

Policy Analysis in Mexican Local Governments: an exploration of a policy analysis model

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Introduction

Reviews about local government's policy process in Mexico have revealed, early in the 21st century, a general lack of technical capacity and institutional frame to perform adequately along the policy cycle. It was said that local governments had insufficient capacity to manage human resources and its talents (Merino, 2006); that its fiscal configuration was pervasive for its policy autonomy even after experiencing two waves of decentralization (Cabrero, 2013); that despite local democratic transitions, municipal administrations were in general unable to open the decision-making process to citizens (Guillen, 1996; Moreno-Jaimes, 2008:73); that when considering the institutional capacity municipalities scored even worse than when its development was assessed using the Human Development Index alone (Flamand & Martínez, 2010:156); it was also said that local government's policy agendas were expanding towards policy domains beyond its traditional attributions (Meza, 2013) but that such expansions were taking place within a compacted-in-time policy cycle along fragile and volatile set of policy networks (Cabrero, 2007: 30).

In Mexico there is a clear bias in the study of policy affairs with regards to local governments. The available research have addressed the policy process and the policy cycle in disproportion to what is known about how local governments undertake tasks in policy analysis. But the distinction is sharp. Policy study is used to refer to the *study of policy*, and it implies knowledge about the process of a policy. The stagiest approach is a widely used frame to illustrate features within these policy stories. Who participate in the decision-making process, what agents are involved in the agenda making process, how is the bureaucracy prepared to design and implement policies, does local governments evaluate their policies, etc., are the kind of questions students of policy studies will normally try to answer and the frames vary accordingly.

Policy analysis, on the other hand, is a stream of thought known as the *study for policy*. The topics are about practical forms of knowledge pursued by agents directed at designing, implementing and evaluating existing policies (Howlett & Lindquist, 2004: 225). It investigates about how agents inform their policy decision, what instruments they use, what sources they normally follow, how do they muster information and on what data policy

decision relay. In my knowledge, there is very little investigation addressing these topics in local governments in Mexico.

The purpose of this research is to transcend from the policy process research agenda in local governments towards the knowledge of the policy analysis in the local Mexico. It is not a simple task, in part because most of the questions students have asked, and therefore most of the available data, revolves around the policy process. The chapter's point of departure is the data gathered in the studies of the policy process to make an exploration into the policy analysis in local governments in Mexico.

The main question to answer is what are the main forms of policy analysis presented in local governments in Mexico. The literature about policy process suggest that municipalities may not have the appropriate resources in terms of time, money or human talent to perform policy analysis. Therefore, a short answer would be that there is no clear evidence on whether municipalities do policy analysis at all. However an alternative argument explore follows from recent decentralization and democratization trends experienced in Mexico that may have motivated the municipal tier of government to initiate some forms of policy analysis.

I present a four-cage model of policy analysis derived from the implications of the two macro-trends mentioned above. I argue that local policy analysis could take a specific form depending on the affecting governance mode. Decentralization and democratization have placed local governments to function into two governance modes; bureaucratic and democratic governance modes, these are not exclusive from each other and local governments (LG) may reflect how these governance modes have impacted their activities, especially those related to policy analysis.

Policy studies have seriously impacted in how we think about local performance and in how these units should be able to define public problems, design, implement and evaluate policies. Despite this strong academic tradition, this chapter is designed to offer a new breadth about local governments based on the policy analysis perspective. The findings reveal both governance modes affect how municipalities do policy analysis, but it also

presents differences between types of municipalities that might help to understand what present and future challenges localities may be facing.

The chapter is organized as follows. I discuss briefly what policy analysis means. It follows a discussion about bureaucratic and democratic governance. With these conceptual lenses I construct a policy analysis model aimed to direct where to see policy analysis tasks being made in local governments. In the next section I bring forward a general description of local governments in Mexico. Right after, according to the four-cage analytical policy analysis model I present evidence about each type of policy analysis in the local government realm in Mexico. I finally discuss the findings and provide an overall assessment of local governments' policy analysis concluding with a corollary of claims to explore further and to improve the policy analysis in Mexico.

An institutional governance behind policy analysis

Policy analysis is a distinct perspective within the study of policy affairs. Based on an institutional governance perspective (J. Pierre, 1999), this chapter explores how local organizations do policy analysis. The word governance is a key concept used in many ways; flexible enough to address a varied of listed phenomena (Stoker, 1998; J. Pierre, 2014). The degree varies from a notion of public-private partnerships to what was also coined as the hollow state (Milward & Provan, 2000). A common baseline agreement rests in the notion that ways of governing cannot recur exclusively to the power of the state's administration but throughout a set of relationships nested between the state and society and beyond the state (Stoker, 1998; Kooiman, 2003; Aguilar 2006). Other conceptions of the word define governance in a broader sense in the ways power is organized in complex societies in order to ensure outcomes in tune with particular interests. In this perspective, local institutions are framed not only by history and paths in general but also by actors *“creating informal networks through which direction over formal institutions resources, and capacities are then exercised”* (Stoker, 2009:1). This institutional governance perspective acknowledges that governance transcends formal institutions of government (DiGaetano & Strom, 2003; Jon Pierre, 1999, 2005; Stoker, 2009) and that it would be insufficient to understand the whole governance process by looking only at the formal aspects of organizations. However institutions are a by-product of values, beliefs and

general norms of prevailing actors immerse in the general governance structure (March, Olsen, & March, 1984). Under such premise, items in formal organizational, structure, resources and practices, of local governments represent features of the governance modes in which these local units are embedded. And by tracing these changes along a series of years it is possible to understand the effect of the institutional milieu (DiGaetano & Strom, 2003) over the local policy analysis actions.

The main argument in this paper is that local policy analysis in Mexico has evolved alongside two parallel governance modes. The last 30 years, central-local relation has dramatically changed along new sociopolitical and economic trends that had impacted local policy affairs; these are decentralization and democratization (Lopez, 1996:15; Guarneros-Meza, 2009). Decentralization has brought new resources to municipalities, which affected local policy agendas and in part redistributed power across levels of government. Democratization is associated to the local electoral competition; some authors say it has produced bureaucratic and management changes and innovations in local policy-making as more and effective parties participate in local elections (Grindle, 2006). These two macro trends have coincided in time and space but its effects on local policy affairs may have not even converge into the same forms local policy analysis.

Decentralization and democratization are two parallel macro trends that changed the governance modes under which local governments work (Lopez, 1996). Before that, local administrations were seen dependent to federal and state tiers of governments. After the constitutional reform in 1983, and later in 1999, Mexico migrated from a dual to a quasi three-tier federalism (Cabrero, 2007:27) in part originating greater decentralization and democratization processes. In general terms the local governance mode move from a strict hierarchical mode to a multilevel one; and in particular, it has moved to both and separately a bureaucratic and a democratic mode of governance.

Governance defined as a way of organizing power beyond formal institutions makes a series of predictions about policy analysis. The bureaucratic mode of governance is one characterized by a dominant network of power composed mainly by local and supralocal bureaucratic actors. i.e state and federal public servants. Basic assumptions are that local policy analysis will exist if we enhance managerial practices and assume that governments

will be resolving collective needs (J. Pierre, 1999:378). Within the federal system, local public organizations see them selves as the closest tier of the State capable to adapt and adopt federal and state tier policies to the local taste. A bureaucratic governance is associated with greater *agencification* of governmental bodies (Guarneros-Meza, 2009:465) and the recur of command and control mechanisms (Milward & Provan, 2000) to enable efficient implementations which of course assume sufficient technical capacity in heads of administrative units of management.

A democratic governance mode, on the other side, is characterized by the relationship of the local public administration with other governmental and non-governmental entities. It is not the aim here to distinguish between a *Hearts* and *Diamonds* modes of governance (Tenbenschel, 2005) where the first primes relations with the community and the second the market-like agents. Despite the many existing forms of relations between government and non-governmental entities, a democratic mode of governance, I here refer, is one that involves two basic assumptions. First, that even with the greatest technical capacity, the local public administration by itself is not able to solve the complexity of the numerous public problems it faces (Stoker, 1998; Aguilar, 2006). And second, that the relationship between statist and the non-statist actors would be governed under a minimum frame of democratic rules that enables accountability and citizen representativeness in the local decision-making processes (Uvalle-Berrones, 2012). An organization embedded in this mode of governance modifies its regular activities to allow outsiders participation. It also develops new technics and mechanisms to engage with citizen and to reach non-governmental entities and non-official insights about policy.

Policy analysis model for local governments

Sources of information come from different venues. A simple model based on the policy advisory system in Craft & Howlett (2012) reveals at least four key sources of information for policy analysis. These are organized along two dimensions: a locational dimension and a governance mode dimension. The two help to identify the available sources of policy analysis in local governments. The main assumption in this model is that the varied ways of policy analysis in local governments in Mexico are explained by both location of its production and the governance mode behind its elaboration, and while it is not possible to

infer the content of the policy analysis exclusively from the location of its production (Crafts and Howlett 2012:92) for the case I here present location and governance reflect basic modes of policy analysis.

Figure 1. A four-cage policy analysis model for local governments

The governance mode dimension provides the sharpest distinction. A bureaucratic governance mode of policy analysis relies importantly on local public administration resources, may it be human, economic or organizational resources. It is the same organization the one that implements policy and the one promoting and adjusting activities in order to produce information and knowledge to aid the policy making process. A bureaucratic governance mode is partly offset by decentralization reforms in Mexico during the last thirty years. More resources and greater legal attributions were placed to rest over municipalities' organizational infrastructure. An internal bureaucratic mode would rely on the LG's administration while an external mode is associated with a client-base relation between the local public administration and an external party. The external party is not entirely free to do pursue research questions, do analysis or provide information but it caters to what LG has contracted for.

A democratic governance mode of policy analysis is one that reflects changes in the way LG connect with other organizations. It is assumed that LG alone, not even with greater human or economic capacity, would be able to solve public problems (Aguilar, 2006). In this respect, we expect that policy analysis would be done in collaboration and/or coproduction with another agent or group of agents. Two forms are visible according to the model. An internal way represented by an interest of the local public administration to reach out citizen insights. Municipalities' organization put in place mechanisms to ensure this goal. The second is an external form of policy analysis that actively involves other agents to help produce information and knowledge for policy decision. Municipal Planning Institutes (MPI) is the form I here explore.

The quasi-third tier government

Local governments in Mexico share a federalist arrangement with three intermediate entities of government (31 states)¹ and a federal government. Since 1999, Mexico finished setting a three-tier constitutional federation (Cabrero, 2007). But unlike federal and state level tiers, municipalities do not separate executive and legislative powers and there is no local judiciary power. Mexico's federal system is one in-between the US and the Brazilian systems. The first one is a dual system where according to Dillon's rule local authorities are creatures of the states (Richardson, 2011). The second one has local governments with an executive power that works separately from a legislative local congress.

Mexico has 2,441 municipalities. They share a number of common features of governance however there is great heterogeneity. Figure 2 presents a classification that will distinguish differences in policy analysis within the theoretical model. Median and Big urban areas are less numerous than its counterparts, but they account for the majority of the population in Mexico.

Figure 2. Type of municipality (percentage)

Defined as a quasi-three party federalism, Mexican municipalities are governed by a collegiate body named *Ayuntamiento* (Mexican Constitution: Article 115). This collegiate body holds the executive and legislative powers altogether. It is composed of one municipal president and a number of councilmembers called *regidores*. Members in the *ayuntamiento* are chosen using a closed and blocked listed ballot where the first position is the candidate for the municipalities' presidency and the rest of the list is filled with candidates to *regidores* positions. The *regidores* will occupy a seat in the *ayuntamiento* depending of the share of votes their party receives during the election day. All states apply a mixed rule to allocate party candidates into the *ayuntamiento*; a portion of the seats are taken by the winner and the rest of them are distributed proportionally to party candidates.

The municipal president holds key attributions. They largely control the local bureaucracy and the legislative actions. According to the National Institute of Federalism (INAFED, Spanish acronym) presidents execute and propose initiatives while *regidores* deliberate, accept or reject executive initiatives. In fact, while presidents are chiefs of the public

¹ The count excludes a federal district and its delegations that are considered as local governments.

administration, they are also partly in control of the *ayuntamiento* being this the decision-making body.

Table 1. Transfers to local governments (Per capita average by type of municipality)

The internal local governance of municipalities is highly vertical and presidents hold an important degree of control over the rest of the local institutions. However, decentralization and democratization has cut across these internal political and managerial practices. Decentralization alone, some claim, could have served to empower the presidential figure more than the local citizen as decentralization theorists normally assume it. More resources and clearer attributions increase local bureaucracy capacity, and while presidents play the chief of staff position, it also increases presidents' power and its bargaining capacity facing other tiers of governments and other members in the *ayuntamiento*.

Decentralization could have elicited features of bureaucratic governance as explained, not only because it empowers the local bureaucracy but because a local bureaucratic governance heavily relays on upper tier resources in the forms of legal mandates, financial resources or political capital to produce outcomes (Meza, 2015). Table 1 presents the financial accounts of transfers to municipalities. The numbers are calculated in per capita terms to see how important are these resources across the different type of localities. All have increased in the last two decades.

Figure 3. Political parties in local governments (1985-2013)²

A democratization process coincided in time with greater decentralization. Figure 3 present evidence of a dominant party system ceding its place to one with greater number of parties governing local governments. Nevertheless, democratization could mitigate at certain point the bureaucratic empowerment for it to be more in-tune with citizen preferences and citizen needs. More important, democratization allows a less corporatist way of governing the local polity that requires an administration institutionally prepared to engage with non-governmental entities and able to establish relations where the public interests prevails instead those of elitists or interests groups.

² Acronyms in time axe correspond to national presidential periods: Miguel de la Madrid Hurtado (MMH-PRI), Carlos Salinas de Gortari (CSG-PRI), Ernesto Zedillo Ponce de León (EZPL-PRI), Vicente Fox Quezada (VFQ-PAN), Felipe Calderón Hinojosa (FCH-PAN), Enrique Peña Nieto (EPN-PRI).

Planning and Policy Analysis

Since 1983, the Mexican constitution has mandated all levels of government to participate in the elaboration of development plans. Ever since, planning has become the main space where LG do policy analysis. With only three years in power and without reelection being possible for local incumbents³, Municipal Development Plans (MDP) need to be made and remade every incoming administration and within the frame of the first few months of the administration. It is the single most important public policy official document that shows what the policy agenda will look like during the remaining period in office.

Table 2. Municipalities with development plans (Percentage by type of municipality)

The planning system has slowly evolved and local governments nowadays successfully incorporate this practice into their activities. According table 2, all type of municipalities have increased the elaboration of MDP. The latest government census in 2013 registered that all municipalities have reported having a plan.

Figure 4. Municipalities according a strategic system paradigm (percentage of MDP)

MDP vary within states but its elaboration rests under a strategic planning paradigm. This type of planning includes the following basic elements: a) a diagnostic of the situation, normally made about the municipality as a whole, b) a stated vision and mission about the government aims, c) a series of objectives and goals, grouped on macro-topics such as economy, social development, security, etc., d) a strategic program to achieved the goals and e) recent innovations seen in MDP suggest the use of indicators and monitoring systems (Meza forthcoming). Figure 4 presents the effective incorporation of the mentioned elements into the MDP. Municipalities had focus more on the rhetoric parts of planning while presenting less preparation to address challenging elements of the strategic paradigm although noticeably getting better at it.

Bureaucratic governance mode of policy analysis

The making of plans requires the presence of several factors; professional bureaucrats with the necessary skills, citizen participation and, proper information flux. Some of these

³ Reelection in Mexico was only possible after a reform in 2009 which will enter in practice until elections in 2018.

elements will be assessed in the next two indices. In a bureaucratic mode of governance, policy analysis heavily rests on the local public administration and its resources. They play a key role both in terms of its internal and external policy analysis mode.

In-house policy analysis

A form of bureaucratic policy analysis is the one made internally. These are policy analysis tasks in hand of the same agents that participate in the implementation of the policy itself. With respect to the in-house policy analysis, arguably, almost the same capacities of local organization to perform in the policy process will be likely to determine its capacity to do policy analysis. The main assumption is that the human resources, the data and instruments utilized to do policy analysis are the same or similar to those used to design, implement and evaluate policy.

To assess the in-house capacity for policy analysis I reviewed two elements a) the capacity of the ayuntamientos to discuss policy decision and b) features of the bureaucratic human resources. I will show how differences emerge between the different types of municipalities.

Ayuntamientos celebrate sessions regularly, every month or every number of weeks, and it varies according local costumes and local regulation. Councilmembers gather to discuss local public affairs and this is a compulsory activity for all regidores and presidents. During these reunions decisions are taken by means of votes after discussing the affairs.⁴ In the last decade, the ayuntamientos' productivity has increased seldom but steadily, as well as the number of the ayuntamientos' working commissions in it.

Table 3. Number of *cabildo* session and working commissions (year average by type of municipality)

The number of working commissions has increase in all types of municipalities however their commitment to planning and evaluation, citizen participation and transparency differs markedly. The number suggests a recent backlash running through citizen participation and transparency topics against a resurging interest in planning and evaluation. Although more

⁴ The specific voting rules are similar in municipalities of the same state and minor divergences are found between municipalities of different states.

information is needed, this table suggests that the policy analysis under the form of planning and policy evaluation is slowly being biasing towards a technocratic mode rather than democratic principle.

Table 4. Planning and evaluation, Citizen participation and Transparency working commissiones in the ayuntamientos (Percentage by type of municipality)

An additional indication of bureaucracy capacity is the one observed in the education level of members of the local administration. The surveys allow capturing the education level of heads of departments, which are part of the command-and-control structure immediately below the municipal presidents.

Table 5. Education level of Heads of Department (Percent by type of municipality)

The education level, as is showed in table 5, divided the profiles between the percentage of heads of departments having *up to elementary and technical school* and the percentage of heads of departments *with undergraduate and graduates levels of education*. Rural and Mixed type of municipalities present on average a greater percentage of heads of departments with at most elementary and technical school, while urban municipalities have a better-educated directory. An interesting situation is that intertemporal changes are not clearly defined; patterns are almost fixed. The education of heads of departments is related to the type of municipality and it does not change with time.

Consultancy projects

As stated before, planning represents an important place for local governments were policy analysis is made. Due to the short span of time it is very difficult to produce policy information while having only three years to implement policy programs. As I will discuss soon, the quality of the planning instruments analyzed in this section is not explained by the bureaucratic capacities observed by the type of municipalities, which serves as evidence of another mode of policy analysis occurring in local governments. Explicitly I am talking about an external source of policy analysis such as consultancies.

The National Institute for Promoting Federalism in Mexico (INAFED) is an arms-length agency of the Ministry of Internal Affairs that assesses the strategic planning and

government evaluation functions in local governments. Figure x presents the overall score in the quality of these functions. The score indicates how different is the quality in planning and evaluation functions across the type of municipalities. Urban areas outperform the rural and smaller municipalities. Intertemporal conclusions are too soon to derive however if the trend continues all type of government would increase the capacity of doing policy analysis via planning and evaluation.

Figure 5. Planning and evaluation Index (average by type of municipality)

While the planning and evaluation Index increase, the bureaucratic units dedicated to such functions are diminishing. The later according the figure 5. Surveys seem to capture an interesting intertemporal trend where municipalities are less inclined to finance these types of agencies. This situation applies to all type of municipalities although the evolution has not been homogenous across the different types of municipalities. Planning and evaluation offices, Citizen participation offices and Transparency and information agencies increase according to the municipal type; rural and mixed LG present fewer numbers on these agencies compared to median and big urban type of municipalities, but all decrease over time.

Table 6. Planning and evaluation, Citizen participation and Transparency offices available in the municipal administration (Percentage by type of municipality)

The presented evidence supports an alternative and external mode of policy analysis, that is local governments are relying more in consultancy services. The policy analysis model above allows exploring this form of policy analysis. It is considered as a bureaucratic mode because it relies on LG financial resources. Table 6 presents the average share of expenditure going to general services, which is the budgetary chapter to finances consultancy services. A thirteen year-average shows that between 20 to 10 percent the municipal budgets go to financing these activities.

Table 7. Thirteen-year mobile average (2000-2013) of expenditure on General Services (average percentage by type of municipalities)

Along with previous data, accounts from years 2000, 2002 and 2004 suggest that LG have had the support from national and international organizations in terms of information received for policy analysis. These could be of an ample variety, difficult to disentangle with current information, however it reveals how policy analysis tasks in LG is supported by other relevant organizations by means of consultancy projects.

Figure 6. Answers to question about having any support in policy analysis from national and international organizations

Democratic governance mode of policy analysis

The second dimension in the policy analysis model is the democratic governance one. Mexican municipalities have increased in terms of if quality in democracy process. More parties participate during elections; there are more cases of party transition moving away from a one dominant party regime. Citizen participation is one if its causes and consequences at the same time and therefore a new governance mode is needed for LG to face new challenges. Policy analysis under a democratic governance mode can express itself in to ways: an internal and an external. Bot reach out for more collaboration with citizen and other non-governmental groups. Along the next two indices I will present examples of these other kind of local policy analysis.

Outreach mechanisms

So far evidence has promoted the idea of localities being under a bureaucratic mode of governance driving policy analysis activities, but alternative sources of information offer some indication in relation to a democratic mode of governance. A local public administration that is prepared to establish contact with citizen is one whose institutions reflect a more democratic mode of governance. Three pieces of information serve for this purpose. Surveys have captured a) number of mechanisms that are used to reach out citizen's insights (surveys, suggestion boxes, contact tables, among others), b) number of policies open to the public scrutiny, and c) number of organizations recognized by LG to participate in public affairs.

The number of outreach mechanisms created and financed by a municipality may reflect that its organization is open to citizen input and therefore its design and implementation

process is also open to the public scrutiny. Figure 7 shows the number of outreach mechanisms by type of municipality. Rural and Mixed type of municipalities have shown more reluctance to establish outreach mechanisms, despite they have had access, in per capita terms, to more transferred resources (see table 1 above). Small urban localities have maintained at the same level along the last ten years but Median and Big urban municipalities have increased the number of outreach mechanisms.

Figure 7. Outreach mechanisms (average by type of municipality)

The type of LG drives the difference in terms of the policy analysis made under a democratic governance mode. The evidence suggests that smaller LG are less prepared to open their affairs or to reach out for citizen insights within policy analysis activities. The latter conclusion is backed by the table 8 where levels of open policies and recognized organizations are revealed across the different type of municipalities.

Table 8. Open Policies and Citizen Organizations in municipalities (average by type of municipality)

Again bigger municipalities seem to have bought the idea of needing a more democratic governance mode of doing things. I assume here that policy analysis is one of them because the measures I employ have to do with information gathering and policy affairs. In table x, bigger localities are prepared to recognize greater citizen organization forms namely NGO's, worker union, neighborhood councils, among other organized citizen groups. A similar trend is observed in the number of policies and services citizen have greater access and chances to collaborate. Bigger LG are able to cope and finance collaborations with non-governmental groups that ultimately provide key information to feedback policy analysis activities.

Public-private associations

Along with greater democratization, local organizations have had to modify the governing principles from a hierarchical approach towards a more horizontal and open fashion governance mode. These changes moved governments to govern along a greater array of governmental and non-governmental agents, some of them with strong local roots but also other with a wider span of interests. This of course, allows me to identify an external and participatory locus of policy analysis. Some readers might be thinking on other tools such

as participatory budgets, citizen consultations, among others, but as explained before, those outreaching mechanisms are most likely to be directed by the local public administrations thus leaving a small leeway on the tools and data going into any policy analysis activity. To clarify the difference in this mode of policy analysis I will explain the idea by comparing two extreme cases part of the same type of public-private associations; one observed in Guanajuato city and the other in Merida city.

In Mexico, municipalities have realized important effort to include technical criteria in policy-making through planning institutes. These organizations put in contact local governments with other local organizations with the aim of producing information to aid the decision-making processes in the ayuntamientos and the local administrations. According to the Mexican Association of Planning Institutes (AMIPM) Mexico has 50 municipal institutes registered (see table X in annex). This number may underestimate the actual total because affiliation is not legally compelling.

Accounts of its history suggest these institutes came into Mexico as a policy that municipalities adopted from models observed in Canada, Brazil and Spain (xxx). The origins are diverse but the idea is very similar. Municipal Planning Institutes (MPI) takes various forms, but a general model is one constituted of three main bodies:

1. A governing body (*Junta de Gobierno*) mostly composed of representative heads of sectors from the local polity usually the municipal president and a selected set of local representatives.
2. A consultative council (*Consejo Consultivo*) composed of a wider set of local representatives from local economic sectors, local unions of workers, heads of universities and other non-governmental organizations.
3. A technical bureaucratic corpus, headed by the institute director who will frequently be assigned as the secretary of the governing body and the consultative council. Due to the tasks of the institutes the bureaucratic corpus is not numerous in terms of its human resources.

Variations between MPI are associated with the power-struggle observed between governmental entities and private interests. Some of these planning institutes are

completely financed by local government; the municipal president therefore ends up having a lot of power over the MPI's activities. That was the case of the MPI in Guanajuato, the *Instituto Municipal de Planeación*, back in 2012 as stated by its director. The Institute was very much dependent to the administration in turn. However according the interview, the MPI was negotiating additional funding from federal and state tier ministries (xxx). On the other hand, the case in Merida was completely different. The MPI there, known as the *Plan Estratégico*, was partially financed by the local government along with other local private sectors. Some other projects were carried on with state government funding. Financial diversity empowered the *Plan Estratégico*, and the influence it could have for or against local governments decisions, via studies, diagnostics and reports.

Other economic and political factors alter the capacity of policy analysis in MPIs. Again the cases of Guanajuato and Merida are illustrative in this respect. Guanajuato's MPI was recently created, and its idea was copied from a neighboring municipality: Leon. The importance of MPI in Leon accounts for several years and until now is considered as an influential and dynamic MPI. So far the MPI in Guanajuato has not been able to share such prestige, despite the fact that Guanajuato is the capital of the state. But the importance of Leon in terms of the population and the economic in the state has attracted the attention of social and economic sectors. This situation resembles the one lived in Merida. The Plan Estrategico in Merida has attracted economic and political sectors in part because Merida represents, in relative terms to other municipalities in Yucatan, the 65% of the gross state product and 44% of the voting franchise in the state (Meza 2015: 171). Bluntly speaking, Merida is a key geopolitical site to govern the Yucatan state and therefore the Plan Estrategico has attracted important political and economic resources in the production of policy analysis. But the latter has its risk. At this point in time, the Plan Estrategico has become a statewide planning institute and not only serves to the municipality of Merida, as it used to, but serves to all the Yucatan state.

Discussion

Democratic and bureaucratic governance modes can explain the different ways policy analysis is made in local governments. Each one of the two governance modes has two versions: a local and external version. The main assumption here is one where I am able to

pin different types of policy analysis by combining the location of the main source of inputs and the governance trends that local governments have experienced along the last thirty years. Four policy analysis modes are identified in local Mexican governments.

The in-house capacity to perform policy analysis is mainly observed within the local public administration. The political organism within municipalities, the ayuntamiento, has smoothly increased its productivity measured by the number of sessions and working commissions. Key policy topics discussed in cabildos, namely citizen participation, transparency and planning and evaluation, suggests greater importance is placed in planning and evaluation against the former two other topics. A greater difference in policy analysis capacity is observed between types of municipalities but time varying levels seem relatively stable. The similar occurs when comparing the level of education level of heads of departments. Since year 2000 no greater education achievement is observed within type of municipalities but differences emerge when comparing them in-between.

Secondly, time and cross-sectional differences in the in-house capacity and the increasing quality of planning instruments suggest local governments are being aided by external policy analysis projects, which I here label as consultancy projects. This is the second policy analysis mode within the bureaucratic governance mode. Administrative records show LG have diverted between 10 to 20 percent of their total expenditure to the General Services chapter, which is the one where consultancy services can be procured. Additionally survey data suggests municipalities have been receiving information for policy analysis from national and international organizations.

Thirdly, local governments can attract information for policy analysis throughout a number of mechanisms they are able to implement. These mechanisms were labeled as outreach mechanisms. The evidence suggests LG diverge between types of municipalities on its capacity to establish outreach mechanisms. The number on this kind of tasks increase with the size of the municipality. Outreach mechanisms are expensive, that can explain the overall results, and however an alternative hypothesis is that of citizen oversight. Bigger and urban municipalities are under greater heat in terms of transparency and accountability demands in comparison to the smaller and rural ones. Therefore the pressure to procure this kind of institutions is greater in the bigger municipalities.

Finally, municipality governments partner with other governmental and non-governmental entities to do policy analysis. The external version of governance mode policy analysis reflects in Municipal Planning Institutes. MPI share common features – a governing body, a consultative council and a technical bureaucracy- aimed to produce useful policy information for local decision-making. Depending on the economic and political features surrounding the MPI, local governments, state level governments and private entities have greater or lesser control on the tasks an MPI does. In the example of Guanajuato's MPI

Conclusion

Policy analysis is a remarkably new subject of study being applied to local governments in Mexico. There is strong bias towards knowing more about the policy process, however this chapter is a modest attempt in the exploration of these other questions.

In order to deliver, I proposed a four-cage model of policy analysis based on a two by two dimension grid. The main dimension is that of governance modes. I argue that local governments in Mexico have undergone decentralization and a democratization governance trend. Both phenomena coincide in time and may or not be exclusive, the important thing here is that policy analysis in municipalities are shaped by either one or the two of these governance modes.

A bureaucratic mode of policy analysis is one that relayed on bureaucratic resources let these be economic, human and organizational resources. An internal version is one where the locus of the knowledge production is within the organizational capabilities. An external version is one where the knowledge production is located in the outskirts such as in consultancy projects where a private entity caters to the clients' need. In this case the government purchases these knowledge from a third party.

A democratic mode of policy analysis is one that reaches out to acquire information and knowledge for policy analysis. It is a grand shift from a technocratic type of process to a more societal and open way of gathering information, data and knowledge. An internal version is one where the local public administration creates mechanisms to outreach for citizen insights. LG still retain a fair degree of control however citizen interaction can bring all source of inputs and information. The external version of this mode was identified on an

external entity that institutionalizes contact between citizenship and local government. I explore MPI's as a new form of policy analysis in local governments although it would be more appropriate to talk of it as policy analysis within the local governance.

The point of departure is the available data in surveys, census and administrative data gathered on municipalities along a period of 30 years. The results are discussed in the previous section and three key policy implications are the following:

1. Local governments' planning activities are an already interesting entrance to do policy analysis in a more professional way but the limits in the bureaucratic mode of policy analysis require a more narrow and specialized scope of policies.
2. Differences between urban and rural municipalities are remarkable and there is a need to support local policy analysis with appropriate strategies and tools. The support could come from the state tier of governments.
3. It is not efficient to have short periods of governments combined with a strong bureaucratic mode of policy analysis. LG could either search for greater professionalization with longer periods of government or to rely more on external democratic modes of governance such as the ones initiated by the MPIs.

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INEGI. State and municipal finance account registries: <http://www.inegi.org.mx/est/contenidos/proyectos/registros/economicas/finanzas/default.aspx>

INEGI. Population Census: <http://www.inegi.org.mx/est/contenidos/proyectos/ccpv/default.aspx>

CIDAC. Electoral Information: http://www.cidac.org/esp/Datos_Electorales.php

Annex

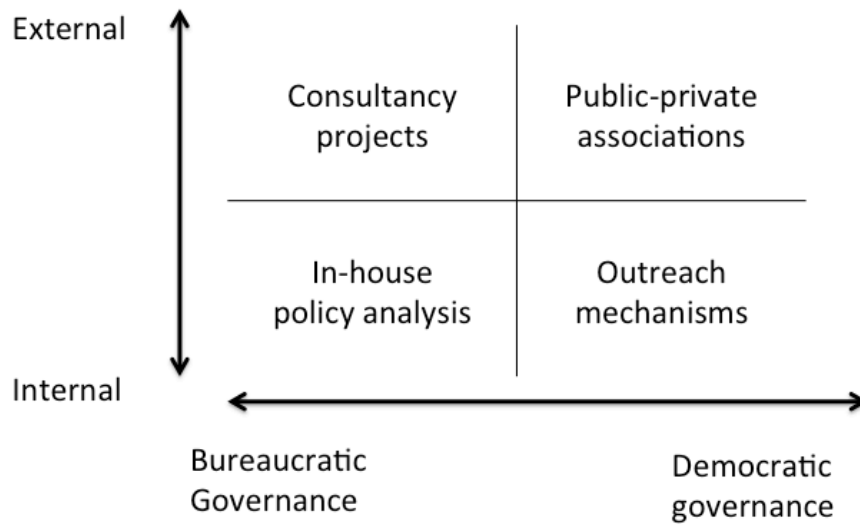
Table 1. Municipal Planning Institutes register at the Asociación Mexicana de Institutos de Planeación Municipal

States	no.	Municipality	Institute short-names	States	no.	Municipality	Institute short-names
Aguascalientes	1	Aguascalientes	IMPLAN	Estado de México	25	Toluca	IMPLAN
Baja California	2	Mexicali	IMIP	Michoacán de Ocampo	26	Morelia	IMPLAN
	3	Ensenada	IMIP	Nuevo León	27	San Pedro Garza García	IMPLAN
	4	Tijuana	IMPLAN		28	San Nicolás de los Garza	INPLADEM
Baja California Sur	5	La Paz	IMPLAN		29	Monterrey	IMPLANc
Campeche	6	Los Cabos	IMPLAN	Puebla	30	Puebla	IMPLAN
	7	Ciudad del Carmen	IMPLAN	Querétaro	31	Santiago de Querétaro	IMPLAN
Coahuila de Zaragoza	8	Torreón	IMPyc		32	Corregidora	IMPLASCO
	9	Saltillo	IMPLAN	Quintana Roo	33	Cancún	IMPLAN
Colima	10	Colima	IPCo	San Luis Potosí	34	San Luis Potosí	IMPLAN
	11	Manzanillo	IMPLAN	Sinaloa	35	Mazatlán	IMPLAN
Chiapas	12	Tuxtla Gutierrez	ICIAM		36	Culiacán	IMPLAN
	13	Comitán de Domínguez	IMPLAN		37	Guasave	IMPLAN
	14	Tapachula	IMPLAN		38	Los Mochis	IMPLAN
Chihuahua	15	Chihuahua	IMPLAN	Sonora	39	Empalme	IMPLAN
	16	Ciudad Juárez	IMIP		40	Hermosillo	IMPLAN
Guanajuato	17	León	IMPLAN		41	Cajeme	IMIP
	18	Irapuato	IMPLAN		42	Nogales	IMIP
	19	Silao	IMPLUS	Tabasco	43	Villahermosa	IMPLAN
	20	Celaya	IMIPE	Tamaulipas	44	Tampico	IMEPLAN
	21	San Francisco del Rincón	IMPLAN		45	Ciudad Victoria	IMPLAN
Gerrero	22	Acapulco	IMPLAN		46	Matamoros	IMPLAN
Hidalgo	23	Pachuca de Soto	IMIP		47	Raynosa	IMPLAN

Jalisco	24	Tepatitlan de Morelos	IMPLAN	48	Nuevo Laredo	IMPLADU	
				Veracruz	49	Coatzacoalcos	IMPLAN
				Yucatán	50	Yucatán	Name not available

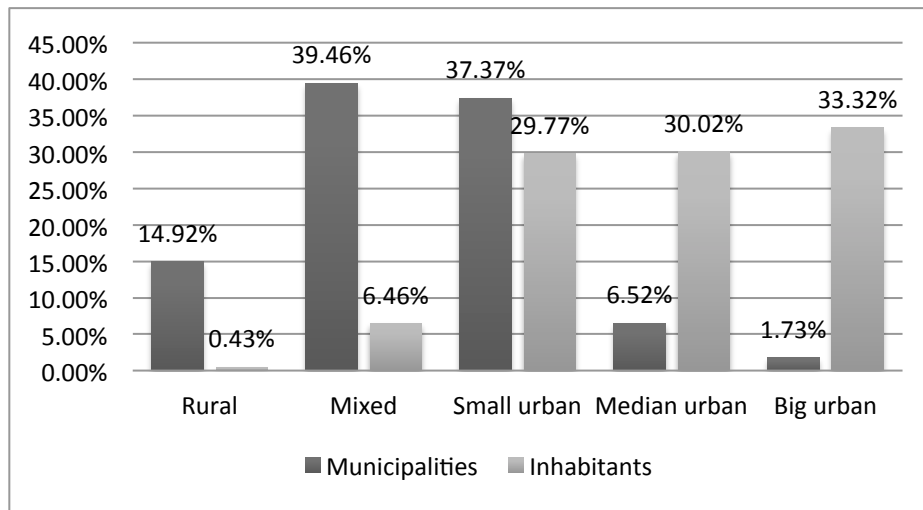
Tables

Figure 1. A four-cage policy analysis model for local governments



Source: Authors own production based in Crafts and Howlett (2012)

Figure 2. Type of municipality (percentage)

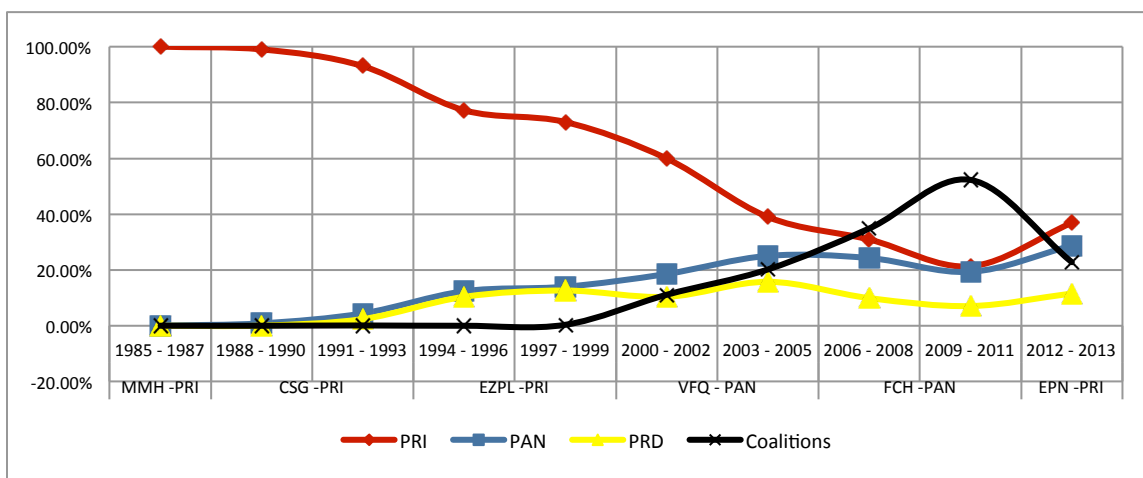


Source: Authors elaboration using Population Census (2010) according to Cabrero & Arellano (2011)

Table 1. Transfers to local governments (Per capita average by type of municipality)

	Rural	Mixed	Small urban	Median urban	Big urban
Unconditional transfers					
1990	71.80	56.11	42.54	53.24	52.00
1994	225.13	146.82	99.61	110.30	102.87
1998	945.97	447.01	304.12	301.19	290.82
2002	1405.50	740.42	502.90	451.45	424.32
2006	2989.79	1347.74	796.54	729.32	695.14
2010	3021.09	1674.61	1134.68	921.06	857.51
Conditional transfers					
1990	5.61	7.06	7.59	8.97	4.30
1994	68.72	26.06	11.97	13.03	11.71
1998	300.27	182.41	171.00	136.18	71.68
2002	872.72	741.11	604.31	410.90	332.98
2006	1066.35	959.26	801.23	533.04	420.77
2010	1824.71	1686.55	1272.54	859.15	822.81

Source: Authors elaboration with data from Government Administrative Accounts in INEGI.

Figure 3. Political parties in local governments (1985-2013)⁵

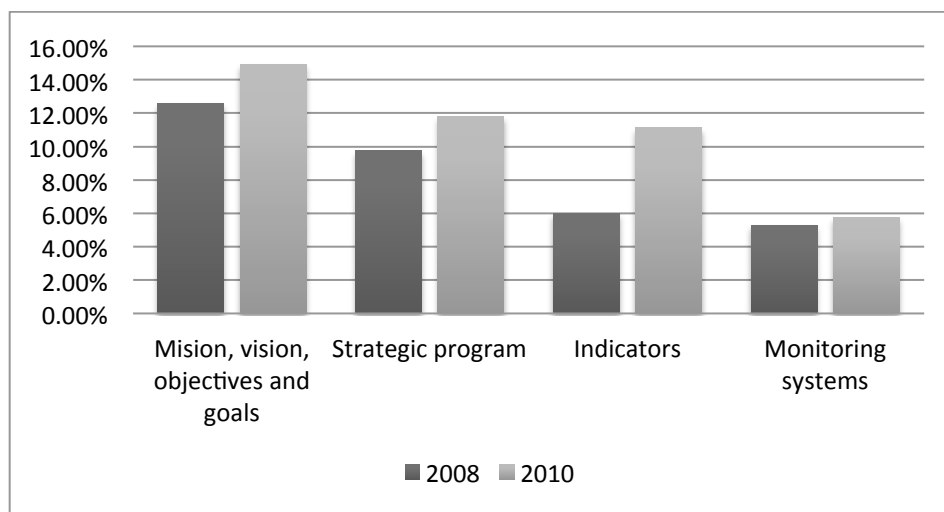
Source: Authors elaboration using CIDAC Electoral Database.

Table 2. Municipalities with development plans (Percentage by type of municipality)

Year	Rural	Mixed	Small urban	Median urban	Big urban
2000	74%	73%	70%	70%	65%
2002	81%	87%	92%	89%	84%
2004	56%	73%	79%	63%	63%
2009	58%	57%	65%	66%	77%
2011	90%	91%	91%	91%	95%
2013	100%	100%	100%	100%	100%

Source: Authors elaboration with data from Governmental Surveys from INEGI.

⁵ Acronims in time axe correspond to national presidential periods: Miguel de la Madrid Hurtado (MMH-PRI), Carlos Salinas de Gortari (CSG-PRI), Ernesto Zedillo Ponce de León (EZPL-PRI), Vicente Fox Quezada (VFQ-PAN), Felipe Calderón Hinojosa (FCH-PAN), Enrique Peña Nieto (EPN-PRI).

Figure 4. Municipalities according a strategic system paradigm (percentage of MDP)

Source: Authors elaboration with data from INAFED.

Table 3. Number of *cabildo* session and working commissions (year average by type of municipality)

Year	Rural	Mixed	Small urban	Median urban	Big urban
Cabildo sessions					
2000	23.39	22.46	26.72	31.32	37.81
2004	27.27	27.29	28.91	30.55	38.89
2011	23.06	32.62	40.52	39.94	36.83
2012	21.66	29.27	35.69	38.64	39.69
Working commissions					
2008	3.31	6.07	8.00	7.90	8.84
2012	5.69	9.22	11.88	12.29	12.74

Source: Authors elaboration with data from Governmental Surveys from INEGI

Table 4. Planning and evaluation, Citizen participation and Transparency working commissions in the ayuntamientos (Percentage by type of municipality)

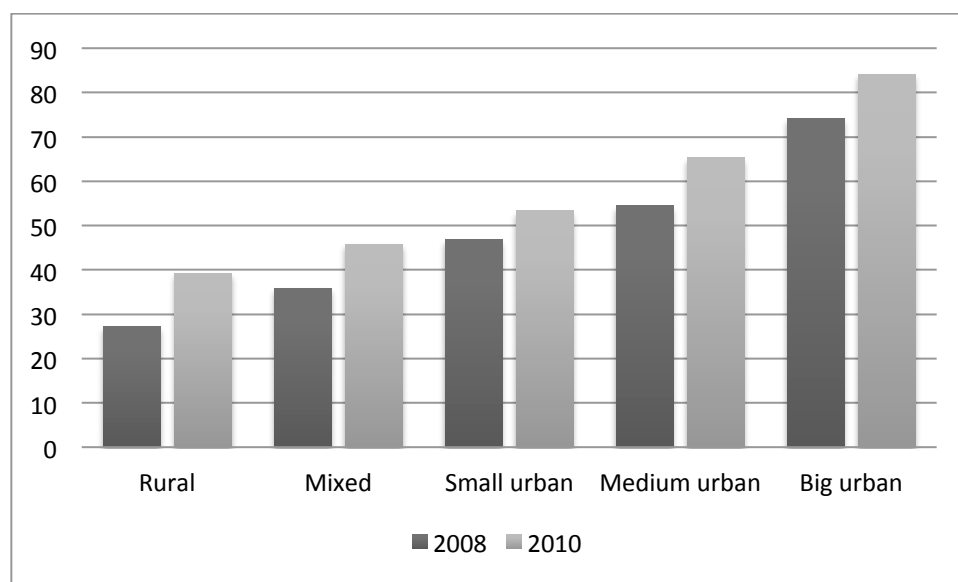
	Rural	Mixed	Small urban	Median urban	Big urban
Citizen participation					
2008	12%	22%	30%	29%	44%
2012	8%	18%	27%	34%	30%
Transparency					
2008	6%	16%	23%	22%	28%
2012	6%	15%	17%	18%	26%
Planning and evaluation					
2008	6%	15%	22%	22%	30%
2012	8%	13%	19%	31%	35%

Source: Authors elaboration with data from Governmental Surveys from INEGI

Table 5. Education level of Heads of Department (Percent by type of municipality)

Year	Rural	Mixed	Small urban	Median urban	Big urban
% up to elementary and technical education					
2000	88.71%	62.91%	38.15%	15.61%	4.33%
2002	86.11%	59.90%	34.34%	13.61%	3.32%
2004	84.06%	57.67%	35.96%	17.35%	10.43%
2013	79.08%	60.31%	35.43%	16.88%	8.72%
% with undergraduate and graduates levels					
2000	11.29%	37.09%	61.85%	84.39%	95.67%
2002	13.89%	40.10%	65.66%	86.39%	96.68%
2004	15.94%	42.33%	64.04%	82.65%	89.57%
2013	20.92%	39.69%	64.57%	83.13%	91.28%

Source: Authors elaboration with data from Governmental Surveys from INEGI

Figure 5. Planning and evaluation Index (average by type of municipality)

Source: Authors elaboration with data from INAFED.

Table 6. Planning and evaluation, Citizen participation and Transparency offices available in the municipal administration (Percentage by type of municipality)

	Rural	Mixed	Small urban	Median urban	Big urban
Planning and evaluation offices					
2002	4.05%	15.17%	35.02%	62.50%	67.44%
2009	4.86%	13.83%	32.93%	55.00%	60.47%
2013	3.24%	8.46%	26.02%	43.75%	65.12%
Citizen participation					
2002	10.00%	18.89%	36.77%	58.75%	60.47%
2009	45.41%	57.89%	63.34%	58.13%	48.84%
2013	1.62%	9.18%	18.66%	41.88%	34.88%
Transparency and information offices					
2009	4.86%	13.83%	32.93%	55.00%	60.47%
2013	6.22%	19.61%	28.43%	41.88%	30.23%

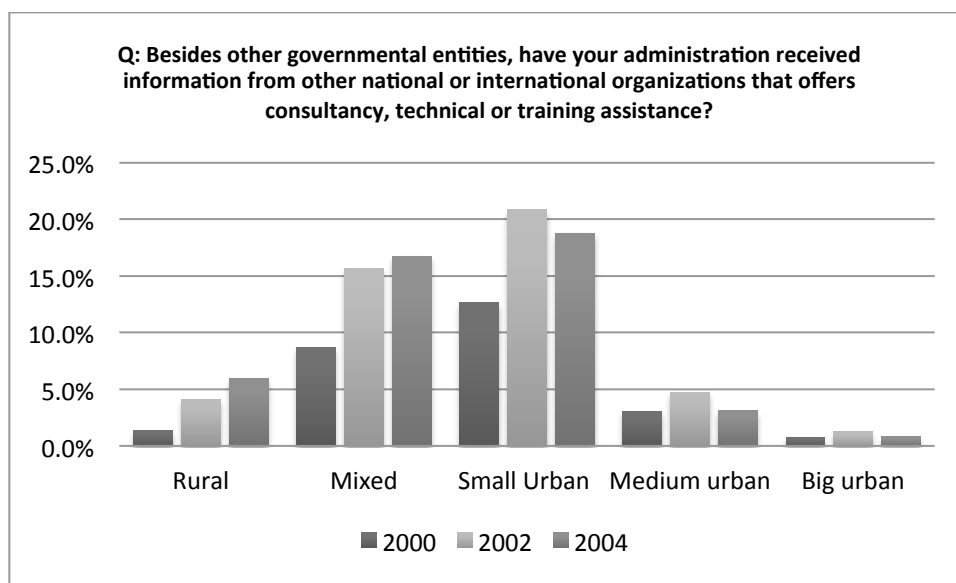
Source: Authors elaboration with data from Governmental Surveys from INEGI.

**Table 7. Thirteen-year mobile average (2000-2013) of expenditure on General Services
(average percentage by type of municipalities)**

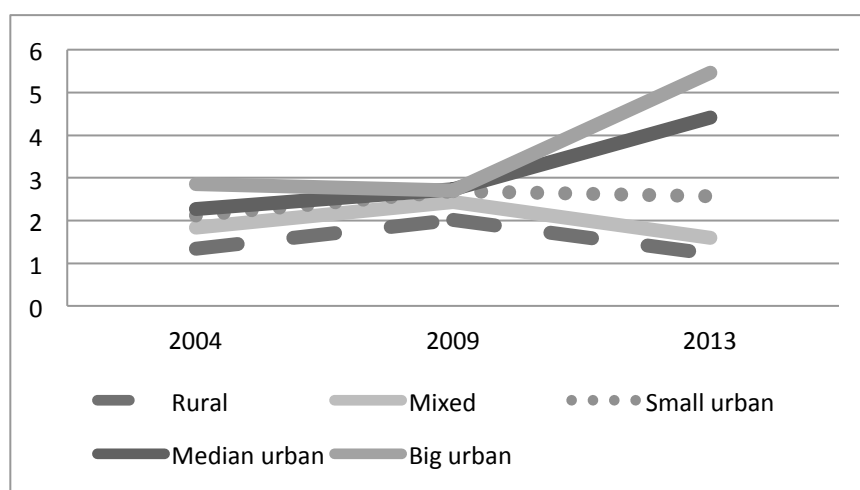
Type of municipaity	General Services (Percentage from total budget)
Rural	18.50%
Mixed	12.13%
Small urban	10.76%
Medium urban	11.81%
Big urban	13.34%

Source: Authors elaboration with data from Administrative registers in Municipal governments' finance from INEGI.

**Figure 6. Answers to question about having any support in policy analysis from
national and international organizations**



Source: Authors elaboration with data from Governmental Surveys from INEGI.

Figure 7. Outreach mechanisms (average by type of municipality)

Source: Authors elaboration with data from Governmental Surveys from INEGI.

Table 8. Open Policies and Citizen Organizations in municipalities (average by type of municipality)

	Rural	Mixed	Small urban	Median urban	Big urban
# Forms of citizen organization recognized by the municipality					
2000	1.1	2.0	2.7	3.3	3.3
2002	0.9	1.6	2.4	2.9	2.6
2004	1.3	1.6	1.8	1.9	2.7
2009	1.9	2.3	2.5	2.6	2.7
2013	1.7	1.8	2.8	4.0	5.4
# Policies and services open to public participation					
2002	1.5	1.6	1.8	1.8	2.0
2004	1.3	1.4	1.5	1.6	1.6
2009	2.3	2.5	2.7	2.7	2.8
2013	2.7	3.0	4.5	7.1	8.0

Source: Authors elaboration with data from Governmental Surveys from INEGI.