

RAMON GALINDO NORIEGA

# Senator aims to empower Mexican cities

INTERVIEW BY DAVID PARKS



Mexico, the second most populous federation in North America, has had a tradition of strong central government. As a result, its states and municipalities have been highly dependent on transfers from the federal government, transfers which are often designated for specific projects.

In this issue, *Federations\** interviews Mexican Senator **RAMON GALINDO NORIEGA**, who represents the state of Chihuahua in Mexico's Senate. Senator Galindo speaks, among other topics, about how his experience as a municipal mayor prepared him for his role as head of the Senate's Commission for Municipal Development. Before joining the Senate, Galindo sat from 2000 to 2006 in the Chamber of Deputies, presiding over the House Commission for Federalism. Prior to his federal posts, he was the Mayor of Ciudad Juarez from 1995 to 1997; Director of Social Development in Ciudad Juarez from 1992 to 1995 and a state legislator in Chihuahua from 1989 to 1992. Senator Galindo is a chartered public accountant with a Master's Degree in Planning and Tourism from the University of Surrey in the United Kingdom.

*\* Senator Galindo was interviewed by David Parks, the Forum's Director of North American Programs.*

**FEDERATIONS:** As a mayor and as a legislator, what has your experience been with municipal government in Mexico?

**SENATOR GALINDO:** Throughout my political career, in Ciudad Juarez as mayor, and as a legislator both in the State Legislature and the Mexican Congress, acting first as deputy and now as a senator, I have had the good fortune to get to know at first hand the enormous need there is in Mexico – as in other countries – to strengthen local communities and the authorities nearest to them, the municipalities.

During my term as mayor of the thriving city of Ciudad Juarez, whose economic activity and huge productive capacity are well known, even internationally, I faced one unfortunate fact. That fact is that local communities and the level of government closest to them suffer from their position in a centralist framework. Paradoxically, while this is called a federation, throughout history, power (in Mexico) has been centrally concentrated – from the power over decision-making that affects the most basic aspects of local development to the income generated over the length and breadth of the nation.

How income from local economic activity is used, is decided at the federal level (in Mexico). In reality, therefore, municipalities have no way of influencing either their own economic or social development. Essentially, local governments have to settle for carrying out cosmetic work – maintenance of roads, parks and other public spaces, street lighting, trash collection, preventive policing, transportation and so forth. It is impossible for them to intervene, or even offer an opinion, with regard to the key factors for improving peoples' quality of life, such as employment and social welfare, health and decent medical care, education, housing and law enforcement.

As a result, my main goal has been to find, promote and implement strategies

and institutional tools that serve to strengthen Mexico's local communities and their governments, that is, the municipalities and their municipal councils.

**FEDERATIONS:** During your career as a legislator, what municipal issues have you dealt with?

**SENATOR GALINDO:** In my work as a deputy in the 59th session of the Mexican Congress (from Sept. 1, 2003 to August 31, 2006), I chaired the commission for strengthening federalism. We pushed reforms to expand the functions exclusive to municipal councils, with a view to recognizing how diverse municipalities are. This means different policies will be applied in different situations. Other aims were:

- to regulate intergovernmental relations and the distribution of functions and powers according to the principles of subsidiarity (which means that services should be provided by that order of government closest to the citizen whenever possible) and co-operative federalism;
- to institute comprehensive strategic planning and a career civil service;
- to evaluate local governments' efficiency using performance indicators, and
- to bolster the municipal public treasury through taxation.

We also sought to do away with the prohibition of re-election of mayors and municipal council members, leaving this decision in the hands of local legislatures and to reinforce transparency in the use of public funds; and to stress citizens' obligation to participate in planning development. We favour such methods as plebiscites, referendums, public consultation and open meetings.

Now, during the (current) 60th session of Congress, I preside, in the Senate, over the municipal development commission, in which we focus more closely

on the changes required to Mexican law.

**FEDERATIONS:** What do you consider to be the key reforms in municipal governance?

**SENATOR GALINDO:** There are over 30 legislative amendments, both to the constitution and to secondary laws. However, our local communities' development currently rests on three fundamental pillars. The first is the implementation of subsidiarity, as the incontrovertible principle and purpose of governmental relations between the federation, states, municipalities and the Federal District. The second is transferral of the power to elect and re-elect municipal council members to the state legislatures. The third is equitable taxation that ensures municipalities receive their share of taxes collected by the federation.

**FEDERATIONS:** What does subsidiarity mean?

**SENATOR GALINDO:** Subsidiarity is a principle that, together with co-operative federalism, seeks to make each level of government focus on the tasks and functions in which it is most productive. Subsidiarity starts from the premise that the body closest to communities and individuals should be the one charged with providing the public services that directly affect their development, well-being and quality of life. These are, precisely, municipal governments.

State governments should only concern themselves with the functions the municipal government cannot carry out and, in turn, the federation should concern itself solely with the functions that municipalities and state governments cannot manage themselves.

In the end, it is great, productive and competitive cities that make great, productive and competitive countries.

**FEDERATIONS:** Why do you want to allow the re-election of municipal officials?

**SENATOR GALINDO:** My recommendation would not really allow re-election of local authorities who make up municipal councils, but rather would do away with the prohibition of re-election in the constitution so that a genuine debate could

begin about whether re-election should be established in a particular state or not. The debate should take place where the effects of a decision for or against re-election will be felt.

Both specialists in the subject and international experience indicate that the best way to ensure continuity for community projects and programs, as well as to professionalize public service, is to allow terms of office to be extended when performance has been satisfactory. The current situation means that regardless of a mayor's efficiency, responsibility and honesty, he is invariably removed at the end of his term of office. This happens every three years, leading to a lack of continuity in projects and replacement of cabinets by inexperienced officials who have barely begun to understand municipal functions and public services. By the time they do, after three years, their work is threatened by the change of administration.

The possibility of re-electing local authorities would not confer greater power on them, but rather give to citizens power over those who govern. This would make officeholders less concerned with accountability to their parties or the federation, and more accountable to the electorate. In short, it would mean devolving power to the people.

**FEDERATIONS:** Does Mexico need a more equitable system of taxation for Mexican municipalities? If so, how should it work?

**SENATOR GALINDO:** In matters of tax equity, we have sought to implement a participatory system for financing, which gives municipalities a voice in their own development and, consequently, the development of the nation. The productivity index of a given municipality – and this is something international experience in countries with a federal tradition also suggests – must influence the amounts it receives as a participant in a federal system.

It does not make sense for the federation, which collects the value-added tax, income tax and the flat-rate tax on business, to decide unilaterally where these revenues are spent, without the municipalities directly receiving a portion of them. It is essential that municipalities receive funds in proportion to the income they contribute to the federation as a

result of their economic activities, since this is reflected in taxes on consumption and income.

When municipalities receive a percentage of the taxes on consumption and/or on income, they, together with local communities, will become engines of the economy, by the natural logic that, unlike now, part of their taxes will remain in the city. The municipal budget has no relation whatsoever to local economic activity and this is a very expensive error, since it encourages permanent local government dependence on the central government. But an even more serious consequence is that it creates a vicious cycle of deficiencies such as low levels of tax collection, lack of investment in public works and infrastructure, limited and poor quality public services, crime, overpopulation and poverty.

**FEDERATIONS:** How have you gone about promoting your initiatives in the context of government reform?

**SENATOR GALINDO:** Within the framework of the government reform act, for which the Executive Commission for Negotiation and Establishment of Agreements (CENCA) was set up, reforms under various headings were discussed, including the question of federalism. I took part in this discussion with the aim of promoting stronger municipalities through several initiatives.

With some pride I can confirm that the reforms we put forward are among those that have achieved greatest consensus. Among these are the inclusion of the principles of subsidiarity and co-operative federalism as guiding principles in intergovernmental relations; the elimination of the express prohibition against re-election of municipal officials; recognition of municipal diversity; the possibility of municipalities signing international accords; recognition of the municipality as an order of government making up the federal states; transparency and accountability; participative democracy; municipal career civil service; and free association to promote development and the provision of public services.

At present, the CENCA initiatives are pending debate in the plenary session of the houses of Congress, so although this is not the final word, we are optimistic



that they will soon be adopted, opening a new chapter in the life of the government of Mexico.

**FEDERATIONS:** What are the challenges facing modern municipalities in Mexico?

**SENATOR GALINDO:** Mexico's municipalities, through their municipal councils, face the challenge of promoting the economic and social development of their communities locally. They must also demand the return of powers and

responsibilities that correspond to them. The municipalities need to be able to encourage creativity among their citizens, to promote transparency and accountability, and to carry out comprehensive planning.

I would say that there are two kinds of challenges currently facing municipalities in Mexico: on one hand, to return power to the people so they decide their future at a local level, define a strategy and make commitments; and on the other hand, to return more instruments

of governance to municipal governments so they can carry out the tasks required of them by the electorate.

Mexico has a need and an obligation to bestow a sense of public responsibility on the federation, and the only way to do this is to return the freedom and responsibility that should never have been taken away from the people so that our new and greater destiny can be built in the way everything is built, from the ground up. 