the quality of governance, the result is unsatisfactory to say the least. The authors of the chart below are right: Mexico has made great progress in its rules and procedures for the monitoring and evaluation of expenditures, but very little in the use of these means to correct its decisions. And, I would add, far less as regards accountability and assuming the consequences.

**Table 11.**  
**Institutionalization and uses of monitoring systems in Latin America**

<b>Use of the monitoring system *</b>	<b>High</b> Used to make technical administrative and budgetary decisions.			Chile
	<b>Medium</b> Used to make high-level decisions.		Costa Rica	Brazil and Colombia
	<b>Low</b> Not used or rarely used to analyze or correct achievement of goals.	Barbados, Ecuador, El Salvador, Guatemala, Haiti, Nicaragua, Uruguay	Argentina, Honduras and Peru	Mexico
		<b>Low</b> The system is beginning to be implemented.	<b>Medium</b> The system is being institutionalized and instruments and methodologies are being developed.	<b>High</b> The system has been institutionalized and has properly formalized methodologies and instruments.
<b>Degree of institutionalization of the monitoring system</b>				

\* No monitoring system: Belize, Bolivia, Guyana, Suriname, Trinidad and Tobago, Paraguay, Dominican Republic, Panama.

Source: Roberto García López and Mauricio García Moreno, *La gestión para resultados en el desarrollo. Avances y desafíos*. IDB, Washington DC, 2010.

However, in the causal chain suggested by the table above, behind these data is a lack of coherence and coordination between the various systems that have been constructed during the transition years to attempt to counter corruption and, at the same time, to correct the flaws in public administration. The debates underway today seek to modify and improve those systems that have been insufficient so far in preventing the corruption of public posts, assumptions and budgets, whose consequences, as we have seen, threaten the success of Mexico's consolidation as a democracy.

#### **IV. The open debate on accountability**

A broad debate has emerged in Mexico on how best to tackle the corruption that has damaged the public perception of Mexican democracy and the effectiveness of its authorities. It can be said, as never before, that this debate has produced a tacit consensus that recognizes the lack of a comprehensive, coherent system of accountability in the country, expressed through seven new bills submitted by the PRI, the PVEM, the PRD and the PAN during a period of just two months, between September and October of 2012, including a new draft of the General Law on Government Accountability proposed by then President Felipe Calderón, and a package of constitutional reforms designed to expand transparency and fight corruption, submitted by then President-elect Enrique Peña Nieto, the outcome of which will determine the course taken by the exercise of political authority in the coming years.

One of the explicit references of this debate has been the set of diagnoses and proposals drawn up by the Network for Accountability, which today groups together 64 academic and civil society organizations, and four public institutions directly linked to the subject: ASF, IFAI, AGN and IFE, which originated in a CIDE research project and whose reports have been presented and discussed with parties and legislators from all the political forces in Mexico, in an effort at dialogue that has followed the guidelines recommended by public policy design: recognition and definition of a public problem from its causes, reviewing alternatives to modify the design of the action and eventually monitoring and evaluating the implementation process.

Conventional analysis of public policies suggests distinguishing between a “problematic situation” and the causal definition of public problems that prevent social development and equality. This analysis stresses the need to avoid confusing the visible effects of certain public decisions or actions that produce undesirable consequences with the causes that produce them. What it suggests is not only focusing on the most noticeable effects, and dealing with what temporarily upsets society, but also searching for the causes that have created these situations in order to attempt to modify them. The public policy analysis shows that the resources assigned to dealing with the effects rather than the causes not only become meaningless over time but can, in turn, produce new challenges to an in-depth solution to public problems. After identifying the causes, it suggests a careful reflection on the existing capabilities and restrictions, to identify what might call the “hard core” of a public policy: valuable convictions, complete diagnoses and fundamental lines of action for addressing public problems that have already been identified, in a horizon of possible success.

The Network has warned that although virtually all the rules were created during the first decade of the 21st century, the institutions and routines which the country now has to promote transparency, the right of access to information and the open audit of public resources in Mexico, the same thing is not always meant by transparency, access to information and accountability in Mexico. Public interest has increased and the normative system has been expanded, but the country has yet to establish a definition or a set of firm ideas comprising a hard core, which must be understood as a complete, coherent policy of accountability.

This lack of definition has encouraged the coexistence of practices that share the same name yet are in fact different and contradictory. The diagnoses show that all these efforts have become less effective because of the fragmentation of this issue. There is a conceptual fragmentation, since people do not always mean the same thing by accountability. There is a legal and institutional fragmentation, which has prevented all the efforts from being aligned into a national policy; there is a fragmentation of management systems and new overlapping obligations for public administration, which work against effectiveness and prevent the coordination of existing processes, there is a fragmentation of social efforts, and there is a fragmentation of the views and positions of politicians on this key issue for the democratic, effective operation of the State. Our diagnosis shows that it is necessary to become aware of these causes, and to advance the construction of a coordinated, coherent, complete policy of accountability.

Moreover, the multiplication of efforts and ideas has also led to the fragmentation of rules and systems. Never have there been so many institutions devoted to fighting corruption, but they are segmented and scattered. Not even the Constitution contains principles to harmonize the systems of planning, budgeting, auditing, responsibilities and access to information. As if they were isolated universes, the newly-created systems and institutions are split up into various laws and practices. So, paradoxically, the more institutions are created, the more dispersion and costs are produced. Political resistance of all kinds has also multiplied. Greater awareness has been met by greater opposition. There is resistance to transparency and performance evaluation among both federal authorities and local governments, meaning that lack of definition and fragmentation are greatly exacerbated by political and partisan resistance.

Corruption and impunity are not the root cause of these problems, but rather their consequence. If public programs end up turning into party strategies, designed and structured to win votes; if government jobs are awarded for loyalty and closeness; if budgets are negotiated to create, expand or consolidate positions of power; if the public assumptions with which one governs rely on the construction of networks and clientelism, it is impossible to assume that public administration will be successful. Hence the importance of public awareness and the new political action seeking to construct a cohesive, comprehensive system of accountability.

However, the concept of accountability is not unequivocal and accepts various interpretations, some of which are so general that their meaning is diluted. Constantly reformulated, it sometimes has blurred boundaries in which it is mistaken for other desirable components of a democratic regime such as civic participation or simply access to public information. That is why the work of the Network has conceptualized accountability—as a starting point—as “a relationship between two actors (A and B) in which A is formally obliged to inform, explain and justify its behavior to B (with regard to a specific responsibility), who has instruments for overseeing and influencing his behavior through sanctions or incentives.” These responsibilities refer to the exercise of legal and political powers, as well as the spending of public resources related to those powers or functions<sup>14</sup>.

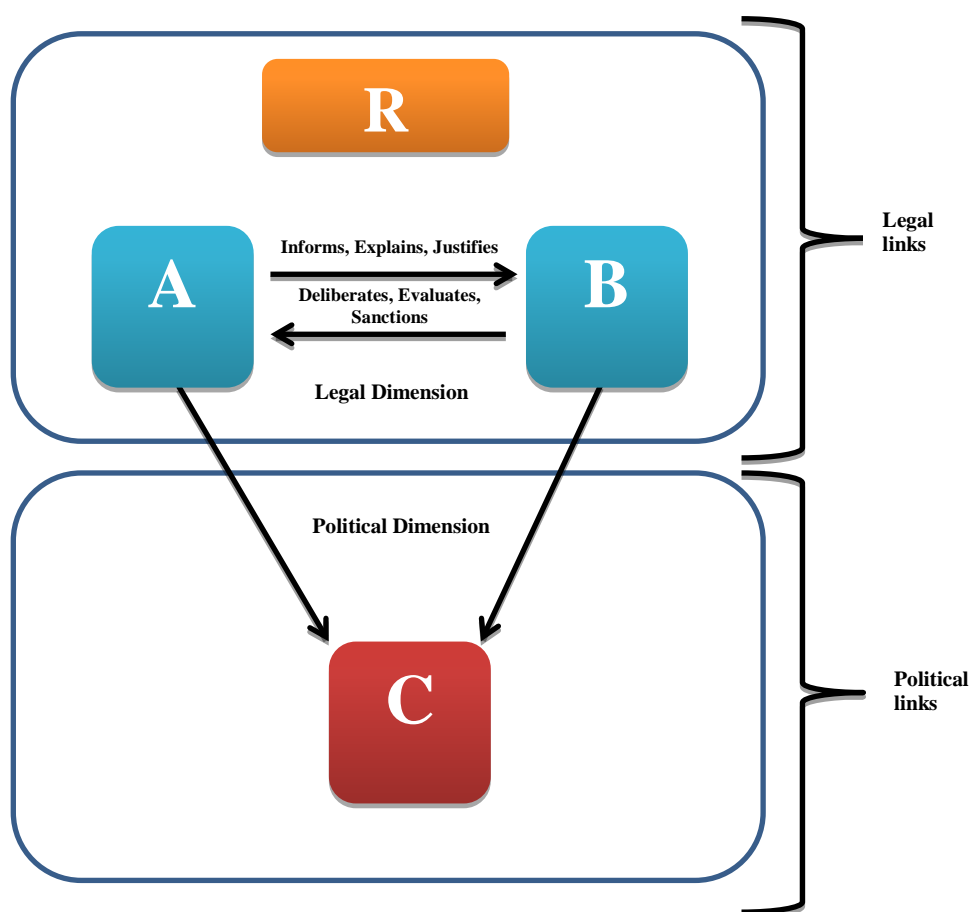
However, accountability is not restricted to a unique relationship between two actors, A and B, but involves a multiplicity of links between different subjects and a complex institutional framework both within and between each of the powers (executive, legislative and judicial). In the Mexican legal system, the issue is even more difficult to assess if one considers the federal structure, since there are a significant number of accountability relationships established between the different levels of government (federal, state and municipal). In this respect, we can speak of the need to build a system of accountability composed of a complex set of relationships between various actors, which supports an institutional framework anchored in specific legal rules, in which each actor is accountable to the other(s).

Lastly, it is important to note that to avoid the risk of building bureaucratic relationships that exhaust themselves, the model must have a specific role for a key third player: citizens, whom we will call C. This actor is not liable nor does he have specific powers in relation to A or B, but he is the holder of fundamental political rights he can exercise in relation to them. It is the existence of C that lends public meaning to the relationship between A and B and gives accountability its depth and democratic value.

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<sup>14</sup> This definition, together with the public policy proposals included in this section, were taken from the document: “Hacia una política de rendición de cuentas Notas para una deliberación en curso”, published by the Accountability Network in March 2012 ([www.rendiciondecuentas.org.mx](http://www.rendiciondecuentas.org.mx)), written under the responsibility of Sergio López Ayllón and the author of this paper.

**Figure 2.**  
**Accountability Model**



Source: Compiled by the author.

In summary, on the basis of these criteria, during the deliberations of the Network, three groups of major reforms have been proposed that involve the core of the policy that concerns us here, regarding regulatory and institutional design, management processes and citizen participation. These proposals point to the coordination of the processes and institutions related to accountability and involve: strengthening existing institutions—such as IFAI and ASF—and the creation of a judicial body that will ultimately resolve administrative and property disputes; the modification of the budget cycle and the establishment of “evaluative budgetary packages” (i.e. clear, unambiguous budgetary mandates to public administrations) to guide the planning of spending, evaluation and control; and the creation of mechanisms that ensure the authorities’ democratic control in order to organize, enhance and refine society’s participation in public administration. These reforms are designed together, not in an isolated fashion. Thus, based on these core ideas in relation to the institutional design for accountability, the following has been proposed:

- a. Align the procedures, deadlines, criteria and guarantees set forth in the country’s transparency laws and records through a General Law of Transparency and Access to Public Information, which will ensure the effective implementation of this fundamental right among the states and powers and remove the risk of political regression.
- b. Strengthen the agency that guarantees transparency, IFAI, and the states’ oversight bodies through constitutional autonomy, granting powers to promote and ensure the effectiveness of their resolutions, improving their institutional capacity and providing the necessary safeguards to prevent political influence on their members or the stifling of their resources. In addition, emphasis has been placed on reformulating their mandate to ensure that their functions include guaranteeing the existence and dissemination of



information, particularly the information related to the different stages of the budgetary cycle and management and results indicators.

- c. Grant constitutional autonomy to the Chief Audit Office of the Federation and consolidate its constitutional role as head of the National Control System. In addition, its powers should be expanded to issue national standards for controlling and coordinating the exchange of information with the states' control agencies—which should also enjoy autonomy and guaranteed resources to carry out their work. Ensure that the goals of the Government Accountability Act are achieved through a harmonized, public accounting system applied to all the branches and levels of government in the country.
- d. Distinguish between the public responsibility of governments and agencies, and the individual responsibility of public servants. To this end, the bureaucratic uncertainty of sanctions must be replaced by the certainty that accountability will generate a long-term perspective in public employment, through the consolidation of a revised and improved professional career path in public service.
- e. Grant constitutional autonomy to the Public Prosecutor's Office and create a specialized area in the Attorney General's Office for the investigation and prosecution of crimes that undermine public property or constitute deliberate acts or omissions to the detriment of the exercise of public functions. This area would act on the initiative of and with the cooperation of the Chief Audit Office.
- f. Create a specialized judicial body to discharge administrative responsibilities and strengthen financial responsibility. The Chief Audit Office, IFAI and the equivalent state bodies would appeal directly to this agency when their rulings are not obeyed, as would the internal control agencies of the Federation and, ultimately, of the states.
- g. Reform the system of political responsibility to make it more functional with the current conditions of the political regime by changing the current rules of parliamentary questions, hearings, motions of appeal, commissions of inquiry, declaration of origin and political verdict to provide greater oversight powers for the Chamber of Deputies, to whom the Chief Audit Office will continue to submit reports.

Regarding public administration systems, the Network has discussed:

- a. The modification of the budget cycle, to ensure that the audits performed by the Chief Audit Office are completed before the approval of the public budgets for the following year, in order to incorporate their results into the analysis and approval of these budgets and confirm the legislative mandate associated with them.
- b. The modification of procedures and the scope of the audits performed by the Chief Audit Office, in order to conduct a comprehensive review of the resources allocated in the expenditure budget, in everything that relates to compliance with the objectives planned for the fiscal year reviewed. At the same time, to ensure that audits be submitted to the Chamber of Deputies in the year in which they are performed.
- c. Reform the budget and fiscal responsibility laws—of the federation and the states—to improve and simplify the performance evaluation system and always include “evaluative budgetary packages” prior to the authorization and spending of annual budgets, with public, verifiable and comparable data, subject to the review of their compliance by both the Chief Audit Office and citizens.
- d. Strengthen the technical capacities of Congress through the creation of a specialized agency within the Chamber of Deputies—an office for tracking and analyzing the budget—that incorporates and consolidates the functions of the offices concerned with this issue in the Legislative Branch, in order to ensure the use of relevant, timely information for the approval of budgets. It is also essential to create technical bodies to improve the design of laws, inform the political decision-making processes and assess whether the laws are achieving the objectives they have set.
- e. Change the functions of assessment and internal control of the federal executive branch and state levels, as well as the rules governing coordination between the secretariats of

the Federal Executive Branch—and the states—responsible for allocating, monitoring and evaluating public resources in order to prevent the dispersion of criteria, methods, efforts, expenses and objectives, in the quest for simplicity and efficiency, and ensure the incorporation of its findings into the effective planning of expenditures based on efficient, public verifiable administration and results indicators.

- f. Strengthen document management and file systems through standard legislation that will establish the essential, basic rules needed to produce, protect, distribute and publish information on the work of governments, as well as investment in the training required for the performance of these functions.

In regard to civic participation, the following has been proposed:

- a. Amend the legislation on civic participation and create democratic control mechanisms of public administration, able to coordinate the current forms of social participation in monitoring government performance and public expenditure within a single system of information and conclusions designed to improve public administration and its procedures.
- b. Create social public administration councils that voluntarily examine, monitor and publicly follow up on the management of resources used by governments, for replication in territorial councils across the country, particularly in the offices and policies linked to the compliance with human and social rights guaranteed by the Constitution.
- c. Establishment of a single office for citizens' proposals and complaints, within the structure of the body responsible for guaranteeing the internal control of public administration, with the obligation to attend and monitor both the citizens' proposals and citizen complaints submitted there, to issue public reports on its activities to the social councils of public administration, and to incorporate its findings into the mechanisms for the democratic control of public administration.

As a whole, the proposals submitted by the working groups of the Network for Accountability, delivered to the national political parties during the first quarter of 2012, have attempted to coordinate the country's institutions and procedures that are currently fragmented and to ensure that the systems for expenditure planning, programming and budgeting, public information, policy evaluation and the control of public accounts will produce results that successfully report on and help refine the decisions made by governments and the legislative branches. Additionally, the Network's proposals aim to sustain efficient, informed citizen participation and manage to correct, amend or repeal the public policies that are not yielding the expected results and, where appropriate, provide incentives and effective sanctions for functionaries who fail to fulfill their duties.

The importance of this exercise in shared, collective thinking between academia, civil society and public institutions is that all these proposals were included in the various reform initiatives that have already been submitted to the federal legislative chambers by one of the three major parties in the country and, at the end of the 2012, were in a formal process of legislative deliberation. None of the forces representing the country has refused to incorporate them and what is under discussion is perhaps the most effective way to implement them in the course of the next six years. That fact alone constitutes a unique moment in the process of political change Mexico has experienced over the past two decades and which, until now, had been almost exclusively dominated by electoral reforms and conflicts. If it succeeds in consolidating this process and advances toward a system of accountability such as the one proposed, Mexico will have taken a definitive step toward the consolidation of its fledgling democracy.