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Decentralization and democracy: the new Latin American municipality

Eduardo Palma Carvajal

Principal Technical Adviser to the “Governance and Development” project of the United Nations Development Programme (UNDP).

After a brief introduction (section I), this article takes up the question of reform of the State, within the context of the ECLAC proposal for changing production patterns with special emphasis on equity, its dimensions and its demands. It notes that for a full understanding of this approach it is necessary to take account of the new institutional trends which are now so widespread in the social sciences and mentions in this respect the process of decentralization which is under way in Latin America, thus setting the stage for the question of the implications of this at the municipal level (section II). It goes on to analyse the question of democracy and the municipality (section III) from two standpoints: the first of these, which is of a more traditional nature and deals with social and political participation, gives rise to some considerations reflecting theoretical and practical experience in this field and explores some ideas for changing the structure of opportunities for participation with a view to strengthening and expanding them, while the second standpoint focuses on the less familiar question of intersectoral aspects and qualitative selectivity, which offer great promise in terms of decentralized social development. In the final considerations of the article (section IV), the type of changes which are taking place in most of the countries of the region are noted, and a warning is given against the most common mistakes, the most frequently-recurring types of improvisation, and the difficulties which are inherent in a process which takes a long time to reach fruition.
I

Introduction

Reform of the State also includes reform at the level of the commune or municipality. When speaking of reform of the State, reform at the level of the region or commune is sometimes overlooked, more because of arbitrary use of the term "State" than because of any clear, considered views on the matter.

In reality, political decentralization is a priority aspect of reform of the State in Latin America. The broad coverage of this process, which extends to almost all the countries of the region, is clear, as is the manifest presence of this phenomenon in the current decade and the intensity of the changes which have already taken place or are on the point of occurring.

A significant feature of decentralization in Latin America is its association with the democratization process. Decentralization is, of course, the vehicle for a number of different economic, political and cultural trends. In Latin America, however, its most promising feature is its potential for consolidating democracy by providing it with a broader and more diversified social base and the fact that it is constantly being enriched by theory and practice which are the subject of unceasing reflection and experience.

Within the decentralization process, the new role of the municipalities is of decisive importance. There can be no decentralization without the strengthening of life at the community level, nor can regional development be successful unless it is based on a set of municipalities whose mutual cohesion reflects a true community of interests.

In more general terms, democratic development of a territory or other spatial unit involves at least three levels: the national level, the intermediate level (region, province, department), and the level of the commune or municipality. Without an intermediate level, which is provided in federal countries by the various states or provinces of the federation, it is impossible to link together in a suitable manner the national systems responsible for implementing certain public policies, especially those in the social field.

Decentralization involves big changes for the regions (provinces and departments) and the communal or municipal subdivisions. The end of centralization means that they must take on functions, capacities and areas of competence which have already been transferred to them or are in the process of transfer.

The demands of the new forms of management thus become a leading item on the agenda of the regions or communes. At the same time, the need for more effective and efficient forms of management and, more generally, for the rationalization of the whole process of the provision of services at the community or municipal level calls for new forms of training of the human resources involved at this level. It is naturally necessary to raise the management capacity of the technical and administrative staff of the regions and communes, but there is also a need to change the conduct and outlook of the public, users in general, social leaders and politicians, at both the regional and the commune or municipal level.

II

Reform of the State in the ECLAC proposal

1. The question of equity in the process of changing production patterns

The following paragraphs seek to provide an interpretation of ECLAC's most recent contributions in this field, without of course trying to give a complete summary of the documents in question but instead referring only to the general thrust and context of their view of reform of the State.

a) Equity and changing production patterns

Equity is an essential factor in guiding the path of Latin American society through the different phases of its process of changing production patterns. It is a permanent and global value which must be

1 See in particular ECLAC, 1990 and 1992.
expressed in objective indicators throughout the process of change. Its global nature is reflected in its dual significance of the need for fair economic and social rewards for groups and individuals in keeping with the growth attained through the new development strategy and for equitable political values which safeguard inalienable human rights and promote the various dimensions of the development of democracy.

As a constituent part of the proposal for changing production patterns put forward by ECLAC, however, equity is not just a common programme or a limited set of policies to be applied mechanically by the countries of the region. As already noted, this proposal is a set of guidelines whose adaptation to each country’s situation involves a special effort of analysis, but the definition of equity as a strategy to foster a particular trend does not mean that it can be watered down into vague lines of thinking that would turn it into a more or less empty declaration of intent.

Like the proposal of which it is an integral part, equity must be understood in global or systemic terms. The most direct and complete way of unfolding the different dimensions of equity is to assimilate them to the various dimensions making up the democratic system itself. Indeed, from its earliest formulation the ECLAC proposal clearly stated that its institutional context must be one of “pluralistic and participative democracy”, and as the main means of handling public action in order to achieve efficient democracy without denaturing its essential bases it prescribed strategic consensus-building. This includes, inter alia, such aspects as the relations between the State and society, the public economic order, and government capacity and leadership.

b) Equity and democracy

Equity is a requisite for democracy which includes, as a bare minimum, the safeguarding of fundamental human rights and, as a basic requisite for the legitimacy of the governing authorities, the holding of fair and honest elections. As the development of democracy progresses, equity raises new and more complex demands. It also requires pluralism in all fields—political, ideological, cultural, religious, ethnic, territorial, etc.—whereby civil and political society may be independent of the State. At the same time, political, economic and social participation involves citizens in decision-making and complements the various forms of representation.

These sociopolitical dimensions of equity can translate into a variety of political systems: equity is a common requirement for the widest possible range of regimes, forms of government and different types of political institutions.

Within the democratic tradition of the region there is great democratic potential which has not been used to the full because of the marginalization of great segments of the population. In most countries, the democratic regimes—be they transitory or long-lasting, consolidated or fragile—have neglected the task of giving the marginalized sectors justice, security and an identity of their own. These needs, which are clearly felt by the whole population, make the life of the poor still harder, for disputes over material assets among members of the marginalized sector of the population are of crucial importance to them, as also are their needs of security to protect both their personal integrity and their scanty assets. With regard to the identity of the population, the administrative formalities whereby official recognition is given to the various events in people’s lives (birth, marriage, death) have differential costs and inequitable conditions of access for the different social strata. Thus, for dwellers in marginal urban areas, and especially for peasants, administrative obstacles are still further barriers which increase their marginality.

All in all, the security of the population and access to justice and administrative processes referred to above are inherent features of any modern political regime, but the expansion of democracy with a view to their consolidation in the whole of society is the best and most reasonable way to attain such objectives.

The region has a considerable stock of experience—successful, unsuccessful or of critical value—in the development of democracy in conditions of structural heterogeneity. More specifically, it has a history of democratic endeavours within the framework of the particular form of relations between the State and society at large in each country.

Here, the equivalence perceived between equity and democracy is by no means an ahistorical or cumulative proposal in the present circumstances. On the contrary, a fresh boost for equity as an imperative need with historical roots is sought for in the as yet unused potential represented by the democratic heritage of the region. Nor is there any attempt to cast a futile mantle of oblivion over the formidable obstacles to the development of democracy encountered
in the recent and more distant past. The conflicts over distribution, redistribution and the formation of stable policies are a constant threat. What is sought, within the narrow leeway available, is the complete redefinition of past conflicts which caused losses to the parties involved and to society as a whole, in order to make way for new, cooperative encounters which, over varying lengths of time, will bring benefits to both individual interests and to society at large. Any attempt to regulate the interests of the different social groups, to harmonize ideas through practical agreements and to calm passions is always extremely difficult and complex. However, it appears necessary to carry out a change in production patterns because it is becoming unavoidable.

In the 1990s we are witnessing a new democratic cycle on a universal scale—probably the broadest, deepest-seated and most intensive such trend in the entire twentieth century. Democratic legitimacy is transforming political regimes, forms of government and party systems in all the continents, but most dramatically in Eastern Europe. It would appear that the democratic pleas against the violation of human rights are about to complete a civilizing stage of worldwide scope.

In Latin America this worldwide trend has taken the specific form of a transition from authoritarian regimes to new democratic systems. This is its most evident and best-known expression.

Beneath the surface of the more transparent political phenomena and processes there is now a reappraisal of social and political participation in novel forms. In every country it is now understood that there cannot be equity without social and political participation.

The new way of defining this participation is associated with the political and administrative decentralization of the State. As we shall see later on, the aim is to link the new development strategy with decentralized forms of distribution of power. Beyond any doubt, postulating the elective affinity between changing production patterns with equity and such decentralization opens up prospects for a new democratic potential in favour of equity.

2. The institutional resource

a) Structural lessons and experience

ECLAC's contributions to the question of the social development of Latin America offer lessons and stores of experience which should be borne in mind when preparing an agenda of social and political reforms for the purpose of changing production patterns with equity. This is not an appropriate place to summarize the evolution of ECLAC’s thinking on social issues, but it should be recalled that, starting from the structuralist approach, a more precise idea was formed of the special features of the Latin American State and society, social movements, and the characteristics of the social and political actors and agents of development in the region. This contribution highlighted the formidable obstacles to democracy and equity which arise in conditions of structural heterogeneity, the types of social conflicts registered in the past and, in particular, the characteristic features of the distributive struggle.

The foregoing recognition of ECLAC’s contribution is not just a ceremonial tribute. On the contrary, it aims to enrich and enhance the analysis of strategic consensus-building, which is the main method of promoting changing production patterns with equity. Out of the total range of structural conflicts, special mention should be made of the difficulty of building strategic consensuses which include the marginal sectors.

Clearly, political consensus-building must include broad consensuses between the State, employers and unionized workers. Both the need for such consensuses in order to achieve systemic development and the existence of institutionalized channels for negotiation among the agents in question mean that the presence of labour unions in these consensuses can be maintained and strengthened in keeping with the process of modernization and increased international competitiveness. This synchronization between the improvement of real wages and the building of consensuses among the actors involved in the modernization of production is a necessary condition for national development in the medium term. Tripartite agreements will be the political foundations for coordinated strategies for a new form of participation in world markets on the basis of enhanced comparative advantages.

The implications of consensus-building are less predictable when it is a question of incorporating the demands of the excluded sectors in political negotiations and policy decisions, however. These sectors' triple problems of economic, territorial and political marginality keep them dispersed and atomized. Their incorporation into political consensus-building de-
mands the establishment of new channels of representation and new forms of links between the political system and the “popular sectors”. There are a great many challenges in this field, and it is necessary to reject out of hand many actions whose consequences could affect the political stability needed in order to achieve changes in production patterns accompanied by greater opening-up to international markets.

A suitable means of facing such challenges is greater diversification of the political and State agents who can act as recipients of these social demands and can translate them into decisions on the reallocation of resources for the benefit of the poorest sectors. This diversification of the political and institutional spaces which can channel the pressures of the excluded sectors would make it possible to increase the number of means of promoting a redistributive effort which seeks greater equity but does not have serious destabilizing effects.

All in all, in more general terms, new institutions are needed in order to deal with the actual or potential conflicts due to heterogeneous and biased economic and social structures. The design of institutions thus assumes fresh importance for the development theory on which the concept of changing production patterns is based.

b) Measures to improve institutions

The merits of structural analysis must not lead to a tendency to overlook its shortcomings. Nor should there be to-and-fro swings between “socio-centered” approaches and the new “multi-centered” outlook. In reality, development theories must necessarily take account of all the social sciences. Be that as it may, however, in the past the contributions in the institutional field in the region were very scarce. There are many reasons for this, including the insufficient level of development of these disciplines, mistrust regarding the value of legal institutions, and the dominance of various types of structuralism. A particularly appropriate place for observing the institutional shortcomings is the treatment given to the State: paradoxically, although little was known about the State it was usually entrusted with colossal tasks.

Approaches and needs have changed. For a start, the rebirth of institutional analysis is a general trend. In Latin America, the climate of mistrust or lack of interest in the treatment of institutional forms has now disappeared. The review of institutions covers various fields of development policy. Thus, as we shall see below, the trend towards decentralization includes the examination or review of the form of State (federal or unitary). Critical analysis of the prevailing political system is common in academic debate or even in the agenda of political discussions in some countries; both the semi-Presidential system of government and the parliamentary system now have their supporters in the region. The review is very comprehensive, ranging from the regulation of the party system to electoral systems. Furthermore, such issues as reform of the State, government capacity and governance are giving rise to new attitudes to the bureaucracy, the top government authorities, and public management.

For the purposes of this article, it is particularly interesting to consider the “consociational” approaches, that is to say, those which seek to institutionalize, and hence tone down, the great inequalities in societies. Indeed, the strategic consensus-building which is inherent in changing production patterns requires a more “consociational” or, if it is preferred, more cooperative intellectual and social climate. In view of the prevailing structural heterogeneity and its potential for giving rise to conflict, it is necessary to institutionalize cooperation among the agents of development through various mechanisms and procedures for regulation, deregulation, arbitration, representation, supervision, etc. These new institutions place emphasis on various means for reformulating conflicts, such as modifications in the spatial setting, different time horizons, new corporative bodies and new mechanisms for consultation.

c) The trend towards decentralization

Centralism is now questioned as an institutional and cultural model in the region. This legacy from Spain, which was based in turn on the French conception of the centralized State, has now completed its cycle of unquestioning acceptance. This is not the place to make a historical review of its achievements and limitations, but in order to gain a proper understanding of the reasons for the shift in preferences

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2 “Without denying the importance of the social context of policy or of the motives of the individual actors, the new institutionalism lays emphasis on a more independent role for political institutions. The State is not only affected by society, but also affects it... Political democracy does not only depend on the economic and social conditions, but also on the design of the political institutions” (March and Olsen, 1993).
from the centralized to the decentralized option it is necessary to note on the one hand the success of the centralized State in the past in shaping each national society, but on the other hand the subsequent declining capacity of the centralized model to deal with present-day challenges.

It is asserted that there are universal tendencies in favour of decentralization. These are called "megatrends", and prominent among them is the new scientific and technological revolution, which, it is considered, will affect the spheres of production, information and transport and is likely to give rise to a new kind of industrial geography which will have some of the following characteristics: replacement of the Fordist model, the end of the trade union system based on the unionization of big companies, replacement of traditional material inputs with inputs consisting basically of knowledge, and the emergence of industrial structures in which location and concentration are no longer so important, resulting ultimately in decentralization.

Decentralizing trends of a political nature affect the various regions of the world differently. In the face of the new democratic cycle, the reformulation of the tasks of the State and the demands for participation on the part of the new and diversified types of society, both the changes in the State and centralized society itself take different forms.

In Latin America, decentralization is mainly seen in terms of democratic reforms, reform of the State and reform of territorial social participation.

This analytical differentiation into three types of reforms is not so clear when looking at each national case, which naturally reflects special historical variables. Nevertheless, the common lines of the reforms stand out over the variety of different features.

In the case of the great federal countries of the region, it could be said that the main current tendency in them is to review the federal system so that it can really act as a decentralizing model. In its 1988 Constitution, Brazil introduced a notably decentralized system which includes direct participation by the population through popular initiatives and referendums. In Venezuela, the review of the functioning of the State, the democratic system and social participation has given rise to a national debate. This review has imparted a new value to federalism through the Act on the Election and Removal from Office of State Governors, which was enacted in 1988 and reformed in April 1989, and under which the first election was carried out in December 1989. Likewise, the new Basic Act on Municipalities introduced new types of municipalities, with expanded functions, as from January 1990. Finally, in Argentina the Federal Reaffirmation Accord of 25 May 1990 was designed to correct the shortcomings of the national federal system.

Among the unitary countries, special mention may be made of the reforms carried out in Colombia, Peru, Chile and Bolivia. In Colombia, the Act on fiscal decentralization (an increased share for the municipalities in national tax revenue) and the Act on the election of Mayors by popular vote (both enacted in 1986) have meant substantial changes in the political system. In Peru, the 1979 Constitution introduced the Regional State (i.e., a State made up of regions), which is a blend of the unitary and federal systems. In Chile, the November 1991 reform of the Constitution, the Basic Acts on regions and municipalities, and the forthcoming Act on Municipal Revenues mark the beginning of a far-reaching process of decentralization. Finally, in Bolivia the 1985 Basic Act on Municipalities has also meant a process of decentralization, which was demanded by regional movements and endorsed by local elections. The new government is currently preparing an Act to strengthen the municipalities.

However, the process of decentralization has currently been halted in Peru to make room for other reforms considered to be of higher priority.

In all the countries of the region, albeit to different extents, the question of decentralization has begun to form part of the political agenda, even in geographically small States. The municipalities are also being strengthened in Central America, especially in Guatemala and El Salvador.

The reforms do not only affect the political system, in its capacity of the matrix of public policies, but also a significant number of the latter. In the past, social policies were centralized, but today there are incentives to decentralize or deconcentrate social services and thus adapt their supply to local conditions and bring them closer to the community. Generally speaking, the idea behind all formulas aimed at decentralizing and deconcentrating social policies is to improve their effectiveness and efficiency and to enhance their intersectoral nature, the degree of participation of their beneficiaries and the level of equity. It is considered that in this way decentralized and deconcentrated authorities will be in a better po-
sition to take account of local heterogeneity and will be able to take more equitable decisions, giving suitable special treatment to different situations.

In the 1990s, the health sector has a decentralized or deconcentrated system of organization which brings health problems in line with the relevant spatial dimensions. The Pan-American Health Organization (PAHO) has noted that nearly 90% of its member countries are preparing or implementing policies aimed at developing local health systems, as an operational tactic within the Primary Health Care Strategy which is considered to be of key importance for attaining the goal of Health for All by the year 2000.

The scale of these local health systems varies according to the conditions in each country; normally, it would be desirable to have a decision-making level of at least a second degree of complexity, together with suitable efficiency in resource use.

Generally speaking, the education sector in the region has been organized on a centralized basis. This is now being criticized, however, and the decentralization and deconcentration of the sector is being proposed. The criticisms of the centralized management of education are based on the fact that marginal sectors are still excluded, despite the quantitative expansion of the sector; on the insufficient adaptation of the educational system to the real social situation, and on its poor management capacity.

Decentralization processes can assume three forms: regionalization, municipalization and the formation of educational focal points. Regionalization processes are under way in Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Nicaragua, Panama, Peru and Venezuela, with the aim of promoting the internal management of education or the preparation of programmes and methods with a greater local content. Municipalization has been put into effect in Brazil, Chile and Colombia by linking schools to municipalities and municipal authorities, as well as with the local community, sometimes as a means of decentralization and in other cases as a form of deconcentration. The policy of seeking to create educational focal points, which originated in Peru and has spread to Argentina, Brazil, Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Nicaragua, Panama and Venezuela, aims to form educational focal points grouping together several schools in the same district, one of which acts as a model and centre of coordination.

d) The implicit elective affinity between changing production patterns with equity and decentralization

Changing production patterns with equity is a systemic proposal. Even when this proposal is not yet an effectively functioning system, it is still at least an integrative approach, given the minimum assumption of elective affinity between its basic components.

In Latin America, the idea of decentralization is directed mainly, although not exclusively, at the territorial or geographical distribution of power. Every finite physical space must shape its own identity for the establishment within it of the process of changing production patterns, through the building of consensuses among its social actors who are linked by a common identity. Such territories, which were initially of natural origin but were subsequently equipped and finally organized, are regions in a general sense. The positive effects expected to result from decentralization with a view to greater equity are due to various factors: the more prominent role played by the regions will tend to correct interregional inequalities; social participation will be able to take account of the variety of different demands; intersectoral links between policies will be facilitated when they are implemented at the local level, and the closer relation between the supply of services and the demand for them will facilitate the selectivity and targeting of compensatory policies. In short, the main method of securing changing production patterns with equity is strategic consensus-building. Decentralization is therefore by its very nature a system of shared authorities: in reality, it is the highest institutional and organic expression of ongoing consensus-building.

However, decentralization is not a simple, linear or rapid process. In order for there to be decentralization, it is necessary that the bodies given areas of competence under it should have legal status, that their authorities should be democratically elected, and that they should be able to act independently of the central administration. Deconcentration is the transfer of authority from the State to lower-level bodies which come under the central administration. If there is political will to do this, as seems to be the case in almost all the governments of the region, deconcentration can pave the way for subsequent decentralization.

In short, the elective affinity between changing production patterns and the decentralization process is connected with common elements in their own nature.
c) The State, rural poverty and equity

The social effects of the hacienda system on the formation of the Latin American State and society have been the subject of studies which are of fundamental importance for understanding the continent’s social history.

The decline of the hacienda system caused various social vacuums. One of them, which is of particular importance at the present time, is the weakness of the regional and local public institutions inherited from that system.

As rural society was in the past an area reserved for control by the hacienda owners, this led to a marked insufficiency of public authorities and local administrative mechanisms. This is why—with a few exceptions—Latin America and the Caribbean suffers from what has been called “under-municipalization”: that is to say, a very low density of local public authorities, with serious limitations on their functions. Generally speaking, Latin American rural dwellers have virtually no institutions, and their access to the decision-making centres, central public services and even social benefits is extremely limited. In the region, there is a municipality for every 1 338 km² of national territory, every 1 098 km² of agricultural land, and every 482 km² of arable or grazing land. In Western Europe, in contrast, the ratio is one municipality for every 26 km² of territory, and in Eastern Europe, one every 39 km². The region is also seen to lag behind in terms of the ratio of municipalities to the population (table 1).

The rural societies of Latin America and the Caribbean are thus suffering from a lack of public authorities capable of expressing the desires and aspirations of rural dwellers and furthering local rural progress. This weakness also prevents them from channelling their initiatives and contributions in terms of resources, labour and projects when there are conditions which permit participation. In rural areas there is a lack of authorities to watch over public welfare and progress, and the existing local administrations do not reach the rural environment.

The weakness or absence of authorities in rural communities possibly militates more than any other factor against the development options of rural society. Furthermore, this situation encourages inertia, a passive attitude, and domination by caudillos or local leaders, which can result in arbitrary actions in extreme cases. There are grounds for believing that there is a definite correlation between a lack of institutionally channelled participation and extra-political forms of action. Violence in rural areas may well be related with the weakness of the institutions observed there.

<table>
<thead>
<tr>
<th>Land area (thousands of km²)</th>
<th>Population (millions of inhabitants)</th>
<th>Number of municipalities</th>
<th>Density of municipalities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Suitable for agriculture (2)</td>
<td>Arable land and pastures (3)</td>
<td>(4)</td>
</tr>
<tr>
<td>Total (1)</td>
<td>20 877</td>
<td>17 134</td>
<td>7 518</td>
</tr>
<tr>
<td>Latin America</td>
<td>1 639</td>
<td>1 373</td>
<td>929</td>
</tr>
<tr>
<td>Eastern Europe</td>
<td>441</td>
<td>389</td>
<td>256</td>
</tr>
<tr>
<td>Soviet Union</td>
<td>22 402</td>
<td>15 492</td>
<td>6 042</td>
</tr>
<tr>
<td>Canada</td>
<td>6 052</td>
<td>4 344</td>
<td>785</td>
</tr>
<tr>
<td>United States</td>
<td>9 372</td>
<td>6 965</td>
<td>4 313</td>
</tr>
</tbody>
</table>

Source: ECLAC/FAO Joint Agriculture Division, on the basis of population censuses and statistical yearbooks of the various countries; and ECLAC, 1992, p. 247.

a Including woods and forests.
b Includes only the former Federal Republic of Germany, Spain, France, the Netherlands and Italy.
c Includes only Czechoslovakia and Poland.
d Excludes the Yukon and the North-West Territory.
III

Democracy and the municipality

1. Social and political participation

a) Participation in democratic municipalities

The idea of community government obviously includes some form of citizen participation. Indeed, it could be argued that the oldest examples of participation are connected with the history of town meetings, civic councils and municipalities, although this is not the place to go into the Latin American and Spanish history of community participation, which describes the progress and setbacks in the prevailing concepts of participation.

However, excessive nostalgia in this respect should be avoided. The truth is that in almost all Latin American countries the role of the municipality suffered a serious decline as from the eighteenth century. In some extreme cases—including that of Chile—the municipality practically disappeared as an organ of democracy in the nineteenth century (through the 1854 and 1864 Basic Acts on the status of the municipality).

Centralization is usually accompanied by various forms of nominal deconcentration, as a technique for transferring central government resources to a local agency which comes under the higher level of government and has very little freedom of action. In this case, it is really a question of a local-level public service. Naturally, within its own area of provision of goods and services such a community-level agency can secure the support or acceptance of the population or even give rise to limited forms of social activation among the users of public services, but no municipal service, no matter how much support it receives from its users, can describe itself as a true form of community government.

What really determines the existence of community-level government is decentralization: i.e., recognition of the areas of competence of a body which is not administratively subordinate to a higher level and whose real independence comes from its type of mandate: election by the people. Neither the limited extent of its competence or resources nor the control of some of its decisions by a higher-level authority detract from its character of a community-level government elected through citizen participation. Nor is its quality of community-level government contradicted by low levels of participation, apathy among the citizens or abstention in elections, although naturally these shortcomings basically weaken its democratic character.

To sum up, a clear distinction must be drawn between community-level services and community-level government, and the key element for distinguishing between them is citizen participation.

However, the theory and practice of democratic municipal government necessarily involve a variety of recognized actors and mechanisms. To begin with, they require the existence of political parties and, hence, of multiple candidates for elective community posts, which means political participation through various organizational forms. Party political struggles usually lead to some loss of confidence in these channels, at least at the community level. Frequent pleas are made for the de-politicization of community life, and support is often expressed for tendencies favouring more corporate forms of grass-roots social organizations and a more prominent role for them. It is proposed that community-level elections should be de-politicized through mechanisms to replace the parties with territorial neighbourhood groups and corporate organizations. The fact is that from a democratic standpoint it is absurd to see a contradiction between society at large and politics. On the contrary, if what is sought is to make society at large more independent and diversify and strengthen the groups which make it up, it is essential that there should be a system of parties with solid roots at the community level. In practice, the moralistic pleas for the de-politicization of community life, which are sometimes encouraged by party political shortcomings, are doomed to failure or, sometimes, are used to bolster up the arguments of those in favour of authoritarian regimes. Participation in elections is the prime form of political participation and, indeed, of participation in general.

Another rather ingenious way of viewing municipal policy is to seek to enhance it without promoting various forms of individual and collective
training in public participation and management. Every political system has fairly well-defined channels for a career in politics, and these often begin, as is only logical, in the municipal field. The real problem in terms of this political career is connected with the importance of the municipality. This should not be just a starting-point for such a career, but should also be an area which is interesting in itself and a source of permanent motivation for politicians, especially those with more experience and prestige in public affairs, to strengthen the work of the organs operating at the community level. In order to achieve this aim it is necessary to provide the municipality with substantial areas of responsibility and resources. The same is true of opportunities for learning public affairs and participation, which demand new institutional channels for community participation.

Another important element in the machinery of democracy is the existence of a local government subsystem within the national system of government, both enjoying the same popular legitimacy. It is not just a question of respecting the limits of their respective fields of competence, but of making it clear that the legitimacy of both levels of government has the same origin, even though their political inclinations may be divergent or even diametrically opposed.

This quality is consubstantial with democracy, as the political order whereby power is shared out. In this respect, a Peruvian analyst maintains that: “What is really involved, perhaps, is the assimilation of a concept which is familiar to all, but nevertheless not sufficiently understood: that fact that every political system which calls itself democratic must start from the idea that the relative difference between what it is offering and what is offered by other systems is the possibility it proposes that power can be split up into shares and areas of competence which can be given to different levels and organs, even though this may mean its simultaneous use by political agents of different, multiple or even opposing persuasions, because this is an effective guarantee that the use of such power cannot be concentrated in the hands of one or a few individuals. The idea is that this fragmentation and sharing of power must not only be possible, but desirable, even though, according to certain narrow criteria, this may be ‘inefficient’” (Bustamante Belaunde, 1983, pp. 12-13).

New decision-making agents mean the formation of new political spaces. This is obvious, but its consequences are less predictable and involve the reformation of political activities, for what is changing and, ultimately, will be completely transformed is the agenda of items under debate and, hence, political activities themselves. This agenda will be increasingly multifarious, specific and global. Very few areas of competence will be reserved for the national level: defence, external relations and macroeconomic policy. All the rest will become a local and regional matter (though this does not and should not mean that the agenda will be divided up into rigidly defined areas of competence).

At the same time, changes in the scale of problems also change their nature and the way of dealing with them.

Under centralism, the political activities of both leaders and supporters take place between the two extremes of a single continuum: revolutionary Jacobinism and dependent and subordinate clientage. Linking up politics with the vast range of concerns of daily life becomes almost impossible in a centralized party which is both the creator and the creation of the process of centralization.

In decentralized communities, in contrast, political activity inevitably takes the form of service. Obviously, it is possible that in certain communities populist leaders with a client-like following may come into power, but in the long run such deviations will be corrected through the example of other communities.

The recruitment and circulation of elite elements is a central element in successful decentralization. It is worth recalling that one of the features of centralization—and perhaps its most harmful feature—is the relocation of the best human resources in the centre or capital. Thus, the periphery suffers a decline in the quality of its leaders and in the management of its socio-economic and politico-cultural development. It is necessary to encourage the return of elite elements to such peripheral areas in order to lead their communities.

The political activity of the elites should be marked by new characteristics: competence, specialization and horizontal mobility. It is necessary to eliminate restrictions on the fields of competence and horizontal mobility of the political and administrative elites so that the various lower-level territorial communities (regions and communes) can have a chance of obtaining the best leaders. As a source of legitimacy of the leadership, legitimacy based on effectiveness and achievements should be added to that based
on place of residence or birth. Specialization would be indispensable and could help to further the virtuous circle of decentralization through the spreading and copying of results in keeping with local needs in specific areas.

The very heart of political activity is changed through decentralization. The party as an instrument of service to the community ceases to be a mere figure of speech and becomes an indispensable necessity. In this way, the act of bringing politics closer to the needs of society at large changes the forms of political action. Political assemblies—be they large or small—in which manipulation, trickery and at best empty oratory prevail must be replaced with the capacity to generate solutions for increasingly varied problems. The great issues of the present—the environment, the struggle to do away with discrimination against women, defence of young people, etc.—take on a more concrete, special and readily appreciated nature when they are located at the local and regional level.

Another important change is taking place in political culture. The need to strengthen mutual civic understanding also ceases to be a mere demagogic invocation and becomes instead an inherent requisite of public action, for shared areas of competence and the need to promote solutions based on consensus make it essential to pursue a policy of cooperation and mutual agreement. It is necessary to beware of moralistic over-optimism, however. In processes of social change—in this case, change in the political space—it often happens that political leaders anticipate the changes with rhetorical speeches in favour of decentralization which are not accompanied by actual deeds (J. J. Dayries and M. Dayries, 1978, p. 109).

Furthermore, for a democratic process of shaping public policy in the spatial field it is very important to recognize that in the stage of policy formulation, and especially in the phase of its execution, there is room for various different forms of action. A single set of general rules can give rise to various different approaches, various priorities as regards public action, and a number of different forms of social participation by the population. Community management and leadership can give rise to various degrees of support for public policy and particular forms of social mobilization, in line with the community’s needs and perceptions. This why, in the case of public social policy, execution through community-level governments leads, in principle, to a departure from the homogenization of the services offered. This is a foreseeable effect which can have good or bad consequences depending on the level of development, the resources and the perceived needs of the community.

The positions of those participating in the formulation and execution of public policy can also be affected by decentralization. For example, the corporate interests of the participating groups (users and suppliers) may be contradictory.

In short, community participation in the formulation and execution of social policy changes the advantages or expectations which existed under the previous pattern of opportunities for participation.

b) Changes in the pattern of opportunities for community participation

Paradoxically, until recently in Latin America constitutions used to be changed more frequently than the laws governing the municipalities, which are those that define the patterns of opportunities for citizen participation.

Some forms of changes in these patterns at the community level are already under way, others have been formally proposed, while yet others are the subject of technical and political controversy. The list given below does not pretend to be a precise enumeration of changes in the pattern of opportunities. There is room for many perfectly legitimate opinions in this area: it is an open field for reasoned opinions. At the same time, it should be borne in mind that any reform in one part of the system modifies the whole. Coherent exercises of political engineering and architecture are therefore necessary.

i) The need for a number of different types of municipalities. Centralization implies a standardized form of municipal organization, subject to established rules. As Varas so rightly notes: “The isomorphic tendency generated by the established institutions means that, due to this legalistic emphasis, municipal systems adopt the same political and administrative structures all over the country. A kind of standardized municipality is created which has to fulfill the same objectives in different places. This tends to facilitate the establishment and implementation of new municipalities, as well as the evaluation of their achievements, through the easy comparability thus attained.” He goes on to add: “A negative aspect, however, is that in some places with special needs and problems,
the politico-administrative structure which has to be applied as the local government is not the most suitable one, and may even become a problem rather than the means of solving problems" (Varas, 1984, p. 119).

As far as opportunities for participation are concerned, the single standard type of municipality is a serious institutional obstacle. It is difficult for such a standard institution to serve the many different aspects of participation, located as it is in such varied social contexts. Obviously, there is a difference between the needs of rural and urban local authorities and, within the latter, between the needs of metropolitan and other authorities, and the needs of rural authorities differ among themselves also. This is not the place to list different types of municipalities with a view to facilitating participation. Each national system probably requires such a special list of its own. What is worth noting is that one of the criteria for preparing such lists is that the support of the population is needed in order to carry forward public policies which will satisfy their real, deeply felt needs.

ii) Popular election of the Mayor. Such popular election seeks to gain mass endorsement for the community leadership and its binding programme of action. In this way, the community can get to know the different alternatives among which it must choose. Furthermore, in countries with markedly Presidential regimes it may be assumed that the idea of a President-like figure at the community level has already gained social acceptance.

iii) The introduction of compulsory consultations. Through this means, the idea is that the community itself should evaluate investment projects by choosing between two or more which are proposed to it by the political authorities, along with the respective technical background data.

Some authors have suggested that such consultations could represent the introduction of the criterion of positive discrimination to benefit population groups with unsatisfied basic needs whose only effective resource is their numerical magnitude. In this way, positive discrimination would cease to be a mere technocratic recommendation and would instead become a criterion for voting in democratic elections.

Be that as it may, binding consultations can undoubtedly be a suitable means of settling various local-level controversies.

iv) Institutionalization of channels of community participation. Theoretical proposals and Latin America’s practical experience offer a wide range of participative institutions for taking the various community decisions. Participation may of course be compulsory or binding, or it may simply be of a consultative nature. Likewise, the institutions may be purely territorial, purely corporate, or a combination of the two. Neighbourhood associations are typical examples of territorial organizations, while trade unions and business or employers’ associations are typical corporative bodies.

Territorial or corporate interests are by no means the only ones represented by the wide range of social organizations of the most diverse types which can take part in the community decision-making process. A multitude of different types of organizations rise and fall in their efforts to reflect cultural, artistic, ecological, sporting and many other concerns, and all or some of them can play a recognized part in the taking of community decisions on their respective fields of activity.

v) Execution of social programmes. Strictly speaking, execution is the last stage in the decision-making process. Here, however, it is mentioned separately because it can involve the transfer of resources to the organizations responsible for executing projects. Transfers and subsidies usually supplement the organizations’ own resources, which can include labour, saving or production equipment.

vi) Administration of community services. The ongoing provision of community services may be entrusted to voluntary social organizations. This often happens in the case of selective services aimed at very specific groups: undernourished children, old people’s homes, rehabilitation centres for the disabled, etc. Voluntary social organizations may also be entrusted with the administration of certain community facilities (sports grounds, cinemas, theatres, etc.).

vii) Promotion of microenterprises. In promoting microenterprises for the production of goods and services, it must be borne in mind that the effectiveness and efficiency of the production process are essential in order to attain the sought-for economic and social objectives: the satisfaction of needs and especially the creation of new jobs.

2. The intersectoral community environment

a) Shortcomings of the centralized form of intersectoral coordination of official activities

As is well known, the expansion of Latin American social development, especially since the end of the war, has followed a centralized pattern: i.e., the
use of big national-scale official organizations to extend the coverage of social services.

This form of social development has undoubtedly registered successes in expanding the supply of services. However, according to some analysts this centralized bureaucratic network has reached a point of diminishing returns and therefore needs a complete review. Basically, centralized policy is criticized for its constant tendency towards sectoral fragmentation, with the consequent disappearance, or at least severe deterioration, of a unified approach to social matters as a single whole.

Decentralization, however, represents a means whereby it could be possible to overcome the impaired coordination of official services in the social field. In other words, the region and the commune could be suitable areas for the integration of social policy, through more or less unified social services. This is a promising aspect of this decentralized manner of providing social services, in view of the failure of the usual solution of setting up committees to coordinate the activities of official bodies.

b) Intersectoral aspects

i) The intersectoral concept. The intersectoral concept is not just a theoretical criticism of individual social policies, but a pattern of action for their implementation. Thus, one speaks of intersectoral action or intersectoral development, which are understood respectively as the broader set of relations between the different economic and social sectors and as the process in which the objectives, strategies, activities and resources of each sector are considered as a function of their repercussions and effects on the objectives, strategies, activities and resources of the other sectors (the approach normally used by the PAHO).

From the conceptual point of view, the intersectoral approach surpasses the segmented approach in terms of the formulation of social policies and the institutions available for the decision-making process. It questions the wisdom of administrative structures made up of the Ministries of each sector and resource allocation mechanisms operating on the basis of sectoral categories or items, and instead establishes an integrated criterion for social planning. From the operational standpoint of the policies, the intersectoral approach not only affects the horizontal decision-making structure (the relations between Ministries, for example) but also the vertical dimension, especially as regards social projects or programmes at the local level. At the operational level, there is a form of de facto intersectoral action, due partly to the restrictions in terms of material and human resources, but especially because of the fact that the inherent nature of social problems does not permit sectoral distinctions. Such problems can be dealt with only through intersectoral policies which not only involve institutional coordination but also the practical integration of concepts and resources and, above all, a great capacity of adaptation on the part of regional and local authorities and officials in order to reconcile the restrictions of their faculties with the extent of the problems they have to face. When the participation dimension is added to the institutional factor, it becomes obvious that not only institutional adaptation is required, but also the capacity to integrate the community in order to formulate its demands.

The practical problems raised by the intersectoral approach are extensive and varied. What is essential in order to cope with the main obstacles, however, is to have a thorough knowledge of the complexity of the intersectoral links of each problem that the policies seek to deal with, and to promote the specialization of the staff responsible both for taking decisions and for implementing them. There is very little theoretical and practical specialization of an intersectoral nature among those responsible for taking policy decisions and executing them. For example, there is an identification between the social sector and the corporative professional ethos, so that the technicians in each sector perceive and approach social problems from their own viewpoint, both methodological and practical, and assign them importance in line with these criteria. (Although this problem is not expressed explicitly, it can be seen from the slowness with which educators, doctors, urban experts or planners have expanded the spectrum of disciplines in Ministries and other bodies and have recognized the need for interdisciplinary approaches and collaboration).

ii) Intersectoral action as a response to needs. In practice, the needs and demands are such that they make it impossible to simply wait for a new social theory on intersectoral aspects to arise, for in all areas—but especially that of community affairs—the authorities are faced with urgent problems and must explicitly or implicitly tackle them in an intuitive manner. The well-known techniques of project evaluation do not offer methodologies which will allow them to set about intersectoral action in a rational manner.
These practical responses, which are sometimes quite intuitive, are not necessarily doomed to failure, however. On the contrary, a trial and error approach often leads to programmes which are very successful because they stick to the logic of satisfying needs. The value of such examples often passes unnoticed simply because of the failure to collect and analyse their results.

c) Qualitative selectivity

Within the limited space of a commune, social analysis and statistics can be highly detailed. The general purposes of social strategies are always subject to the need to be adapted to special social problems. Families and different social groups are the users of social policy, but they are not statistically average families or statistical cross-sectional groups. Instead, they have all the special features which make their concrete and specific. Because of its relatively smaller size, the municipality facilitates this detailed type of study and its processing for inclusion in national-level social strategies.

It is necessary to accept one or another type of general strategy, and its adaptation to a particular municipality will therefore be a democratic decision. Obviously, the risk of populist policies designed to serve the clientage interests of the local notables cannot be ruled out. It often happens that scarce local resources are used for non-essential projects designed to maintain the domination or prestige of small-time local politicians. Such wasteful projects are one of the costs of local democracy; only the organizational capacity and leadership of the social movements and political forces can correct decisions which are considered to be wrong through persuasion and the vote.

As a general observation, it may be noted in respect of local-level social policy that on the one hand the successful implementation of certain policies is particularly likely at the spatial level of the municipality, but in contrast, this level is quite inappropriate as a space for the development of certain other issues and policies.

Generally speaking, the policies whose most suitable context is the commune are those which give cultural identity in the broad sense and those which try to grasp the needs of the populations they are designed to serve or encourage them to organize themselves in line with selective types of motivation.

Programmes and services designed to promote culture (libraries, nature parks, museums, etc.) should also be under municipal supervision, perhaps with contributions from the user groups themselves.

Among social welfare policies, those which are designed to meet dynamic local needs are also suitable for implementation at the community level. It is the responsibility of the municipality to be sensitive to the evolution of these needs in contexts of both social progress and decline. Each of these contexts will call for the implementation of very different programmes and different scales of priorities which must be respected. In communes where there is growth and social progress, programmes are needed which tend towards the technical upgrading, even at the most sophisticated level, of persons and social organizations. In contrast, if the municipality is in a state of social decline, programmes and projects for combatting anomy and delinquency will have high priority. Even civil security policies take on local slants and characteristics.

In short, the commune is a suitable place for all policies, programmes and projects of a selective nature mainly marked by their need for services requiring attention to detail and full adaptation to the manifold and changing needs of the groups involved.

**IV**

**Final remarks**

The process of decentralization implies changes in the municipality and in the forms of democracy.

Today, in Latin America, we are witnessing the emergence of a new type of municipality set within a new form of democracy.

The changes generated by the transition from centralism to decentralization are not changes of scale, for the local scene is not just the micro version of macrocentralism. If it were, there would be a serious risk of giving rise to extreme situations simulta-
neously expressing both the worst of centralization and the worst of decentralization.

What these changes really mean is the reinvention of the concept of government, both by the authorities and by the citizens. As well as signifying democratic legitimacy, this reinvention of government means a new form of management through the integral rationalization of the supply and demand for municipal goods and services. It is therefore a complex transition for both the authorities and the citizens. The old paradigm of centralization is exhausted, but the new decentralizing approach has still to emerge. In order to make possible this new form of management, a wide field is opening up for the training or recycling of authorities, technicians and common citizens.

(Original: Spanish)

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