

Loughborough University  
Institutional Repository

---

*Decentralisation in  
Venezuela and citizen  
participation in local  
government: the case of local  
councils for public planning  
and the communal councils*

This item was submitted to Loughborough University's Institutional Repository by the/an author.

**Additional Information:**

- A Doctoral Thesis. Submitted in partial fulfillment of the requirements for the award of Doctor of Philosophy of Loughborough University.

**Metadata Record:** <https://dspace.lboro.ac.uk/2134/7002>

**Publisher:** © Xiomara Araujo

Please cite the published version.

This item was submitted to Loughborough's Institutional Repository (<https://dspace.lboro.ac.uk/>) by the author and is made available under the following Creative Commons Licence conditions.



**CC creative commons**  
COMMONS DEED

**Attribution-NonCommercial-NoDerivs 2.5**

**You are free:**

- to copy, distribute, display, and perform the work

**Under the following conditions:**

**BY:** **Attribution.** You must attribute the work in the manner specified by the author or licensor.

**Noncommercial.** You may not use this work for commercial purposes.

**No Derivative Works.** You may not alter, transform, or build upon this work.

- For any reuse or distribution, you must make clear to others the license terms of this work.
- Any of these conditions can be waived if you get permission from the copyright holder.

**Your fair use and other rights are in no way affected by the above.**

This is a human-readable summary of the [Legal Code \(the full license\)](#).

[Disclaimer](#) 

For the full text of this licence, please go to:  
<http://creativecommons.org/licenses/by-nc-nd/2.5/>

Decentralization in Venezuela and Citizen  
Participation in Local Government: the Case of Local  
Councils for Public Planning and the Communal  
Councils

By

Xiomara Araujo

Submitted in partial fulfilment of the requirements for the  
award of Doctor of Philosophy of Loughborough University

July 2010

© by Xiomara Araujo 2010

*Quiero dedicar esta tesis a mis hijos. También quisiera dedicársela a todas aquellas personas que me ayudaron a alcanzar esta meta.*

*Con todos ustedes mi corazón siempre*

*I dedicate this thesis to my children. I would also like to dedicate it to all those who helped me to achieve this goal.*

*With all of you my heart always*

## Abstract

Venezuela began a process of decentralization in the late 1980s as part of a major period of institutional reform designed to restore legitimacy to the discredited political system of the time. The first efforts towards this end did not complete the process of decentralizing political power, since they did not open more spaces or channels for citizen participation in public affairs. With the adoption of a new National Constitution in 1999, however, new channels for citizen participation were opened through the creation, amongst other mechanisms, of the State Councils of Public Policy Planning, the Local Councils of Public Planning and later, the Community Councils.

The primary objectives of this thesis were to analyze the degree to which this decentralization process has improved local governance in Venezuela. More specifically, the investigation focused on exploring the effectiveness of the measures introduced to enhance civil society participation in public affairs. The analysis draws upon and attempts to integrate insights from a range of academic literatures including those dealing with: the debates surrounding 'good governance', organizational and institutional theory, decentralization and civil society participation in public affairs. Rich empirical research into the degree to which the decentralization process has promoted citizen involvement in decision making involved the exploration of a wide range of secondary materials and the conducting of interviews with key actors and participants within the programmes under investigation.

Key findings include the observation that the creation and operation of the Local Councils of Public Planning and Community Councils have led to the evolution of a participatory process that has been marred by a lack of legal continuity, institutional disorganization and a lack of awareness of the existence of the mechanisms (and some suspicion regarding their intentions amongst the general population). Outcomes have also been heavily influenced by the political polarization that exists in contemporary Venezuela. The community councils in particular have been the subject of considerable debate within the country with opinion sharply divided along political lines as to whether they represent a

radical new vision of decentralization or another way to further centralize power within the hands of President Hugo Chávez.

## *Acknowledgements*

It seems unbelievable, but I was avoiding writing this page, I was afraid not to know how to thank so many people on such an important time like this, as it comes to an end.

I would, however, like to begin to thank God for giving me the strength to get here.

Then I would like to thank my family for their support.

My gratitude indefinitely for someone who guided me throughout this journey, without his help and guidance I would not have achieved what I am presenting today, my most sincere thanks to Dr. Ed Brown, my supervisor, always right (He was always right, and I thank God for that!), always attentive, always knowing what to do and always encouraging me to do things better. Gracias Dr. Brown, mi gratitud hacia usted será por siempre.

I give my heartfelt thanks to the Fondo Nacional de Ciencia y Tecnología (FONACIT) for its financial support, thanks to its invaluable support I could do this PhD, a thousand thanks to the people who work there and that make possible for many Venezuelans to accomplish higher levels of education and research. I am also immensely grateful to Mr Florencio Porras for his help and cooperation, his help was really invaluable.

There are a lot of people without whom this research would not be complete. I mean all those who in some way participated in my fieldwork, either accepting to answer my questions or giving me valuable information, perhaps for some of them it was not of great importance and yet, they gently spent some of their valuable time with me. For some of them, however, talk about their experience was flattering, it was also gratifying that someone listen to them and be interested in the value of their community work, I just hope I can do justice to their effort and commitment in this investigation. I also would like to thank the people who gave me written information in the various official bodies to which I attended, thanks for their selfless assistance.

Finally, thanks, a thousand of thanks to all at the University of Loughborough, the people of the Department of Geography, the Pilkington library, and finally to everyone who in one way or another, contributed to the achievement of this research and, God willing, the achievement of this PhD.



		Page
<u>Table of Contents</u>		
Abstract		i
Acknowledgements		iii
Table of Contents		v
List of Figures, Maps, Table and Photographs		ix
List of Acronyms		x
Chapter I	Introduction	1
Introduction		2
1.	Why Decentralization?	3
2.	Why Public Participation?	3
3.	Decentralization and Public Participation in Venezuela	4
4.	Thesis Structure	5
Chapter II	The Theoretical Framework: Institutions, Organizations and Governance	7
Introduction		8
2.1	Institutions and Organizations	10
2.1.1	Understanding changes in the structure of organizations	12
2.1.2	Evolutions within organizations	16
Archetypes		18
2.2	Governance	21
2.2.1	Theories about Governance	22
2.2.2	Themes in Governance	28
2.3	Institutions, Governance and the Institutions of Local Governance	31
2.4	The Issue of Governance in Latin America	34
Chapter III	The theoretical Framework 2: Decentralization and Civil Society Participation	35
Introduction		36
3.1	Decentralization: main concepts	37
3.1.1	The Pros and Cons of Decentralization Policies	39
3.1.2.	A General Overview	44
3.1.3	Measuring Decentralization	48
3.1.4.	Determinants and Approaches to Decentralization	51
3.1.5.	Decentralization in Latin America: a general overview	52
3.2	The Issue of Public Participation	54
3.2.1	Civil Society and Public Participation	58
3.2.2	Forms of Participation	61
3.3	The Institutional Process of Participation and the Mechanisms Used to Implement it	63
3.3.1	Direct Mechanisms for Participation	69
3.4	Concluding Thoughts	74
Chapter IV	Methodology, Aims and Objectives	76

Introduction	77
4.1 Aims and Objectives	78
4.1.1 Aims	78
4.1.2 Objectives	79
4.2 Methodology	80
4.2.1 Research Methods	80
4.2.2 Quantitative Methods vs. Quantitative Methods	82
4.2.3 The Sampling Procedure	86
4.2.4 The Geographical Context	88
4.2.5 Gathering the Data: primary and secondary data	93
Primary data: Interviews	93
4.2.6 Interviews Analysis: Approaches	101
4.2.7 Secondary data. Analysis	104
4.3 The Issue of Positionality	105
4.4 Summary	107
Chapter V	109
The Reform of the State and the Process of Decentralization in Latin America	
Introduction	110
5.1 Structural Adjustment Programs: the Latin American Experience	111
5.1.1 Models of Latin American Development	112
5.1.2 Stabilization and Structural Adjustment Programs in Latin America	117
Mexico	120
Peru	123
Brazil	124
5.1.3 Evaluation of Structural Adjustment Programs	126
5.2 The Reform of the State and the Decentralization Process in Latin America	131
5.2.1 The Origins of Local Government in Latin America	135
5.2.2 The Experience of Decentralization in Latin America	138
Peru	138
Bolivia	140
Chile	144
Mexico	146
5.3 General Review	151
Chapter VI	157
Historical Antecedents: The Reform of the Venezuela State	
Introduction	158
6.1 The Import-Substitution Stage	159
6.2 The Structural Adjustment Period	163
6.3 The History behind the Process of Decentralization	170
6.4 The Reform of the State	173
6.4.1 The Background	173
6.4.2 The Presidential Commission for the Reform of the State (COPRE)	174

The Aftermath	180
6.5 The Instruments of Decentralization in the Framework of the 1961 National Constitution	181
6.5.1 The Organic Law of Decentralization and the Law about the Election of Governors	181
6.5.2 The Organic Law of Municipal Regimen	183
6.5.3 The law of Suffrage and Political Participation	185
6.5.4 Mechanism for Intergovernmental Coordination	185
6.5.5 Mechanisms for Funding	187
6.6 The Advantages and Failures of the Decentralization Process	189
Chapter VII      The Process of Decentralization in Venezuela under the 1999 National Constitution	196
Introduction	197
7.1 Decentralization in the V Republic	197
7.1.1 Why a New Constitution?	197
7.1.2 The 1999 National Constitution and the Process of Decentralization. Meanings and Mechanisms	199
7.1.3 New Directions towards Decentralization	206
The Federal Council of Government	220
7.2 Decentralization or Re-concentration of Power?	227
7.3 Preliminary Conclusions	232
Chapter VIII     A Review of the Mechanisms for Public Participation in Local Government in Venezuela under the 1991 Constitution	234
Introduction	235
8.1 Civil Society Participation in the Venezuelan Republic: a national debate	236
8.1.1 The Background of Public Participation	236
8.1.2 Participation Experiences Prior to the 1999 National Constitution	238
8.2 A New Way for Public Participation	241
8.3 Participation under the 1999 National Constitution	244
8.4 Mechanisms for Participation	246
8.4.1 The State Council for Public Planning and Coordination of Public Policies	246
8.5 Instating Other Forms of Public Participation	250
8.5.1 Círculos Bolivarianos	251
8.5.2 The Local Council for Public Planning (LCPP)	253
8.6 Preliminary Conclusions	266
Chapter IX       A Review of the Communal Councils as a Mechanism for Public Participation in Venezuela	267
Introduction	268
9.1 Changes in the Approach of Participation	268

9.2 The Commencement of the Communal Councils	271
9.3 The Communal Councils 2006 Law	272
9.3.1 The Link between CCs and the LCPPs	281
9.4 Communal Councils and the Political Project of President Chávez	282
9.5 The Experiences in the Implementation and Functioning of the Communal Councils under the 2006 Law	286
9.5.1 An Analysis of CCs Functioning	291
9.6 Preliminary Conclusions	304
Chapter X           Conclusions	309
Introduction	310
10.1 Theoretical Issues	312
10.2 Decentralization and Institutional Reform in Latin America and Venezuela	315
10.3 Instruments for Civil Society Participation	318
10.4 General Conclusions	321
Answering the Research Question and Objectives	321
10.5 Implications of this Research	324
10.5.1 Institutional Nature	325
10.5.2 Implications for the Functioning of Indigenous CCs	327
10.6 Possibilities for Future Research	328
10.7 Implications Beyond Venezuelan Borders	329
10.8 Where Things Are Going in Venezuela	330
References	337

## List of Maps, Figures, Photographs and Table

### List of Maps

Chapter IV	Methodology, Aims and Objectives	
Map 1	Miranda State and Greater Caracas	89
Map 2	Amazonas State	90
Map 3	Carabobo State	91
Map 4	Mérida State	92

### List of Tables

Chapter IV	Methodology, Aims and Objectives	
Table 4.1.	List of Interviews Conducted	98

### List of Figures

Chapter VII	The Process of Decentralization in Venezuela under the 1999 National Constitution	
Figure 7.1	The New Geometry of Power	211

### List of Photographs

Chapter X	Conclusions	
Photograph 10.1	El Banco de la Comuna Socialista	311
Photograph 10.2	Community Councils March in Support of the Political and Economic Project of the National Government	312

## Acronyms

AD	Acción Democrática
ANTV	Fundación Televisora de la Asamblea Nacional
CC	Communal Council
CLACSO	Consejo Latinoamericano de Ciencias Sociales
CLPP	Consejo Local de Planificación Pública
CODECO	Consejos de Desarrollo Comunales
COPRE	Comisión Presidencial para la Reforma del Estado
CORDIPLAN	Oficina Central de Coordinación y Planificación de la Presidencia de la República
CREOPA	Crecimiento Organizativo Parroquial/ Fortalecimiento Comunitario
CTV	Confederación de Trabajadores de Venezuela
DETR	Department of Environment, transport and Regions
DMD	Distritos Motores del Desarrollo
ECLAC	Economic Commission for Latin America and the Caribbean
EPA	Environmental Protection Agency
FAM	Federación de Asociaciones Municipales de Bolivia
FAN	Fuerza Armada Nacional
FCG	Federal Council of Government
CFG	Consejo Federal de Gobierno
FEDECAMARAS	Federación de Cámaras y Asociaciones de Comercio y Producción
FIDES	Fondo Intergubernamental para la Descentralización
FUNDACOMUN	Fundación para el Desarrollo Comunal
FUNDACOMUNAL	Fundación para la Promoción y Desarrollo del Poder Comunal
IMF	International Monetary Fund
INDECU	Instituto Nacional De Educación al Consumidor y al Usuario
INDEPABIS	Instituto para la Defensa de las Personas en el Acceso a los Bienes y Servicios
LAEE	Ley de Asignaciones Económicas Especiales para los Estados Derivadas de Minas e Hidrocarburos
LCPP	Local Council for Public Planning
MINCI	Ministerio del Poder Popular para la Comunicación y la Información
MINPADES	Ministerio del Poder Popular para las Comunas y Protección Social Ministerio del Poder Popular para la Participación y Protección Social Ministerio de Participación Popular y Desarrollo Social
NEJAC	National Environmental Justice Advisory Council
NGO	Non Governmental Organization
PAN	El Partido de Acción Nacional
PIRE	Programa Inmediato de Recuperación Económica
PRI	El partido Revolucionario Institucional
PROGRESA	Programa de Educación, Salud y Alimentación
PRONASOL	Programa de Solidaridad Nacional

PSUV	Partido Socialista Unido de Venezuela
SAP	Structural Adjustment Program
SCPP	State Council for Planning and Coordination of Public Policies
SEDESOL	Secretaría de Desarrollo Social
SENIAT	Servicio Nacional Integrado de Administración Aduanera y Tributaria
SIAM	Servicio de Información y Análisis de la Gestión Municipal
SUBDERE	Secretaría de Desarrollo Regional y Administrativo
UN	United Nations
UNDP	United Nations Development Programme
VTV	Venezolana de Televisión
WB	World Bank

# Chapter I

---

## Introduction

*"No man is an island, entire of itself; every man is a piece of the continent, a part of the main. If a clod be washed away by the sea, Europe is the less, as well as if a promontory were, as well as if a manor of thy friend's or of thine own were. Any man's death diminishes me, because I am involved in mankind; and therefore never send to know for whom the bell tolls; it tolls for thee..."*

*John Donne, 1624  
Meditation 17  
Devotions upon Emergent Occasions*



## Introduction

This dissertation reflects the research carried out over a five year period on a political reform implemented in Venezuela at the end of the 1980s and its evolution through subsequent institutional reform. To accomplish this task, the research drew upon the insights of five basic academic literatures: Institutional theory, organizational theory, governance, decentralization and civil society participation in public affairs. In this sense, the thesis seeks, based on the insights of the theories mentioned above, to understand what were the peculiarities of the Venezuelan decentralization process; and more particularly, what type of political changes have occurred within Venezuela under the framework of the new Venezuelan constitution, approved in 1999.

The initial motivation of this research was aimed at analysing the processes of governance embodied in the experience of decentralization in Venezuela, which was carried out at the end of the 1980s and continued under the 1999 constitution. It was also my goal to analyse whether local institutions had improved their management and made more efficient service delivery under this process. My interest in this subject is based on my experience in the field of planning in Venezuela, developed on a decentralized national institution, in which planning was carried out according to orthodox methodologies in which community participation was not considered as it is, at least in theory, today. However, prior to the fieldwork, various circumstances led to this initial motivation to be focused on the implementation of two mechanisms to ensure the direct participation of civil society in the process of decision making at local level. This issue has gained considerable strength in Venezuela; under the premise that it reinforces decentralization and the federal character that the Venezuelan constitution gives to the country's political system. Through the analysis of the instruments for participation the political polarisation that exists today in Venezuela has been revealed, along with the ways in which such polarisation has affected their implementation. Two of the mechanisms that are discussed in this research have shown clearly the direction that the political project, conceived by President Hugo Chávez, for the establishment of a socialist system in Venezuela, has managed to change the orthodox or neo-liberal notion

of the decentralization process that was started in Venezuela in the late 1980s, and, more importantly, how it introduced a new way for civil society participation that has been implemented to meet the requirements of the functioning of a new political project called “Socialism of the 21<sup>st</sup> Century”.

### 1. Why Decentralization?

The debates that are presented in Chapter III show how decentralization concepts have been interpreted and implemented worldwide. This chapter also explores the necessary conditions for the implementation of decentralization as well as the setbacks and advantages of this governance structure. One main characteristic of decentralization is that, if administered successfully, it can bring higher levels of responsibility and accountability to local communities. It also implies the possibility of greater efficiency in the implementation of public policies and in service delivery because local governments are the nearest tier of government to the citizens and therefore they tend to be more aware of local problems and the necessary policies needed to resolve them. Decentralization policies are supposed to bring political power to the localities, which entails the political will of central politicians to share power and encourage the participation of local institutions in the process of decision-making (Regulska, 1997; Rondinelli, 1983). The promise of decentralization, in terms of involving local communities in the decision-making processes, leads us to another important question: why is it important to involve civil society in governance processes and how might that best be achieved?

### 2. Why Public Participation?

Most debates on political decentralization, at least in relation to the way in which that concept has been outlined here - the distribution of power between different levels of governments, argue that decentralized governments are closer to their constituents, know their problems better and represent the best channel for people to take part in the decision-making processes that affect their daily lives

(Schönwälder, 1997; Summerville, Adkins & Kendall, 2008; Veltmeyer, 1997). The demand to improve civil society participation in political decision-making has been associated with what has been argued to be a general lack of representation within democratic political systems. It is also, however, associated with a desire to combat inefficiency in public administration (Cunill, 1991). Whilst everyone seems to agree that enhanced public participation is a good thing, there still remain great debates about how best to achieve this, and that is why I am, in this research, interested in exploring what light the Venezuelan experience might shed on this question through the experience developed by the Local Councils for Public Planning and the Communal Councils. In addition, for all the rhetorical commitments to enhancing participation from the right and left of the political spectrum, in reality most attempts at enhancing public participation have been partial at best and have been beset with a host of problems which are explored at length within the thesis.

### 3. *Decentralization and Public participation in Venezuela*

In Venezuela decentralization was first addressed at the end of the 1980s and this process was one of the outcomes of the Reforms of the State being conducted at that time. One of the motivations that drove the central government to introduce far-reaching legal transformations to the political structure of the country was the deep political and economic crisis that the country was living through at that time. However, these initial steps towards decentralization did not introduce any direct mechanisms for civil society to take part in the decision-making process. With the enactment of the 1999 national constitution, however, new institutional channels were opened in order to facilitate the engagement of local communities, through local governments, within the political process. This research focuses on two of these mechanisms for participation: the Local Councils for Public Planning and the Communal Councils. These mechanisms bring together different perspectives on decentralization and provide an opportunity to place studies of decentralization within the real context of the messy, polarized and highly volatile world of Venezuelan politics. It also presents

the opportunity to consider different approaches to achieving civil society participation in the decision making process.

#### *4. Thesis Structure*

This dissertation has been structured in ten chapters. Chapters II and III contain the theoretical foundations of this research which draws together insights from five different academic literatures, those were: the theory of Institutions, Organizational theory, Governance, Decentralization and Public Participation in political decision-making. Chapter IV draws together the insights from the literature discussed in the two preceding chapters and presents a detailed discussion of how engagement with those literatures led to the formulation of the detailed research questions around which the thesis is structured. The rest of Chapter IV discusses the methodologies employed to collect the necessary data to effectively address those research questions..

Chapter V then presents a general overview of the history and contemporary dynamics of the processes of state reform in Latin-America and how this has given rise to the current importance attached to decentralization in the region. The chapter concludes with a detailed consideration of the specific experiences of four Latin American countries in relation to these issues. Chapter VI then uses this regional context to explore the particularities of the state reform process in Venezuela, concluding with the first wave of decentralization carried out in Venezuela under the 1961 national constitution.

The final three chapters form the empirical core of the thesis and draw extensively upon the rich empirical material produced via the field research undertaken for the thesis. Chapter VII introduces the decentralization process that begins in Venezuela under the national constitution approved in 1999 or under the Fifth Republic, and how this process has evolved along with the implementation of the political project led by President Hugo Chávez.

Chapters VIII and IX then go on to discuss the implementation and functioning of the Local Councils for Public Planning and the Communal Councils respectively

in the light of the debates surrounding public participation in local decision-making. Finally, Chapter X summarises the themes presented and debated in this dissertation, with an emphasis on the evolution of decentralization under the present government and the implementation and functioning of the Communal Councils and their connection to a wider debates outside Venezuela.

## Chapter II

---

### The Theoretical Framework: Institutions, Organizations and Governance

*How do formal institutions influence the practice of politics and government?*

*If we reform institutions, will practice follow?*

*Does the performance of an institution depend on its social, economic, and cultural surround?*

*If we transplant democratic institutions, will they grow in the new setting as they did in the old?*

*Or does the quality of a democracy depend on the quality of its citizens, so that every people gets the government they deserve?*

Robert Putnam, 1993:5

## Introduction

In his book *Making Democracy Work* (1993), Robert Putnam asked the following:

*“How do formal institutions influence the practice of politics and government?”*

*If we reform institutions, will practice follow?*

*Does the performance of an institution depend on its social, economic, and cultural surround?”* (Putnam, 1993: 5).

This research has attempted to address the answers to these kinds of questions in exploring the dynamics of the political and institutional reforms that have been implemented in Venezuela over recent years. Venezuela undertook a process of decentralization at the end of the 1980s which implied a strong reform of the state structure and a profound transformation of state institutions. However, this reform did not go as far as providing direct mechanisms for civil society participation in political decision-making, other than establishing the vote in the election of regional and local authorities. With the approval of the 1999 National Constitution, however, new mechanisms for public participation were put in place, and with them, a new structure of the state started to be crafted, and with it, a profound new reform of state institutions was also set in motion.

This chapter seeks to establish an analytical framework for addressing the nature and impact of these reforms by exploring the kinds of questions asked by Putnam and reviewing the existing academic literature on the nature of institutions and organizations, and relating these to the currently dominant international literature on governance. We begin by asking why we should study institutions and how we might define them. Institutions are of fundamental importance in every society, because they provide “the basic rules of the game”; they are mechanisms designed to shape human interactions. Institutional changes are a reflection of how societies develop through time and become a key

aspect in understanding “historical change” (North, 1990: 3). Institutions consequently become the representation of the social structures of any given society, constituted basically by three elements: cultured-cognitive, normative, and regulative; through these elements social stability is secured. Institutions can be found at different levels of jurisdiction. Organizations, on the other hand, are important features of modern society that are constituted by a normative and a behavioural structure (Scott, 1981).

This chapter will cover the connections that have been established between the theories of New Institutionalism and organizational theory which argue, amongst other elements, that an organization’s structure and its resistance to change are defining features in institutional performance; an argument that constitutes a strong foundation of this research. The purpose of this chapter and the chapter that follows (II & III) is to develop a framework for the analysis to be carried out throughout this research. Thus, to properly understand and interpret what has been going on in relation to the reform of local government in Venezuela it is necessary to provide a detailed discussion of the broader theoretical and conceptual debates which will be drawn upon. These ideas include the theories of new institutionalism and organizational theory which were extremely useful in offering explanations as to how the institutions of the state and smaller-scale organizations of civil society relate to each other, as well as wider theories about governance and participation and how these relate to the specific context of decentralization. These two chapters will provide a more general discussion of the academic debates in these fields and how they inter-relate. These debates will then be used to provide a framework for the more regionally and historically specific analyses of decentralization and institutional reform initiatives in Latin America and Venezuela specifically, which follow in the later chapters. The discussion that follows will be framed by the questions set for this research:

1. How the processes of decentralization initiated in 1989 have evolved and whether this process has improved local governance and democracy in Venezuela?
2. Whether local governments in Venezuela have fostered opportunities for civil society participation in local decision-making



and how have the mechanisms established by the 1999 National Constitution been incorporated into the structure of local governments?

All theories discussed in Chapters II & III (institutional and organizational theories, governance theories, decentralization and civil society participation) have been considered for the analysis to be performed in this research because they offer elements that can help to explain the political and social changes that are taking place in Venezuela.

### 2.1 Institutions and Organizations

Institutional theory defines institutions as social structures, constituted by “cognitive, normative and regulative elements that associated with activities and resources provide meaning and stability to social life” (Scott, 2001:48). Institutions can be analyzed according to two main theoretical strands: new institutionalism and old institutionalism. Old institutionalism was focused on the administrative, legal and political structures of institutions and its character was mainly descriptive; new institutionalism, on the other hand, bases its analysis on the theory of rational choice and from an historical perspective (Thelen & Steinmo, 1992). From a rational choice point of view institutions represent a key factor in social life because they impose “constraints on self-interested behaviour”, institutions according to this line of thought “define the strategies that political actors adopt in the pursuit of their interests” (Thelen & Steinmo, 1992: 7). Although institutional context is important in the historical analysis of institutions, the key factor for these theorists is the role that institutions play in “shaping politics”, on this particular aspect, the importance of institutions is based on the influence that they have on shaping actors’ strategies and goals when they try to establish links of cooperation and resolving conflicts. However, it is good to keep in mind that, even when institutions have an effect on political outcomes, they, the institutions, are, in turn, the result of strategies, conflicts and political decisions (Thelen & Steinmo, 1992: 6-9).

The question of 'change' is a major theme within the analysis of institutions and, in many senses, the one that most interests us here in the context of the reform of local government in Venezuela. Change in this context can refer to changes in the external environments of institutions or change that arises from within institutions themselves. Connected to this is the dynamism generated by institutional processes, which is also identified as an important element in political outcomes. This dynamism can be the result of changes in the social and political context where institutions are located and also by changes in the balance of power between actors. Another explanation for the presence of dynamism in institutions is represented by external factors affecting the strategies structured within the institutions (Thelen & Steinmo, 1992: 16).

When changes in the values of an institution happen this process is called institutional transformation. Institutional transformations can be, in turn, a response to the political changes suffered by a particular political regime (Peters & Pierre, 1998). In particular, a new focus upon political institutions has been brought to the "studies of formal organizations and particularly in studies of the place of such organizations in the implementation of public policies" (March & Olsen, 1984: 734).

Organizations, on the other hand, are described by Scott (2001) as the structures through which rational actions are expressed; they are the instruments used by actors to attain their objectives. These structures/instruments are, of course, influenced by the social context in which those actors are localized and organizations will also be influenced by the demands made by the environment in which they are inserted (Selznick, 1948; cited by Scott, 2001: 23). Zucker (1983:1) describes organizations as the "pre-eminent institutional form in modern society... organizations are everywhere, involved in almost every possible sphere of human action" (Zucker, 1983:1). Organizational theory points out that the process of institutionalization suffered by organizations through time reflects the history of each organization, the players that take part in this process and the interests that those players have created; it also reflects the way organizations adapt themselves to the environment that surrounds them (Selznick, 1948; in Scott, 2001: 23).

Organizations, then, are rational actors influenced by institutional context (Tolbert & Zucker, 1983). To stress the preceding discussion, some serious consideration has been given to the influence that institutional context<sup>1</sup> has upon the structure of organizations. Based on the findings of institutional theorists, it has been argued that organizations, in securing their permanence, have to adapt themselves to their institutional context, with the consequence that the ideas, values and beliefs developed within an organization, are, at least in part, the outcome of this institutional context. Greenwood & Hinings (1996: 1023) and Selznick (1957, cited by Peters & Pierre, 1998: 572) differentiate between two different kinds of organizations: one they term “structural expressions of rational action” and the other “normative and adaptive institutions”. The element that distinguishes these two different types of organizations from each other is their relationship with the environment. This approach, according to Peters & Pierre, sees “organizations (or institutions) both as dependent upon the resources of their environment and as tending to be shaped by that environment” (Peters & Pierre, op cit: 572). Given Selznick’s distinction between these different types of organization, there are two elements that influence the diffusion of innovation (or other changes) and its effects on the formal structure of organizations. When organizations are taken as the structural expression of rational actions the more important element in processes of change is frequently presented as the need for efficiency. On the other hand, when organizations are interpreted as normative and adaptive institutions, then it is the importance of an organization’s legitimacy that is seen as being crucial (Tolbert and Zucker, 1983: 22).

### *2.1.1 Understanding changes in the structure of organizations*

Continuing with the analysis of the linkages between institutions and organizations, Greenwood & Hinings (1996) argue that whilst institutional theory has not often been linked with the subject of organizational change; there

---

<sup>1</sup> Institutional context, according to Greenwood & Hinings, is the “extent of tight coupling and the extent of sectoral permeability. Tight coupling refers to the existence of mechanisms for dissemination and the monitoring of compliance combined with a focused and consistent set of expectations” (1996: 1029).

are some elements in neo-institutional theory<sup>2</sup> that can prove helpful in connecting the new institutionalism and the old institutionalism approaches. Those elements are related to the dynamics of organizational change. In order to explain changes in the structure and functioning of organizations the following aspects have been emphasized in this literature:

1. Organizations' resistance to change, which is found in the strong influence that normative elements have on their institutional context
2. When drastic changes occur, the pace of those changes will be different among the different sectors established within the organization, mainly due to the different institutional structures developed within those sectors
3. Changes will be felt differently in different organizations because organizations do not have the same dynamics in their internal structure (Greenwood & Hinings 1996: 1023)

This particular debate, about the influence that institutional context has upon organizations and the different levels of resistance to change experienced by organizations proved extremely helpful in developing an effective understanding of how political changes in the structure of the state have been carried out in Venezuela, how those changes are being implemented and the resistance that they have encountered (because they represent a break with existing practices of making public policies). Another effect caused by the institutional context of an organization is the pressure that can be placed upon organizations to implement the same organizational form (see the later discussions on governance for an illustration of this); institutional context can establish 'blueprints' that tend to be followed by organizations. The importance of the values embedded in organizational structures has also been stressed in the literature, because they (values and ideas) are the foundations of an organization's structures and provide the mechanisms through which this structure can be evaluated and changed (Greenwood & Hinings, 1996: 1025).

---

<sup>2</sup> Greenwood & Hinings refer to neo-institutionalism as the developments occurring in this subject during the 1990's, "the coming together of the old and new institutionalism" (Greenwood & Hinings, 1996: 1022-23).

Structural forms in an organization change over time, and this structure can be understood as the result of a very intricate expression of the relations established between “interpersonal cognitive processes, power dependencies, and contextual constraints” (Ranson et al., 1980: 1). Debates about organizational structure can be divided into two main approaches. The first sees the structure of an organization as being relatively straight-forwardly reflected in the formal configuration of its roles and procedures. The second approach argues that the first approach does not describe entirely how the structure of an organization is configured, and instead of looking only at the formal configuration, analysis should also be focused on informal structures if a more complete understanding of organizational structure is to be achieved (Ranson et al., 1980). Those who argue for the importance of organizational framework in the analysis of structure, tend to focus their attention on the separation of positions, rules, procedures and prescription of authority as important elements in achieving effectiveness within an organization. This group are influenced by Weber’s essays on bureaucracy. On the other hand, there are those who argue that, in order to understand the structure of organizations, the key element is to explore the patterned regularities or “the day to day work of an organization ...” or what people actually do (Ranson et al., 1980: 2). Although there are clearly important differences between these approaches, Ranson et al. suggest that they can be brought together because the structure of an organization reflects both its formal configuration and the interactions of its members, and the level at which the framework and the kind of interactions complement each other (Ranson et al., 1980: 3)<sup>3</sup>.

The work developed by Ranson *et al* has been extremely useful in developing our understanding of organizational structure and, most importantly, how organizations experience change. They brought together previous debates on the theory of organizations and concluded that changes in the structure of organizations can best be understood when three aspects are analyzed:

---

<sup>3</sup> For a more extensive explanation of this reasoning, see Ranson et al. 1980: 3.

- a. interpretative accounts of the meanings that actors create: this means how an organization's workers understand their own reality and how this reality is replicated over time
- b. comparative analysis of the contextual constraints upon organizational decision-makers
- c. temporal analysis for understanding the evolution of structural changes over time

(Ranson et al.1980:4).

The consideration of these aspects will provide tools that will help researchers to recognize and analyse how the processes that define an organization's structure are developed. They argue that this can be achieved by identifying and exploring three elements which they identify as: the province of meanings, the dependencies of power and contextual constraints.

Ranson et al (1980) define 'provinces of meanings' as a fundamental part of an organization's structure and represent the values, interests and knowledge of the organization. When values, interests and knowledge are taken together, they construct interpretative schemes. There are two kinds of these interpretative schemes: one that assists in creating and understanding the "organizational world as meaningful", and another that arranges the organization's values and interests in a way that helps to implement its structural frameworks (Schultz, 1967; cited by Ranson et al. 1980: 5). Hence for actors within any given organization their understanding of the structural frameworks within which they operate will be "shaped and constituted" by these provinces of meanings". The dependencies of power refer to the uneven influence that some members have over others in building the structure of an organization. The structure of an organization is shaped by the values, interests and knowledge that members of an organization have; the issue though is that not all members within an organization have an equal influence in shaping this structure, because some actors are more privileged than others in this process. Developing this point,

organization's structures can also be seen as mechanisms of power which represent "relations of inequalities"; those who hold the power within organizations can decide, not only the political outcomes, but also what rules and values, will constitute the organizational framework (Ranson et al. 1980: 7-8). This particular aspect of the structure of an organization is key to understanding how structures of power are constructed within state institutions and organizations, and, as is discussed in detail in Chapters VII to IX in reference to the Venezuelan context, those who hold power can decide the way in which the structure of a given organization is built and who the actors are.

Another important insight to be derived from organizational theory is that organizations do not exist in a vacuum, they are surrounded by a specific environment that imposes its own conditions, and, moreover, that environment has an important social dimension attached to it. Hence, organizations function by adapting their structure to contextual constraints and "the extent (of this accommodation) determines the variability of organizational outcomes" (Ranson et al. 1980:9). Two types of constraints can be identified: one is related to organizational characteristics, to the "features of the organization itself", like size, technology and organizational resources. The other one is related to environmental characteristics where there are two important elements: "the characteristics of the socio-economic infrastructure into which an organization is locked and the institutionalized environment with which an organization must deal" (Ranson et al. 1980: 9-10).

### *2.1.2 Evolution within Organizations*

The preceding discussions about organizational structure and organizational change and resistance to it also relate to another theme of organizational theory, that of evolution within organizations. Developing this point, Miller & Friesen (1980a) note the attention that has been given in the literature to the struggles endured by organizations when trying to adapt themselves to their environments or, indeed, when resisting change. The evolution or changes experienced by any organization, "whatever its direction, will tend to have a momentum associated with it" (Miller & Friesen 1980b: 592). The momentum

can show two particular stages called by these authors, reversals in the direction of change and resistance to change.

In the evolution of organizations reversal of change can be very uncommon; the explanation for this direction of changes or in the evolution of an organization can be linked to past failures and cause the erosion of power to some players. Another characteristic of momentum is its persistency. Within organizations there exists an integral connection between environmental, organizational and strategy-making elements, so that modifications in one variable have a propensity to happen in the others, or occur following the first one (Miller & Friesen 1980: 593). Momentum is also important in circumstances when dramatic changes have affected a considerable amount of variables of strategy and structure. This can have two outcomes: organizations can invent new structures (but not all variables change in this process) or the imbalance caused by the new structure can be such that the change has to be reversed in order to establish some sort of stability between “an organization’s orientation and the demands of its environment” (Miller & Friesen, 1980: 593–594).

These debates about organizational resistance to change are also drawn upon extensively later on in the thesis in explorations of the implementation of changes being instigated by the Venezuelan government and how those changes have been accommodated in the structure of the traditional state, or more particularly in this case, within the construction of a new political model of democracy.

There is, though, another perspective that is useful for understanding changes in organizational structures which was introduced by Tolbert and Zucker (1983). In this perspective the importance of internal or institutional sources as reasons for change rather than the influence of external factors are highlighted. For changes of this nature to be accepted or “societally legitimated” will depend on the “value of the change for the internal functioning of the organization.” Change, in these circumstances, will be the outcome of the degree of inconsistency within the organization, and, for that reason, some changes will be incorporated in order to enhance internal processes. Regarding legitimacy, this is produced when changes in the components of structure are recognized as suitable and necessary;



changes, in this case, are adopted because once institutionalized, that is to say, acknowledged by society, they became legitimate, regardless of their consequence on internal “functioning of the organization”; changes, in this context, are the result of the demands put on organizations “to incorporate these elements into their formal structure in order to maintain legitimacy” (Tolbert and Zucker, 1983: 26).

There are some points that are worth highlighting from the discussions that have been outlined within this section. The first is the role that institutions and organizations have in the social, economic and political life of the nation state. The structures of institutions are important because they represent the relations of power of the different actors that are part of an institution. The second is the influence of institutional context upon organizations. The final point relates to processes of change and the dynamism of those changes experienced by both institutions and organizations. Understanding the process of change within organizations is an important element in understanding how organizations adapt themselves to the external environment in which they are located. It is also important to understand which elements within organizations present more resistance to change. These issues were prioritized as key elements in the analysis of the decentralization process carried out in Venezuela and how this process has transformed the institutional structure of local governments.

The final part of this section will briefly explore the analysis of archetypes as a means of understanding the changes experienced by organizations.

### Archetypes

Although the identification of archetypes was not a research strategy that was utilised in this research, there are some elements in the analysis of archetypes that may be of some help in understanding the political changes implemented in Venezuela under the 1999 National constitution. In particular they offer some further insights into resistance to change under what have been called High Impact Systems.

The importance of identifying archetypes is that they help to recognize changes in the structure of organizations. Archetypes are patterns that can be recognized in organizational structures and management systems; they are consequently, a set of “ideas, beliefs, and values” – the components of an “interpretative scheme” – that support and become part of organizational structures (Greenwood & Hinings, 1993:1052, 1054). Structures and systems are by these means instruments that comprise intentions, aspirations and purposes (Greenwood & Hinings, 1993: 1055). A change within the patterns of an organization can be identified when movements from one archetype to another happen; these moves have effects not only on the structures, but also in the system and values of this particular organization (Kikulis et al., 1995: 68).

In order to properly understand changes within organizations, it is also important to uncover the coherence between “structural design elements and institutional values” because this will help us to understand the different changes that designs and patterns can undergo within an organization. (Kikulis et al. 1995: 69). Coherence within an organization is given by the connections established between the provinces of meanings (see discussions in the previous section), and the structures and processes of a specific organization (Ranson et al. 1980; Greenwood & Hinings, 1988). This also reinforces the fact that not all elements of an organization’s structure change at the same rate: some elements change more than others. The explanation for this is that some elements are more inclined to change, while others, particularly those which deeply represent the values of an organization, can offer more resistance to change (Ranson et al. 1980, Greenwood & Hinings, 1988). Deeply embedded values are more resistant to change; they can constitute what have been called high impact systems, and represent values that are highly protected in some organizational structures; they are steering factors for change (Kanter 1983, cited by Kikulis et al, 1995: 72). If the wrong values are changed, meaning those with low impact, reversal in change might occur; conversely, if high impact values are changed, that might result in changes in the design of organizational structure.

This suggests, then, that high impact systems are key elements within the structure of an organization; they are the structural elements that constitute the

difference between archetypes (Kikulis et al., 1995: 71). Recognizing changes in organizational archetypes implies then uncovering those elements within organizational structures that contain the core values of that organization, those that could enable a significant shift in organizational design. One of the core elements within an organization with a high impact system is its decision-making structure. The structure of decision-making represents the exertion of power within an organization because the players that take the decisions are those who decide “whose interests matter”, and what sort of actions should be taken by the organization; if organizational values are to be maintained, then these structures of decision-making are utilized by key “organizational members to influence the goals, priorities, relationships and communicational process” (Kikulis et al., 1995: 72).

As was explained at the beginning of this current section, the analysis of archetypes was not undertaken directly in this research; however, some of the insights informing the analysis of archetypes were taken into consideration to the degree that they helped to understand how organizational change in Venezuela has been implemented, and how the implementation of wide-ranging political transformations have encountered political resistance, not only from within the state but also from within civil society as well.

In the next section we move on to consider another major academic area of literature dealing with institutional change and transformation, in this case that of governance. The governance literature, rather than focussing on the processes of change encountered within individual institutions or organizations has a much broader focus on questions of government efficiency, democracy, the role of the state in governing processes and the relations established between the state and civil society. It is the latter which is of particular interest to this research.

## 2.2 Governance

This section will focus on the main academic debates that have been sustained on the issue of governance. Whilst there are different interpretations of governance, which will be presented in this section, the approach that refers to governance as a political process will be the basis for the analysis of the changes that have been produced in governmental structures in Venezuela.

Governance is a concept that has been extensively used to explain governing processes. Although the use of the governance concept can be misleading, two main connotations can be identified within this concept: one that makes reference to the change experienced by nation states and their governing processes as an answer to its external environment; and another which refers to the role of the state in co-ordinating public-private interactions. Governance, in the political arena, mirrors the level of coordination displayed amongst the different players participating in the process of governance who have different economic, social and political interests and goals (Pierre, 2000: 3-4); to that end, governance represents those changes that occur within government and the way relations are established between the state and other sectors in the country (Rhodes, 1997:15).

In the process of governance many actors are present, and any of those actors could initiate actions addressed to influence political and social outcomes; this process has been called governing, which is embedded in governance, because governing comprises all the actions taken by individual actors who seek to influence public policies addressed to solving social issues or creating new opportunities (Kooiman, 2003:4). Governance can also be considered as an “analytical concept” that allows for a discussion about factors of power and authority, the way relationships are established between governments and civil society and those normative elements that characterize a particular state. Governance encompasses changes in all the state’s fields (economy, society, politics and management) and has become increasingly important in the context of new political approaches taken by the state, not only to redefine its role in society, but also to adapt to external changes and social pressures for the

formation of new or transformed institutions (Newman, 2001: 11). These elements of the concept of governance, that is to say, the actions carried out by the states to set their relations with society, or the actions that communities or individuals take to influence public policies implemented by governments, are the basis upon which the analysis of the processes of institutional change in Venezuela is conducted in this investigation.

The United Nations Development Programme defines governance as the “exercise of economic, political, and administrative authority to manage a country’s affairs at all levels, comprising the mechanisms, processes, and institutions through which that authority is directed” (UNDP, 1997: 5). This concept, elaborated by the UNDP, reflects primarily the role of the state in governance processes and not that of the role that civil society could have in this process. By way of a contrast, the Institute on Governance remarks that this process should not only involve “institutions, processes and traditions for dealing with issues of public interest, but is also concerned with how decisions are taken and with how citizens are accorded a voice in this process” (Sahas, 1998: 1).

Having explored some of the underlying discussions about the meaning and significance of governance, the following section will address the different theories that have been developed on governance. Understanding how governance is conceptualized within these theories is crucial to grasping the significance of the state reforms which have been promoted across Latin America (and beyond) in the name of the pursuit of ‘good governance’ and where the drive towards decentralization of recent decades has been derived from.

### *2.2.1 Theories about Governance*

In the same way that there are several concepts or definitions of governance, so there are also a range of different theories and approaches about governance. The following section will present four of the most important streams in governance debates that have been developed.

Governance has become a major theme amongst academic commentators from many disciplines and within the major international financial institutions and the donor community. A useful overview is provided by Hirst (2000) whose theory of governance comprises five fields: economic, international institutions, corporate governance, new public management strategies, and the action of networks, partnerships and deliberative forums. We will briefly explore each of these elements here.

The economic field is related to the role played by international agencies in the promotion of “good governance”. International agencies’ approach to governance revolves around the need for each state to improve its administrative efficiency, which is generally seen as requiring privatization, legal compliance, and the presence of an active and independent civil society. This idea has been mainly encouraged in developing countries, where the important role that institutions play in building state capacity has been emphasized along with the need for states to adapt themselves to new governance processes. The result of this adaptation process is generally presented as reflecting the government’s recognition of the need to limit the extent of its actions to those that can actually be accomplished. The second of Hirst’s areas relates to the first since the economic field also refers to international institutions, *and* the influence that international agreements have on national policies.

Corporate governance, on the other hand, basically implies that governance is about the way organizations are managed. New public management strategies, for example, make reference to the introduction of private sector management styles to the public sector. This then frequently involves the introduction of market competition in to public service delivery. Finally, the action of networks, partnerships and deliberative forums represent a shift from a centralized form of government to that characterized by innovative mechanisms for coordinating public actions through those networks, partnerships and deliberative forums created by civil society (Hirst, 2000). The influence of each of these factors can be traced within the approach towards governance adopted by the World Bank and the International Monetary Fund within their responses to the economic crisis of the 1980s. Economic reform, corporate governance, the role played by

international agencies, and new public management were emphasized within what was called the “First Generation Reforms”, whilst the development of networks and the action of civil society reflected more the changes proposed in the “Second Generation Reform”. These debates about first and second generation reforms are explored in detail in chapters V and VI.

Rhodes (1997) also provides a categorization of six uses of governance; three of them coincide with Hirst’s areas of governance, such as corporate governance, the new public management and “good governance”. The other areas identified by Rhodes were governance as the minimal state, as a socio-cybernetic system and as self-organizing networks. These categories were established based on Rhodes’ analysis of the changes that have taken place in the British state through changes within its “governing structures”, such as hierarchies, markets and networks. The theory of governance as the minimal state, according to Rhodes, explains how the British government had been reduced through the implementation of policies of privatization and the prominence of markets and quasi-markets in the delivery of “public” services. Rhodes argued that these changes brought about, as a consequence, the reduction of the government’s role in the delivery of public services (Rhodes, 1997: 47).

Governance as a socio-cybernetic system is a concept taken from Kooiman’s (1993) theories about governance, and refers to the interaction between public and private (social self-organizations) actors and their influence in shaping public policy. The rationale of this argument is that there is no single actor that has, by itself, the resources or knowledge to solve public problems, and that central government by itself no longer holds the supremacy in dealing with public affairs. This approach points out the limitations of centralized structures of government, by recognizing the importance of the existence of multiple actors and the establishment of multiple links among those actors in order to carry out actions addressed to influence public policies. Governance is, by consequence, in this view, the outcome of “interactive social-political forms of governing” (Rhodes, 1997: 51).

Governance as self-organizing networks has a lot in common with the concept expressed above. The model of self-organizing networks is based again on the

British experience in governing processes, particularly the experience of local governments. This approach is based around the changes produced when local governments began to involve organizations from private and public sectors in dealing with public matters. The proponents of this concept of governance argue that local government in Britain “has transformed into a system of local *governance*” Rhodes (1997: 51). There are some elements in this approach such as inter-organizational linkages and networks that facilitate the actions of “interdependent actors” in the process of service delivery; networks, in this case, are self-organizing and autonomous. This kind of arrangement has become quite common in British government structures and is increasingly promoted in other parts of the world. Following Kickert (1993), the idea that the government is not the only actor in constructing public policy resembles the concept mentioned above; the difference here is that networks are not specific to the public sector and can be seen to occur as the result of social coordination. Going back to the structure of British government, it has been argued that this kind of organization represents another kind of social arrangement and by no means symbolizes market-oriented policies; on the contrary, networks are a concept that characterize the links between the public, private and voluntary sectors; they are autonomous, and “resist government steering, develop their own policies and mould their environments” (Rhodes, 1997: 52).

Another important approach to governance theories comes from the work of Kooiman (2000) on the interactions between government and civil society. Kooiman particularly stresses the role that societal development has in nature of these interactions. This approach identified a shift from “governing” as “one-way traffic”, from government to those who are governed, to *social-political governance*, a system that reflects the interaction between the state and civil society. In this proposition, interactions are a very important concept in explaining governance; in fact, the definition of interaction is regarded as an equivalent of governance, based on the fact that governance processes have their starting point in interactions between “the” political and “the” social; stressing that those interactions “occur among individuals, organizations and institutions”.



The kinds of interactions identified in this approach are: interferences, interplays and interventions (Kooiman, 2003).

Another important factor in Kooiman's theory is the structure or context where interactions take place. Structures are all the institutions and social arrangements, the system of rules that guide social behaviour. The way actors communicate with each other is also part of the context as well as the technological mechanisms and the limitations imposed on their interactions (Kooiman, 2000: 143). The concept of structures and contexts developed by Kooiman connects us back to the theories of institutions and organizations explored in section 1 of this chapter and the arguments made by Greenwood & Hinings regarding the institutional context within which organizations develop the values to adapt themselves to the context in which they are located. According to Kooiman, governing interactions determine modes of governance which are classified according to the level of interactions: interferences to self-governance, interplays to co-governance, and interventions to hierarchical governance (Kooiman, 2003:23). It is worth spending a little time exploring each of these.

i) Self-governance, as the name implies, concerns the ability of social actors to create those conditions that allow them to maintain their own identity, and to perform with a reasonable level of social and political independence. The downfall in this interaction is the lack of organization within its structure (Kooiman, 2003: 79). There are some important elements in this concept that are worth considering in order to understand the concept more. One of the main elements is that this kind of interaction has to keep the self-government capacity; otherwise it will become impossible to sustain. Another factor with this kind of governing mode is that it cannot exist without another mode of governance, which means that governing capacities are found in societal institutions as well as state institutions (Kooiman, 2003).

ii) Co-governance refers to more structured forms of interactions, a form of horizontal governing based on cooperation, collaboration, coordination and communication with no dominant actor. The organizational levels set

out in this type of governance reflect the links that have been established in order to achieve collaboration, cooperation and co-ordination amongst the participants of this mode of governance. Within this co-governing mode, there are some structural elements that can lead to other kinds of “co” governance, which is in turn characterized according to its social context; these are: Networks as patterns of interplays, Public-private partnerships, Communicative governing and Responsive regulation (Kooiman, 2000).

iii) Regarding hierarchical governing, this kind of governing interaction describes the links that happen between the state and its citizens through laws and policies (Kooiman, 2000).

Newman (2001) also provides a useful exploration of governance theories based on the changes that have taken place in the relationships between government, public services and citizens. In particular he focuses on concepts such as globalization, networks and complex societies. The result is the recognition of three kinds of governance:

- Governing the Nation: globalization, the “hollow state” and economic governance. This approach to governance explores the effect that the globalization process has had on the nation’s capacity to carry out its functions, and highlights the reduction in the size of government in favour of supranational institutions and local agencies. Newman points out some of the negative factors affecting the performance of the nation state within this context such as the challenges imposed by different elements and unsuccessful policies, globalization and economies’ drawbacks, that have lessened the capacity of the nation state to govern, and have been challenged by internal and external factors (Newman, 2001; Rhodes, 1997; Gamble, 2000). An example of this kind of governance is the constitution of the European Union which represents, in this case, a supra-national government.

- Coordinating economic activity: markets, hierarchies and networks. This approach is based on some of the concepts mentioned above by Rhodes.
- Steering the social: this refers to the capacity of governments to exercise control over public issues and society; it is also clearly related to governance; to point out the state's fragmentation and the limitations of the state's capacity to coordinate actions between different institutions and organizations, and also refers to the process of setting norms (Rhodes, 1997: 56; Newman, 2001: 15). According to this approach governance could be seen as the recognition of failures of the nation states in solving complex social problems and a call for involving other actors in the governing process. To that effect, this approach states that the resolution of difficult problems cannot be tackled by one actor, because the knowledge and information needed to solve such problems is not concentrated in one single person or institution. Therefore, a great deal of coordination between government, public and private sector and the civil society are needed to find the solution to those problems. (Newman, 2001: 15; Kooiman & Van Vliet, 1993). This model of governance presents similarities to that presented by Rhodes in the Governance as a socio-cybernetic system approach.

The next section reflects upon the various theories considered in the discussion above and offers some synthesizing comments in relation to the various concepts that have been used to explain the different theories of governance.

### 2.2.2 Themes in Governance

In the preceding section the various theories about governance were explored in detail. From the debates presented there, it would appear that the most important themes for understanding governance issues are: networks, steering, hollowing out the state, institutions and democracy.

The idea of "hollowing out the state" (Jessop, 2002), for instance, provides a really effective description of the changes that have occurred within the British government over recent years, particularly the way in which the public sector

has become both smaller and more fragmented due to the process of privatization, the substitution of state functions for new forms of delivering services (agencies), the influence of the European Union on national policies, and the shift of the government towards new public management strategies (Rhodes, 1997: 54). These factors have created a fragmented state which has become increasingly difficult to organize and control; it means that 'steering' has become a hard task for central and local governments, and the answer to this has frequently been the centralization of financial control as a means for the state "to compensate its loss of control" (Rhodes, 1997). This argument was, however, rejected by Newman (2000) who argues that despite the changes undertaken by some nation states as an answer to globalization or internal factors, the situation does not necessarily imply a decline in the role of the state, but rather an adaptation to new forms of government (Newman, 2001). The situation can perhaps better be interpreted as reflecting necessary change in the relationships between government and civil society in terms of "shifting roles of government" rather than "shrinking roles of government" (Kooiman, 2000).

The theme of networks, as a cooperation system established between government institutions, private organizations and civil society (Bukve, 2000) has a very close relationship with the role that society and institutions play in governance processes. Changes carried out by governments in order to modify the way a country is governed have been undertaken through a variety of different institutions and organisms, both public and private, that have taken part in the process of shaping public policies. Governance is then, a process that reflects the coordination established between political actors, institutions, corporate organizations and civil society (Pierre 2001). The numerous interactions that take place between political and social actors in the process of governance suggest the great complexity of networks as social-political systems (Kooiman, 2000).

Whilst new network-based approaches to governance are clearly important, the process of institution-building also remains of great importance in governance processes because it influences, in one way or another, the way a place is governed (Danson et al. 2000). When changes in governance structures are being

implemented, the outcome will depend to a large extent upon the institutional arrangements that are put into place. Otherwise, a lack of appropriate institutions can produce deficiencies in the process of coordination between levels of governance, and, as a consequence, deteriorate the performance of the governing organizations (Hirst, 2000).

The social context within which institutions function represents another key feature in governance processes. The role that institution's structures and community participation play, particularly through the creation of networks, is very important in shaping public policies and defining the way a place is governed (Putnam, 1993).

Whilst the different theoretical dimensions of governance explored above effectively illustrate the breadth of academic thinking on governance, there is another political theory that has not been addressed yet that is also tightly related to governance. Democracy and governance are also clearly intimately related. The interactions established between government and civil society in the process of decision-making are, for example, also a crucial element in determining democratic governance. In other words, governance should be seen as a means to reach viable political systems that reflect legitimacy and effectiveness (Peters, 2000). Nowadays, the meaning of democracy is being reinterpreted because of the process of political change undertaken by nation states as they are pressured to share power with sub-national governments, public and private institutions, NGOs, and with international agencies and supranational agencies (Hirst, 2000: 24). This also re-emphasizes the theme of networks in terms of the power shared by citizens, workers and organizations in breaking state monopolies over decision-making (Newman, 2001), and the power that citizens can get, through their participation in networks, to take part in a decision-making process and shape public policies.

This section has attempted to offer an overview of the major academic literature on governance, stressing the most important themes produced by a range of scholars based on their analysis of different governing experiences, types of government and the range of issues which they identify as having produced changes in the relationships between the state and civil society. It has been

important to engage with these debates as they help to establish a wider international and thematic context to understanding the changing nature of government structures and processes in Latin America and the range of factors (both internal and external to the countries of the region) which have helped produce those changes. Over the past two decades Latin American governments have moved away from centralized government by transforming their governance structures from a centralist style of government or “one-way government” as Kooiman terms it, to introduce major changes in the institutional structure of their countries through a process known as the reform of state, and have given way to decentralized governments with new governance structures that involved the private sector, NGOs and civil society.

### 2.3 Institutions, Governance and the Institutions of Local Governance

From the preceding discussions, it has been established that institutions consist of formal organizations and the informal rules and practices that give configuration to human behaviour, but what is important in the definition of institutions is the fact that they shape political actors and have an influence on policy outcomes (Thelen and Steinmo, 1992: 2–3) Institutions have been seen, then, not only as a set of rules and norms that structure social life, but also as a strong element in political life, particularly in the process of policy-making (Béland, 2005). Following this idea, there are two fundamental facts regarding institutions: the first is that “Institutions shape politics”; which means that institutions influence policy outcomes; the reason for this is that institutions “shape actors’ identities, power and strategies”. The second fact is that “institutions are shaped by history” (Putnam, 1993: 7–8).

Although institutions are seen as “the rule of the game” that channel the resolution of conflicts, this does not mean that those are the only roles played by institutions. In fact, institutions are identified as mechanisms to get things done, and not only as elements to resolve conflicts (Putnam, 1993: 8). Institutions represent a significant factor in political, social and economic life, particularly, in

terms of the leading role that institutions have in modern life (March & Olsen, 1989: 1-2).

From an empirical point of view, institutions have also been classified according to their nature. Based on that, two types of institutions have been identified: the rule-oriented institutions and the role-oriented institutions. The former is the one that consists of rules or conventions directing people's acts; the latter refers to organizations that function according to a special position or legitimacy (Moore, 1995: 92; Brinkerhoff & Goldsmith, 1992: 371). Following the second aspect mentioned above, institutions are also characterized as a wide arrangement of entities working at different levels that can be part of the public or private sector, but can also be related to the government's administrative role (Israel, 1987: 11).

The process of governance, on the other hand, has been described in so many ways that the concept is seen as being extremely confusing by many. Reviewing the various theories of governance one can identify some common elements of governance in the different conceptions; these elements are: rules and processes that structure the way the power is exercised, government institutions, rules that structure collective actions, norms that define who political actors are, and the structure referring to the institutional arrangements made by civil society (Loyo, 2002: 13). Governance, in public and political debate, also implies the continuous process of coordination between the different actors that take part in the political process; actors that have different intentions and objectives and competing political, economic and social interests. (Pierre, 2000: 3-4). It is also clear that governance is about institutions; indeed, the governance process is based on the interaction of institutions. Finally another characteristic attached to the concept of governance is that it is seen as a multidimensional process; this means that its components have many features that have to be considered when trying to grasp the dimensions of governance initiatives (Campos and Nugent, 1999: 440).

The debate about the relationship between governance and institutions has been played out in some detail during the controversies surrounding the international financial institutions' implementation of the Programmes of Structural

Adjustment in the 1980s. There were a great deal of bad experiences from these programmes, particularly in the social area, and many of the critics called attention to the significance of institutions in their lack of success. A major turning point in the prioritization of development policies came when the World Bank began to argue that, in the case of Africa for example, the problems faced by governments was a crisis of governance originated in poor administrative systems and weak institutions (Kumssa, A. & Mbeche, 2001; World Bank, 1989).

To highlight the importance of institutions in governance processes the World Bank through its theory of good governance has increasingly stressed key concepts such as “empowerment”, “consensus building” and “participation”. However, it has been argued that the inclusion of these concepts only entailed a way to reach some degree of acceptance or support for projects and initiatives that are still created ‘from above. Critics argue that the World Bank’s championing of public participation is problematic because, in reality, civil society’s views and ideas are not considered in the conceptualization or definition of the state’s strategies to generate public policies. As such, critics argue that the Bank’s focus on participation is just a discourse that does not have any roots in people’s organizations but only in the World Bank’s ideas of development (Campbell, 2001; Schmitz, 1995).

The next section will conclude this discussion of theories of governance by presenting a brief overview of the most important arguments developed by Latin American scholars in the field of governance, and how governance processes have been implemented in Latin American countries.

#### *2.4. The Issue of Governance in Latin America*

The debate carried out by Latin American researchers on the subject of governance, has raised some questions such as: How can we understand political space? What are its limits? And what is the centre of governance? Based on these elements, some specifically Latin American approaches to the theory of governance have been established. The first is what we might term the



conventional or mainstream approach within which governance is assumed from a nation/state perspective, where the main actor is the government, which, together with the elites, controls the political process by choosing the channels through which the civil society will be incorporated into the decision-making process. This approach envisages a vertical interaction between the state and civil society, legitimized by the power given to the government through popular elections. However, governance problems arise due to the lack of the state's capacity to solve public problems (Suárez, 2002). This connects to the debates considered in section 1 of this chapter that explained the recognition by nation states of their failures to solve complex social problems and the call to involve other actors in the governing process.

The second one is the non-conventional approach. This conception gives a stronger role to civil society, and tries to see society as a whole; meaning that there is no distinction between state and civil society. The issue here is even more complicated because this idea also introduces the centrality of politics, access to power and the means by which ordinary people can take part in the decision-making process (Suárez, 2002). One important aspect in this approach is the need to develop new political institutions that are capable of producing the right institutional environment for the inclusion of civil society in public affairs (Menéndez-Carrión, 1991). The development and influence of this approach will be explored in more detail in Chapters V to IX where the major discussions on decentralization and the processes of civil society participation in public affairs in Latin America will be presented. The influence of this approach will be explored in analyzing how the process of decentralization initiated in Venezuela at the end of the 1980s has evolved and whether it has improved local governance and democracy in Venezuela.

The next chapter will develop the discussion of institutions, organizations and governance provided in this chapter by focusing down in more detail, onto the examination of the concepts of decentralization and civil society participation in public matters, which represent a further key theoretical foundation for this research.

## Chapter III

---

### The Theoretical Framework 2: Decentralization and Civil Society Participation

*Decentralization is an increasingly common phenomenon in Latin America, Asia, and Eastern Europe.*

*In theory, it can lead to significant improvements in efficiency and effectiveness by reducing overloading of central government functions and improving access to decision making and participation at lower levels of government*  
World Bank, 1992:21

*In the end, reviving civil society requires the breadth of thought and action that only politics and an orientation toward the state can provide. This requires a willingness to recognize that the social totality shaping civil society is a sphere of inequality and conflict—and that maybe revitalizing civil society requires heightened levels of political struggle over state policy rather than good manners and “civil discourse.”*  
Ehrenberg, John, 1999:249

## INTRODUCTION

The preceding chapter focused its content on the debates carried out in the theories of institutions and organizations; it also presented the main debates, theories and concepts regarding governance processes. This chapter discusses a process tightly linked to the content of the previous chapter: decentralization and the mechanisms for public participation in government decisions. Decentralization is an increasingly common phenomenon worldwide, and on paper, at least, “it can lead to significant improvements in efficiency and effectiveness by reducing the overloading of central government functions and improving access to decision-making and participation at lower levels of government” (World Bank, 1992: 21). In the following section, this statement made by the World Bank is put to the test by exploring the different debates that have been raised around the issue of decentralization and civil society participation in the public sphere.

Due to the wide range of decentralization practices that have been used all over the world, there is a certain amount of uncertainty about what the concept of decentralization really entails. It is common to compare the concept of decentralization with its opposite: centralization. In doing this, the meaning and characteristics of this process can be made more obvious and therefore easier to understand.

Decentralization policies have been linked with the process of democratization, economic development and the participation of civil society in public affairs. Local governments are the nearest tier of governments to the citizens and therefore represent instruments of responsibility and accountability to local communities, and also constitute a means for delivering public policies and public services more efficiently because they are more aware of local problems and the policies needed to resolve them. Furthermore, local governments have the advantage of the knowledge that they have of local needs, and they also have the financial resources needed to deliver the services to areas that are in most need. Decentralization has, then, been proposed and implemented, as will be explained in this chapter, because it is said to strengthen democratic processes,

encourage civil society involvement in communitarian decisions that concern their lives and because, in principle, it should allow social control over local bureaucracies, which in turn should make local institutions more responsible and accountable to their citizens.

Decentralization has been approached from a myriad of different perspectives, ideologies and intentions. Whilst this chapter attempts to convey something of the breadth of the wide literature on the theme, it closes by emphasizing several factors which are most important to the intentions of this research. In particular, attention is focused most closely upon the question of how public participation within the spheres of local democracy frequently opened up by decentralization processes is conceptualized and encouraged. The notion of public participation that will be employed in this chapter is that of participation oriented to influencing public policies through institutional channels.

### *3.1 Decentralization: main concepts*

The concept of decentralization in the political realm entails the devolution of power, in decision-making, to lower levels of government (Smith, 1985; Hughes & Smith, 1991; Fesler, 1965; Bennett, 1990; Wolman, 1990). The most basic definition of this process has been established against its opposite, centralization, and decentralization has thus been characterized as a shift from a previous paradigm of centralization, to a new one (Bennett, 1990). Based on its function and spatiality, this process can take different forms of implementation, these have been termed, for example, functional or areal decentralization. Functional decentralization refers to reassigning responsibilities in a specific activity to different national or local fields. Areal decentralization refers to the transfer of responsibilities to organizations localized at sub-national levels (Rondinelli, 1981).

Another distinction between forms of decentralization is based in the degree or nature of this process. According to this, three forms can be identified: de-concentration, delegation and devolution (Rondinelli, 1981; Rondinelli, McCullough & Johnson, 1989; Devas & Delay, 2006; Rondinelli, 1983).

- ✓ According to the extent of its level of transfer, de-concentration has been labelled as the lowest expression of decentralization because it entails merely a reallocation of administrative functions from the central state to government offices situated outside the capital city or the head offices. It does not involve the transfer of any power of decision making (Rondinelli, 1981; Rondinelli et al 1989; Devas & Delay, 2006; Morris, 1992).
- ✓ Delegation, on the other hand, can be considered as a higher form of decentralization, although limited to some specific functions or areas of government. The power of decision-making is also limited, since those organizations that receive the new responsibilities are created to perform specific tasks or implement specific plans, and the final decision still rests with the central offices (Rondinelli, 1981; Rondinelli et al 1989).
- ✓ Devolution, the most extensive form of decentralization, in contrast, denotes the autonomy and independence in decision making that a local or regional elected body has from the central state (Rondinelli, 1981; Rondinelli et al 1989; Devas & Delay, 2006; Devas, 1997). According to Rondinelli et al, this process entails a clear differentiation of government levels, from which, “local governments should be given clear and legally recognized geographical boundaries over which they exercise authority, and within which they perform public functions” (Rondinelli et al 1989: 75).

According to Slater (1989) the concept of decentralization, its meanings and use in the governmental area, denote its political content, particularly in relation to the nature of the state. The discussion about decentralization thus also implies elements of democratization (i.e. decentralization as a political strategy) and a more economic orientation where it is seen as a part of development policy (Slater, 1989: 502). Decentralization as a development policy seeks to promote regional and local development but it is also frequently associated with ‘welfare concerns’ and the distributional impacts of national policies and not only to concerns over economic growth or local government effectiveness (Morris, 1992).

Decentralization clearly also implies elements of space, the distribution of power among different levels of governments with geographical boundaries (Smith, 1986; Morris, 1992). "Space becomes a matter of institutional action between different levels of government and society" (Schaffer, 1977:2), or, as stated by Agnew (1987), "places, are connected to the state through its organization into various tiers of administration and the geography of its hegemony" (Agnew, 1987:40).

Moving on to the specific contents and dynamics of decentralization policy, the literature suggests that decentralization can broadly be said to encompass three different aspects: political, fiscal and administrative (Montero & Samuels, 2004). According to this differentiation, political decentralization refers to the direct elections of local or regional governments<sup>4</sup>; fiscal decentralization involves the liberty of local and regional governments to administer their own resources and those transferred by the central government. Finally, decentralization in administrative terms signifies the autonomy that sub-national governments have to design and implement public policies (Montero & Samuels, 2004; Robinson, 2007).

Having explored the different conceptions of decentralization, the next section discusses in more detail the implementation of decentralization and the debates that have arisen around this issue, with an emphasis upon those features that characterise decentralization.

### *3.1.1 The Pros and Cons of Decentralization Policies*

Decentralization processes make sense because they represent the introduction of higher levels of responsibility and accountability to local communities, they also imply the possibility of greater efficiency in the implementation of public policies and in service delivery because local governments are the nearest tier of government to the citizens and are therefore more aware of local problems and the policies needed to resolve them. Local governments also have the advantage,

---

<sup>4</sup> Political decentralization is argued to be based on constitutional and electoral laws, and on the party systems that each country has developed on this regard (Willis, Garman & Haggard, 1999).

based on the knowledge of local needs, to make choices and spend the financial resources in providing those services to areas that are really important (Devas, 1997; Robinson, 2007; Wallace, 1990). Finally, there is the argument that local governments can channel and promote the participation of civil society in the decision-making process (Devas, 1997; Robinson, 2007), an area which will be the major focus of this study.

The United Nations Program established in its document Agenda 21, Chapter 28 the important role that local authorities play in promoting sustainable development:

Because so many of the problems and solutions being addressed by Agenda 21 have their roots in local activities, the participation and cooperation of local authorities will be a determining factor in fulfilling its objectives. Local authorities construct, operate and maintain economic, social and environmental infrastructure, oversee planning processes, establish local environmental policies and regulations, and assist in implementing national and sub-national environmental policies. As the level of governance closest to the people, they play a vital role in educating, mobilizing and responding to the public to promote sustainable development

(UN, 1992).

Decentralization policies are supposed to bring political power to the localities (although, as we shall see below, there may be other intentions underlying the pursuit of decentralization whatever governments may say is their motivation), decentralization in this sense entails the political will of central politicians to share power and encourage the participation of local institutions in the process of decision making (Regulska, 1997; Rondinelli, 1983). It also means that local governments are more accountable and responsible to their citizens. Decentralization has also been associated with the process of democratization, not only because people have the opportunity to elect their own governments, but because local governments are assumed to be better informed about local

issues, and therefore might be more efficient in the distribution of scarce financial resources and services (Regulska, 1997).

The implementation of decentralization policies has also brought, however, all sorts of criticisms. Many scholars have pointed out the fallacies of some of the assumptions made by those promoting decentralization and the more mundane realities of the processes of decentralization in reality. The first obstacle to effective decentralization can be the refusal of central elites to share powers with provincial governments on the grounds of the latter's lack of expertise, but mostly because they consider decentralization as a threat to the power of decision-making normally concentrated on national offices (Slater, 1989). One example of this is given by Rondinelli (1983) in an analysis made of the efforts carried out by Sri Lanka's government in decentralizing public policies; he notes the refusal of central agencies and national civil servants to support decentralized institutions because they viewed these initiatives as a threat to the power and control that they had traditionally held (Rondinelli, 1983: 199). The implementation of decentralization policies can also cast doubt on the question of who is going to govern. Does it really mean that the process of decision-making will involve the citizens or will this power be concentrated within the local elite who will not share this process with common citizens? This model of elite decision making was characterized by Mariátegui (1952) as a 'mirage' because it mystifies what should be the real intention of decentralization (cited by Slater, 1989:511).

Some scholars talk about the illusion of decentralization which alludes to the political control of central governments upon the implementation of local policies which are supposed to be an outcome of decentralized efforts (Fesler, 1965: 555). In the analysis of decentralization programmes implemented in a number of Asian countries, Rondinelli (1983) found that decentralization frequently only represented a rhetorical discourse that masked the real intentions of the central government which were concerned with gaining local support for national policies and expanding the control of the national government over regional and local areas. Thus, when the Sri Lankan government promoted decentralization it attempted to use the process to



support the implementation of national development policies without engaging the participation of citizens or local governments in this process. In this sense decentralization was seen more as a way of getting popular support for public policies than the engagement of local communities in the decision making process (Rondinelli, 1983: 185, 187) Rondinelli also referred to the combination of delegation and de-concentration in the decentralization programmes implemented in India and Malaysia, which he argued meant that, whilst these programmes had created regional institutions with some degree of decision making, they remained under the strict control of central governments. This suggests what Mathur named “controlled decentralization”. Rondinelli argues that this kind of ‘halfway’ arrangement was the least successful strategy for the implementation of decentralized policies in Asia (Mathur, 1982 cited by Rondinelli, 1983: 189,197). Another example of this can be found in India where central government designed and financed the provision of health and education services to be delivered under the responsibility of local and state governments. Although these policies have had some positive influences in improving social conditions the influence of central government has left local governments with very restricted powers to decide spending matters on these schemes (Robinson, 2007).

Hughes & Smith (1991) also found tensions between central and local governments in their analysis of decentralization efforts in some European countries. One of the main causes of conflicts was found in the mechanisms for fiscal decentralization that have been implemented. The structure of fiscal decentralization based on the transfer of grants from the central governments and raising revenues at local levels have become some of the main points of conflict between different tiers of government, particularly in terms of problems of interdependence. The complexity of administering centrally-determined and financed policies at local levels increases the desire of central policy-makers to control and interfere with local government functions. Therefore, in order for local governments to exert local independence from central decision-making, it is necessary to generate their own source of revenues to avoid this issue (Hughes & Smith, 1991:449).

An additional aspect that had hindered decentralization is the lack of expertise attributed to local governments, which allegedly do not have the necessary training to deal with public issues. This type of argument leads to calls for intervention or control from central governments (Mawhood, 1987, Devas, 1997). Regarding this issue, Devas (1997) found that the clear resistance of the Indonesian central government to giving more responsibility and independence to local governments in the decision-making process was based largely on these grounds. The most striking aspect of this example is the lack of will from the central government to share political power with sub-national governments. The Indonesian government implemented a decentralization scheme that entailed the transfer of administrative responsibilities to local units but without handing over the power of decision-making to local elected bodies (Devas, 1997).

Nellis (1985) and Vengroff & Ben Salem (1992) also encountered this tendency in their analysis of the decentralization process in Tunisia. According to them, the financial aspect represents an important problem in the Tunisian example because the distribution of financial resources had not overcome problems of inequalities between the municipalities because the resources available to them did not cover the amount of services that local institutions had to provide. They also pointed to the problems caused by the lack of qualified staff within the councils, particularly in the poorest ones. Vengroff and Ben Salem (1992) concluded that the process of decentralization in Tunisia during this period was in fact a controlled de-concentration, particularly because the Ministries of Interior and Finance saw local councils as an extension of the central government.

Another issue frequently raised in critiques of decentralization policy is that the process has largely failed to address some of its underlying political motivations; for example, the strengthening of the democratic process, the encouragement of civil society involvement in communitarian decisions that concern their lives, and allowing for social control over local bureaucracies, making local institutions more responsible and accountable to their citizens (Franco, 2004). Thus, for example, in the analysis of the Latin American experience presented extensively in Chapter V, it is argued that the institutionalization of local governments in this

region is quite weak which has limited political continuance between different administrations; whilst low levels of supervision over local bureaucracies has made it impossible to avoid the control of power by local elites, diminishing the participation of civil society in the decision making process (see, for example, Jordana & Gomá, 2004; Franco, 2004).

### *3.1.2 A General Overview*

Although the analysis of decentralization policies around the world reveals many problems and limitations (some of which have been described in the preceding section), there is not sufficient evidence to support the conclusion that the implementation of decentralization policies has failed (Robinson, 2007). On the contrary, it could be argued that the main issue here is a lack of understanding about the nature of the decentralization process, its intentions and the rationale that supports its implementation (Conyers, 1983; Bennett, 1990; Morris, 1992). The process of decentralization is the result of many factors, within which the political will of national governments and the implementation of a legal framework that can adequately support decentralization, are particularly important (Carrion, 2003). The obstacles that local and state governments face in performing their functions have already been mentioned above. Adequate resource transfer from the central government to sub-national units in order for them to carry out their duties is a common problem for example in India, China and elsewhere. Sub-Saharan African experiences, similarly, not only demonstrate this problem, but the process of decentralization in many countries has been overwhelmed by such pressing issues as: a lack of planning expertise at the local level, a lack of political will to even contemplate carrying out decentralization, and a lack of effective legal frameworks to support institutional changes. (Robinson, 2007).

Despite the evidence of these experiences and a host of others which could have been provided here, scholars such as Robinson (2007) suggest that arguments that support the implementation of decentralization policies are still absolutely valid. They argue that the challenge is for policy makers to create the necessary

conditions for the process to work properly; this is, to ensure that “political, institutional, financial and technical factors” are present in the design of decentralization processes (Robinson, 2007:13).

Political commitment has proved a key element in the success of the implementation of decentralization policies. This factor not only creates a political platform for the process to work, but also encourages participation in public affairs. Political competition can also bring positive effects to decentralization efforts, by mobilising and widening the participation of civil society in this process, it can lead to more responsible, efficient and accountable institutions (although as explored in the empirical material on Venezuela later if political competition leads to polarization then it can also impact negatively on participation) (Robinson, 2007). Local councils have been presented as the most effective mechanism to encourage civil society participation in public matters. This is one of the governance values that the process of decentralization offers, together with responsiveness, accountability and the balance of power that should exist between different levels of governments (Wolman, 1990). Through the implementation of a range of schemes to engage local communities in consulting, designing and putting into practice public policies, local governments have proven that institutionalised participation, through “institutional arrangements designed to facilitate public engagement”<sup>5</sup> is an important element in improving decentralization processes. Sufficient financial resources and technical capacities are essential elements in this process; the accessibility of financial resources not only affects the quality and quantity of services provided by local councils, but also broadens the capacity of these local bodies in deciding what would be the best use of these resources (Robinson, 2007: 14). At the same time, a fair distribution of financial resources would help efficiency goals, if, along with the transfer of responsibilities, local government received adequate financial resources. It is also necessary to avoid inequalities within different regions through a fair distribution of financial resources (Franco, 2004). Another factor that influences the implementation of decentralization is the capability of

---

<sup>5</sup> Critics argue that such bodies serve to undermine popular resistance and oversight, while their proponents claim that institutionalised participation facilitates and widens public engagement at the local level in policy deliberation, planning and implementation (Robinson, 2007: 14).

local civil servants to provide public services; in this case, improving the capacity of local officers is a key element in improving the implementation of the decentralization process and strengthening local institutions (Robinson, 2007; Franco, 2004; Rondinelli, Nellis & Cheema, 1983).

As argued earlier, decentralization has not only been instrumentalized as a development strategy to increase efficiency or improve the effects of national policies, but it has also been designed to encourage popular participation and deepen processes of democratization. This has been achieved by incorporating civil society in planning processes, leading to the implementation of national public policies to improve. According to Conyers, facilitating effective popular participation in the planning process enhanced the implementation of public policies in a more profound way than envisaged in the earlier decentralization programmes” (Conyers, 1986; Conyers, 1983: 99). The participation of local communities in the process of decision making is seen as the best way to ensure that those decisions really reflect local needs (Conyers, 1983).

In Latin America, the process of decentralization has reshaped the implementation of public policies, particularly those of a social nature (Jordana & Gomá, 2004). Here the introduction of locally implemented social policies has stemmed from the end of the universalistic style of state-led policy implementation during the import substitution period, and a change to a new development paradigm (examined in detail in chapter V) that argues that problems cannot be resolved by one entity, but have to be resolved by the inclusion of all kinds of institutions present in a given country (Franco, 2004). It has led to a significant focus upon such criteria as focalization and efficiency (Jordana & Gomá, 2004).

An additional important factor in the successful implementation of decentralization processes is the quality of intergovernmental relationships (Jordana, 2004). Decentralization works most effectively where tensions between levels of government, which can be caused by the lack of clear definitions of responsibilities at each level, and by the distribution of financial resources to lower levels, can be reduced. The first element refers to the problems that can be caused when the implementation of public policies is

distributed across different levels of government and the rules to supervise the execution of policy are not clear (Jordana, 2004). The second element alludes to the frequent determination of central governments to control the policy process by imposing its dominance over the implementation of public policies and the financial resources allocated to them (Jordana, 2004; Fesler, 1965; Bennett, 1990). The ideal situation is obviously to reach an equilibrium between central and sub-national governments, and to define and institutionalize rules in order to coordinate the relations that have to be established between them, because those relations “constitute a necessary element in the functioning of decentralization in any political context, and they must progress parallel to the progress of decentralization” (Jordana, 2004:149).

Other factors that have also been identified as enhancing decentralization are: the size of decentralized units and the number of levels; the creation of structures to support democratic accountability; the implementation of mechanisms for citizen engagement; the availability of financial resources, the quality of central-local relations; and the impact that service delivery might have on poverty reduction and corruption (Devas & Delay, 2006).

The Latin American experience with decentralization can be summarized in the form of some fundamental features and outcomes. The first is that decentralization has produced governments with higher levels of accountability to their constituencies and, therefore, more awareness of local issues. Although this process has not been able to reduce regional inequalities due to reasons such as the lack of sufficient financial transfers to support the transfer of responsibilities and the frequent lack of interest from national policy-makers who still tend to favour national policies over local ones, decentralization is still a strong process, not least because it underpins democratic processes in the region (Montero & Samuels, 2004). These regional issues are returned to in depth in ensuing chapters.

### 3.1.3 Measuring Decentralization

Governments around the world have been implementing decentralization policies, in the sense described here, since the 1970s-1980s (Conyers, 1986). Rondinelli (1983) reports, for example, on the range of decentralization arrangements implemented in eight Asian countries, comprising elements of decentralization, delegation and de-concentration. The question remains, however, over which schemes should be classified as decentralized or merely de-concentrated, and what criteria can be established in order to measure the extent of decentralization and to allow for comparison between different experiences (Conyers, 1983; Smith, 1985). An important complicating factor in differentiating the degree of decentralization that a given country has embarked upon, is the dichotomy set by the terms centralization and decentralization, which does not allow the establishment of any connection between them, that is, it suggests that government is either centralistic or decentralized (Fesler, 1965, Conyers, 1986).

In order to address this question of measuring the level of decentralization in a given country, Smith (1985) identified eight features that can help illustrate the balance of power between different levels of government. These are: functions, delegation, revenue, creating area governments, dependency, areas, political parties, and the structure of the system (Smith, 1985). Although the use of this list should not exclude the identification of other factors that might interfere in the classification of decentralization policies, and while it may not be suitable for application in all circumstances, they do represent a set of variables against which other variables can be compared. A brief description of each feature follows below.

- ✓ Functions relates to the responsibilities and power that, through legal or constitutional means, are transferred to sub-national governments. When responsibilities are clearly divided between different tiers of government, the evaluation of the degree of decentralization can be clearly established, on the contrary, if responsibilities are shared by different level of government, like education or health policies, the definition of the level of decentralization is unclear (Smith, 1985; Wolman, 1990).

- ✓ Revenue and dependency are tightly linked because the first is associated with the amount of 'revenue-raising power' developed by sub-national units and the restrictions on raising their own funds that those units might have via the legal framework (Smith, 1985:87; Wolman, 1990). This issue leads to consideration of the level of dependency that these tiers of government then have on grants and financial transfers from the central government. This suggests the degree to which some scale of control over sub-national government might be present (Smith, 1985). Functional, revenue and dependency variables can be measured through constitutional and legal provisions, or through the shares in public spending amongst different tiers of governments (Willis, Garman & Haggard, 1999).
- ✓ Delegation refers to the freedom that sub-national governments have to take and implement decisions rather than having to ask for authorization to supply some services; the issue here is the degree of control that central levels of government have over regional and local governments (Smith, 1985).
- ✓ Creating Area Governments makes reference to the creation of decentralized political areas by the state whose institutions could be partners or agents of the central government. The main issue here is the source of the legal status that might be bestowed by executive or legislative bodies or the kind of legal arrangement established between central and sub-national governments (Smith, 1985; Wolman, 1990). Smith (1985) suggests that decentralization processes will be more extensive if the status comes from the legislative branch of government. Here, an important question is the size of a local governments' territory, and since bigger areas have a greater source of revenues and the possibility to create better institutions, they are better prepared to challenge central control than smaller municipalities (Smith, 1985).
- ✓ The domination of the same political party in all levels of government might affect the level of decentralization; as was the case of Mexico and the PRI which is discussed in detail in Chapter V. The influence of political



parties on decentralization can reside as well in the amount of financial resources that there are to be controlled (Gómez, 2003). Where political parties can play a particularly important role is when they become an instrument for political organization and mobilization of civil society to channel common political and social dissatisfactions and also to give political legitimacy to state actions (Agnew, 1987).

- ✓ Finally, the structure of the system refers to the amount of levels established for a process of decentralization and the power that lower levels might get in terms of allocation of functions, resources and ability to generate their own resources (Smith, 1985). However, some researchers have pointed out that federal governments' structures and the design of party systems do not provide enough evidence to explain the results of any decentralization process (Gómez, 2003).

Gómez (2003) suggests that a cross-regional analysis of decentralization processes should be based on the vertical and horizontal relationships that can be established among the executive, political parties and institutions that are responsible for the design of decentralization policies. He bases his examination of this factor on three variables: (i) whether the legal framework and the informal relationship established allows for future changes within decentralization policies; (ii) the sequence of decentralization; and (iii) the economic circumstances under which national and sub-national governments negotiate. Another element is the analysis of what he calls '*the centre-state policy fluctuation*'<sup>6</sup> a variable which refers to the changes that public policies can experience between decentralized and re-centralized decisions. This fluctuation, he argues, can have significant negative effects on the impacts of policy implementation. At municipal level, he argues that the evaluation should focus on three elements: "historical state-municipal fiscal relations and autonomy; new institutional innovations in response to decreased municipal autonomy; and mayoral-legislative relations and the policy-making process (Gómez, 2003: 58-59).

---

<sup>6</sup> Italics in the original.

### 3.1.4 Determinants and Approaches to Decentralization

Decentralization has been implemented for a wide diversity of motivations. The most common reasons include such issues as: perceived deficiencies in central planning, a desire for the implementation of specific development policies, responding to economic crisis, reacting to external pressures from aid agencies, and establishing mechanisms for participation and accountability (Rondinelli, 1983). In most countries, decentralization was embarked upon because the planning process at central level was deemed to be inefficient or did not achieve national development expectations. Perhaps the most important factors that have set in motion the process of decentralization have been the political effects that it is expected to have upon problems of political legitimacy, and the fact that centralized policies are largely thought to have been highly inefficient in almost every country (Rondinelli, Nellis & Cheema, 1983). In India, for example, a Small farmers Development Agency was created because of the inefficiency of local and central governments in providing good services; Pakistan also implemented a similar program hoping that taking central offices closer to localities would improve the quality of services delivered to local farmers. In Indonesia and Sri Lanka a change in the paradigm of development was an important reason for public policies to be executed at local level. The Indonesian government wanted to improve 'popular participation in development planning and implementation', whilst the Sri Lankan government sought to distribute nationwide development policies to alleviate poverty and to improve participation. (Rondinelli, 1983:186). Malaysia and the Philippines, also justified further processes of decentralization in order to improve the delivery of services at local levels (Rondinelli, 1983).

Similar motivations have underlain the evolution of decentralization schemes in Northern countries. In France the driving force for decentralization was to reduce the influence of central government on local councils, but also to alleviate the inefficiency of intergovernmental practices developed for a highly centralistic state. In Germany the reasons to advance in the implementation of decentralization process can be found in the social dissatisfactions of centralist policies and in the economic crisis in the 1980s (Walker, 1991).

### 3.1.5 Decentralization in Latin America: A General Overview

Although the reasons why Latin American countries initiated efforts to promote political and administrative decentralization will be presented in Chapter V through the detailed examples of four countries, an overview of the key issues will be offered here. In Latin-America the driving forces behind decentralization impulses are to be found in the economic crisis that occurred in the 1980s, in the implementation of neoliberal policies that sought to reduce the role of the welfare-central state, and in political factors such as the re-democratization that occurred in the region at the same time. While virtually all Latin American countries have implemented decentralization policies, the region has not followed a unified model of implementation; instead each country has initiated the process according to their own situation, following its own pace and with a great difference in the intensity of its implementation (Campbell, 2003; Carrion, 2003). What is common to all, though, is that they initiated this process through a wider process of state reform, and the main feature of this structural reform were 'the power-sharing arrangements' constituted by different arrays of financial and functional distribution of responsibilities (Campbell, 2003:54).

Based on this, some elements can be identified as to the causes of decentralization in Latin-America, these include: the influence of the neoliberal reforms implemented during the 1980s and 1990s and the pressure that international aid agencies put on those countries to initiate state reforms. The return to democracy in countries like Brazil, Argentina, Chile and Paraguay, and the pressures that the process of urbanization produced in the region during the import substitution period are other reasons why Latin American countries changed the structure of policy implementation to a more decentralized structure. Improving the role of public institutions in implementing public policies and equalizing the distribution of financial resources in an attempt to eliminate regional disparities were also important factors in the implementation of decentralization (Montero & Samuels, 2004; Montecinos, 2005; Garcia-Guadilla & Perez, 2002). Other less structurally-oriented explanations for the emergence of decentralizing impulses have dwelt on political-institutional factors and the electoral incentive that decentralized power can represent for

local and regional politicians. The transfers of power and resources to levels outside the central government were powerful reasons for particular political factions and interest groups to support efforts towards decentralization in Latin American countries (Montero & Samuels, 2004).

Interestingly, the type of political structure dominant across Latin America, where there are both federal and unitary states, does not seem to have had any effect on the process of decentralization in the region (Jaramillo, 2004; Carrion, 2003), with the exception of Brazil where the federalized structure has given more political and financial power to sub-national governments (Sanchez, 2002). Although Latin-America had shown an intense degree of centralism throughout its recent history (Pineda, 1996; Selee, 2004), the prioritization of the reform of governance has produced new relations between different levels of government and new forms of relations with civil society, with measures designed to enhance popular participation in the decision-making processes of regional and local governments (Montecinos, 2005).

According to evaluations made of the Andean countries experience with decentralization, there have been two main phases: the first privileged municipal or local councils over the regional or state level bringing, as a consequence, a strong polarity between the central and the local powers. This experience was notorious in Bolivia and Colombia (Carrion, 2003). The second phase was characterized by the importance given to state or departmental governments as a link between national and local governments; as was the case in Argentina, Brazil and Venezuela (Carrion, 2003; Selee, 2004). The last phase, on the other hand, has also experienced some reversals and setbacks as some countries have reversed or slowed decentralization policies in response to national problems like economic crisis in Ecuador or political crisis in Bolivia and Peru (Carrion, 2003).

We should conclude this section by emphasizing that in Latin-America decentralization efforts have been employed by national governments as a tool to defeat social dissatisfaction with central government performance, or to regain the legitimacy of the political system. The move to decentralization has been mainly, a top-down political decision (Selee, 2004). However, as has

occurred in other regions, decentralization in Latin America has faced some important limitations even in relation to those political objectives, among which have been: resistance to change, centralism, fiscal restrictions and a disproportionate preference to local governments over the state one (Carrion, 2003).

This section has, then, explored the main academic literature on the subject of decentralization. Despite the constant critiques of this process; the arguments presented here do demonstrate the potential of decentralization. One of the major arguments in support of decentralization is that local governments are the most effective mechanisms to encourage civil society participation within government because they are in the best place to implement schemes to engage civil society in the decision making process. The next section discusses this issue by exploring how the participation of civil society is seen by the state and what the mechanisms are through which, local authorities can engage community organizations. The problems that civil society faces in participating in public matters will also be analyzed.

### *3.2 The Issue of Public Participation*

One of the main justifications for political decentralization, at least in relation to the way in which that concept has been outlined here - the distribution of power between different levels of governments, is the argument that decentralized governments are closer to their constituents, know their problems better and represent the best channel for people to take part in the decision-making processes that affect their daily lives (Schönwälder, 1997; Summerville, Adkins & Kendall, 2008; Veltmeyer, 1997). The advocacy and implementation of projects designed to enhance participation within local decision-making has been conceived from many different approaches, and, although it is problematic to conceptualize (Veltmeyer, 1997); it has been invoked in many different scenarios.

One of these concerns the way in which the notion of public participation has been invoked within development theories (Veltmeyer, 1997). There are two

main streams or literatures which have promoted community participation in development, both albeit from very different conceptual and ideological starting points have considered participation as a key factor in promoting social and economic development, on the grounds that “the success of development projects and programs depend on increasing the level of popular participation” (Veltmeyer, 1997). The first stream, neo-liberal in its orientation, argues that neither the state nor the market should be a steering force in promoting development; stressing instead the important role that institutions and civil society should take within development policies (Mohan & Stokke, 2000). Community participation becomes then, a very important factor in shaping public policies; not just as beneficiaries of those policies, but as actors that take part in the decision-making process (Summerville, Adkins & Kendall, 2008; Bickerstaff & Walker, 2001).

The second stream, sustained by post-Marxist perspectives on development refers to a more radical vision of empowerment and community participation. This group argues that “empowerment is a matter of collective mobilization of marginalised groups against the disempowering activities of both the state and the market” (Mohan & Stokke, 2000: 248). The main difference between these strands, according to Mohan & Stokke, is the approach: the neo-liberal or new right proposition is a top-down approach because participation is seen as something to be encouraged by the state; the radical vision, on the other hand, argues that participation has to be encouraged from the bottom-up. The problem with both of these tendencies is that they tend to idealise “the local” and to isolate local participation “from broader economic and political structures” (Mohan & Stokke, 2000: 249).

Moving on to other debates about participation, there is another important debate which focuses on the role of participation within political theories. Civil society participation in political issues has been pointed out to be a crucial element of democracy (Ikeda, Kobayashi & Hoshimoto, 2008; Dalton, 2008; Tam Cho & Rudolph, 2008). However, in the various theories of democracy, participation has had different roles; for example in relation to whether one is talking about representative, direct or participatory democracy (Pateman, 1970).

According to Schumpeter (cited by Pateman, 1970) democracy is a political method expressed in a particular kind of institutional arrangement within which decisions are taken (Pateman, 1970). One aspect of this institutional arrangement, regarding political participation, is the activity carried out by individuals or political groups in taking part in electing government representatives (Li & Marsh, 2008, Cunill, 1991; Pateman, 1970). In representative democracy, theorists like Berelson, Dahl and Eckstein argue for the importance of the electoral system in maintaining the democratic process. Dahl, however, sustains that through the vote, ordinary citizens can exert some sort of political control over those elected in universal suffrage. The same argument was sustained by Bentham and James Mill (Pateman, 1970). Although Bentham and Mill recognized the importance of the popular vote and the role that national political institutions had in representative democracy, they also argued that citizen participation had, after all, a functional role restricted to protect, through the democratic process, the interests of the community (Pateman, 1970; Macpherson, 1997).

In relation to participatory democracy, John Stuart Mill and Rousseau, argued that participation in the political process should have a more central role in the establishment and maintenance of democratic processes than allowed for in the representative system alone (Pateman, 1970). For Rousseau, democracy depends on the participation of each citizen in the process of decision-making. He argued that the relations established between citizens and state institutions was absolutely crucial for the democratic process although he also argued that a strong foundation for political participation had to be education; citizens must be educated to participate (Pateman, 1970). Mill, on the other hand, influenced by Tocqueville's arguments about centralist government, and pointed out the ineffectiveness of having an electoral system for appointing national authorities if people did not exercise participation at local level (Pateman, 1970). Cole's model of participatory democracy was based on a vertical and horizontal structure of government, which had to be organized "from the grass roots upwards and (be) participatory at all levels in all its aspects.", According to Cole, the purpose of the vertical structure was the control of the economy, whilst the

nature of the horizontal structure was political in order to encourage the participation of the whole society (Pateman, 1970: 41). Macpherson also proposed a pyramidal structure as the best representation of participatory democracy. At the base, citizens would exercise direct democracy and beyond that it had to become a delegate democracy. According to Macpherson “nothing but a pyramidal system will incorporate any direct democracy into a nationwide structure of government, and some significant amount of direct democracy is required for anything that can be called participatory democracy” (Macpherson, 1977: 112).

The debates about representative and direct democracy have proven to be a key factor for this research considering that through the 1999 national constitution in Venezuela some mechanisms have been created to encourage public participation through local governments as a direct mechanism for society to take part in the decision making process. As Mill sustained the idea of self-government where everything is decided in open meetings is not feasible in big societies, as such, people cannot take part in every decision taken in public life (Held, 1996). On the other hand, the proponents of direct democracy contend under the influence of Marx and Lenin that “institutions of representative democracy can just be swept away by organizations of rank-and-file democracy” (Held, 1996: 266) which is, to say the least, a big leap of faith. As Cole argues, in order for a democratic system to exist there must be a participatory society, and, as has been pointed out in debates about participation in the preceding section, and will be demonstrated in subsequent chapters, there must exist a set of conditions for a truly participatory society to exist.

Enhancing political participation requires that individuals, advocacy groups and communities have access to opportunities to participate and that institutional mechanisms are put in place by governments for these actions to happen (Platt, 2008; Morone & Kilbreth, 2003). The latest wave of decentralization described in the previous sections of this chapter carried out in developing countries worldwide over the past couple of decades, has, albeit to different degrees in different countries, put the desire to enhance the participation of civil society in the decision-making process at the core of the movement towards



decentralization (Shatkin, 2000). However, the advocacy of public participation raises several questions such as: why civil society should participate in public matters; what parameters can define the meaning of terms like civil society or community; and what different forms of participation exist for civil society to make use of? In the following sections some answers to these questions will be attempted.

### 3.2.1 Civil Society and Public Participation

Civil society has been classified, in liberal terms, as simply the space located between the state and the market (Newell & Tussie, 2006; Anheier, 2004) because the role played by the state and the market needs to be balanced with civil society participation (Lane, 2003; Docherty, Goodlad & Paddison, 2001; Ehrenberg, 1999). Society, argues Lane, should act as a counterbalance to state power “and ensure that planning processes are more responsive and democratic” (Lane, 2003: 360). However, the concept of civil society is more complex than this suggests and it has spawned a wealth of academic literature (Cunill, 1991; Ehrenberg, 1999; Anheier, 2004; Dilla and Philip Oxhorn, 2002; Tanaka, 2000; Saurugger, 2007; Powell, 2008; Lowndes, Pratchett & Stoker, 2006; Delgado & Gómez, 2001; Goldfrank, 2006; Leal González, 2003; Cornwall, 2004; Gurza, Acharya & Houtzager, 2005), which involves elements of citizenship, limiting the power of the state and the market, and self-organization (Anheier, 2004). In the words of Habermas, civil society is a space constituted by ‘organizations, associations and movements’ that points out social problems to political institutions (Habermas, 1992 cited by Anheier, 2004). The notion of civil society has risen to prominence over recent decades and has been associated with themes such as civility, popular participation, public institutions, social capital and community characterized by values and norms (Anheier, 2004; Ehrenberg, 1999). It has also been associated with a particular set of values and norms; these entail principles of participation, autonomy of judgment, social order, pluralism, and solidarity (Dalton, 2008; Anheier, 2004; Ehrenberg, 1999). To summarize, civil society is “the sphere of institutions, organizations and

individuals located between the family, the state and the market in which people associate voluntarily to advance common interests” (Anheir, 2004:22).

The demand to improve civil society participation in political decision-making has been associated with addressing what has been argued to be a general lack of representation within democratic political systems. It is also, however, associated with a desire to combat inefficiency in public administration (Cunill, 1991). Thus, increased community involvement in what would traditionally have been seen as state activities, can clearly be connected to the dominance of neoliberal perspectives on the appropriate role of the state. In these circumstances, due to the decline of the welfare state, the community appears “as a potential recipient for responsibilities off-loaded by a governmentalizing state” (Herbert, 2005:851).

Participation can also be understood as arising as a consequence of government actions, because it depends on the opportunities to participate that are opened from the state (Moreno, 2003). In this sense, state institutions can be seen as an important provider of spaces for public participation designed to improve governance structures (Cornwall, 2004). These types of spaces can be differentiated into two kinds: Firstly, there are those that are offered ‘for deliberations or communication’, or that are part of government structures designed to allow people to take part in the decision making process; these can be termed “invited spaces” (Cornwall, 2004: 2). On the other hand, there is another class of space constituted by popular initiative, and expressed by popular movements or popular associations, these kind of spaces are called “popular spaces” (Cornwall, 2004: 2).

Communicative and collaborative approaches to planning have emerged as a response to a need to establish public communication in the process of decision-making by involving civil society and democratizing the mechanisms of negotiation within the planning process (Pløger, 2001; McGuirk, 2001). Listerborn argues that planning is a political instrument, and, therefore, planners have recognized that they need to be more aware of people’s voices in order to involve all kinds of knowledge in the process of policy formation (Listerborn, 2007). However, this kind of participative planning approach which prioritises

participation through “invited spaces” has been criticised as a “tool of the state administration” i.e. that it legitimises the status quo rather than facilitating challenges to it (Cunill, 1991).

Regarding “popular spaces”, civil society has come up with a range of different mechanisms for taking part in the decision-making process, these include: advocacy groups, community mobilizations (Morone & Kilbreth, 2003), neighbourhoods and community association (Beaumont & Nicholls, 2008), social networks (Platt, 2008), and interest groups (Bräutigam, 2000). What is really important in both scenarios of popular and invited spaces is that the participation of community organizations is not resisted by public institutions; civil servants can make this process difficult and can frustrate the aspirations of civil society to take part in public affairs.

The political context within which participatory processes are initiated is also a chief factor in establishing whether or not communities are able to express their concerns effectively (Beaumont & Nicholls, 2008). Regarding this last point, Tanaka (2000) argues that participation is not a process produced in a vacuum; therefore it is important to understand the context in which it is initiated. He suggests that there are three kinds of context within which several forms of participation can be identified. The first context is characterised by extreme poverty with no access to public services. In this scenario the community is compelled to participate in any collective actions required. The second context also involves poor communities but to a lesser degree. These kinds of communities have more access to basic services and have more links with the market and urban centres, in this context, social demands are more diverse. Therefore, the importance of community leaders to organise those demands is a key factor. Finally, the last context is found in urban settings, where demands are even more dissimilar and are expressed through interest groups or individually, in this context, the amount of different organizations makes social participation and the construction of social leadership difficult and, as a consequence, social policies are more exposed to political manipulation (Tanaka, 2000).

Another important element regarding community participation is the purpose of participation; do people participate in order to solve some common problem or a

problem that is important only to some groups? In the first case it will clearly be important to initiate collective actions. The other important questions are who participates; in what; on what basis, and for how long? Depending on the answer to these questions, participation can be collective or it can involve just a part of the society and respond to a particular problem that once resolved puts an end to the collective action (Tanaka, 2000).

To summarize, participation can be understood as the action of taking part in public matters (Tanaka, 2000), it can also be understood as the influence that civil society has over those decisions taken by governments and that influence their lives (Devas & Grant, 2003). Another important factor in participation issues is community empowerment and the significance of ensuring that people can get access to appropriate information and be sufficiently informed to be able to have influence over the decisions that are taken on their behalf (Perrons & Skyers, 2003). It is important, though, to bear in mind that the process of “participation depends on social arrangements and political relations. It also depends on economic incentives and on administrative approaches” (Cernea, 1992 cited by Tanaka, 2000). In order to understand how civil society participation is put into practice, the next section discusses the main forms of participation, as well as those mechanisms envisaged by the state, either as direct or indirect mechanisms, to engage community organizations in the decision making process.

### *3.2.2. Forms of Participation*

One way in which citizens can influence public policies is through their involvement in the planning process. Scholars have long argued, however, that there are many difficulties involved in incorporating civil society into policy development and chief amongst these is the nature of the planning process itself. Planning, it has been argued, is a process burdened by political influence (McGuirk, 2001), which is carried out in an institutional and political scenario where the agenda of decision-making has been structured without public participation (Forester, 1989 cited by McGuirk, 2001). An unequal position

between planners and civil society is therefore established which is expressed in a power-knowledge relationship (McGuirk, 2001; Pløger, 2001); planning is a process dominated by 'techno-scientific analysis and deductive logic', and therefore the role of planners in this process has been justified on the grounds of their professional knowledge (McGuirk, 2001: 196; Pløger, 2001). The process of planning dictates answers to questions such as 'who can', 'about what' and 'over whom' in relation to resources, public policies and decision making. In this sense, enhancing public participation can best be seen as a journey that has to sort hierarchies, systems of power, and find its own spaces and mechanisms for it to happen (Pløger, 2001:227).

Despite (or perhaps more accurately because of) these problems, some theorists have attempted to devise mechanisms for more effectively involving society in the planning process – examples include the role of community-based organizations and collaborative and communicative planning. Community-based organizations constitute an important instrument for involving citizens in state-related activities (Krishna, 2003; Shatkin, 2000).

Some observers suggest that the ideal of community involvement might be overrated. For example, in a study carried out in Seattle, USA; Herbert (2005) found that residents saw their involvement in local government policies as a way for government to disengage itself of its responsibilities and that in such circumstances governments "expect too much of communities." Although active respondents still believed that it was their duty to take part in the elaboration of public policies, they found public institutions difficult to deal with, and also found that political expectations about their participation were too high (Herbert, 2005).

Another form of participation seen in Latin America is through the upsurge of social movements that has been considered as an expression of citizenship; these groups are established to demand social and legal rights (Dagnino, 2003). One of the aims of social movements in Latin America has been to call for more inclusion in state decisions, because this involvement represents a huge "transformation of the structure of power relations" established between public institutions and civil society (Dagnino, 2003: 215). Despite the fact that social

movements are an important expression of participative democracy, the debates raised on this subject will not be considered in this research because the main interest has been narrowed to direct participation within government decision-making; therefore, wider political debates about the role of social movements<sup>7</sup> have not been included since they are not incorporated into the formal political process at local level, which is the main concern of this investigation.

### 3.3 The institutional Process of Participation and the Mechanisms Used to Implement it.

Governments all over the world have experimented with and institutionalized diverse mechanisms to involve civil society in public matters; the most common experience is involving the community in the planning process. In this section some contrasting examples of these mechanisms will be presented.

It is worth beginning by looking at some Northern countries' experiences of involving civil society within the political process. In Norway, for example, according to official rhetoric, public participation is a crucial element in national politics and the planning process. However, in practice more is made of the importance of participation through representative democracy, and in particular that political parties should reach some sort of consensus in the decision-making process (Pløger, 2001). The Norwegian Planning and Building Act approved in 1985, conceives of public participation "as the right to be heard on matters that affect people", but it just represents a formal act because, for example, people are only able to participate when the first version of a management plan has been produced and presented to the public for discussion (Pløger, 2001:229). Sweden has also formally incorporated the inclusion of civil society in the discussion of public issues and the planning laws in the country stress the right that citizens have to be informed in order to influence the planning process (Listerborn, 2007).

---

<sup>7</sup> For a more detailed literature see Alvarez, Dagnino & Escobar, 1998; Escobar & Alvarez, 1992; Escobar, Alvarez & Dagnino, 2001; Escobar, 1992; Dagnino, 2005.

In Britain, there have been some changes in recent years over how the government perceives of public participation within the local government decision-making process. The incoming Labour government in 1997 characterized the existing representative system, as 'overly bureaucratic and, in terms of public participation, uninviting' (Fenwick & Elcock, 2004: 520). At least on paper, increasing civil society involvement in public matters became one of the main tenets of the philosophy of the new Labour government. This intention was materialized in the production of White Papers and legislation. The publication of the White Paper *Modern Local Government: in Touch with the People*, by the Department of Environment, Transport and Regions (DETR) in 1998, expressed the chief importance, among others, that "modern management structures (and) effective community involvement" have within successful local governments. The statutory obligation 'to consult and engage local communities' in local matters was also highlighted (Bath & North East Somerset Council, 1998). To that end, diverse mechanisms were put in place to allow public participation in the planning process such as public panels, 'Best Value' practices and community-based local planning (Fenwick & Elcock, 2004).

Over time, other mechanisms were also launched by national UK bodies to increase public participation. The Department for Communities and Local Government, for example, prepared in 2006 a White Paper called *Strong and Prosperous Communities* in which it highlighted the changes that the Labour administration were seeking in the role of local government and the importance of working in partnership to situate the services that local governments provide around the citizens and communities that they work for. It argued that local governments will have to transform the way they work and "give citizens and communities a bigger say; to enable local partners to respond more flexibly to local needs; and to reduce the amount of top-down control from central government" (Department for Communities and Local Government, 2006:9). The Department also recognised that one of the major challenges was how to engage people, which they argued would involve empowering communities to influence the decision making process and make local governments more accountable to the public (Department for Communities and Local Government, 2007). The

Department of Transport's White Paper in 1998, *A New Deal for Transport*, also encouraged local highway authorities to develop quality local transport plans and emphasized the importance that wide-ranging discussion with the public would have for the funding that was to be allocated to those plans (Bickerstaff & Walker, 2001).

In the USA, one of the main areas where there has been innovation in securing public participation in decision-making has been within environmental planning where civil society has gained significant space within government bodies. In the National Environmental Justice Advisory Council (NEJAC) document: *Model Plan for Public Participation* published in 2000, the Environmental Protection Agency established the principles that guide the methods through which the Environmental Protection Agency (EPA) should "institutionalize public participation in its environmental programs" (NEJAC, 2000). To that end, the document presents some key recommendations: communities and all kinds of stakeholders should be encouraged to participate, public participation should be institutionalized, community knowledge must be recognized, and cultural exchange promoted. At the same time, there is also recognition that meaningful participation has to contemplate some critical elements such as: the preparation of communities for the meetings, the involvement of all key stakeholders, the importance of logistics (where, when and how), and the establishment of key rules to promote fair meetings. NEJAC also presented a list of core values that have to be taken into consideration for the practice of public participation, these are that:

- a. people should have a say in the policies that influence their lives,
- b. Public participation reassured the promise that the public's contribution will influence the decision
- c. those at risk should be incorporated within decision making process,
- d. the public should have a say in establishing how they should participate,
- e. outcomes of public delivery should be made public,
- f. the public should be informed before the deliberation process



Until the 1980s, Latin-American governments did not show any strong inclination towards public participation (Cunill, 1991). Some argue that one of the reasons for this was that before the economic and political crisis of the 1980s. There was not a need because political participation was carried out through strong political parties and labour unions which represented, at that time, effective mechanisms for public representation<sup>8</sup> (De Janvry & Sadoulet, 1993; Cunill, 1991). During the 1980s, the economic and political crisis, the exhaustion of the welfare state, and the return to democracy in some countries laid the foundations for the emergence of a diverse range of new or re-invigorated social organizations (Cunill, 1991). The creation of these new organizations responded to the lack of efficiency and legitimacy that political parties and unions had in representing community interests at the local level. Within this context, groups such as neighbourhood associations and social movements began to emerge and demand more space for their participation in the decision-making process (De Janvry & Sadoulet, 1993; Cunill, 1991).

As will be argued in detail in chapter five, the reform of the state and the promotion of the process of decentralization were the scenarios that paved the way for calls for more social inclusion in public matters across Latin-America from the 1980s onwards. Latin American states, to differing degrees, began to recognize the importance of restructuring the configuration of the state and opening up new channels through which citizens could become engaged in political decision-making (Cunill, 1991). That recognition has been expressed through the various national plans developed by almost all Latin American countries and through changes to their national constitutions. Some examples of this are given as follows:

Mexico provides one example of these initiatives. The planning process in Mexico is regulated by the Planning Law enacted in 1984. This law establishes the foundation for democratic planning in this country. One of the objectives of this law (Article 3) is to ensure the active participation of civil society in government actions, and it declares in article 35 that local and national state plans should reflect the democratic participation of civil society. It also emphasizes (Article

---

<sup>8</sup> A more extensive review of this subject will be presented in Chapters VI & VII.

52) that it is a state duty to guarantee the involvement of individuals and organized groups in the process of development planning (Legislatura del Estado de México). This then provided the constitutional basis for the public consultation carried out by the Mexican government in relation to their 2001-2006 National Plan. According to this procedure, the planning exercise for the national plan involved the inclusion of public opinion in the elaboration and evaluation of the plan, and the document highlights the significance that civil society and the private sector had in the process of regional planning (Presidencia de la República, 2001). The mechanisms employed to encourage participation in this process were postal mail and internet surveys, as well as meetings of citizen opinion (forums, subject meeting and planning sessions). The plan also included the results of the planning processes carried out by other institutional offices (Presidencia de la República, 2001).

The most recent Plan (2007-2012) also contemplated the inclusion of public opinion in its elaboration. To that end, a process of citizen consultation was carried out, including, in addition to the parliamentary sector, political parties, local and state governments, civil society organizations and indigenous communities as well. The mechanisms for participation included some of those used during consultations on the previous plan, but also included dialogue tables, popular consultation forums, phone, mail and internet surveys, meetings with specialists and a process of consultation with indigenous communities through the National Commission for the Development of Indigenous People. This process was carried out by national and state institutions (Presidencia de la República, 2007).

In Colombia, on the other hand, before 1994, National Plans did not include the requisite of involving public participation in the planning process. This began to change as an outcome of the new national political constitution enacted in 1991, which states in its first and second articles that democracy in Colombia has a participative character and to that end, the state has to facilitate the participation of civil society in those public matters that affect their lives (República de Colombia, 1991). The 1994 National Plan was then, the first plan elaborated

under the concept of participatory planning (Departamento Nacional de Planeación, 1994). The mechanisms followed by this plan were the analysis and discussion of the proposal nationwide in public audiences, as well as in regional forums, the National Congress also organised debates with the two chambers (Departamento Nacional de Planeación, 1994).

The first strategy, Towards a Participative State (Hacia un Estado Participativo) of the 1998 national Plan was to build a participatory democracy as an ideal instrument to help progress the political reform of the state. This task would be accomplished by deepening the process of decentralization, facilitating the inclusion of minority groups and redefining state-civil society relationships. The reform of public administration to improve its efficiency was also contemplated, within which increasing public participation in the different levels of the state was promoted as a way of making national and local government more competent in delivering public services, (Departamento Nacional de Planeación, 1998).

The 2002 National Plan, called Towards a Communal State (Hacia un Estado Comunitario), invoked a participative state that involves the community in the process of social development. One of the objectives of this plan was to increase the transparency and efficiency of the state, and one of the mechanisms adopted to achieve this goal was the reform of public administration, within which the deepening of the decentralization process was a core issue. The process of decentralization should promote public participation in the local administration and the planning process. The ultimate purpose is to create a competent and decentralized state that takes in to account public demands and keep in mind local problems without losing regional and national perspective (Departamento Nacional de Planeación, 2002). The main mechanisms for participation at local level, beside the direct election of local and departmental representatives, are, among others, municipal consultation, local administration committees, and planning councils (Velasquez, 2004).

Despite all the efforts expressed in the different Colombian national plans, the armed conflict between the state and the guerrillas has tended to overshadow any other political initiatives. In addition, despite the intentions expressed

throughout the national plans to encourage the participation of civil society in public administration, this effort has been hindered by economic and social factors. The promotion of public participation has been affected by other tendencies within government and other state aims and objectives. For example, one of the dominant features of central state policies over this period had been the direct management of public administration at all levels, following a criteria of austerity. The reason behind this is that much of the national investment has been earmarked for dealing with the armed conflict (Velasquez, 2004). The armed conflict, which has invaded all sectors of the country, has also brought two fundamental consequences: one is the state discourse that this problem requires centralised state actions which undermines local and departmental governments; the other is the lack of interest and lack of trust that civil society has shown towards participating in public matters (Velasquez, 2004).

### *3.3.1 Direct Mechanisms for Participation*

The experiences described above are examples of instruments employed by two Latin American states in an effort to incorporate the concept of participation in the planning process. Nonetheless, some countries have implemented more direct mechanisms for involving civil society in institutional administration, particularly at local level. The most relevant illustration of this practice is the participatory budget scheme implemented in Brazil by the political party Partido dos Trabalhadores (Worker's Party) (Abers, 1996). However, there is another important experience carried out in Peru where this method has also been implemented.

In Peru, public participation in public affairs is a novel, although extended practice. Previously, in the 1980s, and based on the municipal reform carried out in 1980, some municipalities developed mechanisms that allowed the participation of civil society in local administrations, those experiences<sup>9</sup> were, however, short lived (Chirinos, 2005). There have also been a range of diverse experiences in participation in cases like Water Users Committees and Self-defence Patrols which had been developed by organized groups in conjunction

---

<sup>9</sup> The reasons why this experience did not prosper are explained in Chapter V.

with official bodies (Ballon, 2003; Grupo Propuesta Ciudadana, 2004). These experiences, however, responded to particular (local) political initiatives and not to a policy implemented by the state to encourage civil society participation in public matters (Grupo Propuesta Ciudadana, 2004; Ballon, 2003). During the transition government in Peru, the administration of President Paniagua (2000-2001) implemented a mechanism called Mesa de Concertación Para la Lucha Contra la Pobreza, which established the method of *concertación* (consultation) as a state policy. This initiative was continued by President Toledo who extended the approach to regional and local levels (Grupo Propuesta Ciudadana, 2004; Riofrío, Soria & Llona, 2003). The aims of the *concertación* tables were to better coordinate public policies, as well as institutionalizing public participation in the state administration, they also acted as a consultation system that provided the necessary elements to elaborate development plans at all levels (Ballon, 2003, López & Wiener, 2004). Another mechanism to encourage public participation was the sanction of Law N° 26300 Law of Rights for Citizens Participation and Control (Ley de los Derechos de Participación y Control Ciudadanos) that established the mechanisms through which civil society could participate in public affairs (Congreso Constituyente, 2001).

In 2002 the ministry of finance launched, in conjunction with the *concertación* Tables, a demonstration experience to elaborate participatory budgets in nine regions of the country, which was then broadened to the whole country in 2003. The Congress sanctioned the Organic Law N° 28056 of Participatory Budgeting (Ley Orgánica del Presupuesto Participativo) in 2003, and later on, in 2004, the Ministry of Economy and Finance produced the handbook for coordinated development and participatory budgeting (Instructivo para el Proceso de Planeamiento del Desarrollo Concertado y Presupuesto Participativo) that guide the principles to be followed in this process (Grupo Propuesta Ciudadana, 2004).

Participatory budgeting established how to invest public budgets and was based on establishing priorities as an underlying principle; the decisions however, had to be taken on the basis of regional necessities and the budget assigned by the central government to the regions. However, this approach, whilst it has entailed a debate between diverse interests that have led to a series of conflicts and

agreements among state institutions and civil society (Lopez & Wiener, 2004), has at least sought to break clientele structures and give way to a more deliberative process. To that end, communities have to elect delegates that represent them in the deliberative process before the Regional and Local Coordination Councils, which comprise members of local and regional institutions and representatives of civil society organizations (Grompone, 2005).

After a period of interruption in its decentralization process<sup>10</sup>, Peru reinitiated the process of decentralization in 2001 opening important channels for greater public participation. The consultation table was the instrument that established the institutionalization of this process at all levels, and as a state policy. Although some experience in engaging local communities in public administration had been gained in the 1980s, then it was more an initiative of leftist parties, rather than a state policy (Grompone, 2005), and it was not until the emergence of the consultation tables that this instrument was applied elsewhere. The enactment of the Law N° 28056 of Participatory Budgeting and the handbook represented a big step in consolidating the legal and institutional grounds to encourage the involvement of civil society in the decision-making process.

The process of participation by means of this instrument has not evolved without problems. A lack of flexibility in the procedures, the fact that not all the sectors are informed about the process and the absence of a culture of public debate are just some of them (Grompone, 2005; Leyton, 2005). Another deficiency is the lack of connectivity between different levels of government (Grompone, 2005), with the result that budget discussion is just an administrative act as the discussion stage bears no connectivity with the mechanisms where decisions are made on budget allocation (Grompone, 2005; Leyton, 2005). An important factor that hinders this instrument is the poor understanding that communities have about the technical aspects of budget setting, as well as the negative attitude of some public officers. Representation issues (legitimacy) and the lack of opportunity of underprivileged sectors to access opportunities to participate are also important issues (Grompone, 2005; Leyton, 2005). Finally, there is the question of the accountability of community delegates and the amount of time

---

<sup>10</sup> This aspect will be discussed further in Chapter V.

that they expect they will have to devote to participating in the process (Grompone, 2005).

In Brazil, the implementation of participatory budgeting in municipal institutions did not correspond to a national policy. The most well known experiences were those devised by the leaders of the Worker's Party in Porto Alegre –who wanted to innovate the way public administration was conducted at the city level (Abers, 1996; Souza, 2001). Through participatory budgeting, local authorities have sought to involve the community in the allocation of financial resources within the municipality (Wampler, 2007). The procedure combines elements of direct participation and representation, since the first stage involves the election of district councils in open forums and assemblies at neighbourhood levels, as well as electing delegates who will represent them in further deliberations. The most important aim of this process is to give voice to marginalised groups who have not previously had opportunities to participate in the decision-making process in their own communities (Abers, 1996; Wampler, 2007).

The approach followed in the elaboration of municipal budgets, within this approach, has two stages: In the first, local officers present information about the budget within a general assembly of the community (Souza, 2001). After this meeting, communities in all neighbourhoods gather to discuss and define the main priorities where they want the government to allocate funds (Abers, 1996; Souza, 2001). The second stage comprises the election of delegates, who will be in charge, together with the municipal council, of defining a list of priorities for the whole city (Souza, 2001). This is an exercise filled with debates about which priority is the most important and where limited funds should be allocated, but the idea of incorporating into local discussions what should be the priorities for the whole city widens the scope of the participants beyond the immediate needs of their own communities (Abers, 1996).

There are other considerations in the allocation of resources, those areas with poor infrastructure, low income and high levels of inhabitants will generally be given priority in public investment. However, a great deal of negotiation is carried out to convince delegates from other places to approve policies that

might benefit other neighbourhoods than their own (Wambler, 2007; Souza, 2001).

In dealing with the difficulties posed by technical considerations of budget setting, the municipality of Porto Alegre initiated a process of education to explain the process to those participants with little knowledge of it; they also focused on training those delegates that represent the communities on the administrative aspects necessary to the elaboration of the participatory budgeting. This municipality also introduced a mechanism called the City Constituent Assembly which was designed to involve other sectors such as trade union representatives, universities, professional groups and other groups from the middle class (Abers, 1996). The experience in Belo Horizonte induced the municipality there to open a deliberation forum to deal with particular problems in the city such as housing issues (Souza, 2001).

Another initiative that has encouraged civil society participation in Brazil is that of the Public Management Councils (Barth, 2007) that were established by the national constitution enacted in 1988 (Barth, 2007; Acharya, Gurza & Houtzaguer, 2004, Souza, 2001). These councils are constituted by members of the government and the public and represent another arena in which public officials and civil society can debate about public policies (Barth, 2007; Acharya et al, 2004). One positive aspect of this mechanism is that any political group can be part of it. The councils function with different public funds and have to meet government expectations, that is, formulation and control of public policies (Barth, 2007).

Despite the efforts carried out to integrate the community into local government decision-making, the Brazilian examples presented above also had limitations in their implementation. With the participatory budgeting the first problem was the inexperience of municipal authorities in this process. When it was implemented for the first time, it was difficult for local authorities to reconcile public demands, community expectations and available budgets with electoral promises of public inclusion. It brought, as a consequence, disappointment among communities in the process of participation (Abers, 1996). The strategy to accommodate participatory practices based on trial and error, as well as the decision to



decrease the amount of time available for deliberative processes within some municipalities, gradually brought about a loss of credibility for the process among some communities. The technical specification of budgetary procedures was also an issue that had to be overcome by local authorities (Abers, 1996).

Despite these problems, in Brazil, national, local and state governments have opened several channels to encourage the participation of different representations of civil society in different stages of public decision-making processes: design, implementation, and supervision. The territorial dimension of participatory budgeting has encouraged the involvement of neighbourhood organizations and low-income people from poorer areas in the process which in turn, increases their effort to participate when they see that can influence the decision-making process (Acharya et al, 2004, Wampler, 2007).

### *3.4 Concluding Thoughts:*

The experiences described in the preceding pages tell us that although institutionalised participatory process represent valid channels for involving civil society in public affairs, it is still essential to increase the political will to improve this process. The recent initiatives of nation-states to involve civil society in the planning process are evident in a variety of government documents, national plans and constitutional changes. However, the attitudes of civil servants also play an important role in this process, as was explained before, and there remains an unequal relationship between planners and communities; a power-knowledge relationship reflecting the fact that the process of planning is dominated by technical facts leaving little space for local experience and common knowledge.

On the other hand, it is important to establish an effective balance between state responsibilities and community involvement. Participatory practice should not be seen as a burdensome process, either because it demands excessive requirements of participants or because it is seen as a way of relieving the state from much of its duty. Society should not see this process as an obligation

because governments are inefficient, and feel consequently overwhelmed by the amount of responsibilities that they have to carry out.

Civil society's willingness to take part in the different stages of planning procedures is also important. The example of Brazil shows that despite the drawbacks of participatory budgeting, which may discourage many people at the beginning, there are effective mechanisms that can be put in place, like training, to encourage participation, particularly at local and state levels.

In Colombia, for instance, this process has been hindered by the efforts of the central government in fighting the armed actions of the guerrilla groups. This reflects the fact that the implementation of measures promoting greater public participation will bring very different results in different political and economic circumstances.

In Peru and Mexico, as in many other Latin American countries, decentralization has been assumed as a major state reform that implies the transfer of responsibilities to local and state governments, whether to improve political legitimacy or to implement development policies. Decentralization, finally, entails a change in the relationship between the state and civil society, because it opens new channels for participation and control of public administration. Decentralization and civil society participation are consequently, complementary processes (Lopez & Wiener, 2004:19).

Chapter V will explore in more detail how decentralization has been implemented in Latin America by discussing the experience of five countries in this process, Chapter VI focuses on the peculiarities of Venezuela's political context as an important factor in the reform of the state and the implantation of decentralization policies. We turn next however, in Chapter IV, to the task of further defining the research questions that will be addressed by this thesis and the methods that were utilised in addressing those research questions.

# Chapter IV

---

## Methodology, Aims and Objectives

*“Positionality is not always consistent, but could create conflicts depending on the various roles being played out by the researcher, the researched and the research itself. It is something dynamic, since the ‘we’ and ‘they’ are not fixed, as Katz (1994) explains when writing about the demarcation of the ‘field’.*

*This is particularly true in questions to do with ‘insiders’ and ‘outsiders’. Being outside or inside is not a static position, but one that is dynamic and could change over time and in relation to circumstances”.*

*Lorna Gold, 2002: 224*

## Introduction

In previous chapters I have presented the theoretical foundations of this study. Based on those foundations, the object of this research will be to analyse how local governments in Venezuela have incorporated into their organizational structures the new institutional arrangements produced by the National Constitution, sanctioned in 1999, to allow public participation in public matters. The functioning of important mechanisms such as the Local Councils for Public Planning – LCPP- (Consejos Locales de Planificación Pública) and the Communal Councils – CCs- (Consejos Comunales) that allow the involvement of citizens in local affairs was also analyzed. The functioning and implementation of these mechanisms are outlined and analyzed in detail, based on the data collected throughout this research, in chapters VIII and IX.

The detailed analysis and discussion of the literature on institutions, governance and decentralization outlined in chapters two and three covered a wide range of competing perspectives and approaches. From that discussion several themes emerged that are of particular interest and importance for this study. These include the role that institutions have in governance and decentralization, and the importance of the structure of decision making processes in determining the extent of societal participation. Local authorities are important in these areas, because they are the recipients of the devolution of power, from central or national government. The reason for political decentralization, at least in principle, is that decentralized governments are closer to their constituencies, have a better understanding of their problems, and represent the best way for people to take part in the decisions that affect their lives. In keeping with these principles, as discussed in section 2.2 of chapter two, the United Nations defines governance as the “exercise of economic, political, and administrative authority to manage a country’s affairs at all levels, comprising the mechanisms, processes, and institutions through which that authority is directed” (UNDP, 1997: 5). In devolved governance, the government establishes the institutional framework through which citizens take part in the decision making process (Cheema & Rondinelli, 2007). This is most evident at local level, because, as asserted

previously, local governments are the institution best suited to mediate a devolved arrangement between the state and civil society.

It is important to research this proposition, particularly in the case of Venezuela, where diverse mechanisms for public participation have been established by the 1999 National Constitution, like the LCPP and the CCs for example. This research analyzes how these mechanisms, devised to encourage civil society participation in local government, have been put in place, and how the electorate understands those mechanisms. To that end is examined how the instruments for participation presented in Chapter VIII and IX have become part of the structure of local and regional institutions in Venezuela and embody “institutional participation”. However, the main focus will be placed on the municipalities and their interaction with mechanisms such as the Local Councils for Public Planning and the Communal Councils.

#### *4.1 Aims and Objectives:*

This research was carried out for two reasons. The first reason was the enormous differences that can be observed between local administrations in Venezuela; differences not only in terms of service delivery, and in the opportunities for people to participate in local public affairs. The second reason was the criticism made about decentralization from its inception to the present days, despite the introduction of reforms intended to broaden participation in public affairs.

##### *4.1.1 Aims*

The aims of this project are to find out how the process of decentralization initiated in Venezuela in 1989, has evolved. With the intention of doing this it is important to determine whether the devolution that has been carried out so far has improved local governance, democracy and development in the country. In order to do this, it is also necessary to establish whether civil society, as defined

in Chapter III<sup>11</sup>, has become more active in taking part in the decision making process. The other question to be considered is whether local governments in Venezuela have created opportunities for the involvement of civil society in public affairs that are additional to the channels specified by the 1999 national constitution.

Through the analysis of secondary data and the primary information collected in fieldwork, a variety of issues are explored which will affect the ability of civil society to effectively participate within decision-making processes at the local level. The research will explore, amongst other factors, the influence of resistance to devolution, obstacles to the participation of civil society in public decisions, and what sort of changes have been introduced in local governments to allow participation in decision making and to adapt to the new legal and political conditions. Other approaches to decentralization that have been implemented by the current national administration are also explored in this research.

#### *4.1.2 Objectives:*

Within these broader aims, the topics upon which this research is focused are the following:

- a. To outline the mechanisms that have been put in place to allow the participation of civil society in public matters in Venezuela, with a specific focus upon the period between 1999 and 2009
- b. To review the ways in which these mechanisms have been incorporated into the structure of decision making within local institutional such as local councils
- c. To analyse the effects that mechanisms such as the Local Councils for Public Planning and the Communal Councils, established in the 1999

---

<sup>11</sup> See definition in Chapter III.

National Constitution, have had in encouraging and improving the participation of civil society in public matters at local levels

- d. To assess the effectiveness of the implementation of the Local Councils for Public Planning and the Communal Councils, and the factors affecting their operation in different geographical and social contexts.
- e. To assess what light the Venezuelan experience can shed upon our understanding of the potential role of decentralization in enhancing public participation within political decision-making.

## 4.2 Methodology

### 4.2.1 *Research Methods*

Both the use of quantitative and qualitative methods in social science research have generated controversy (Silverman, 2000). Qualitative research is sometimes regarded as unduly flexible, subjective, speculative and apt to be coloured by the political values of the researcher; quantitative research, on the other hand, is intended to be objective, based upon hypothesis testing and untainted by the position of the researcher (Silverman, 2000). However, as much as the quantitative research is branded as objective, there is always a degree of the researcher involvement that influences the outcome of the research, an example of this is the choice of what to study, decisions over the data collected etc. Another distinction between these approaches is in the importance of the relationship between researcher and participant: in quantitative research this should be of minimal importance to the findings (although it is clearly of some importance for example in relation to the relationship between the administrator of a questionnaire and the respondent), whereas in qualitative research a strong relationship is highly necessary because the researcher has to understand how the people under study see the world and their experiences (Bryman, 1999). The researcher can be an outsider or an insider according to his or her degree of involvement with the participants (Bryman, 1999).

Another difference between qualitative and quantitative methods is the use of structured and open strategies of data collection. In quantitative research in the social sciences, data collection is highly structured: e.g. the questionnaire as a mean of data collection, the choice of the independent and dependent variables, and every step of the research are extremely controlled (Bryman, 1999). Qualitative research, on the other hand, uses a more open approach to data collection; it is more flexible because it can accept “new leads to be followed up or additional data to be gathered in response to changes in ideas” (Bryman, 1999:40).

Quantitative methods have also been criticised for failing “to understand the ‘meanings’ that are brought to social life”, whilst qualitative methods enable these to be discerned (Silverman, 2000: 4-5). Qualitative research is conducted in order to explain certain aspects of the human environments and experiences, using for that purpose a variety of conceptual frameworks (Winchester, 2005). Qualitative research can be understood as:

A strategy of social research which deploys several methods... and displays a preference for: the interpretation of social phenomena from the point of the meanings employed by the people being studied; the deployment of natural settings for the collection of data; and generating rather than testing theory

(Bryman & Burgess, 1999: X).

The appropriate research method should be chosen according to the nature and purposes of the research to be conducted. These considerations will determine whether the study would generate an account of how various factors interact or a quantitative dissection of a situation (Hammersley, 1999).

Since the intentions underlying this research are to understand a social phenomenon and to explore a range of related experiences, a qualitative approach was selected.



#### *4.2.2 Qualitative Methods vs. Quantitative Methods*

Although structured interviews and the questionnaires as quantitative methods are used in social sciences, as well as other techniques such as recording observations, and some forms of basic textual analysis where the recurrence of words are counted, it was decided not to implement this type of numerical approach as it would not reflect the kind of analysis that could meet the objectives of this research. Quantitative techniques are more oriented to identify the opinion that people hold on certain issues, and therefore are called explanatory surveys. Questionnaire based surveys are used to identify correlations between study variables and to test hypotheses that arose from a particular theory; it is also used to find out about people's opinions, attitudes and beliefs (Parfitt, 1997; May, 2001). The use of questionnaires requires standardization, replicability and representativeness. In order to understand a little more why this approach was not followed, some characteristics of questionnaires are explained briefly:

Standardization means that like structured interviews, discussed below, questionnaires must be applied under very specific conditions. The questions asked must have the same meaning and the same wording, they must be asked with the same intonation and in the same sequence; then those responses are quantified, accumulated and examined following techniques of statistical analysis (May, 2001; Bryman, 2004). Replicability means that the questionnaire would yield similar results when a given group is re-examined, ensuring validity of comparisons between different groups. Representativeness, on the other hand, ensures that the researcher can make general claims about the researched sample and prove that the survey is statistically significant (May, 2001).

Interviews can be classified as structured, semi-structured and unstructured. Structured interviews are mainly employed in quantitative research (Bryman, 2004). Structured interviews are conducted in the same way with each participant; by doing this, the interviewer guarantees that the answers can be combined because they are responses to equivalent questions. The questions are

very specifically defined and sometimes require the respondent to select from a list of pre-formulated replies (Bryman, 2004; May, 2001).

In this particular case, it was decided against the use of this kind of methodology, basically because the rigidity of questionnaires and structures interviews did not suit the objectives of this research, where more freedom in the answers was needed.

To meet the particular objectives of this research, the collection of the data was focused upon qualitative methods. However, the triangulation of research methods, where a range of approaches are adopted to secure the best possible range of data, was used. For example, the use of quantitative data produced by the national government was employed in order to address some of the issues raised in this research. Although the application of a questionnaire survey of attitudes of state officials across the country would have been useful to measure where their opinions stand in relation to the issues under analysis, or the application of a questionnaire survey of members of a community about their experiences of or knowledge of means of participating in decision-making, would have showed some insights on the subject studied, these techniques, as they are conceptualized in quantitative research, were not considered useful for this research because what was important in this case, was to explore the impact of the implementation and functioning of mechanisms for participation and how they had worked, it was also important to know in more depth the experiences of those taking part in these mechanisms for public participation.

Whilst the most common qualitative methods of data collection are: the open or unstructured interview, the focus group and participant observation (Kitchin & Tate, 2000; Winchester, 2005), there are other methods such as the analysis of documents like text or maps, and of visual material such as videos or pictures, (Dwyer & Limb, 2001); the study of oral history, diaries and conversation; and discourse analysis are also counted as qualitative research methods (Bryman & Burgess, 1999).

Participant observation is used to understand the everyday experiences of a given community from the inside. In participant observation the researcher has

to undertake two roles: as a participant he or she establishes a relationship with those who live in the community to find out what happens within that setting and keeps records of activities and situations. As an observer, the researcher witnesses all the action without intervening. He or she simply takes notes or makes some other kind of record in order to collect data that can be used to explain what is happening (Cook, 1997). Depending upon the degree of interaction the roles taken by the researcher in an observation process can be classified as total participant, when the researcher emotionally involves him or herself in the situation under study; research-participant, when the personal involvement is only partial; and total researcher when no personal involvement takes place during the investigation (Gans, 1999). Although this technique might provide important information, it was not considered in the case of this research because of the lack of access to communities, the danger of going to communities with high crime rates, lack of time to engage in this kind of technique, but more importantly, because the kind of activities developed by those engaged in the LCPPs and the CCs, although carried out on a permanent basis, is not carried out on a daily established schedule, and much of the activities are undertaken personally by the people who take part in them. Therefore, gathering data using this technique would have meant investing a considerable amount of time which I did not have.

In a focus group, a group discussion is used to ascertain the views and experiences of a group of people within defined topics. A focus group entails a shared activity established to permit debate around particular topics, and monitoring the interaction that is established through the discussion (Kitzinger, 1999). Again, this type of analysis provides the opportunity to get a sense of the range of different views within local communities. However, it was decided not to employ this method because it represented a very high cost in terms of money and time. Despite that, I had the opportunity to interview two indigenous communities, and a CC in Valencia, when many of their members were present. While these interviews were not conducted following the techniques of a focus group, I had the opportunity of knowing what their members thought about the

implementation and functioning of the CCs, their particular experiences and what they, as a group, were pursuing with their participation in the CCs.

As suggested above, the most common research technique in qualitative research is the interview. Interviews can be structured as discussed above under quantitative research approaches, semi-structured and unstructured. In the semi-structured interview questions are asked on a manner that gives the participants some freedom in the way in which they express their opinions about the research subject and the order in which issues are addressed (Bryman, 2004; May, 2001). In this kind of interview, the researcher uses questions as a guide enabling him or her to cover all the topics that he or she wishes to investigate. In turn, the interviewee has the opportunity to go beyond the questions and make replies on topics adjacent to the subject matter to the question. This gives the process a great deal of flexibility and introduces themes and ideas that the researcher conducting the interviewer may not have thought of (Bryman, 2004).

In unstructured interviews the researcher does not use a detailed question guide schedule but a set of notes that is merely used to lead the encounter towards certain topics. The unstructured interview can even consist of just one question that is answered openly by the participant (Bryman, 2004). An unstructured open-ended interview allows the researcher to explore a particular topic thoroughly by letting the participants express their experiences and knowledge fully. Sustaining an in-depth conversation on the subject may bring elements to the research that had not been foreseen in the planning stage (Valentine, 1997).

The main technique used in this study was the semi-structured interview, which was combined with an exhaustive analysis of a variety of secondary data such as official documents, videos, CDs and radio interviews. Interviews with participants were chosen over questionnaires because the purpose of the research was not to identify how many CLPPs or CCs were functioning fully and effectively in Venezuela, but rather to uncover the experiences of those taking part in these mechanisms of participation and the opinion of those government representatives who devise and implement them.

The interviews were semi-structured, and consisted of open-ended questions. This maintained consistency in the questions to be asked, while leaving a degree of flexibility for the participants (Dunn, 2005) to express their experiences and thoughts about participation in public matters.

The semi-structured interview was judged to be an appropriate technique for this study because the goal of this research was not just to obtain answers to particular questions or generate data which could be analysed statistically, but also to look for facts, opinions, experience, meanings and beliefs in order to analyze how civil society participates in the decision-making structure, and to determine how these structures are incorporated within national, regional and local authorities. As part of the latter aim key actors within those government institutions were asked to explain how they understood mechanisms for citizen involvement in public matters and for their opinions on how they had been implemented and with what impact. Although interviews were carried out at all levels of public administration, they were more focused on local institutions and on those people participating in the mechanisms of participation enacted by the 1999 national constitution where particular attention was placed upon exploring the factors that might hinder or encourage the implementation of the mechanisms for participation. All of these intentions were best served by adopting the semi-structured interview as the main research technique.

#### 4.2.3 The Sampling Procedure

The people interviewed in different institutions were not selected randomly<sup>12</sup>. However, since this research is looking for an explanation of how Local Councils for Public Planning and Communal Council function, and how those mechanisms are integrated within local, regional and national governments, some interviews were, as a consequence, conducted without following a convenience<sup>13</sup> and

---

<sup>12</sup> Random sampling means each member of the population would have the same probability of being included in the sample (Bryman, 2004: 90).

<sup>13</sup> A convenience sample is one that is simply available to the researcher by virtue of its accessibility. The problem with such a sampling strategy is that it is impossible to generalize the findings, because it is not possible to know of what population this sample is representative (Bryman, 2004: 100).

opportunistic strategy, that is, conducting interviews with people who were not pre-selected but who represented good examples for this study, and because the interview was made possible, I decided to include them in research. For example, the interviews conducted in the *Barrio Fundación CAP*, thanks to the invitation made by former mayor Argenis Loreto to his municipality.

For the rest of the interviews, the nature of the sampling was a purposive and theoretical sampling. Purposive sample means that the people selected for the interviews are those who “are relevant to the research questions” (Bryman, 2004). In other words in this case, key actors from the national political institutions involved in the introduction/development of the decentralization measures under investigation and the institutions of local government within the municipalities selected and the civil society organizations they have interacted with (the factors underlying the choice of these municipalities is discussed below).

According to Silverman (2000:104-105), purposive sampling allows the selection of cases based on the features and processes associated with the investigation, it also allows the inclusion in the research technique of particular aspects or parameters of interest. Mason (1996) argues that theoretical sampling allows the researcher to choose the groups or categories that are important to the research and the theory that supports the study, and helps to make an account of facts developed in the research (Mason, 1996, cited by Silverman, 2000: 105). Theoretical sampling allowed this research to be conducted following three important aspects (Silverman, 2000: 105-108):

- a. Select the people and municipalities that were relevant to the research questions and the theoretical framework;
- b. Allowed the possibility to select ‘deviant’ cases;
- c. Provided the opportunity to increase the size of the sample if, for instance, new elements emerged while doing the fieldwork.

#### 4.2.4 *The Geographical Context*

Venezuela is divided into 337 municipalities. However, despite the Local Councils for Public Planning (LCPP) having the force of law, at the time of embarking upon the fieldwork, not all the municipalities had incorporated this mechanism in their structure as was required in the 1999 National Constitution. Before starting the fieldwork, it was not clear which municipalities or local governments had implemented the LCPP which made the selection of case studies difficult. Once in the field, however, it was possible to establish the level of adherence to this requirement. As a result, besides choosing some local governments that had implemented or were in the process of implementing the LCPP, some others were selected that had not yet started to do so. These latter bodies were included as a deviant group (2000:107). The reason for this is explained by the need to find cases that can make answers to some of the research questions possible. Another reason is because they can contribute to other aspects of this research that might not have been anticipated or stated in the questions asked.

Considering the large number of local government entities, Venezuela's geographical size, and the cost in time and money that fieldwork of this nature involves, only a small sample of municipalities were selected for detailed primary research (secondary sources of information on other municipalities was however also utilised in the analysis). Those chosen were located in the following States (see maps):

- a. Greater Caracas: the municipalities of Chacao, Sucre and Libertador
- b. Carabobo: the municipalities of Naguanagua, Puerto Cabello, Tocuyito and Valencia
- c. Amazonas: the municipality of Atures

These states and specific local municipal councils were chosen because of their different social, political, economic and geographical contexts (rural and urban settings), but also because they represent varying experiences

in local administration. However, during the fieldwork, as a result of the 'snowballing' process, it was decided also to explore some additional experiences of public participation in other public institutions and parts of the country that had not been foreseen during the planning period; accordingly, interviews were also conducted in the following additional municipalities:

- a. Carabobo: the municipalities of Libertador and Valencia.
- b. Mérida: the regional government.
- c. The capital District: municipality of Libertador.

The following pages present maps demonstrating the locations where the interviews were conducted.

*Map 1. Miranda State and Greater Caracas*



Source: [venciclopedia.com](http://venciclopedia.com)

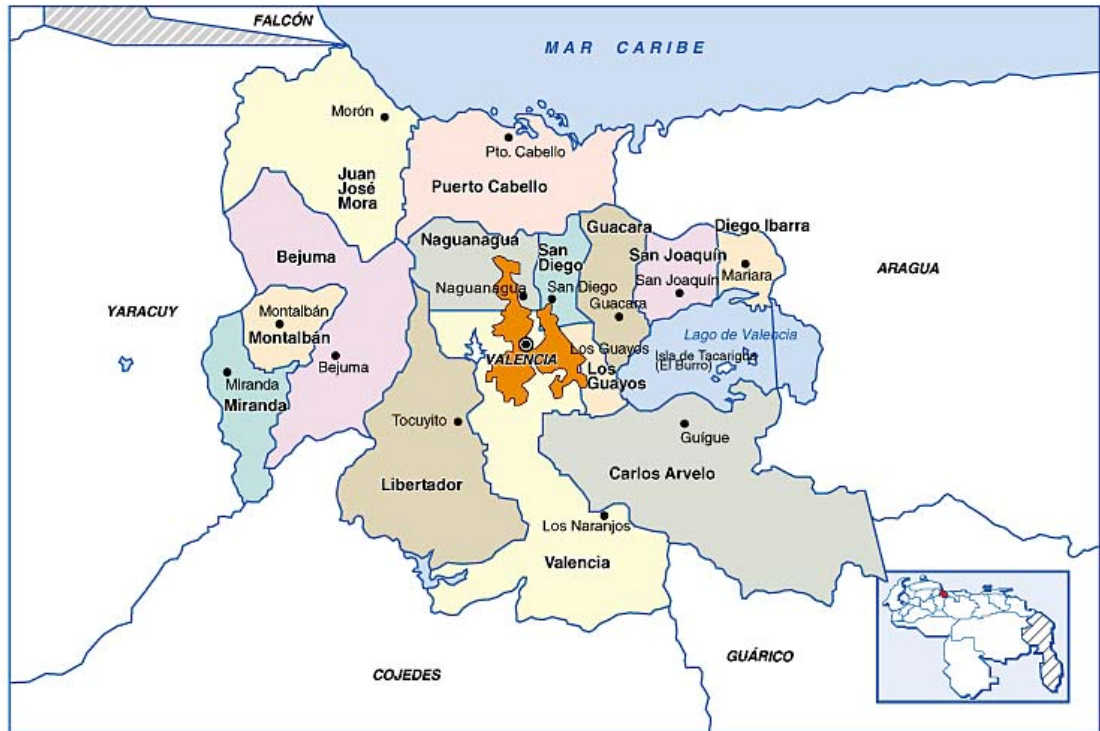


Map 2. Amazonas State



Source: <http://www.a-venezuela.com/mapas/mapestadmunicipi.html>

Map 3. Carabobo State



ESTADO CARABOBO

Source: <http://www.a-venezuela.com/mapas/mapestadmunicipi.html>

Map 4. Mérida State



Source: <http://www.a-venezuela.com/mapas/mapestadmunicipi.html>

#### 4.2.5 Gathering the Data: primary and secondary data.

##### Primary data: Interviews

All primary data and the majority of secondary data were obtained in Venezuela, although much of the more general literature concerned with institutions, governance, decentralization and participation was found in the UK. The fieldwork was completed between November 2006 and February 2007, and between July and August 2007.

At the outset of this project it was planned to interview people at all levels of public administration. Since Venezuela is a highly centralized country, it made sense to begin by identifying policies created at national level and disseminated to the other levels of the administration. For this reason the first people interviewed were the people who developed these national policies. This proved to be a very difficult task, not least because these interviews were clearly to be carried out with individuals occupying positions of great responsibility and who are therefore members of an elite.

Debates about the nature of interviewing elites have been sustained in the human geography methodological literature for some time (Smith, 2006) with many commentators arguing that elite groups are more difficult to access than non-elite groups, mainly because the term elite entails a notion of power. Again, there have also been wide academic debates about the nature of power<sup>14</sup> (Smith, 2006). For this research, some of the elements mentioned by Allen were taken into consideration (2003, cited by Smith, 2006) to argue that power reflects authority and dominance, and therefore elites have the power to 'influence important decisions' that affect the lives of others through those decisions (Smith, 2006), or have 'more influence on political outcomes than general members of the public' (Richards, 1996:199). Sabot and Cochrane's concept of elites, which refers to those 'people holding positions of political authority' will also be incorporated to explain the issue of interviewing elites and the notion of power that they represent (both cited by Smith, 2006). Nevertheless, it is also important to address other ideas about (or types of) power involved in the

---

<sup>14</sup> Smith presents an extensive literature review on this subject.

research process, like for example, as established in the relationship between the interviewer and their interviewees, as Smith (2006:647) suggests, these factors can induce 'shifting dynamics of positionality and power (when) interviewing' (Smith, 2006: 647). The issue of positionality will be discussed in more detail later in this chapter.

To start the interview process initial contacts were made with some of the institutions previously selected, such as the National Assembly and the Ministry of Planning. However, the responsibilities for administering some of the functions of local government changed in the final stages of my fieldwork planning before I went to Venezuela in November 2006, so I had to change the scope of this part of my programme of work. As a result, some other national institutions, such as the Ministry of participation and Social Protection and the Intergovernmental Fund for Decentralization (Fondo Intergubernamental para la Descentralización FIDES) were incorporated into the study.

Another issue which arose to further complicate the planning of the research was the rapidly changing relationship between two of the major instruments of civil society participation in local government (the Communal Councils and the Local Councils for Public Planning) during the period of my fieldwork and the writing up which followed. The relationship between these two is absolutely central to the research presented in this thesis but it became a source of considerable confusion and uncertainty for the research as the fieldwork unfolded. The CCs were originally a form of community organization promoted by the LCPPs and were the principal means by which the CLPPs were supposed to bring about public participation in Venezuela. The law of CCs enacted in April 2006, however, abolished the link between the CLPPs and the CCs, and the CCs became the main instrument of public participation for all citizens and organized communities. In December 2006, the link between CLPPs and CCs was then re-established in law. However, in the new legislation the position of CCs was strengthened above that of LCPPs (see chapters 8 and 9 for fuller discussion of these changes). These changes led the fieldwork in new directions, as events unfolded in unforeseen ways, different institutions and key individuals had to be contacted. They also led

to the need for constant reformulation of questions and interview schedules as the political situation remained so fluid.

Gaining access to sufficient relevant interviewees also proved immensely challenging, although as demonstrated in Table One eventually a good range of interviews were conducted through which it was possible to gain a solid understanding of the range of ways in which the fluid mechanisms for public participation had been adopted (or not) across significant parts of the country and with what impact. The most problematic access issue was the difficulty in securing interviews, with those holding responsibility within the relevant national institutions. Here, personal contacts, proved useful. Two former colleagues who work in the National Assembly helped me to arrange three interviews with technical staff within the relevant areas of the assembly. I had originally hoped to interview the assembly members they worked for, but this did not prove possible. However, I was also able to interview one national congressman, due to the fact that he was a former lecturer in the faculty where I studied for my first degree. The assembly was the most problematic of the national institutions studied; in the case of the other three institutions, it proved relatively straightforward to set up interviews with medium-ranking officials, but ultimately impossible to speak to the most senior staff despite considerable effort expended in trying to achieve that objective. It was clearly difficult to arrange appointments to interview people with great political authority in Venezuela. Part of these difficulties stemmed from the fact that many of the people that I would have liked to have interviewed were heavily involved in presidential elections or other major political campaigns or controversies at that time. For example, at the time of this research President Chávez was campaigning for his second period in office. However, it is fair to say that the volatile political situation in Venezuela is a constant factor in the national life.

For the same reasons, it also proved difficult to arrange appointments with members of local governments who were similarly embroiled in the volatile political situation, but eventually an effective number of interviews in each location were achieved. Interestingly, it also frequently proved challenging (for different and contrasting reasons) to arrange interviews with members of

communities – confirming the view expressed in the methodological literature that communities in marginal areas or informal groups can be as difficult to contact as elite groups (Smith, 2006; Bryman & Burgess, 1999). During the fieldwork, it frequently proved difficult to gain access to the appropriate people within LCPPs and CCs partly because it was hard to identify the right people to talk to. Within the elite (national government) group of interviewees it was easy to identify who to see and where to see them. This was harder with the community organizations; a problem which was compounded sometimes by the difficulty of finding anyone willing to discuss their experiences. To overcome this problem I started to attend public institutional meetings, for example those that the *Alcaldía* of Valencia held with its constituents to discuss the participatory budget. At these meetings, it was easy to find people willing to share their experiences about this novel mechanism of participation, but, it was of course necessary to speak to people involved in other mechanisms as well. Through the people I met in those meetings it was possible to identify others who were part of a particular CC, and to interview them. There were also specific events which helped in this process; to use an example from Valencia again, for instance, the inauguration of a public building in a poor neighbourhood (*barrio*) provided an opportunity to contact people participating in the LCPP and CCs within the area.

Another opportunity was provided by attending the Congress of Cities held in Valencia in August 2007, through which it was possible to gather information from ordinary citizens from poor and middle class neighbourhoods; from politicians (specifically the mayor of Libertador municipality); NGO representatives and public servants from other cities who consented to be interviewed as well. The mayor of Libertador invited those attending the congress to visit his municipality accompanied by him. I accepted this offer, and during my visit I was able to arrange to interview some citizens who were participating in the local CC, and to make appointments to interview some officials working in this municipality. This opportunity was particularly valuable because the area has a bad reputation for high levels of criminality and it would have been difficult, and indeed potentially dangerous, for me to have attempted to locate CC members in the community without this assistance (although clearly

I may have been treated in a particular way because I was seen as having some association with the mayor). Furthermore, like many municipalities in the country, this area is categorized as '*territorio oficial*' (official land) where people opposed to the government party are frequently unwelcome<sup>15</sup>. The visit to FUNDACOMUN in Valencia to interview public servants provided a suitable moment to gather information, although in a very 'express' fashion, about the functioning of the CC from some of their members. By standing beside the doors of the building on which Fundacomún held, it was possible to ask members of the public entering or leaving the building about their participation in the CCs.

Gerson & Horowitz (2002) argue that in the interview process the researcher should not choose participants according to convenience, but should select carefully which people to interview (Gerson & Horowitz, 2002:204). Although supporting this statement, this advice could be followed when researching official institutions and NGOs where there were specific people occupying specific posts or positions, but not when trying to trace people to interview from individual LCPPs or CCs where those positions were not so clear and time constraints precluded adopting more comprehensive selection criteria. With these groups, the intention was to interview both those with leadership positions and other members within each individual organization. In reality, respondents had to be selected virtually randomly on the basis of who could be identified from each targeted LCPP or CC. In essence, the issue of which people to question was dependent on two facts: the interest of getting an account of the experience that members participating in those mechanisms had, and the time allocated to each city to conduct the interviews. CCs, for example, are not established in fixed places; they are disseminated all over the country, particularly in neighbourhoods and do not often have any kind of visual symbol that could lead the researcher to them. As a result, the strategy followed in this research was what Bradshaw & Stratford (following Patton's purposeful sampling, 1990) called criterion, opportunistic and convenience strategies for sampling (Bradshaw & Stratford, 2005).

---

<sup>15</sup> Venezuela's politics are highly polarized. Violence between pro-government and anti-government groups is frequent.



The kinds of difficulties experienced during fieldwork, particularly those related to personal safety, have been discussed widely. Belousov *et al* (2007) noted that conditions such as ‘un-policed’ areas pose potential risks to researchers. These authors referred to the comments by Giddens (1985) on the frontier zone, on which he remarked on the lack of police control in border areas and Goldsmith’s description of political violence in Colombia, particularly on its international frontiers (Goldsmith, 2002). Venezuela’s frontier areas are hazardous enough to impede social research. Its cities are similarly hazardous, especially Caracas, where some of my research was conducted. However, as the research was also conducted in a city on the border with Colombia, the presence of guerrilla movements in the area restricts the conduction of interviews to those areas closer to the city of Puerto Ayacucho, mainly when visiting and gathering information from indigenous communities.

*Table 4.1. List of Interviews Conducted*

<b>Who</b>	<b>Where</b>	<b>Position</b>
<b>Local Level (Group A)</b>		
A-1.- Mr. Julio Castillo Naguanagua’s Mayor	Alcaldía de Naguanagua Valencia, Carabobo	Local Authority
A-2.- Senior Staff	Alcaldía de Naguanagua Valencia, Carabobo	Local Authority
A-3.- Staff from Technical Board CLPP	Alcaldía de Naguanagua Valencia, Carabobo	Local Authority
A-4.- Staff from Technical Board CLPP	Alcaldía de Naguanagua Valencia, Carabobo	Local Authority
A-5.- Mr. Miguel de Gregorio	Puerto Cabello Estado Carabobo	Civil Society ONG
A-6.- Staff from Participación Ciudadana Office	Alcaldía de Puerto Cabello Puerto Cabello Estado Carabobo	Local Authority
A-7.- Staff from Technical Board CLPP	Alcaldía de Puerto Cabello Puerto Cabello Estado Carabobo	Local Authority
A-8.- Staff from Technical Board CLPP	Alcaldía de Valencia Estado Carabobo	Local Authority
A-9.- Staff from Secretaría CLPP	Alcaldía del Municipio Libertador, Tocuyito	Local Authority
A-10.- Staff from Participación Ciudadana	Alcaldía Municipio Libertador, Tocuyito Valencia	Local Authority
A-11.- Staff from CLPP	Alcaldía de Atures Puerto Ayacucho	Local Authority

A-12.- Political Coordinator Alcaldía Libertador	Barrio Fundación CAP Alcaldía Libertador Tocuyito	Civil Society/ Local Authority
A-13.- Staff from Alcaldía de Sucre	Sala Situacional de los CC Alcaldía de Sucre, Caracas	Local Authority

<b>Regional Level (Group B)</b>		
B-14.- Sr. Florencio Porras Governor of Mérida State	Mérida	Regional Authority
B-15.- State Planning Council Secretariat	Gobernación del Estado Mérida	Regional Authority
B-16.- Staff from Participación Ciudadana Office	Gobernación del Estado Mérida	Regional Authority
B-17.- Social Area Coordinator	Fundacomún Valencia, Edo. Carabobo	Regional Authority
B-18.- State Council of Public Policy Planning (SCPPP)	Gobernación del Estado Carabobo Valencia	Regional Authority
B-19.- Fundacomún	Oficina Fundacomún Puerto Ayacucho	Regional Authority
B-20.- Staff Fundacomún	Oficina Fundacomún Puerto Ayacucho	Regional Authority

<b>National Level (Group C)</b>		
C-21.- Dr. Manuel Briceño Deputy to the National Assembly de Venezuela	Asamblea Nacional Caracas	National Authority
C-22.- Legislative Assistant Comisión de Participación	Asamblea Nacional Caracas	National Authority
C-23.- Participación Ciudadana Office	Asamblea Nacional Caracas	National Authority
C-24.- Staff MINPADES	MINPADES. Caracas	National Authority
C-25.- Staff FIDES	FIDES Caracas	National Authority
C-26.- Staff Oficina de Planificación	Ministerio de Planificación	National Authority

<b>Civil Society (Group D)</b>		
D-27.- CLPP Spokesperson Alcaldía de Valencia	Centro Cívico Barrio Federación. Valencia Edo. Carabobo	Civil Society
D-28.- CLPP Spokesperson Alcaldía de Valencia	Universidad JAP San Diego, Valencia Estado Carabobo	Civil Society
D-29.- CLPP Spokesperson Alcaldía de Valencia	Universidad JAP San Diego, Valencia Estado Carabobo	Civil Society
D-30.- CLPP Spokesperson Alcaldía de Valencia	Universidad JAP San Diego, Valencia	Civil Society

	Estado Carabobo	
D-31.- Lomas de Funval Neighborhood Association. Alcaldía de Valencia	Universidad JAP San Diego, Valencia Estado Carabobo	Civil Society
D-32.- CC Spokesperson from Protección e Igualdad Social.	Barrio Fundación CAP Municipio Libertador, Tocuyito	Civil Society
D-33.- Neighbor from Municipio Guacara	Fundacomún Valencia, Edo. Carabobo	Civil Society
D-34.- CC Spokesperson Municipio Guacara	Fundacomún Valencia, Edo. Carabobo	Civil Society
D-35.- Neighbor from Municipio Naguanagua, Urb. Nagua II	Fundacomún Valencia, Edo. Carabobo	Civil Society
D-36.- CC Spokesperson Barrio Coromoto	Barrio Coromoto, Mun. Naguanagua, Valencia	Civil Society
D-37.- CLPP Spokesperson Municipio Libertador	CLPP Municipio Libertador Caracas	Civil Society
D-38.- Spokesperson of Provisional Commission of CC Urb. Rafael Urdaneta Catia	CLPP Municipio Libertador Caracas	Civil Society
D-39.- CC Spokesperson Comisión de Finanzas	Comunidad Indígena Paria Grande	Civil Society
D-40.- CC Spokesperson	Comunidad Indígena Paria Grande	Civil Society
D-41.- CC Spokesperson Comisión de Salud	Comunidad Indígena Paria Grande. Municipio Atures	Civil Society
D-42.- Member of Comunidad Indígena La Reforma	Comunidad Indígena La Reforma. Municipio Atures	Civil Society
D-43.- Member of Comunidad Indígena La Reforma	Comunidad Indígena La Reforma. Municipio Atures	Civil Society
D-44.- CC Spokesperson Barrio la Revolución	Barrio la Revolución Puerto Ayacucho. Municipio Atures	Civil Society
D-45.- Parish Counselor Municipio Valencia	Valencia, Estado Carabobo	Civil Society
D-46.- Member of NGO ONG Gente de Soluciones	Valencia	ONG
D-47.- CC Provisional Commission spokesperson Urb. El Remanso. Municipio San Diego	Universidad JAP San Diego, Valencia Estado Carabobo	Civil Society
D-48.- CC Spokesperson Los Lirios	Urb. Los Lirios Puerto Ayacucho	Civil Society
D-49.- CC Provisional Commission spokesperson Municipio Guacara	Fundacomún Valencia, Edo. Carabobo	Civil Society
D-50.- CC Spokesperson Municipio Libertador	Barrio Fundación CAP Municipio Libertador Tocuyito	Civil Society

D-51.- CC Spokesperson Barrio Coromoto	Barrio Coromoto Municipio Naguanagua Valencia, Carabobo	Civil Society
D-52.- Neighborhood leader Barrio Bocaína 2B Municipio Valencia	Universidad JAP San Diego, Valencia Estado Carabobo	Civil Society
D-53.- Spokesperson CC La Reforma	Comunidad Indígena La Reforma	

#### 4.2.6 Interviews Analysis: Approaches

Interviewee's names were kept anonymous in most cases during the research. Confidentiality, in the realm of social research means that researchers must have respect for autonomy and that "information about individuals collected during the process of research will not be disclosed without permission", consequently, it is important that individuals are not identified (Wiles *et al*, 2008: 417). I felt that it was important to adhere to this principle, particularly in the context of conducting research within the politically polarized circumstances in Venezuela where people may not wish to have their views recorded openly. As a result I did not request that interviewees would agree to be named in the thesis. However, when participants' opinions were publicly expressed, like those of mayors and governors, or when information was gathered from newspaper interviews and radio interviews, names in those cases were mentioned.

As mentioned above, interviews were semi-structured and open-ended. Interviews also clearly followed slightly different outlines because some were with members of national, regional and local institutions, and others were with members of LCPP and CCs. The data gathered through the interviews was analyzed following Clark's (1997) recommendation of establishing codes and sub-codes in order to define categories. According to grounded theory, categories are formed by assessing the data collected against the topic that is being studied; to this end, creating codes is essential (Bryman & Burgess, 1994; Cope, 2005). Coding is done to reduce data in order to organise it and identify key elements, and to facilitate the analysis of the data (Cope, 2005; Charmaz, 1983: 112 cited by Bryman & Burgess, 1994:5). Thus, when constructing codes, patterns and structure will be created based on the categories found; the identification of structures of meaning indicates the search for sense from what

the interviewed have said (Clark, 1997). In this approach the importance of creating patterns, categories and basic descriptive units is emphasized.

Following this procedure, In order to make sense of the data gathered during the fieldwork, the interview data was placed into categories and connections made between those categories. There are three steps in data analysis: description, classification and interconnection of concepts. Cope recommends elaborating a list of key themes beforehand to help with the organization process (Cope, 2005). During the description phase it is important to note the social setting within which the interviews occur. It is also important to take into consideration the time-frame, and to uncover the intentions and meanings of the people involved in the interviews (Kitchin and Tate, 2000).

The phase of classification responds to breaking the data and creating categories which later are divided in 'axial coding' reflecting changes in the categorization made so far. One practical way of distinguishing the coding process is to assign different colours to each of them (Crang, 1997). It is recommended for categories to keep two aspects: an internal and external aspect, the internal means that categories should represent significantly the data contained in that specific category, the external refer to the connection that should exist between categories (Kitchin & Tate, 2000). Finally, the phase of connection or finding the interactions between the classes already established, should tell us about the nature of the connections between different set of data, it means, "how things are associated and how things interact" (Kitchin & Tate, 2000:247). As the information is organized, the process of identifying connections among the data can start (Crang, 1997).

The interviews were transcribed, dated and named. After reading all of them several times, and following Cope's recommendation, certain elements common to all them were identified before progressing with the coding process. Following this, the interviews and the information gathered from newspaper articles, government documents and other secondary sources, were divided into six main categories which were established after the common elements were identified. Initially this was done by placing together all those answers or expressions that related to each other or referred to the same topic. After reading the categories

and analysing this process, some of the expressions already allocated had to be moved to another category.

The subjects that emerged as the main categories for analysis were:

1. Participation
2. The Myth of Participation
3. The Political Element
4. Institutions
5. Difficulties
6. Features of LCPPs and CCs

After this first round of codification, another one followed within one of each of the main categories already established. An example of this second process is as follows:

Participation was subdivided into three further categories:

- i. Elements from which it depends
- ii. Elements that define participation
- iii. How to measure the success of participatory processes

This step, as mentioned above, was used in all the main categories. The following step was to analyse each category and their contents to identify the connections between them. The findings from this analysis are drawn upon extensively in Chapters VII, VIII and IX. It should be pointed out that the extracts of the interviews (in the vast majority of cases verbatim quotations) used in the general narrative are used to support or reinforce the argument that was being presented or to explain a key point of concern in more detail. Those quotations were used to represent a particular view (that of the informant) and they cannot be generalized empirically. This approach coincides with that described by Corden & Sainsbury (2006: 97) who suggest that the use of extracts of original data represents a sign of “clarity, of links between data, interpretation and conclusions”. In other words, the insertion of extracts from the interviews

represented a way of showing validity, reliability, credibility and auditability (for further discussion of these issues see Beck, 1993; Greenhalgh & Taylor, 1997; Long & Godfrey, 2004; Spencer et al, 2003).

#### *4.2.7 Secondary data. Analysis*

A considerable amount of secondary data was collected and analyzed during the course of this research and used to complement, evaluate and reflect upon the primary data collected and vice versa. The types of secondary data collected included: government documents, laws, bibliographies, videos and newspaper articles. I collected secondary data material between January 2006 and March 2010. Relevant documents produced by local, regional and national government included those produced to explain, for instance, how the mechanisms of participation work, how to constitute a communal council, how to participate in the participatory budget and how to set up community projects. I obtained a very large number of newspaper articles related to the present study, these were used to illustrate how the process of decentralization and the use of instruments such as the LCPP and the CC have evolved since their establishment in 1989 and 1999 respectively and also how they have been received, analyzed and debated across the spectrum of Venezuelan political opinion.

The analysis of secondary data, and in particular the use of documents, is used to increase understanding of the topic that is being researched. Documents are a useful source of information regarding the structure of decisions taken at a particular time and “the aspirations and intentions of the period to which they refer” (May, 2001). Documents can be analyzed quantitatively and qualitatively. Content analysis can be done using both of these approaches. In quantitative content analysis, the researcher measures the frequency of words and phrases; in the qualitative content analysis the text is read to identify symbols which will help the researcher to understand the context within which the text was produced (May, 2001). Many of the documents included in this research as secondary data that were used as sources of information referred to the process of decentralization in Venezuela. Other material included the use of documents

produced by different levels of government in order to explain to the members of the public the new mechanisms of participation. The approach used in the analysis was qualitative content analysis. This method was used to understand the meaning of the political and social policies employed by the government for the implementation and operation of the CCs and the LCPPs; especially those documents prepared by the national government and the presidential speeches, which constituted the main source of information addressed to the communities in order to show them the scope of the mechanisms that have been put in place for their participation in public matters.

#### 4.3 The Issue of Positionality

In the view of many scholars, it is important for researchers to examine themselves in relation to their work, and to consider how their experiences and identities might affect the way in which they conduct research (Skelton, 2001; Valentine, 1997; Rose, 1997). It is also important to consider the context within which the researcher carries out the investigation, because as Skelton argues “we are not neutral, scientific observers, untouched by the emotional and political context of places where we do our research” (Skelton, 2001:89). In the present study I have been researching a political and social problem in my own country, where in principle, I would not be presented with the issue of cross-cultural research, or problems of ethnicity, legitimacy or representation, or feeling like an ‘insider’ or an ‘outsider’, or being the ‘other’ as Mohammad discusses (Mohammad, 2001). Since I did my fieldwork in a social and geographical setting which is very familiar to me and in which I have a strong sense of belonging, I thought I would not have to face the problems mentioned above; although the literature also talks about, for example, the issues involved in a middle-class researcher investigating the experiences of the poor in their own country – there’s some interesting material on this in a UK context but I’ve also seen some interesting discussions of this in the Latin American context. But indeed other issues of this nature arose during the conducting of this research, issues that



were strongly associated with this project in particular, such as problems arising from the political situation in Venezuela.

One factor that was potentially significant was the fact that I have been living outside the country for more than ten years, which, to a degree, suggests that I might have been observing Venezuela as an outsider. This might have conferred benefits as well as disadvantages. I might have appeared detached from Venezuelan politics, which could have made some interviews easier to conduct or made it more likely that I would be seen as a researcher who probably had no other intention than to collect facts about public life. At the same time, living outside the country enabled me to see more clearly the perspectives of different political positions, and to understand them better.

As mentioned before, Venezuela's politics are strongly polarised, and taking a position in favour of the governing party or against it can have real consequences. For example, on December 17<sup>th</sup> 2008 groups of students went to the Bolívar Square (Plaza Bolívar) in Caracas, near to the Palacios de Miraflores (the official residence of President Chávez), and to Valencia, to place floral wreaths on the statue of Bolívar. Both groups of students were violently attacked by supporters of President Chavez, who argued that these places were "territorio Chavista" (Notitarde, 2008; El Carabobeño, 2008, El Nacional, 2008). There was even a proposal in the Metropolitan Council in Caracas, from the government party, that opponents of the government who wanted to go to Bolívar Square should obtain permission first. The proposal was not passed (El Nacional, December 2008). These kinds of incidents are very common in Venezuela; therefore I avoided mentioning any political alliances or political links while doing the interviews.

In discussing positionality, Herod (1999) argues that being an insider or outsider is not a simple dichotomy, and although sometimes being an insider might be considered as an ideal position because "it gives the researcher a privileged position from which to understand processes, histories, and events as they unfold", the position can be more complex (Herod, 1999:320). Herod also points out that the position of the researcher can shift in response to a number of factors that he or she might find during the fieldwork, and this shift can occur in

a self-conscious way (Herod, 1999: 321). Mohammad (2001) also relates to this issue of being an insider and the sense of belonging, and consequently to have the knowledge that put her in a position of legitimacy “to speak on behalf of ‘our’ respective groups”, when she was conducting research within a UK Pakistani community (Mohammad. 2001: 105). This author explains how the boundaries between an insider and outsider change during the research process, and how she allowed the members of this community to believe that she was a true Pakistani woman, that she was part of the ‘us’ in a community that shared two different views of the world (Mohammad, 2001).

During the fieldwork I chose to let the insider/outsider boundary shift and allowed some of the people I interviewed to believe or assume that I shared their political views. For example, when an official interviewee called me ‘comrade’ or expressed an opinion different to mine, I made no comments because I did not want them to consider me difficult to talk to, or a person that was trying to obtain information that might be used to cause problems for them. As noted by Herod, the researcher’s positionality is not fixed “but it may translocate through categories and identities, such that at some times and places the researcher may emphasize certain positionalities and identities and not others” (Herod, 1999:321).

#### 4.4 Summary

In Chapters II and III, I presented the theoretical foundations of this study. This theoretical framework has been used to suggest a framework for understanding what sorts of changes have occurred in Venezuela regarding the participation of civil society in public matters. I focused the scale of this research on local governments and two mechanisms established in the 1999 National Constitution that have sought to encourage that participation. Those mechanisms are the Local Councils for Public Planning (Consejos Locales de Planificación Pública) and the Communal Councils (Consejos Comunales).

In this chapter I presented the way the fieldwork was conducted in Venezuela, the methodology employed, and the places, institutions and persons involved in the data gathering process as well. The selection of municipalities had to be modified while I was in Venezuela and includes other experiences not foreseen before the fieldwork started, but this, I argue, would enrich the information to be collected. When conducting interviews I strove to be flexible and friendly and gave my interviewees time to explain their experiences. Although I encountered many different people and situations, I did not experience participants' tensions or problems with any and established a good rapport with all of them.

The data collected will now be analyzed and presented in detail in Chapters VII to VIII. Prior to that, however, Chapters V will be dedicated to understanding in more detail the process that led to the decentralization movement in Latin-America, as well as presenting the particular experiences of some Latin American countries in this regard. Chapter VI in turn will discuss how Venezuela fits into this wider framework within which decentralization has been introduced into Latin-America, thus opening the door to the main objective of this research, which is the discussion regarding the outcome of the functioning of Local Councils for Public Planning and the Communal Councils.

## Chapter V

---

### The Reform of the State and the Process of Decentralization in Latin America

*“Durante el siglo XX América Latina experimentó algunas de las más profundas transformaciones de su historia. La crisis de 1929 puede ser considerada el principal detonante de las mismas. La finalización de aquella década marcó también el agotamiento del modelo primario de agroexportaciones. Desde entonces, varios países del continente, en grados diversos, volcaron sus economías hacia el sector industrial. Entre aquel momento y los años ochenta el continente vivió su más intenso y largo período de desarrollo económico, atravesado por dictaduras y procesos de creciente concentración de la renta sin ruptura alguna respecto del marco de dependencia económica”.*

*“During the twentieth century Latin America experienced some of the most profound transformations in its history. The crisis of 1929 can be considered the main trigger for them. The end of that decade also marked the exhaustion of primary agricultural exports. Since then, several Latin American countries, to varying degrees, turned their economies towards manufacturing. Between that time and the eighties the continent experienced its most intense and long period of economic growth, crossed by dictatorships and processes of growing concentration of income without any break on the framework of economic dependence”*

Consejo Latinoamericano de  
Ciencias Sociales -CLACSO 2001-

## INTRODUCTION

The preceding chapters, in which the theoretical framework of this research was presented, laid the foundation on which we can understand the processes of institutional reforms implemented in Latin America. Before this thesis turns to the evolution of the decentralization process in Venezuela and the mechanisms for public participation which have been established there over recent years which form the major focus of the thesis, it is important to place those experiences within a wider understanding of the processes of state reform which have underlain the moves towards decentralization across the whole continent and also help to explain the points where the Venezuelan experience diverges from the regional norm. The structure of the state and its role in national development in Latin America, have been examined from several points of view. One such perspective has been the evolution of the structure of governance that states have experienced throughout their history. In the pursuit of development over recent decades, Latin American countries have employed a range of economic strategies. Some were elaborated on the premises of the historical experiences of economic and social development in Northern countries, others were constructed on the basis of national or regional specificities, such as those recommended by the Economic Commission for Latin America and the Caribbean (ECLAC)<sup>16</sup>; whilst others have been shaped by the structural adjustment programs imposed by development and financial agencies such as the International Monetary Fund and the World Bank. These differences in national experience yielded different governmental structures, reflected in different institutional arrangements, and different systems of interaction between government and civil society.

The political and historical context in which this development process has been carried out also reflects the changes that have occurred. In Latin America, those states characterized by vertical structures with centralized power, have

---

<sup>16</sup> In the context of economic transformation that occurred after the Second World War, the United Nations promoted the creation in 1948 of the Economic Commission for Latin America and the Caribbean (ECLAC). Its first task was to study the evolution of Latin America's economy since the 1930's, a period during which the industrialization process in these countries, characterized by a slow growth rate, was limited to textile and food products. (ECLAC, 1949: 1-18; Banko, 2007:132).

gradually been transformed into more open, horizontal structures, where a great variety of actors take part, creating a vast network of interactions. Partly as a reaction to these changes and the growing complexity of state-civil society interactions in Latin America, increasing attention has been paid over the past few years to the question of the capacity of the state's institutions to carry out the tasks that are required of them. Clearly, the influence that individual state institutions have on development processes is extremely important, not only because together they constitute the formal framework of the nation state, but also because they embody the formal and informal structures developed within the state and civil society. State institutions should not be considered in isolation; another important element in the patterns of governance observed in Latin America is the mechanism through which interactions are established between civil society and the state which form the major point of interest for this research.

In order to describe the changes operating in the structure of governance across Latin America, this chapter will provide an overview of the processes that have given rise to the reforms of the state's structure in these countries over recent decades. The causes underlying these changes will be described, as will the heated debates over the effects that those changes have had on the development process of Latin American countries. The final section of the chapter turns our focus more specifically to the debates on that aspect of the state reform process which most interests us – decentralization.

### 5.1 Structural Adjustment Programs: the Latin American Experience

The evolution in the governance structures of Latin American countries has been strongly associated with the development strategies followed by these countries throughout their recent history. The role played by the state in this process has been especially important. To understand this role comprehensively it is important to explore the different development pathways in this region from 1930 until the present day.

### *5.1.1 Models of Latin American Development*

In their recent past, Latin American countries (with Cuba as the exception) have adopted and implemented three main development strategies. The first was the externally-oriented model of economic growth that was implemented after the independence period (around 1880) until 1930-1940; the second was the import substitution model that dominated the region from the 1930s to the 1970s, whilst the third strategy was the application of structural adjustment programs (or neo-liberal model) that were adopted during the 1980's and 1990's <sup>17</sup> (Bodemer & Müller, 2004; Franco, 1996). However, after strong criticisms of the implementation of structural adjustment programs and disappointing results, the scope of this economic strategy of development has been broadened. The strategy experienced a shift from heavily economically biased considerations previously suggested by the IMF and the World Bank, to others that placed more emphasis on institutional and social aspects; aspects that were particularly neglected during the implementation of the first stage of structural adjustment programmes. These sets of changes have been identified as second generation reforms and entail the introduction of a new set of public policies designed to restore the presence of the state in solving the problem of economic stagnation in order to create the necessary economic wealth that would help to solve problems of social inequalities and poverty.

Understanding the role of the state and its institutions in development is important for the achievement of economic growth and social progress. The power given to the state in the development process, and the manner in which relationships have been established with other economic and social actors, have been two of the main elements in the analysis of most Latin American development processes, particularly in terms of the relations established between internal and external factors (Sandoval, 2004:3).

The outward-oriented model of development arose from the state-centred approach. It was based upon the encouragement of trade between industrialized countries and less developed countries and was founded upon the exchange of

---

<sup>17</sup> This model, with some differences between countries and approach, is still in operation in Latin America.

primary products from less developed countries for manufactured products from industrialized countries. In this model, development is carried out by [an] “interventionist state, dedicated explicitly to executing a ”development model“ for society as a whole. This means that the intervention of the state during this period should not be seen as an attempt to ‘correct’ the market, but rather as a deliberate effort to promote social and economic development” (Lechner, 1992:2). The state is oligarchic, supported by the economic activity developed by the export of natural products derived from agriculture and mining; this arrangement creates “an elitist and patrimonial state that leads to exclusion, [and] closed government machinery... [in which] political participation was suppressed or limited...[and it] did not favour the development of autonomous political institutions other than strengthening its own” (Castro, Musalli & Oliver, 2005:27).

However, the trade relations between industrialized and non-industrialized countries are unequal. Those countries whose trade is based on primary goods are at a disadvantage relative to developed countries. The economies of primary producers are weak because of the added value given by the industrial process in developed countries. This has led to deterioration in the trade terms established between industrial and agriculturally-based economies (Bresser-Pereira, 2005:4). Although the outward-oriented model of development achieved reasonable levels of growth in Argentina, Mexico and Brazil, in general it achieved disappointing results, a circumstance that gave room for the elaboration of a new development model which over the coming years would come to be adopted by the rest of the Latin American countries (Castro, Musalli & Oliver, 2005: 23). As a consequence of the deterioration of the terms of trade and the impact of the 1930’s economic crisis that undermined agriculture-based development, Latin American countries decided to change the direction of their economic policies. Consequently, from the beginning of the 1930s a “re-orientation of state functions to a more inward oriented development” can be observed in the region (Bodemer & Müller, 2004:; Franco, 1996:20; Queiroz, 2005; Bresser-Pereira, 2005:1).



The shortcomings of a developmental model based on the export of primary goods and the import of manufactured products, gave rise, to a clearer picture of why that model had failed in Latin America and the Caribbean. The situation received particular attention from scholars affiliated to ECLAC, the Economic Commission for Latin America and the Caribbean. They sought to explain the reasons behind the persistence of the underdevelopment in Latin America. The explanation they developed was that the gap between industrial and Latin American countries was due to the trade conditions that had arisen from what they called “the merchant colonization of Latin American”, but also to the interest of industrialized countries “in keeping developing countries as producers of primary goods” (Bresser-Pereira, 2005: 5,8).

Raúl Prebisch (chairman of ECLAC) pointed out that “the balance between the prices of export products (particularly the primary ones) and those of imported manufactured products had continually deteriorated over a long time period. This negative fact makes it almost impossible for Latin American countries to reach economic development” (Quoted in Bodemer & Müller, 2004:21). Starting from the observed mismatch in development between Latin-America and the industrialized world, ECLAC developed the structuralist or centre-periphery model, which is based around the inequalities between developed countries -the centre-, and underdeveloped countries –periphery- (Kay, 1991:3).

Structuralism’s proponents based their thoughts on the disadvantage facing under-developed countries in international trade (Kay, 1991: 4). They argued that the structure of commercial relationships between the peripheral and core economies was one of subordination of the former to the latter. This condition caused a “structural heterogeneity” in the periphery in which a modern developed sector exists alongside a traditional sector based on primary production, contrary to the more homogeneous structure seen in the developed economies. According to the proponents of these ideas, development and underdevelopment were an expression of the same process and occurred as the result of trade conditions in international markets (Kay, 1991:3; Bodemer et al: 2004: 22).

According to ECLAC's scholars, particularly Prebisch, it was necessary that Latin American states should take the initiative in the process of economic development, and their governments should intervene in order to create conditions favourable to development in Latin American countries. The types of interventions that they recommended included (Reyes, 2000; Bresser-Pereira, 2005:8):

1. giving more emphasis to fiscal policies over monetary policies: in other words, establishing control of the monetary exchange rate
2. promoting efficiency in government role in terms of national development
3. giving priority to national capital over foreign capital
4. allowing foreign capital investment but controlling it via guidance established in national planning systems
5. developing national markets as a means of consolidating industrialization in Latin America
6. strengthening internal markets by raising workers' salaries
7. developing national strategies in compliance with the import substitution model and protecting national production by imposing import tariffs.

Thus, the state should establish institutional and economic conditions to create the right environment, for national economic development, as determined by strategic planning (Bresser-Pereira, 2005:1-7). Those who supported this position also believed that it was desirable to create an economy that was largely closed to international markets by the establishment of strong tariffs. This would protect national markets and create the right conditions to encourage national development. These ideas are founded on the notion of the interventionist state (Yerguin & Stalislaw, 2008).

All these considerations led to the evolution of new development strategies proposed by ECLAC. It recommended as an alternative development strategy the strengthening of the role of the state as an agent of social change. They also recommended the transformation of the productive structure by enhancing industrialization. This was to be done via the incorporation of foreign

technologies and by taking advantage of growing domestic markets, as part of an inward-oriented development process. To that end, ECLAC suggested that the role of the state should be enhanced. They argued that the state should design development strategies, and should play a major role in regulating and intervening within the national economy. This should be done through a comprehensive set of economic policies and by the state acting as a national investor. The state should also create programs that would improve national productivity so that the tax revenue would increase. (Bodemer & Müller, 2004; Franco, 1996; Lechner, 1992:3, Banko, 2007:132).

It would be fair to conclude that the import substitution strategy gave rise to a bloated state, characterized by a high concentration of power at the centre, and with a centralising style of development in almost all Latin American countries. The protection of national industry and domestic markets created an enormous macro-economic imbalance, inflation and eventually was a major factor in the genesis of the debt crisis. The economic structure of Latin American countries became very fragile under this development strategy (Franco, 1996). This approach to development led to an economic and social crisis and an institutional and organisational crisis. This was due both to the multiple functions carried out by state institutions under the model and the ways in which their capacity and efficiency were undermined by the economic crisis (Bodemer & Müller, 2004).

Despite the shortcomings, the import substitution policies promoted by ECLAC should not be totally underestimated; on the contrary, they were an appropriate option for the development problems faced by the region at the time that they were implemented. This process created a set of economic and administrative procedures which were endorsed by an articulated institutional framework. (Pérez, 1996). The import-substitution scheme created an important and sustained level of economic growth; besides having a significant role in this development process, the large state was also the key factor that made possible the improvement and enlargement of the health and educational systems, and also the more general modernization of Latin American society. The state itself

also modernised during the development that took place during the era of import substitution.

The activity of the state under this development model also furthered national integration in Latin American nations (Cuervo, 2003:73). Furthermore, in the early stages of this development scheme, the state-owned companies were central to national development, and were administered with a great deal of efficiency (Del Búfalo, 2002:131). Given all of this, Castro *et al* (2005: 20, 33) argue that scholars should re-assess the criticism of this strategy for development and should re-evaluate the historical role of the developmental national state in Latin-America. Although it had ‘deficiencies and contradictions’ the Latin American state was for many years the driving force of development and the main factor in national integration during the post-war period. However, the limitations of the large-state strategy must also be recognized. These are acknowledged even within ECLAC itself. ECLAC scholars blamed the model for increasing social inequalities and for promoting the heterogeneity of national economies by deepening the gap between the agricultural sector and the industrial sector (Kay,1991: 5).

### 5.1.2. Stabilization and Structural Adjustment Programs in Latin America

The unravelling of development strategies based on the import substitution scheme in combination with some other factors, such as the high oil prices, the increase of international interest rates and the ensuing debt crisis, forced Latin American countries to implement a very different approach to development (Manriquez Campos, 2001:1). In the early 1980s Latin-America and other developing regions of the world, accepted the application of a set of economic policies –Structural Adjustment Programs- recommended by the International Monetary Fund (IMF) and the World Bank (Nicholas, 1988). This economic strategy was based on ten elements; known collectively as the Washington Consensus<sup>18</sup> or first generation reform they constituted measures that the

---

<sup>18</sup> The Washington Consensus is a set of 10 policies endorsed by the principal economic institutions located in Washington: the US Treasury, the Federal Reserve Board, the IMF, and the World Bank (Williamson, 1999).

Washington D.C. based financial institutions like the International Monetary Fund and the World Bank thought were the best response to the economic crisis facing the developing world at that time. The basic elements of the consensus can be summarized as the “economic objectives of growth, low inflation, a viable balance of payments, and equitable income distribution” (Williamson, 1990: 8).

These structural adjustment programs (SAP) consisted of the following elements:

1. Improved fiscal discipline: improvement of the budget deficit by reducing public expenditures.
2. Altered public expenditure priorities, focusing on the reduction of subsidies and military expenditures and concentrating on health, education and public investments.
3. Tax reform: increasing tax revenues in order to reduce the fiscal deficit.
4. Reform of interest rates determination: it was argued that these should be defined by market forces and not by the state.
5. Reform of exchange rate determination, as with interest rates, it was argued that these should be defined by market forces and be consistent with macroeconomic objectives.
6. The encouragement of free trade, through liberalization of markets and reduction of import tariffs.
7. The encouragement of foreign direct investment
8. Privatisation of state industries
9. Deregulation: elimination of measures previously used to control prices, restrict foreign investments or impose import barriers
10. Ensuring of property rights.

(Williamson, 1990: 10-17)

The intentions of the SAPs were both economic and institutional. It was hoped that these programs would overcome the financial difficulties faced by developing countries, improve their balance of payments and stabilize their economies; and, at the same time, support the reform of national economic structure that was considered necessary to achieve economic reform (World Bank, (1988b; 1988a; 1985). The aim of these structural reforms was to get back the confidence of investors and create the necessary conditions for achieving national development, particularly economic development. It was felt that Latin American countries had to correct their earlier economic mistakes with a radically different strategy that would trigger economic growth and increase employment levels. (Calcagno, 2001:2). However, a comparative analysis of the success of these programmes has revealed that, following the reforms, Latin America's economic growth rate in the 1990's, was much lower than that observed in the region during the period 1950-1980 (Calcagno, 2001: 3).

Unemployment increased from 5.8% in 1990-91 to 8.7% in 2001 in Argentina, Brazil, Colombia, Ecuador, Peru, Uruguay and Venezuela"; over the same period the value of wages also decline from 1980s levels (Calcagno, 2001:6). As Calcagno points out, these studies give clear evidence that the region did not overcome the problem of unemployment, mostly due to the incapacity of private companies to absorb the existing labour force. These problems were intensified by a worsening of the average Latin American's working conditions (Calcagno, 2001: 6)

In their analysis of the implementation of structural reforms in Latin America Lora and Panizza identified many differences between individual countries, for example some countries were far more advanced than others in the evolution of labour market flexibility or in the extent of privatization. The only aspect that all countries seemed to have in common was the negative opinion with which most Latin Americans seem to have regarded the impacts of these economic measures (Lora & Panizza, 2002).

Even in those Latin American economies that saw some economic improvements, some of the policies implemented were found to obstruct economic growth and some of the positive effects experienced were likely to be

only temporary. An important element in this analysis is the institutional dimension. During the period 1980-1990 the reforms were more effective in those countries like Argentina, Costa Rica and Brazil where institutional characteristics were much better than in those countries where these conditions were negative like in Colombia, Ecuador and Paraguay. These conclusions are based on three considerations: institutions have a great influence on transactions costs therefore good institutions facilitate commercial trade; institutions help society to overcome common problems, and finally, institutions encourage individuals to take part in the production process (Lora & Panizza, 2002: 18-20, 30-31).

Some examples of how Latin American countries dealt with the economic crisis and their experiences with structural adjustment programmes will now be presented.

### Mexico

It has been pointed out that the main reasons for Mexico's economic crisis were the economic dependence upon oil exports, the economic imbalance generated within other sectors of the economy, the growing external debt, the drop in oil prices on the international market; rising international interest rates; and the high levels of domestic inflation. The consequent disparity in the balance of payments greatly harmed "public finances and generated (Mexico's economic) crisis". Inflation rose from 18.2% in 1979 to 100% in 1982; this crisis then forced the Mexican government to establish a stabilization program to improve the performance of its economy. The measures taken were aimed at eliminating the disparity in macro-economic factors and stabilizing the economy by controlling inflation (Clavijo y Valdivieso, 2000:12-14; Manriquez Campos, 2001:15; Lustig, 1990:1326).

Mexico implemented its structural adjustment program in three phases. The first one was introduced under President Miguel de la Madrid's administration (1982-1987) through the so called Immediate Program for Economic Recovery (Programa Inmediato de Recuperación Económica, PIRE). The policies contained in this program were intended to improve the fiscal balance, to liberalize the

restrictions on foreign trade, and to encourage export with the objective of contributing to the re-payment of the external debt. The state concentrated its efforts on reducing public expenditure, reducing the amount of money on the street, reforming the tax system as well as embarking on a program of privatization. The peso, national currency, was also devalued. As a result, the country did achieve some success in improving state finances and the balance of payments, but results regarding economic growth and the reduction of inflation were rather disappointing: inflation increased from 100% in 1982 to 160% in 1987 (Chamboux, 2001:9). The contribution of the process of privatization was irrelevant to the resolution of the state crisis mainly because of its slow implementation (Manriquez Campos, 2001: 15).

The Mexican government concentrated its efforts on improving the fiscal aspects of its economy and producing a commercial surplus in order to pay the public debt. To that end the government “reduced subsidies, public investments and social expenditures, established a real and constant exchange rate through devaluations and implementation of a strict wages policy” (Clavijo & Valdivieso, 2000:41). However, the contradictory nature of these policies meant that the economy suffered stagnation, reducing employment rates and the real level of salaries. The hoped for reductions in imports and encouragement of exports was not straightforward, mainly because the export sector was insufficiently developed. The country’s economy was sustained mainly on oil exports at this time. (Chamboux-Leroux, 2001:7)

The second phase of the structural adjustment implementation (1988-1994) was carried out under President Salinas de Gortari’s administration as part of the Pacto Para la Estabilidad y Crecimiento Económico (Stability and Economic Growth Pact). Due to the continuing low levels of economic growth and increasing inflation seen during the first phase, the Mexican government implemented policies that had the aim of increasing economic development by revitalizing public savings, as well as putting into practice what were described as “structural policies to promote economic efficiency”. The main feature of the pact was the reduction of taxes for import activities and the enactment of the



Law of External Trade (Ley de Comercio Exterior) (Clavijo & Valdivieso, 2001:17).

Salinas' administration sought to reduce Mexico's high level of inflation. To that end the government put in place three main policies: a fixed foreign exchange rate, price control and a wage scheme based on the projected rate of inflation, and established a pact between the state, the private sector and the trade unions (Clavijo & Valdivieso, 2001). The results were not impressive: a modest level of economic growth was achieved, although this started to fall on 1992. Inflation was reduced from 160% in 1987 to 45% in 1988 to less than 20% in 1994. There was also a negative balance of payments over this period; but the most damaging effect of these policies was the fall of the real value of salaries and in the level of employment (Clavijo & Valdivieso, 2001:41, 47-48; Manriquez Campos, 2001:16; Chamboux, 2001:9). As Manriquez Campos states, "these policies (entailed a clear) decline in the country's productive capacity" (Manriquez Campos, 2001: 17)

The last phase of the reform was put in place under President's Zedillo administration in 1994 and focused on privatization and financial restructuring. By this time, privatization had reduced the number of companies under state control. Of the 1049 companies owned by the state in 1983, only 210 companies were still in public hands in 1993. The performance of the Mexican economy under these liberalization schemes was rewarded with the admission of Mexico to the North American Free Trade Agreement in 1994. By this point, the Mexican economy had also reduced the amount of credit demand, particularly due to privatization, the level of foreign investment and the reorganization of its public finances. However, at this time, Mexico faced rising international interest rates, the over-valuation of the national currency, a recurrent imbalance of public finances, and domestic political problems induced a widespread economic collapse. These combined factors led the country into a deep crisis of bankruptcy and insolvency in 1994 (Clavijo & Valdivieso, 2001). In turn, this led to a profound questioning of the programme of economic reform, which clearly did not solve the huge financial problems facing the country as the Mexican economy

continued to be characterized by deep financial crisis and a lack of sustained economic growth (Manriquez Campos 2001:19).

As happened in many other Latin American countries, the first generation reforms in Mexico did not achieve the expected results. One of the questions raised by Clavijo's & Valdivieso research is why, having implemented most, if not all, the structural program recommended by the IMF and the World Bank, Mexico failed to achieve economic stability and a sustained and efficient economic development (Clavijo & Valdivieso, 2001:5).

### Peru

Peru began the implementation of its stabilization and structural adjustment program during the administration of President Alberto Fujimori in 1990, a time when the international economic climate was more favourable than that observed during the 1980s. By the time Peru started its structural adjustment programme, most Latin American countries had already implemented these reforms, and the idea of moving from large-scale state intervention in economic policies to an economy regulated by free markets was already well under way in most other Latin American countries (Jiménez, 2001:146). At this time, the country was facing one of the most marked inflation (114% per month) and economic stagnation (-8.2%) periods in its history. Peru's economy had high unemployment rates, falling national income, a persistent fiscal imbalance and price distortions (Pasco-Font, 2000:7).

The reasons for this are thought to be largely rooted in the economic policies implemented by President Alan García during his administration between 1985 and 1990. These were based on increasing salaries, expanding internal credit and public expenditure, tariff protection of national industry and the freezing of the monetary exchange rate (Pasco-Font, 2000:7).

The changes introduced by Fujimori's administration sought to transform the development model by putting more emphasis on the export of primary-products which weakened the industrialization process developed in the country. A great achievement of this program was the dramatic reduction in inflation that fell from 7649% in 1990 to 6.5 in 1997 and 3.7 in 1999 (Jiménez,

2001: 151; Pasco-Font,2000:52). However, Jiménez argues that this result was only made possible because of many other policies implemented by the administration, such as holding down the exchange rate and opening up the economy to external markets-policies which harmed national production (Jiménez, 2001).

The main objectives of Peru's structural reform program were to increase the competitiveness of the agriculture, fishing and mining sectors, restrict price increases, and reduce inflation and to elevate fiscal income. The support to primary activities became one of the main features in the structural programme of President Fujimori's administration (Jiménez, 2001). Privatization was another important part of the structural adjustment programme as well, although it did little to improve the Peruvian economy. This was mainly due to the slow initial pace of privatization; by 1993 only 13 state companies had been put in private hands (Pasco-Font, 2000:37; Jiménez, 2001:157). Only in 1995 did the process begin to be carried out more effectively; between 1995 and 1996 62 state companies were privatized and by 1997 a total of 132 companies had been taken over by private capital (Pasco-Font, 2000: 37).

Peru's structural adjustment programme increased unemployment and resulted in a deterioration of working conditions. The health and education system also suffered from reduced funding and many people became poorer (Jiménez, 2001:162-164).

### Brazil

In Brazil, the implementation of structural adjustment was not very different from that which occurred in other Latin American countries. Brazil has always stood out as one of the most developed countries in the region; indeed, Brazil had one of the highest indices of economic growth in the world in the 1950s; a circumstance that emerged during the military regimes that dominated the country at that time (Sader, 1999:109; Bresser-Pereira, 1989:2).

However, during the 1980s Brazil faced one of the deepest crises in its economic history, notable for the stagnation of per capita income and high inflation rates: 100% in 1980, 200% in 1983, almost 400% in 1987, and approximately 1000% in 1988 (Bresser-Pereira, 1989). The main cause of this economic crisis was the fiscal crisis; this latter problem was caused in turn by the “structural financial imbalance of the public sector” which had been caused by the huge amount of public foreign debt (Bresser-Pereira, 1989:3). This huge foreign debt, which had to be negotiated under very difficult circumstances such as the high international interest rates), was the principal source of Brazil’s economic problems at this time. In response to these, the international financial institutions called for the development of a stabilization program (Bresser-Pereira 1984:173).

The main objectives of Brazil’s stabilization program were to reduce inflation and to stabilize the national currency. The first measures taken by the government in 1979 were: the devaluation of the national currency; cutbacks in public expenditure and subsidies; fiscal and monetary consolidation and slow-down in the economy, reduced imports and control over the spiralling inflation (Bresser-Pereira, 1984:179).

However, the measures taken did not produce the expected results, and in 1980 Brazil began to implement a set of strongly neo-liberal economic policies. Investment in state companies was reduced, interest rates and prices were too, public spending and subsidies were reduced, some state industries were privatized, the economy was deregulated and opened up to external markets. The plan did manage to improve some aspects of the economy, price rises were slowed, public expenditure was reduced and the spending power of the population was increased. On the other hand unemployment was worsened. Unemployment had been increasing very sharply, with disastrous consequences for the economy (Sader, 1999:7). Although Brazil implemented the programme of structural adjustment as agreed with the IMF, Brazil’s economy neither achieved an increase in foreign currency reserves, nor improved the public fiscal deficit or the balance of payments.

### 5.1.3 Evaluation of Structural Adjustment Programs

Although the intention of the SAP's was to improve the economies of developing countries, this policy approach has been criticised widely. One of the main problems of The Washington Consensus is that it advocates raising economic growth in developing countries by promoting a shift from state-led to market-oriented policies. These policies were intended to promote economic growth through a "top-down, donor-conditionality-driven and outside-expert-led approach". This is contrary to principles of sustainable human development, in which priority is given to the improvement of people's lives and the promotion of democracy. (Gore, 2000)

The conditionality of the structural adjustment programs implemented under the IMF and the World Bank's direction, was criticised on the grounds that the monetary help offered to Latin American countries "became effectively conditional on the agreement by the recipient government to implement often far-reaching economic policy reforms (or) but by imposing a very particular model of development and a narrow set of economic instruments" (Pender, 2001: 399).

The involvement of commercial banks in financing external debt in Latin America was a decisive influence on the process of structural adjustment implementation. For private banks, the decision as to whether or not to lend to a country was based above all on the capacity of the borrower nation to repay. This intensified the pressure on Latin-American countries to implement economic policies that favoured fiscal and monetary stabilization and increased international reserves; this lessened their capacity to attend to the social aspects of development (Malavé-Mata, 1983:33).

Another negative aspect of the structural adjustment was the limited political and administrative capacity of the Latin American government to implement those economic policies. In his analysis of the failure of the economic reforms carried out by Latin American countries in the 1990s, Santiso argues that the process was not only slow but also inconsistently applied. The reform was stifled by the low capacity of the state to carry out the economic policies imposed. In

relation to the particular experience of Argentina, Santiso affirms that the main reasons for the lack of success of the first generation reform were “the absence of coherent development strategies, the existence of an exclusionary policy-making process, and an inability to reform the institutions of governance” (Santiso, 2003).

Within Latin America some alternative development strategies were proposed, strategies that Latin American countries might implement in order to correct some of the problems caused by the structural adjustment programs. According to an ECLAC proposal, the strategic integration of national and international economies should be promoted, and cooperation between the state and the private sector encouraged as a prerequisite for the implementation of a successful development strategy. These recommendations rely upon a strong developmental state that promotes the involvement of the private sector in the formulation of development policies. This is in order to reach “a common vision of the development objectives and targets, and a common understanding of how these can best be achieved” (ECLAC, 1990: 94-96, mentioned by Gore, 2000: 797).

The World Bank itself argues that SAPs and IMF programs were implemented in order to help developing countries to minimise the impact of external shocks by establishing a way to overcome balance of payment deficits, and to create a dialogue with policy makers in those countries. Nevertheless, the Bank has recognised that the implementation of adjustment lending raised significant complaints, particularly regarding bad program design and its social cost. Problems in program implementation and the need for more coordination between the actors involved have been identified by the Bank’s staff (World Bank, 1988b).

Since then the bank’s senior staff have gradually begun to think about the role of the state in more complex ways than it had done at the beginning of the 1980s. Increasingly it has recognized that minimal intervention is not the best way to overcome poverty or economic stagnation, and has acknowledged that a strong state is needed in order to foster a more comprehensive and sustainable development. Nevertheless, this recognition does not entail going back to the

same interventionist state of the previously dominant economic models. As a result of this new point of view, the Bank has identified four important areas of state reform which it has pursued aggressively over recent years: public sector management, accountability, the legal framework for development, and information and transparency (World Bank, 1992).

Over recent years the Bank and its critics appear to be moving towards a consensus regarding the importance of the state and the centrality of dealing with the continued high levels of poverty. Lora & Panizza (2002), for example, give the following evaluation of the evolution of the adjustment process in Latin America which would probably be supported by the majority of observers:

1. Structural adjustment was unavoidable because in order to overcome poverty, it is necessary to have economic growth. The reforms have proved that it is possible, although not enough, to achieve this growth through structural adjustment, although this is not the whole answer to underdevelopment
2. The role of institutions is of great importance. experience has showed that where good public institutions are present, the reforms tended to improve the economy
3. Reforms should be adopted to the conditions of each country
4. Evaluation of the impacts of reform should include social considerations and not just economic ones
5. Reform should definitely include social aspects in order to reduce poverty and overcome social inequalities.

(Lora & Panizza, 2002:30-32).

Despite the widespread criticism of SAPs and their implementation across the region, the World Bank claims that structural adjustment has brought economic stability to Latin America. Despite low rates of economic growth, the region has been able to overcome the deepest fiscal crisis of its history, a crisis which led to a decade of economic stagnation and hence to rising poverty. Current debates within financial institutions suggest that more state reforms are needed to consolidate the improvement on macroeconomic variables that make possible economic growth, and reinforce the role of the state in order to deal with Latin-

America's widespread and persistent problem of extreme poverty (Burki & Perry, 1997).

Such proposals are intended to lead to "the restoration of the state as a development agent"; their central intention is to reshape the minimal state, previously fragmented by the privatisation process and the loss of power to different economic organisations and political groups. The state is to be transformed into a developmental state whose main tasks would be to enforce laws, carry out economic planning and deliver basic services, such as health and education. Other functions are to be delegated to the private sector, community networks and NGOs (Bodemer & Müller, 2004:19). Bodemer and Müller have examined international experience of the implementation of both state-oriented and market-oriented policies. From this they argue that a consensus view of developmental strategy can be reached by politicians, policy makers and international aid agencies. According to these authors, it can be argued that development can best be attained by combining a strong state, an open market and a strong society all working together in the same direction (Bodemer & Muller: 2004:19-20).

As a result of their examination of the experiences of Latin America, South Asia and other regions, the World Bank has devised a strategy for economic and social development in those countries that have applied SAPs. This strategy includes some measures that might help to consolidate macroeconomic stability in Latin American countries and improve economic growth in order to finally reduce poverty. The Bank has identified five areas to which governments should pay attention: Investment in human capital; efficiency of financial markets, and quality of legal and regulatory environment; quality of public sector and governance and fiscal strengthening (Burki & Perry, 1997:x-xii; Öniş & Şenses, 2005:273).

The debate that followed structural adjustment has focused the attention of the World Bank and the International Monetary Fund (IMF), and other international aid agencies upon the importance of institutions in the development process. It has also encouraged those organizations to develop a more comprehensive framework within which developing countries can work in order to achieve



economic and social growth. The framework involves institutional reforms, good governance (government accountability, transparency, efficiency, and legitimacy), decentralization, and transparent public decision-making. It also involves considerations and approaches that were absent from earlier development programs. The debate presented in Chapters II and III about the importance of institutions and governance systems for the process of decentralization and civil society participation mirror the attention given by the WB and the IMF to these subjects in the development process; attention that continued to be reflected in the work carried out by these international agencies. The Poverty Reduction Strategy Papers produced by the IMF and the World Bank over the last decade or so exemplify the new philosophy adopted by international agencies. Under this approach countries have the opportunity to develop their own comprehensive partnership-oriented plans for social and economic development, plans which are strongly focused on poverty reduction, with a country-driven, result-oriented approach, and a long-term perspective (IMF, 2008; Burki & Perry, 1998:3; Burki & Perry, 1997:69-99)

An important element in what has been called the Post-Washington Consensus<sup>19</sup> is the respective roles of the state and of the institutions in the development process. As discussed in the preceding sections, the disappointing results of structural adjustment have led to calls for more state action. In order for development to occur it will be essential to build the institutions to accompany and promote such processes (Naím, 1993: 134,147). The incapacity of Latin American governments to maintain a stable economy and improve social conditions partly can be attributed to the “failure to improve the performance of existing public institutions and policies (Naím, 1995:29, 31). Unless Latin American states become more effective, social conditions in the region are likely to worsen no matter how much money and effort are invested on it (Naím, 1995:29, 31).

---

<sup>19</sup>The Post-Washington Consensus is a new approach in development strategies which gives a great deal of importance to subjects like poverty eradication, governance, and the construction of social capital, the importance of institutions and the need to improve the performance of the state. (Öniş & Şenses, 2005:265,273; Parkins, 2000).

First Generation Reforms<sup>20</sup> were focused on reducing the size of the state and on purely economic aspects of the Latin American crisis; those policies did not take into account the importance that a strong state must have in building a comprehensive framework for development. Second Generation Reforms, on the other hand, rescue the concept of the state and its relationship with society; while they do not neglect the importance of economic factors, they put more emphasis on building an efficient and highly active state. According to this perspective, on steering to reach a level of development that will reduce poverty, Latin American governments should create an institutional environment that encourages an efficient and sustained market expansion, update public administration to make it more efficient and accountable, and intensify the process of decentralization carried out by Latin American countries since the 1990's in order to encourage the participation of civil society in decision-making processes (Brito, 2003:16-18).

In the following section a more extensive discussion of these second generation state reforms is presented, with emphasis upon the decentralization of power achieved by the political reform of governments in specific Latin American countries.

## 5.2 The Reform of the State and the Decentralization Process in Latin America

The state has played a strongly directive role in Latin American nations. In the early years of independence, the main concerns of state governments were to establish political structures and to maintain the pre-independence export-based economic system (Cardoso & Faletto, 1979: 35; Kaplan, 1998).

As has been described in preceding sections, from the 1930's to the 1980s the Latin American state grew in power. The development schemes implemented during this period relied upon on the nation-state for their execution. It was

---

<sup>20</sup> First Generation Reforms are those reforms implemented within the Structural Adjustment Program, also known as the Washington Consensus. Its main target was to restore economic growth, reduce inflation rates, improve macroeconomic variables and reduce the size of the state.

imperative to build a strong and modern state that was able to implement the development policies designed at the time (Cardoso & Faletto, 1979:4; Ozlak, 1999:83).

In the immediate post-independence period and the period in which the nation state took the lead in development, the state was strongly centralist. Central government made an ever-increasing share of decisions and a very high proportion of national power, authority and resources became concentrated in the hands of the central state (Selee, 2004:3). The economic crises of the late 1920s and the 1980s led to the crisis of the post-independence state and the developmental state respectively. The former arose from the poor functioning of the market, the latter from the state itself (Bresser-Pereira, 2000: 519; Fleury, 2003:82).

The crisis of the state experienced in the 1980's, as was described in section 5.1.2, called for an abrupt change in the style of government in Latin America. The same section explained why the neoliberal state was instated and how public expenditures were reduced sharply in order to alleviate the enormous fiscal imbalance that had arisen during the era of Import substitution through industrialization and the onset of the international recession. The aims of the neoliberal reforms of the 1980s were to restore economic growth, reduce inflation, improve macroeconomic variables and reduce the size of the state (Bresser-Pereira, 1991:30-32; Diniz, 2004:107-108; Kaplan, 1998:101-102). The resulting shift in policy direction, taken by most Latin American governments was made in isolation from civil society (Brito, 2003:16). This isolation was reflected in the frequent use of presidential decrees to implement the economic policies embedded in the structural adjustment program (Santiso, 2001:19).

After the initial period of structural adjustment implementation, policy makers realized that the first generation reforms had not produced the expected results. The operation of the market had not by itself provided the economic growth and development sufficient to overcome the deep poverty present in most Latin American countries (Fleury, 1999:58). The emphasis on the creation of a minimal state in these reforms was widely criticised and the importance of reinstating the state to take back more responsibility for social and economic

development was stressed, although not the kind of interventionist state that had arisen during the import substitution era.

The debates about the first generation reforms provided a new understanding of the problems faced by Latin-America, particularly the influence of the high level of poverty that inhibited the implementation of any stable scheme of development in the region. Those debates also stressed the importance of building an adequate legal and institutional framework to support existing reforms and of enhancing the role of institutions as a key aspect on the functioning of the state.

Section 5.1.3 explained why a second wave of reform was instigated in Latin-America in order to consolidate the first generation reform and to improve the functioning of the state during the 1990s. The main aims of the new reform were to restore the responsibility of the state in providing public services and to boost economic competitiveness in the international market. The approach taken by Latin American governments was to restore the role of institutions, encourage private economy and undertake a series of reforms in the social and economic sector (Naím, 1995:32).

The main difference between first generation and second generation reforms is the emphasis that is put in terms of the latter on institutional change as a component of developmental strategies, and the importance of new or transformed institutions in rectifying the deficiencies of the state and overcoming the failures of the previous market policies (Önis & Şenses, 2005:276-277; Del Búfalo, 2002:178).

The reform of the state should not be seen as merely a change in institutional structure; it also involves a broad debate about the role that the state holds in the development process. Bresser-Pereira argues that the reform of the state entails four elements: the first one, control of the size of the state, has political and economic aspects; the second, the reform of the regulatory role of the state, is also political and economic; the third, restoration of governance through improvement of the financial and administrative capacity of the state to implement its political decisions is administrative; the fourth, an increase in the

ability of the state to mediate between different interests, hold political legitimacy and to govern, is political (Bresser-Pereira, 2000:517-518).

Although state reform relies heavily upon institutional reform, it should also take into account the implications that reform holds for the distribution of power. It is necessary to consider how institutional changes modifies who has the power of decision making and how institutional change alters the representation of interest of the different political actors in a given society (Fleury, 2003:82). Reform of the state should be seen as a change in the relations established between different economic, political and administrative interests (Fleury, 2003; Lasagna & Cardenal, 1998:105).

The process of the reform of the state acquires, in the light of the previous statements, a political character (Fleury, 1999; Bresser-Pereira; 2000; Vila, 1997; Ozlak, 1999; Santiso, 2001) that involves the strengthening of the institutional framework; this improves the state's capacity to create favourable conditions for development, not only in the administrative aspects but also by improving the social conditions by implementing social policies with efficiency (Fleury, 1999:61-62).

Thus, the reform of the state and the restoration of the state that comes with it became the main feature of the second generation of structural reforms. This type of reform had three important elements: the responsibility of public policies to attend to the demands of civil society and provide public institutions capable of carrying out the required political, economic and social changes; the restoration of the institutions of governance after the period of structural adjustment, and, the promotion of participation, accountability, transparency and efficiency (Santiso, 2001:14).

Second generation reform focused on strengthening the institutional framework in order to provide the right environment for economic activities, and to improve public administration, the justice system and work legislation. It also established the importance of decentralization as a means of improving democratic conditions, and emphasized the alleviation of poverty and increased investments in the nation's social capital (Fleury, 1999:61-62).

In the following section, attention will be given to the process of decentralization as one of the chief mechanisms of this reform process in Latin-America and the one that interests us most here. Some examples of this process from specific Latin American countries will be presented.

### 5.2.1 The Origins of Local Government in Latin America

Latin-America's long tradition of local government is represented by the presence of the *Cabildo*, a structure which was introduced during the colonial period before the Spanish crown established central government. The *Cabildo* was administered by the *Corregidor* or *Alcalde Mayor*, who had political and judicial authority over their districts. Its main role was to protect the interests of Spanish conquistadors and it soon became the main institution used to deal with concerns such as land distribution (Nickson, 1995; Haynes & Keen, 2000: 99). However, some decisions taken by the Spanish government in later years that ignored the functions of the *Cabildo* and centralized the colonial administration left these local spaces of political administration without any power for the rest of the colonial period, before recovering again later on, a role as the main centre of political opposition to the Spanish occupation during the immediate pre-independence period. (Nickson, 1995:7-15; Haynes & Keen, 2000:100).

As has been noted, after independence the state became further centralized. This was reflected by a desire to consolidate the nation-state. This, in some ways, deepened the practice of the previous Spanish colonial administration, which was itself highly centralized. This heritage would shape the political culture of Latin-America and the establishment of political institutions over the following years (Montero & Samuels, 2004). Centralization intensified in the twentieth century during the import-substitution phase of development when central governments expanded their functions to assume some of what had previously been local government responsibilities. Thus, local governments began to see their role as service providers removed by an increasingly centralized style of administration. This process has been called "*demunicipalization*" by Nickson. It

took place throughout Latin America and entailed the transfer of local or municipal responsibilities to central government (Nickson, 1995:16).

As explained in section 5.1.2 and 5.1.3, the Latin American state went into crisis at the end of the 1970s, and the crisis worsened in the 1980s. As a result, the ability of the central state to provide services to its citizens collapsed. At the same time the Latin American state also fell into a crisis of political legitimacy mainly because of its inability to meet public expectations, particularly those political expectations that were not being met within a poorly representative formal political system. One of the solutions to this political crisis was the undertaking of state reforms; among this, decentralization was one of the main strategies to overcome the deficiencies of central government, deficiencies arising from its centralism and its anti-participatory nature, this debate was presented in section 3.2 (Nickson, 1995:21).

Before the crisis of the state, decentralization was not a major political concern in Latin-America. The state had constructed a coalition between different groups of society. Development was based on the internal market and industrialization through which benefits were distributed amongst the population. Accordingly, the main political debates were concerned with the distribution of those benefits nationally rather than being linked to demands of territorial reorganization (Grompone, 2002:10).

After the crisis of the 1980s, the state had to surrender many of the responsibilities it had assumed during the preceding years. Responsibilities were devolved to other levels of government and other providers; a process that was subsequently encouraged by international financial agencies such as the IMF and the World Bank. Decentralization was seen as the best means of improving service delivery at the local level, it was felt that scarce funds would be allocated more efficiently by local government, since local government would have a better understanding of local priorities than central government (Nickson, 1995:23; Montero & Samuels, 2004).

Although some countries had passed some laws favouring municipal regimes before this crisis period (among them Peru, Costa Rica, Dominican Republic,

Uruguay, Panama and Ecuador), the main wave of decentralization took place during the 1980s and the 1990s (Nickson, 1995:27; Dammert, 2003). The autonomy ceded by law to Latin American local governments in this process, has been classified in four ways: firstly, political decentralization, which means that the population can choose, by direct elections, its own authorities; secondly, administrative or policy decentralization, meaning that local governments can take decisions about and implement public policies, and administer their territory without intervention from other levels of government; thirdly, fiscal decentralization, which can be understood as revenue decentralization. This means that local government can build and control its own sources of financial income and the distribution thereof, and expenditure decentralization, through which local government are entitled to spend money autonomously (Nickson, 1995:28; Montero & Samuels, 2004:7;; Robinson, 2007). This classification made by scholars, based on the experience of Latin American countries in the implementation of decentralization policies, also coincides with the classification made elsewhere, and that which was explained in Chapter III.

Although these features of decentralization have been guaranteed by law, the truth about the independence of Latin-American local authorities is more complex. Laws about municipal regimes are devised and worded by the central government, which “regulates the internal organization and functions of local governments to a high degree”; in addition, local governments are extremely dependent on financial transfers from the centre, and can only rely to a very limited degree on their own sources of income, such as local taxes (Nickson, 1995:28-29).

One of the reasons for the lack of independence from central power is the assumption, on the part of the central government, that local government lacks the capacity for dealing with local issues fully. Another reason is linked to the strong centralist political culture that remains dominant in Latin American to the extent that the relationships between central and local government are defined “by subordination rather than equality” (Nickson; 1995:28).

In the following section, some examples of how the process of decentralization has been carried out in specific Latin American states will be explored.



## 5.2.2 The Experience of Decentralization in Latin America

### Peru

Although eight out of its twelve National Constitutions have defined Peru as a unitary decentralized country, Peru has had very centralized government. The first forms of local government in Peru after independence were established with the introduction of the Municipal Law in 1892. However, the *municipio* was not created according to territorial or population criteria, but political ones. The alternation between democracy and dictatorship has reduced the stability of the institution of local government in Peru. In 1963 and 1968, for example, local authorities were elected but they were abolished by the military regime established in 1968 (Nickson, 1995:238; Dammert, 2003:23).

When another national constitution was approved in 1979 three levels of government were established: national, regional and municipal. At this time the local councils were assigned the responsibility for enhancing local development (Dammert, 2003:23, 26). In 1989, following the ratification of the *Ley Orgánica de Municipalidades* (Organic Law of Municipalities) No. 23853, five regional authorities were elected, and six more in 1990, but they were only to last one year due to the coup of 1992. This abolished the democratic regime and overturned a century of progress towards decentralization in the country. (Dammert, 2003:10; Nickson, 1995:239).

From 1992 to 2000 the power of the Peruvian government was concentrated to a considerable degree on the executive branch, in the personality of President Alberto Fujimori. This destroyed any vestige of decentralization and there developed instead a 'super-centralist' regime. The state began to weaken local governments by appointing new central institutions distributed throughout the country, reducing the functions and financial resources of municipalities. Finally, with the enactment of decree 776, which reformed the tax system, the state centralized even further the distribution of municipal funds. From that point on, funds were administered by the Minister of Economy. In 1992 a new administration system was established and eleven Transitory Councils of Regional Administration (Consejos Transitorios de Administración Regional)

were created. These came in as a substitute for the previously annulled regional administrations until the election of new authorities. With the approval of Law No. 26922 in January 1998, the Framework Law of the Administrative Decentralization (Ley Marco de Descentralización Administrativa), these new councils were reinforced (Dammert, 2003:41-42; Political Database of the Americas, 2005).

In 2002, with the return to democracy, the congress approved two new laws that promoted decentralization in the country; these were the Law No. 27783 (Ley de Bases de la Descentralización) and Law No. 27867 (Ley Orgánica de Gobiernos Regionales). In Law No. 27783, decentralization is defined as a permanent, dynamic, irreversible, democratic, integral, subsidiary and gradual process, that has the aim of promoting sustainable and harmonious development of the whole country, based on an equilibrium between the three levels of government (Congreso del Perú, 2002; Grupo Propuesta Ciudadana, 2006:9).

However, it is been argued that the process of decentralization carried out in Peru has been hindered by the ambiguity of some concepts such as that of subsidiarity. The principle of subsidiarity does not define the level of competence that regional and local governments must show in order to secure transference of responsibilities and financial resources from the central government. The result is that civil servants in Lima have sought to limit the process to a simple redistribution of public functions. Gradualism has also held back the process of decentralization; there have been significant decentralization efforts at a regional level, while decentralization to local level has been neglected. Fiscal decentralization in particular has not taken place due to the lack of progress in administrative integration between the regional and local levels (Grupo Propuesta Ciudadana, 2006: 9-10).

Another pressing issue that has affected the process of decentralization in Peru is the strong political and administrative emphasis of this process, on which economic aspects have often been overlooked. This lack of connection does not fit well with the national strategy of promoting employment and overcoming the levels of poverty in the country (Grupo Propuesta Ciudadana, 2006:10).

Decentralization is that it has been carried out without a profound reform of the Peruvian state. Peru still has the structure of the state built during the neoliberal era when the state lost much of its directive capacity. Although decentralization is taking place, there remain some structural problems that hinder the advance of decentralisation efforts and which require a change in the structure of the state for them to be overcome (Grupo Propuesta Ciudadana, 2006:11).

### Bolivia

Bolivia also had a very centralized style of government until recently. As a unitary country, Bolivia has four levels of government: departments (9), provinces (112), provinces sections or municipalities (327) and cantons (1,408). Until very recently the authorities of the departments (*Prefectos*), were appointed by the President, and those of the Provinces (*Sub-Prefectos*) and cantons (*Corregidores*) were appointed by the *Prefectos* (Nickson, 1995:107; Political Database of the Americas, 2005; SIAM, 2008).

Municipalities were introduced by law in 1942; however, the autonomy given by this law to the municipalities was ignored by the central government to the point that no local authorities were elected but rather were chosen by the central government. This condition persisted until 1987 when municipal elections were held (Nickson, 1995:108; Slater, 2003:618). In April 1993 Law 1551 (*Ley de Participación Popular*) was approved through which local governments were to be chosen through free elections. The law also stipulated the transfer of infrastructure that should be made from central government to the municipalities, as well as the responsibilities and duties of these new local authorities (Articles 12-14). The free election of the canton authorities was also granted by this law.

In July 1995 Law 1654 (*Ley de Descentralización Administrativa*) was passed which established the transference of administrative duties from central government to the departmental level. The three main objectives of this law were: to establish the structure of the executive branch at the departmental level; to establish the departments' financial and economic resources; and to improve the efficiency of service delivery at this level (Article 2). However, the

authorities of the departments (Prefectos) were still to be appointed by the President (Article 4). In January 2005 through Presidential Decree No. 27988 (Decreto Supremo) the direct election of *Prefectos* was finally instituted in the country (Congreso de la República de Bolivia, 1995; FAM, 2008; Castro & Lea, 1996:126; Mayorga, 2007:210).

The reluctance to give autonomy to the department had represented a complex because of historical considerations. It revives hard and deeply rooted questions of national unity and separatism<sup>21</sup> (Mayorga, 2007:203-208). According to Slater, 'The idea of devolving or decentralizing power from the centre to the regions, to zones closer to those other contiguous nation states evokes a sense of danger, and touches a rooted sentiment of loss' (Slater, 2003: 624-625).

Decentralization in Bolivia had its origins in the struggle of the regions to secure more financial resources, greater autonomy and the right to establish their own process of decision-making. Subsequently, the initiative towards decentralization has gradually been embraced by the state, with the approval of the Law of Decentralization (Ley de Descentralización Administrativa) and the Law of Popular Participation (Ley de Participación Popular). One of the main reasons advanced by the regional movements in favour of decentralization was the lack of connection between the central government and local society along with the poor representation of local interest at the highest levels. Decentralization was held back for a long time by a lack of political will within central government (Blanes, 2003:178-180; Congreso de la República de Bolivia, 1999). However, with the enactment of Ley de Descentralización Administrativa and Ley de Participación Popular, the Bolivian government has shown itself willing to accommodate some of the demands of the regions.

Bolivia has been marked by continuous political crisis in recent years to the point that over a four-year period two presidents (Sánchez de Lozada 2002-2003 and Carlos Mesa 2003-2005) were removed from office partly in response to the political and institutional crisis, but also as a consequence of what has been called '*la política de las calles*' or the pressure exerted by the protests of trade

---

<sup>21</sup> The Actual Bolivian's borders are the result of previous wars during which Bolivia ended losing a big part of its territory to Argentina, Brazil, Chile, Paraguay and Peru. (Slater, 2003:624).

unions and other social movements throughout the country. One of the mechanisms chosen by the authorities to overcome this political crisis was to amend the National Constitution to include the establishment of the referendum as a means of resolving important issues.

On the 2<sup>nd</sup> July 2006 a referendum<sup>22</sup> was called to decide upon the autonomy of the departments as part of the decentralization process that had been carried out in the country. The results went against the proposal for decentralization (NO) with 58% of the total opposing the proposal. The majority of these votes came from those regions that supported President Morales (Chuquisaca 62%, La Paz 73%, Cochabamba 63%, Oruro 75% and Potosi 73%). In those departments opposed to the political project led by President Morales the yes (Si) vote was in the majority (Tarija 60%, Santa Cruz 71%, Beni 73% and Pando 57%) (Mayorga, 2007:203-208; Corte Nacional Electoral, 2006). In this referendum, the debate about departmental autonomy was overshadowed by the positions held by the government and by departmental representatives. The government's approach to devolution is based on establishing autonomous ethno-linguistic areas to create territorial autonomy. These autonomous territories are intended to replace the current departments. The multicultural approach questions the continuance of departmental autonomy. The departments, on the other hand,

---

<sup>22</sup> The question asked in this referendum was whether or not the people agree, in the frame of national unity, to give to the Constituent Assembly, the binding power to establish a regime of departmental autonomy, to be enforced after the new national political constitution was approved, in those departments where the referendum holds the majority, in such a way that its authorities can be elected directly by its citizens and get from the central government the executive competences, normative and administrative powers, and the financial resources assigned by the new political constitution and the laws of the Bolivian state? (República de Bolivia, Corte Nacional Electoral, 2006).

Question in Spanish: Está usted de acuerdo en el marco de la unidad nacional, en dar a la Asamblea Constituyente el mandato vinculante para establecer un régimen de autonomía departamental, aplicable inmediatamente después de la promulgación de la nueva Constitución Política del Estado, en los departamentos donde este referéndum tenga mayoría, de manera que sus autoridades sean elegidas directamente por los ciudadanos y reciban del Estado Nacional competencias ejecutivas, atribuciones normativas administrativas y los recursos económicos-financieros que les asigne la nueva Constitución Política del Estado y las leyes? (República de Bolivia, Corte Nacional Electoral, 2006).

overlook the demands made by indigenous groups and based their proposal on political decentralization, emphasizing financial and fiscal considerations (Mayorga, 2006: 60-61). Discussion of autonomy has also been hindered by the ambiguity of the referendum's results, which have been interpreted differently by both sides (Mayorga, 2006: 63-64). According to a document produced by the Corte Nacional Electoral (National Electoral Court), those departments where there was a simple majority in favour of devolution would be granted departmental autonomy once the political national constitution was approved (Corte Nacional Electoral, 2006:9). Based on this, four out of nine departments (Santa Cruz, Beni, Pando and Tarija) have carried out referenda to approve the statute of autonomy; this is despite the National Electoral Court declaration that this was an illegal process. Departments ignored this call, and since May 2008 declared their political autonomy from the central government. Nonetheless, the results of the referendum overwhelmingly support the autonomy movement in Bolivia. (Crabtree, 2008; Chávez, 2008; Andean Information Network, 2008).

Despite the progress made on decentralization in Bolivia, there are some obstacles to this process, particularly at the municipal level where the ineffectiveness of local institutions has been pointed out as a major problem. In 1997, for example, the Minister of Planning tried to transfer the administration of health centres and schools to the municipalities, but this decision was strongly opposed by teachers, unions and other sectors of civil society who doubted the capability of these institutions to administer such services (Blanes, 2003:184-185).

Other negative influences upon the decentralization process in Bolivia are: the stark differences between large and small municipalities (particularly with regard to their ability to generate financial resources); the weakness shown by central government in steering the process; the absence of an institutional framework to link departmental and local levels of government; and the lack of capability in developing strategic planning for decentralization (Blanes, 2003: 209-210).

## Chile

Although its economic and social development is among the highest in Latin America, Chile, unexpectedly, has shown a great resistance to decentralization. Chile, like most other Latin American states, has long been a very centralized country. As a unitary state, it is divided into thirteen regions, fifty-one provinces, and 342 communes, which are also described as municipalities (Nickson, 1995: 131; Database of the Americas, 2005; Subdere, 2001:47).

In the regions the power is held by the *Intendentes*, who are appointed by the president; and the Regional Councils (Consejos Regionales) who are appointed by the municipal councillors in the region. At the provincial level there are governors, also appointed by the president and the economic and social provincial councils (Consejos Económicos y Social Provincial). At municipal level, authority resides in the mayor (*alcalde*) and the municipal council, both of which are freely elected (Database of the Americas, 2005).

Historically, local authorities have not enjoyed a great deal of political or financial autonomy. When they did, from 1891 to 1920, their performance was disastrous, with the result that from that point, local authorities came to be appointed by the president. During the early 1970s Chile experimented with increased decentralization. Municipal authorities were chosen through elections but this process was halted by the military coup in 1973 led by General Augusto Pinochet; from this moment on municipal authorities were, once again, appointed by the president (Mardones, 2006:5). During this time the government established the Councils of Communal Development (Consejos de Desarrollo Comunes) known as CODECOs. These highly authoritarian structures replaced the old local authorities and represented the central government (Mardones, 2006:5). The municipal structure created by the military regime is still in place in Chile. After the creation of the CODECOs, the regime transferred to these local bodies the responsibility for delivering health and educational services, an arrangement that was continued by the democratic governments which followed (Waissbluth, Leyton & Inostroza, 2007:228).

One of the historical features of centralism in Chile was the creation in 1833 of the figure of the *Intendentes*. *Intendentes* were meant to be representatives of the president who were very close to the president (Boisier, 2000:85). They retain their place in the regional administration of the country, and are still appointed by the president. The *intendentes* are heads of regional government and represent the central administration at this level. Regional Councils (Consejos Regionales) also exist; they are elected by the municipal councils in the region, but their president is always the *Intendente* (Subdere, 2001:36, Political Database of the Americas, 2005).

The Chilean political class has maintained a long struggle against decentralization; in this struggle municipalization has made more progress than regionalization since the restoration of democracy. In the recent past as in earlier periods, the political class has displayed a clear lack of confidence in the ability of local authorities to deal with local concerns effectively (Mardones, 2006). President Aylwin, the first democratic leader after Pinochet, sent a bill to the Congress in 1990 that was intended to make possible the free election of mayors. This met with opposition in the Congress, where it was felt that reforms to the political constitution approved in 1989 would only bring institutional instability to the country (Mardones, 2006:5-6). Over the following years, many debates about the election of local authorities were conducted by Congress.

In August 1992 the first political authorities at the local level were elected. The mechanism for election proved to be very complicated and had to be reformed before the elections of 1996 (Mardones, 2006:7-9). In 2002 President Lagos sent a bill to the Congress to request the free election of regional councillors, but it was rejected. Despite the scepticism of the political class towards the process of decentralization, the mayors have had an important role in promoting and extending this process at least with regard to the municipalities. The increase in the responsibilities assigned to the municipalities is the result of mayoral influence (Mardones, 2006:13-15). During the presidency of Eduardo Frei (1994-2000) Law 18,695 (Ley Orgánica de Municipalidades) was enacted, and in December 2001 it was amended to become Decree (Decreto con Fuerza de Ley) Nº 1-19.704. This law established the responsibilities, functions and powers of



the municipal institutions; it also regulated the financial and organizational aspects of those institutions (República de Chile, Ministerio del Interior, 2002).

The struggle to increase the present level of decentralization in Chile has been affected by political, economic and capability considerations. There is little agreement amongst the political class about how the process should be carried out. The fact that Chile has one of the best rates of economic and social development in the region has prompted resistance among the central government and the political class to the transfer of economic responsibilities to the regions and municipalities, on the grounds of the lack of expertise at those levels (Mardones, 2006:12; Waissbluth *et al*, 2007:234).

At regional level, the responsibilities of the *intendentes* and the Regional Councils are limited by their lack of political independence from central government. The *intendentes*, as representatives of the president, tend to overshadow the role of the councils, which are under-staffed and under-funded (Subdere, 2001:36-37). The functions of governors at the provincial level are strongly determined by decisions taken at central and regional levels, and although their functions are very limited, lack of funds makes those functions even more difficult to carry out (Subdere, 2001:40-41).

Although many responsibilities have been transferred to municipal authorities, the non-reallocation of funds in this process has created a great financial dependence upon central and regional government. Many flaws have been identified in the decentralization process at this level; one of the major ones is the confusion that has been created by the lack of definition of competences between the different tiers of government. It has also been suggested that low ability of municipal employees is one of the problems faced by municipal administrations (Subdere, 2001:44).

### Mexico

Mexico, as a federal country, has a long municipal tradition. Before its independence from Spain, the Cadiz Constitution, enacted in 1812, allowed free

and popular municipal elections for *alcaldes, regidores and síndicos procuradores* in those towns with more than one thousand inhabitants. (López Chavarría, 1994: 29; Morelli, 2007: 121). After independence, the municipal regime lost much of its prominence, a feature that was reflected in subsequent constitutional texts (the Federal Constitution of 1824, the Centralist Constitutions of 1836, 1843, 1847, and 1857). In these, the local council was barely mentioned, with the sole exception of the constitution of 1836, on which the responsibilities of this local body were described (López Chavarría, 1994:34-36).

The national constitution sanctioned in 1917 reinstated the roles of the municipal council that has been abolished by earlier constitutions. In its article 115 it is stated that the *municipio* will be, from now on, the basis of the territorial division of Mexico and would be administered by the *Ayuntamiento* (local council). This would be appointed by popular elections and with no other authority between the local councils and governors (*gobierno del estado*) (López Chavarría, 1994: 41; Instituto de Investigaciones Jurídicas, 2008).

Despite this long municipal tradition and its federalist structure, Mexico has been identified as a very centralized country in both political and economic terms. This is reinforced in the national constitution, which gives extraordinary power to the federal government to arbitrate in almost any public matter. (Mizrahi, 2004: 137, 140; Barracca, 2005: 9). This centralist characteristic has arisen because of two political facts in the history of Mexico. Firstly, at the end of the Mexican revolution in 1910, political leaders were dispersed throughout the country with no centralized control over political matters. Dealing with this situation was thought to require the establishment of a very centralized government that would hold enough power to build the revolutionary nation state (Cabrero Mendoza, 2004: 157). Secondly, the political context within which political decisions have been taken, have been characterized by the presence of a single political party in office: the Institutional Revolutionary Party (El Partido Revolucionario Institucional) –PRI-, has held an “absolute hegemony of power” from the presidency of Lázaro Cardenas in 1934 until 2000 (Mizrahi, 2004: 142; Cabrero Mendoza, 2004; Santín del Río, 2004).

During the incumbency of the PRI, the weak and dependent character of municipal councils was obvious, as was the fact that centralism had worsened the inequalities between different regions in the country (Barracca, 2005: 10; Mizrahi, 2004: 137). Until 1982, no real attempts were made to reinforce the role of municipal councils or to decentralize political power. However, President Miguel de la Madrid (1982-1988), recognized that centralism had gone too far, and that “it was undermining the ability of states and municipalities to develop economically, socially, and politically” (Barracca, 2005: 10). This led to structural reforms, particularly in the administrative, municipal and economic arenas (Cabrero Mendoza, 2004; Mizrahi, 2004), which were related to the search for solutions to the economic crisis that the country was experiencing during the 1980s (Mizrahi, 2004:149).

The most important decentralizing reform introduced by this government was the amendment of article 115 of the national constitution. This strengthened the legal basis of the functions of municipalities. Prior to this reform, article 115 did not specify the legal responsibilities of municipalities. This amendment ensured the transfer of funds to local councils, and defined the boundaries between the three levels of government (Cabrero Mendoza, 2004; Mizrahi, 2004; Barracca, 2005; Santín, 2004; Carrera Hernández, 2006:7).

Despite the actions taken by the federal government to improve the level of decentralization, Mexico can still be labelled as a very centralized country at this time and all these efforts have been highly criticized for their political motivations. The reforms put in place by President de la Madrid in 1982, although the most extensive so far, had little effect in practice, not only because the majority of the financial resources stayed under federal administration (due, according to the government, to the lack of capacity shown by state and municipal bodies to generate and administer those funds), but also because of the lack of political autonomy. The fact that Mexico was ruled for such a long time by one party meant that all the political alliances belonged to the same party, the PRI, thus municipal and state authorities established a relation of subordination with the federal government. (Mizrahi, 2004: 145; Barracca, 2005: 2; Cabrero Mendoza, 2004:158-159).

The elections of 1988 eventually changed the political landscape considerably with the emergence of an important new political opposition that occupied political spaces in congress and at sub-national level. Despite this new political scenario, the federal government led by President Salinas, increased the level of centralism, particularly in its economic aspects. During his presidency (1988-1993) the strengthening of local councils slowed down. In its place, the federal state addressed all its decentralization efforts to improving the social conditions that were greatly worsened by the implementation of the structural adjustment program. During this period the National Solidarity Program (Programa de solidaridad Nacional –PRONASOL-) was introduced. This had the aims of encouraging development at regional and municipal levels, strengthening devolution of responsibilities to sub-national levels of government, and alleviating the poverty that had been increased by the implementation of the structural adjustment program (Mizrahi, 2004:149; Cabrero Mendoza, 2004:159).

Under PRONASOL, considerable funds were transferred to the state and municipality levels, but those funds were tightly administered by the federal government. The program was heavily criticized for its political bias and because much of the money allocated to the program was used merely to side-step the state and municipal channels of funding and accountability. PRONASOL built a “parallel structure to sub-national governments which was thereby excluded from decision-making the administration of the funds”. By the end of Salinas’ administration PRONASOL was branded as an electorally-oriented program that sought to rebuild the political support that the PRI had lost during the previous presidential and regional election (Cabrero Mendoza, 2004:159; Mizrahi, 2004; Kaufman & Trejo, 1997:723; Rocha, 2001:515).

When President Ernesto Zedillo (1994-2000) came to power, it was evident that the country’s administration was still highly centralized and that this was doing great harm, by maintaining social and economic inequalities. Upon his accession, President Zedillo found a difficult political environment marked by the upsurge

of the guerrilla movement in Chiapas, the exceptionally severe economic crisis<sup>23</sup>, and limited political support from his own party the PRII<sup>24</sup> (Mizrahi, 2004; Rocha Menocal, 2001). Regardless of these problems, Zedillo promoted the establishment of the “New Federalism” as the basis of government policy, within which, decentralization was strongly emphasized (Mizrahi, 2004; Cabrero Mendoza, 2004). The New Federalism finally brought great advances in decentralization to Mexico. It was reflected in reforms in resource distribution, and the reduction in influence of the federal government in state and municipal affairs. Through the reform of article 104 of the national constitution, any level of government could initiate judicial actions against any other level of government that interfered in its functions (Cabrero Mendoza, 2004). During this presidency considerable funds and political and administrative power were transferred to the states and municipalities (Mizrahi, 2004; Rocha Menocal, 2001).

Zedillo also replaced PRONASOL by PROGRESA (Programa de Educación, Salud y Alimentación); highlighting that the new program would not have the political and centralized character of PRONASOL. PROGRESA was administered by the Social Development Secretary (Secretaría de Desarrollo Social SEDESOL), which in 1995 managed 80% of PROGRESA’s budget. In 1997 65% of its budget was transferred to be administered directly by states and municipalities (Rocha Menocal, 2001). Despite the advances made towards the process of decentralization in Mexico, some administrative and financial problems remained, such as the dependence of municipalities and states on the federal government for much of their revenue. Sub-national authorities also lacked the ability to increase their taxation. Another problem was the inconsistency between states and municipalities regarding the capacity to administer their funds (Mizrahi, 2004:154-155).

When Vicente Fox won the national election in 2000, he became the first non-PRI president since the PRI victory in the election of 1940. The main contribution of his administration towards decentralization was to increase the share of

---

<sup>23</sup> The crashing of the national currency in December of 1994 unleashed one of the most severe economic crisis in the country (Rocha Menocal, 2001:518).

<sup>24</sup> Later on, in 1997, PRI would lose the absolute majority in the lower house of chamber that had held for more than 60 years (Rocha Menocal, 2001:518).

power held by the other branches of government and by sub-national authorities. Although the transfer of state funds to lower levels of government increased during the Fox administration, Fox's main focus was on the independence that the municipalities and the states should have from the federal government. His tax reforms won acceptance within the state legislature, but were strongly opposed at sub-national level. Mayors and governors were reluctant to raise their own revenues because of the potential political cost to their own political parties (Edmond-Poli, 2006).

### *5.3 General Review*

Finding the cause that made possible the implementation of decentralization policies in Latin-America is not an easy task. Scholars have identified top-down and bottom-up approaches to the processes of decentralization in Latin America. They have also identified the main reasons why countries have embarked upon decentralization as ranging across such issues as the influence of neoliberal reform, the pressure imposed by international development and financial agencies, democratization, socio-structural causes, and the influence of political-institutional or electoral interests (Montero & Samuels, 2004:9-21).

Peru and Chile are examples of countries that have decentralized in a top-down manner and as a response to the restitution of democracy. Differences, however, can be identified between the experiences of the two countries. The process of decentralization started in Peru at the beginning of the 1960s but the interruption to democracy by dictatorship abolished this process until 1980 when a national agreement was reached to re-establish the process of decentralization. This process was short lived because in 1992 President Fujimori's administration halted this process. It was only after the election of President Alejandro Toledo in 2001 that decentralization was resumed; Peru, however, has decentralized more fully than Chile, devolving political, administrative and financial responsibilities to regions and municipalities. Chile, on the other hand, decentralized at the instigation of President Aylwin, the first president elected after the dictatorship of Pinochet ended in 1990. This was done

for political reasons such as the removal of those local authorities imposed by Pinochet. The process, although strongly contested by the political class, was finally accepted and implemented to the political convenience of the same political actors that had previously been opposed to it, with the political intention of gaining political spaces at the sub-national level<sup>25</sup>. Chile only really decentralized to the municipal level, leaving the intermediate level of the provinces, under the control of the central government.

Bolivia, in contrast, began the process of decentralization twelve years after democracy was re-established (Mardones, 2006). Electoral considerations and political self-interest were important to devolution of power to sub-national levels (O'Neill, 2004: 35-36). The regions themselves also exerted considerable pressure in favor of decentralization. It has been argued that decentralization in Bolivia was originated in regional struggles for greater autonomy. This culminated in the approval in 1992 in the upper chamber of congress of the proposal for the direct elections of municipal authorities; and also in the enactment of the Law 1551 (Ley de Participación Popular) in 1994 during the administration of President Sánchez de Lozada (Blanes, 2003). Thus, in Bolivia, both top-down and bottom-up impulses towards decentralization have operated, but pressures exerted by regional movements have been particularly important. Regional movements have fought for and secured the right to elect departmental authorities that until 2005 were appointed by the President and to secure greater autonomy and the right to decide over regional affairs without the interference of national government.

Mexico's political history is atypical within Latin-America. Although it has been denominated as a democratic country for decades, Mexico was ruled by one party, the PRI, from 1940 to 2000, when El Partido de Acción Nacional PAN (National Action Party) won the general election. This situation led to municipal and state authorities, although directly elected in free elections, being to all extents and purposes, politically controlled by the PRI or the federal government. Unlike Peru and Chile which were compelled to decentralize in the processes of

---

<sup>25</sup> For more detail see Bland (2004) *Enclaves and Elections: the Decision to Decentralized Chile*, Mardones (2006) and O'Neill (2004).

democratization, Mexico's decentralization was prompted by the economic crisis of the 1980s. In contrast, despite Peru's economic crisis and the advocacy of decentralization by financial agencies since the early 1990s, Peru became more centralized during the administration of President Fujimori.

By the time Mexico implemented the policies of decentralization, no political reasons were present to justify such implementation, and the main reason seemed to be the economic benefits that it might bring to resolving the economic crisis. In fact, decentralization was hindered by the lack of political and financial autonomy at the municipal level, and by the power given to central state governments to decide whether or not responsibilities should be transferred to municipalities (Barracca, 2005). However, the development of decentralization has increased electoral competition. As a result, political opposition groups increased their representation at sub-national levels and pressed for financial and political autonomy from the federal government (Beer, 2004:190).

Despite the fact that different approaches and causes have led to decentralization in Latin American countries, some features common to their experiences of decentralization can be identified. Firstly, there is clearly resistance or a lack of political will of many national politicians and civil servants towards the transfer of administrative, political and financial responsibilities and power to sub-national levels. Chile is the most striking example of this. As noted previously, regional authorities are appointed by the president. When President Aylwin pressed for municipal and regional reforms in 1990, both reforms were firmly rejected by central politicians who claimed that further reforms to the national constitution after a period of dictatorship would jeopardize the country's institutional stability (Mardones, 2006:6; Bland, 2004:105). Later on when another proposal to elect the *intendentes*, was presented to Congress, the idea was overwhelmingly rejected. It was thought that this measure, if enacted, would break the unitary state and the links established between the central government and the regions. Worse still, opponents believed that it risked creating a federal state that in turn would lead to the country's fragmentation (Bland, 2004:107).



Another common element is the argument voiced by opponents of decentralization that state, departmental and municipal levels lack the expertise or capability to deal with local problems and to administer funds that are transferred from the central government. In the case of Mexico, before the reforms introduced by President Zedillo in 1994, federal and state governments had the discretionary power to decide how and when to transfer responsibilities and funds to the immediate lower level, because lower levels were required to demonstrate a certain standard of competence before being given additional responsibilities, or to gain access to national funds, as much as the right to gain more administrative autonomy. Political leaders in Peru and Bolivia have also argued that municipalities and departments lack the competence to manage the responsibilities attached to these levels of authority. Chile, for example, has denied more autonomy to provinces and municipal councils on the same grounds, particularly in fiscal aspects. The fact that Chile is one of the most economically developed countries in Latin-America has led some politicians to oppose decentralization on the grounds that the success obtained by the Chilean economy would be put at risk by the decentralizing funds to sub-national levels (Mardones, 2006 :12).

In some countries, particularly in Bolivia and Chile, municipal decentralization has been privileged over regional decentralization. Before President Evo Morales enacted a presidential decree in 2005, direct election of prefects were inexistent. In Bolivia *prefectos* were appointed by the president. Chile, on the other hand, has not permitted the election of *intendentes* and there is no evidence that this policy is going to change. In a 2005 interview, ex-president Aylwin, one of the most important promoters of decentralization, stated that the election of *intendentes* would pose the risk of Chile becoming a federal state. He further maintained that there was not enough evidence of the capacity to manage autonomy at this level (Waissbluth *et al*, 2007:229).

Finally, the most striking common feature to all countries, and one that hinders decentralization in many countries of Latin America, is the strong dependence that sub-national authorities have upon central or federal transfers. The inability of municipalities and states to raise their own funds greatly restricts their

freedom to make spending decisions, since money from central government most of the time comes earmarked for specific local investments, or operating expenses. To date sub-national authorities have fought to gain control over their spending but not to their generation of revenue.

Decentralization, whatever the reasons for it, has shaped the political landscape of Latin-America over recent years. Montero & Samuels (2004:3), for example, describe decentralization as the most important political change in this region since independence from Spain and Portugal. Decentralization has definitely transferred the share of political power to lower levels of governments and sub-state institutions. It has also deepened the relationship between the state and civil society so that the latter now has more opportunity to participate in public affairs. Although decentralization has not been uniformly efficient and has not eliminated national inequalities, decentralization has yielded forms of government more suitable for dealing with local concerns, and has increased the participation of local communities in decision making.

This chapter has evaluated the process of import-substitution implemented in Latin America during the 1950s, and has also presented how this process, together with other factors already mentioned, led those countries to a financial crisis and subsequently to the implementation of a different set of development policies. Those policies were widely known as the Structural Adjustment Programs or Washington Consensus. The shortcomings of these development policies not only raised serious concerns for its effectiveness, but, most importantly, it called for a shift in its approach, of which the main feature was to restore and re-structure the role of the state in the development process. Throughout the chapter the solutions put forward by developing and financial agencies to overcome the problems of development in Latin-America are presented, as well as some examples of the process of the reform of the state in this region. Finally, experiences of decentralization are evaluated in four Latin American countries.

The next chapter will explore how the broad sweep of state reform in Latin-America addressed in this chapter has been brought to bear upon the specific case of Venezuela and how this has eventually translated into the development of

a decentralization program with its own specific character, objectives and forms of implementation.

## Chapter VI

---

### Historical Antecedents: The Reform of the Venezuela State

*"Por la especificidad de Venezuela derivada del ingreso petrolero, quiérase o no, el Estado es y será el actor y agente fundamental de nuestro desarrollo. Es el primer financista, el primer empleador, el primer inversionista, es decir, a sus instituciones corresponde y corresponderá asumir el desarrollo y la conducción de la sociedad venezolana hacia niveles superiores de progreso. El problema, sin embargo, es que el estado en Venezuela no está preparado para asumir ese papel, sus instituciones están desfasadas, pues fueron concebidas para otras tareas y finalidades".*

*"Due to the specificity of Venezuela derived from the oil income, like it or not, the state is and will be the actor and a major player in our development. It is the first financier, the first employer, the first investor, ie, their institutions accordingly assume and shall assume the development and conduct of the Venezuelan society to higher levels of achievement. The problem, however, is that the state in Venezuela is not ready to assume this role, its institutions are outdated, because they were designed for other tasks and goals".*

*Allan Brewer-Carías, 1975*

## INTRODUCTION

The preceding chapter presented a detailed exploration of the factors underlying the profound processes of state reform which have taken hold in Latin-America over recent decades. The intention of this chapter is to explore how that regional context played out within the specific context of Venezuela; in the process providing an explanatory context for the evolution of decentralization in Venezuela. As such, this chapter traces Venezuela's similarities to (and to a lesser degree differences from) the experiences of other Latin American countries that were outlined in the previous chapter. Despite the erosion of development models implemented in Latin America, these governments did not correct the deficiencies caused by these development strategies, and consequently, a large-scale economic crisis was created forcing Latin American governments to the adoption of structural adjustment programs to overcome the crisis, as shown in the previous chapter. Venezuela was no exception in this trend. However, because its economy has been based on the oil exports or oil revenues, Venezuelan governments were not forced, like other Latin American countries to fully implement the structural adjustment programs recommended by the IMF.

This Chapter discusses the causes that brought about the changes in the structure of governance in Venezuela, as will be seen in the description that follows, many of these changes were encouraged by the shifts within development strategies that have taken place over Venezuela's contemporary history. However, the main focus of attention here will be centred upon the changes in the forms of governance created by the processes of state reform, which amongst other outcomes led to the adoption of a process of decentralization in Venezuela. In common with the majority of Latin American countries, Venezuela also embarked on the course of decentralization following a wider process of state reform, in Venezuela's case this started in 1984 and was finalized in 1989 with the approval of legal instruments like the Organic Law of the Municipal Regime (*Ley Orgánica de Régimen Municipal*) in 1989. However, despite having implemented the changes required by structural adjustment programs in other Latin American countries, the fact of having an economy based

on oil revenues, meant that these changes were implemented in Venezuela with less intensity, as is going to be discussed later in this chapter.

### *6.1 The Import-Substitution Stage*

In Venezuela, the import-substitution program started towards the end of the 1930's. The launch of the Tri-annual Plan (1938-1941) was the starting point of a new idea about the role of the state. From this point on "encouragement of agriculture and industrial activities" was promoted as a way of improving the people's living conditions which would in turn create an internal market for national industrial production with the aim of "reducing the use of foreign currency (US\$) by avoiding importing manufactured goods" (Banko, 2007:130). This process was strongly supported by state and private investment, and under a protectionist scheme; the strategy of industrialization in the country was, in this way, initiated. (Banko, 2007).

The great influence of ECLAC's thoughts on Latin American economic development at this time is clear in the managing of the Venezuelan economy. The Venezuelan state in the 1950s launched 'El Nuevo ideal Nacional' (The New National Ideal), through which an aggressive policy of encouraging economic development started with the improvement of "the road system, the agricultural infrastructure and the basic industries (oil, iron)". It also devoted some resources to improving some social aspects such as building schools and hospitals. The state also took on the administration of the country's main strategic industries: petrochemicals and the iron and steel industry (Banko, 2007:133).

The state therefore became, from this point, the main promoter of development in the country; it was transformed from a liberal state to a service delivering state. In 1958 the National System of Coordination and Planning (Sistema Nacional de Coordinación y Planificación -CORDIPLAN) was established. Through the establishment of CORDIPLAN through which, the national state not only set out to deliver public services, but also to establish itself as a planning

state "with a more direct, a progressive intervention in the social and economic life that makes it a entrepreneurial state as well" (Brewer-Carías, 1975: 167). However, at the beginning of the 1970's, as occurred in the rest of Latin American Countries that experienced the same difficulties, the first signs of stagnation were seen in this development scheme and growing economic difficulties began to be related to excessive state protectionism, deterioration in the balance of payments and the distortions of a redistribution system that had not yet reached all the social strata (Banko, 2007: 134, 138).

Nonetheless, with the rise in oil prices in 1973, the country suddenly found itself with a huge additional amount of fiscal income, which encouraged it to strengthen its protectionist character, particularly in fiscal matters. Although gaining from this enormous amount of revenue, the Venezuelan economy became even more dependent on the oil income rather than strengthening other economic sectors. In time, the income produced by oil exportation became insufficient to cover the multiple investments planned; this situation was even worse because of the fall of international oil prices that followed (Kornblith, 1996). This brought, therefore, a great imbalance in the internal monetary account, a circumstance that forced the administration to ask for external funding.

Héctor Malavé Mata (2002, p. 29) argues that "the great risk of the Venezuelan economy was its constant subordination to an economic model which was unable to accumulate any net profit without having state oil funding". As a result, the import substitution model became unfeasible, because the economy grew to be so dependent on state financing that at the end it became incapable of "growing without importing (huge amount of technology and other goods) and ineffective in exporting national produce, a situation that progressively worsened the national balance of payments" (Banko, 2007:).

However, it is pertinent to point out that for some time (1950's-1980') this development model brought to the country a high level of social and economic development; the state investments in roads, hospitals and schools helped to advance the process of urbanization and modernization that took place during this period of time. The problem, however, was that the development that did

occur was not ultimately sustainable because it had been disproportionately based in the growth of the Venezuelan state itself. An interesting study led by Kornblith and Maingon (1985) about the Venezuelan state and public expenditures from 1936 to 1980 outlines some important facts about the Venezuelan state's pattern of growth during that period. They based their analysis on two aspects: the content and the form of state action. The former indicates the intention of state actions (characterized by its interventionist nature) and the latter to the instruments through which the action of the state took place. They refer to the increasing number of roles adopted by the state over the years, expressed in the continual widening of the functions of the state supported by national constitutions<sup>26</sup>. For instance, they point out that the 1947 national constitution dramatically increased the scope of the state, not only in economic aspects but in social aspects as well, when compared to that approved in the 1936 national constitution. The 1961 national constitution not only maintained the social rights established in the 1947 national constitution, but also broadened the social and economic ones (Kornblith & Maingon, 1985:26-30).

The interventionist character of the Venezuelan state in that period of time (1936 to 1980) was reflected in three basic aspects: state intervention is not limited to economic considerations, but extends to the social aspects as well; the supremacy of the state is shown in the relationship that exists between state intervention and the attempt of inclusion of social forces in the state action, by choosing which social forces would be involved in the decision-making process; finally, the centralization of national planning reflected the way the priority tasks of the state were established (Kornblith & Maingon, 1985). This period culminated with the period of the V National Plan (1976-1980) which was perhaps when the centralizing tendency was its absolute peak. During this period state investment rose from 32% (1970-1974) to 53% (1976-1980), due mainly to the high income produced by the oil rent (Cordiplan, V Plan de la Nación, 1976:2-5).

---

<sup>26</sup> See Kornblith and Maingon 1985 page26-30 for more details.



The Venezuelan state intervention was reflected in the growth of public administration. By the end of the 1950's, 13 ministries existed and 80 national organizations that functioned parallel to the central government had been created (Kornblith & Maingon, 1985). These organizations were created in order to cover those functions that were not specified in the structure of central ministries, and they, the decentralized institutions, were put in place to support the growing level of state intervention through new mechanisms. Towards the middle of the 1970s public expenditure became increasingly focused on social aspects, particularly education, and the economic aspects were mainly related to infrastructure investments. Although the number of ministries remained the same, more "independent institutions" were created. According to Kornblith & Maingon from 1960 to 1980, 188 state companies, 33 mixed companies, 32 state participations<sup>27</sup>, 27 foundations and 45 autonomous institutions were established (Kornblith & Maingon, 1985:39).

Although the disorganized nature of the state's growth has been acknowledged, it has been also admitted that the pattern of growth followed some sort of logic, particularly when it has been related to the constant need of the state to adapt itself to new functions, which in turn has been characterized by a continuous process of specialization and de-concentration (Kornblith & Maingon, 1985: 43; Ramirez, 2002).

Elsewhere, Kornblith argues that the Venezuelan state was so powerful that it acted in a very discretionary and centralizing fashion, due to the huge amount of fiscal income from the oil rent, the strong sense of the welfare state and the weak private economy. It became increasingly interventionist with an enormous decentralized administration comprised of almost 400 institutions. She concludes that "the state took on the conventional functions of the liberal state, like internal order, justice and national sovereignty, those of the welfare state, infrastructure, electricity, education, and health; even the intervention in less conventional functions like sugar production, hospitality, banks and insurance companies" The state became, not only the main actor in the country's life, but also the main source of corruption and inefficiency (Kornblith, 1996:7-8).

---

<sup>27</sup> 0.1 to 29% of the capital was invested by the state Kornblith & Maingon page 39.

## 6.2 The Structural Adjustment Period

Venezuela initiated its stabilization process during the administration of President Luis Herrera Campíns (1979-1984). By this time the decline of the development model where the state played a major role was already evident. The government initiated a phase of financial stabilization which was oriented towards “correcting economic imbalances, reducing inflation by constricting monetary liquidity and reorganizing public finances”; the administration also deregulated price controls and diminished tariff protection (Banko, 2007: 138).

From this moment on, the Venezuelan economy entered a period marked by economic stagnation, increasing external debt, a pervasive fiscal crisis, a drop in the international price of oil, and on top of that, a decline in the living conditions of the population that led to increasing poverty in huge sectors of the country (Salamanca, 1994:12). Despite the enormous fiscal crisis faced by the state, the VI National Plan pointed to a very different course of action to those adopted elsewhere in Latin-America. The government recognized the effects that low international oil prices, the economic crisis faced by developed countries and the lack of external financing, had on the Venezuelan economy. Although the state had already over-extended itself, the idea of strengthening and expanding the role of the state still prevailed in the plan. Thus the main policies of this national plan were to increase salaries, to implement subsidies, and to maintain the level of public investment in order to support the employment policy. It was only through a policy of price controls and the implementation of a program of privatization that the government showed some signs of adjusting to the economic crisis (Cordiplan, VI Plan de la Nación, 1981). In sum, the idea of limiting the role of the state was really difficult for the government to embrace in Venezuela, so despite all the economic difficulties, in essence the VI national plan kept the scheme of the developer state. Building upon these problems, the uncontrolled public spending and poor administration of President Jaime Lusinchi (1984-1989) led the country’s economy into a situation of “massive inflation levels, sharp falls in international reserves and an increase of huge proportions in the fiscal deficit” (Banko,2007:140). Lusinchi’s government did finally recognize the difficulties caused by the state-led development scheme

followed for so many years in Venezuela. It also pointed out to the inability of previous governments to confront the fiscal crisis that had been incubated since 1977, the constant and rising levels of public expenditure, and growing public indebtedness, all of which had made the situation much more difficult (Cordiplan, 1984:5).

As a result, the strategy followed by Lusinchi's government was to initiate a program of trade liberalization and privatization, reorientation of the role of the state, to correct interest rates and eliminate fiscal controls. On the other hand, it planned to increase public expenditure in an effort to avoid the stagnation which had beset so many other stabilization and adjustment efforts across the region as was explained in the preceding chapter. This government had some success in controlling the increase in unemployment rates, but did not address the deterioration of salaries and the growing informal economy (Cordiplan, 1984: 29).

However, it was not until 1989, during the second administration of President Carlos A. Pérez (1989-1993), that the country initiated the implementation of a program of structural adjustment in a more decisive way after signing an intention letter or agreement with the IMF. This initiated a process of attempting to unblock the financial system by freeing the exchange rate structure, liberating price controls and freezing salaries. The clear intention was to reduce the role of the state by cutting back public spending, subsidies and tariff protection for national industries (Banko, 2007: 141; Salamanca, 1994:13; Padrón, 1999:114).

In the VIII National Plan called "el Gran Viraje" (the great turnabout), Pérez's government made clear that the inefficient administration of the huge amount of oil income that the country had received in previous administrations had led, not only to an uncontrolled expansive state, but also to an inefficient one. Therefore, it was argued, that it was time to change this situation and transform the role of the state by building a stronger administration able to steer the country's development, and the action needed to achieve that was to create the right environment and to avoid the interventionist nature that had characterized the central state until this moment.

To that end the Plan had the following intentions:

- a. To reduce state expenditures and in particular the state's actions in benefit of the more vulnerable social strata
- b. To eliminate price control and subsidies
- c. To adjust the prices of those goods produced by the state such as oil products
- d. To embark on a privatization program
- e. To direct state investment towards high priority sectors

(Cordiplan, 1990:3, 7, 13, 14,119,120; Lander, 1996:52).

The strategy of the plan can be summarized in three objectives: to reduce fiscal disparities; to increase economic growth; and to regain financial and price stability (Cordiplan, 1990:119).

However, the implementation of the structural adjustment program produced a strong and unexpected social reaction in the country; a huge social explosion rejected the execution of the economic measures because it was seen as an unbearable threat to the precarious stability of the medium and poor sectors of the country. This brought as a consequence the postponement of these economic measures, due to the unstable social environment that was present at that moment, but not their elimination. After that, Pérez's administration went on with the application of a series of policies designed to improve the economy, which, as mentioned before, were concentrated on reducing state spending, cutting the fiscal deficit through an aggressive privatization policy and decreasing state subsidization, even if this wasn't pursued quite as aggressively as had been planned under el Gran Viraje. Salamanca (1994) explained that this economic readjustment hit the living conditions of the poorer social strata very hard, mainly due to the inflationary effect and the devaluation of the national currency (Salamanca, 1994:14).

Despite the resistance shown by the Venezuelan government to the implementation of structural adjustment programs in accordance with the recommendations given by the WB and IMF, its implementation showed different results. The aftermath of the implementation of the structural

adjustment program showed negative economic growth during 1989 (-8.3%) and in 1993 (-1%), although it was positive during 1990 (6.47%), 1991 (9.7%) and in 1992 (5.8%); the inflation level reached a rate of 230% between 1989 and 1993 (Salamanca, 1994:15). The levels of economic growth showed in 1990, 1991 and 1993 were the result of the acquisition of new loans that made possible “an increase in public expenditure” (Lander, 1996:55). The dependence on oil revenues and indebtedness to which the government resorted to avoid higher levels of stagnation, demonstrated a lack of political will expressed by the government to implement the necessary adjustments to correct the economic crisis ravaging the country.

Regarding the poverty index, in the 1990s 38% of the total population was classified as poor, the amount of households located within the critical poverty threshold<sup>28</sup> increased from 69,000 in 1981 to more than 600,000 in 1988. In 1992 those in critical poverty constituted 40% of the total population. Although Salamanca rightly argues that poverty is a constant aspect in the country, what was clear was that its percentage had increased after the implementation of the structural adjustment programme. The best example of this was the loss of people’s spending power when the minimum wage was reduced by about 56% between 1986 and 1994 (Salamanca, 1994:14; Cordiplan, 1990:13).

In 1994 the administration of President Rafael Caldera (1994-1999) launched a new program of stabilization and economic recuperation, followed by the IX National Plan called “la Agenda Venezuela” in 1995. This new ‘agenda’ stated that the implementation of the structural adjustment programs of the previous administrations had left an “increasing fiscal deficit, an explosive financial crisis, monetary imbalance, severe inflationary pressure and an economy in the red”. It also affirmed that, due to the decline in the oil rent, the state had to reduce public expenditure (mainly that addressed to infrastructural investment), and proposed the devaluation of the national currency and external indebtedness as a source of financing. The aim was to reduce the level of inflation by putting in place a programme of monetary and fiscal reforms. The plan included, again, reducing

---

<sup>28</sup> The poverty line method is based on the relationship between income and the cost of a basket of basic goods and services. When income is insufficient to cover the cost of even the basic food basket, it is defined as critical or extreme poverty (Lander, 1996:71).

public expenditure (or at least restricting additional spending), raising the price of oil products, increasing tax collection, gradually reducing price and exchange rate controls, and the continuation of the privatization process (Cordián, 1994:6-12; 1995). It is important to point out that President Caldera pledged not to involve the IMF and the World Bank recommendations in the policies of his administration; however, the IX Plan did seem little more than a copy of the recipe appointed by these international agencies (González, 1997:185).

The results of the “Agenda Venezuela” were not positive. By 1996 the levels of poverty had increased to reach 84.34%, of which 44.34% were classified as being in conditions of critical poverty and the other 40% in conditions of relative poverty<sup>29</sup>. Moreover, the value of wages fell over this period despite the increases in salary put in place by Caldera’s government. The expression of the economic crisis in the salaries is as followed: in 1983 the minimum wage level was 900-1200 Venezuelan bolivars (Bs) equal to US\$ 209-279 at that time, in 1993 it was raised to Bs. 9,000 equivalent to US\$ 86. In 1994 the minimum salary was increased further to Bs. 15,000 corresponding to US\$ 109, yet by 1996 the same salary was only worth US\$ 31.5 due to the devaluation of the national currency. Unemployment rates also increased from 10.2% in 1995 to 12.4% in 1996, and the informal economy<sup>30</sup> had reached 48.7% by 1995 (González, 1997:195-200, 215, 216). As can be seen, despite the intentions of the government towards reducing the economic and social crisis, the economic policies carried out during this administration did not lead to improved social conditions; unemployment, the informal economy and the levels of poverty all still continued growing.

Although Venezuela clearly faced a severe economic crisis between 1980 and 1998, the situation was worsened by the contradictions of the policies put in place by successive Venezuelan governments over this period. Our brief exploration of the national plans of this period revealed overall the lack of commitment that the different administrations showed towards the sustained

---

<sup>29</sup> When income does not cover the price of basic food and services it is referred as critical or extreme poverty (Lander 1996:71).

<sup>30</sup> The Informal economy represents those people working without any kind of benefits; they work on the streets with no regulation or protection from the state.

implementation of the structural adjustment program. Throughout this period Venezuela always counted on oil revenues as a base for economic and social development and this continues to be expressed clearly in each of the national plans. Even in the most crucial and difficult periods the state refused to abandon its role as a major player, even the privatization processes carried out by the state showed the reluctance of its intention. By 1996 only 36 state enterprises had been sold. There were different reasons for this. Lander pointed out that, even when the import-substitution policy had lost its dominant position within the Latin American economies, Venezuela was able to delay the application of stabilisation and structural adjustment measures mainly due to the massive oil income and high international reserves. He went on to say that “far from decreasing (the national dependency on oil exportations), it became more extreme in this period”, the contribution of the oil industry in national investments rose from 12.4% in 1988 to 33.15% in 1992 (Lander, 1996:50-57; Cordiplan, 1995:28). What, Lander argues, explain why Venezuela has frequently been classified as one of the countries, together with Colombia, Ecuador, Honduras and Jamaica, with the weakest reform effort in Latin America<sup>31</sup>, are the constant policy reversals experienced during the implementation of the structural adjustment programs (Paunovic, 2000:26).

Another important reason is more political. Capitalizing on Remmer’s discussion about the reasons underlying policy applications and policy performance, it can be argued that socioeconomic realities and political factors (government coalitions, structure of decision-making) are very important elements when deciding policy implementation (Remmer, 1990: 316). Based on this assumption, it has been mentioned, for instance, that for some countries it has been easier to implement those policies that do not need complex and controversial national debates. For example it was easier to turn to the international banking system and increase foreign indebtedness than it was to restructure the domestic fiscal and monetary system (Malavé-Mata, 1983:38; Lander, 1996:50; Naím, 1993:138). On the other hand, an element that acted in favour of the application

---

<sup>31</sup> This reform effort is based on the measure of “the degree of liberalization or freedom from government intervention or distortion” (p.9), a strong structural reform effort should be understood as the effort to achieve more liberalized and less distorted markets (Morley, Machado and Pettinato, 1999).

of the adjustment program in many Latin American countries, with some exceptions, was the centralist style of decision-making that exists in these countries, particularly amongst those countries that have a strong presidential system, as had been pointed out by Panizza & Philips, who argued that the centralist style “has been used to enact first generation reforms by bypassing congress and political parties” (Panizza & Philips, 2005:680).

In Venezuela those political factors are very much in evidence when one explores the implementation of the adjustment process, particularly in terms of the high political costs that those economic policies have represented. President Pérez launched the implementation of a very strict set of economic reforms without public consultation and as a consequence during the implementation of the ‘great turnabout’, he faced one of the largest political and social crises ever seen in the country. Not only was the plan rejected by the whole of Venezuelan society but it provoked a huge social explosion amongst the poorest social strata, due particularly to the rise in petrol prices. He also lacked the political support needed in order to implement his plan (Salamanca1994:12; Padrón, 1999:115).

The Venezuelan experience on the implementation of structural adjustment programs demonstrated that public policies applied by successive Venezuelan governments were more oriented to the market-led or first generation reforms. Only during the government of President Jaime Lusinchi was it considered necessary to implement the second generation of reforms, addressed to the restructuring of state institutions, which required that the institutions of democracy be strengthened and institutional channels be opened to allow for the incorporation of civil society in public affairs. To that end, was created the Presidential Commission for the Reform of the State (Comisión Presidencial para la Reforma del Estado COPRE) whose main objective was to identify a comprehensive set of institutional transformations to overcome the political and social crisis of the Venezuelan state. The worked carried out by this Commission is discussed in the following sections.



### 6.3 The History behind the Process of Decentralization

Chapter V described how the process of decentralization was extended over most parts of Latin America and the different ways in which the process was undertaken in individual countries and with what impacts. To understand how this mechanism was established in Venezuela, it is important to be aware of the political and social context in which the change in the political structure of the country took shape and how this relates to the wider regional circumstances described in the preceding chapter. Venezuela was established as a federal country since its independence from Spain in 1811, a characteristic that has been confirmed in the successive national constitutions up until the present day (Brewer-Carías, 1994). Despite this characteristic, the federal administration in Venezuela has shown a strong process of centralization, originating from a national mandate from independence because it was necessary to unify the diverse colonial provinces left by the Spanish government, in order to build the new national state (Brewer-Carías, 1994; Mascareño, 2004). This process of centralism was intensified during the establishment of the democratic period in 1958. This period was characterized not only by a centralist administration, but also by a democratic process which was led by a “*partidocracia*” or a political party led-state (Brewer-Carías, 1994: 53). According to Brewer-Carías (1994), the 1961 national constitution “legalized the federal centralized system and the political parties monopolised the power ... controlling (the political parties) representation and political participation” (Brewer-Carías, 1994: 57).

Venezuela’s political parties built a party system structure characterized by four elements: a) Political parties became the main mechanism for political participation; b) The vote developed into the instrument of political legitimization; c) Parties started to dominate the political arena; d) As they controlled the political arena, they acted as the main mechanism for organizing social and political participation as well as a mechanism to channel political conflict (Levine, 1973:35-36).

This centralized system dominated by political parties was also characterized by a closed decision making practice, basically designed in the form of consultative

commissions appointed by the executive. The consultative commissions were mainly comprised of government officials, representatives of political parties, and those representing the private capital in the name of FEDECAMARAS (Federación de Cámaras y Asociaciones de Comercio y Producción. The Federation of Chambers and Associations of Commerce and Production) and organized labour represented by the CTV (Confederación de Trabajadores de Venezuela/ The Confederation of Venezuelan Workers) (Crisp, 2000).

According to Crisp, between 1959 and 1989, 330 consultative commissions were created by the executive, which were “central to Venezuelan policy making across parties and administrations. The government officials who participated in these consultative bodies changed as a result of elections, but the interest groups and socioeconomic sectors represented remained the same” (Crisp, 2000:98). The main characteristic of these bodies is that they were shielded from public opinion, because government officials who participated in those consultative mechanisms were appointed by the president in office or by the executive power (Crisp, 2000).

The rationale behind this policy making style resided in the urgent concern of generating consensus between political actors in order to consolidate the nascent democracy. Another mechanism designed to preserve the democratic regime was to call for free elections for president and the congress, which were carried out every five years. However, those elected in public offices and that might be held accountable to public opinion like the legislative body, tended to respond more to the political parties than to their constituencies, and their role in the policy-making process could be said to have been handed over to the executive branch of government (Crisp, 2000).

The centralist style of governance was not restricted to the policy-making process and the dominance of political parties; it was also reflected in the appointment of public authorities at regional levels. Before the process of decentralization was established in the country, regional authorities were appointed by the president in office (Article 22, 1961 national constitution), although local authorities, represented by the municipal council were selected through elections (Article 29, 1961 national constitution). The same ‘article 22’

also established that governors (regional authorities) could be designated through free election but, in order for that to happen, a law should be enacted by the national congress, before that, their appointment had to be made by the president, as mentioned before (1961 National Constitution).

Regarding the function of sub-national authorities, the 1961 national constitution assigned more responsibilities to the municipal authorities than to the governors. Article 17 for instance, corresponding to the estates duties, established that the main competence of regional authorities, other than regular administrative tasks, was to organize the rural and urban police and any other responsibilities that had not been assigned to the national or municipal administrations. The possibilities of taxing any commercial activity were very limited; the main income of these administrations was that assigned through the national budget. Governors were, according to the 1961 constitution, regional agents of the national government. On the other hand, municipal administrations had more capacity and sources to produce their own income, as well as to decide over aspects related to their municipal area (Article 29 1961 national constitution).

This political model, initiated in 1961, became unfeasible, mainly because the centralist nature that characterized the state and the fact that the political parties “ended up diminishing the hopes for participation and access to the decision making process to a great part of the citizens” (Mascareño, 2004: 124).

The political parties not only dominated the state, but they also controlled most civil society organizations, and the political authorities at sub-national levels as well (Brewer-Carías, 1994). The federal state became an empty mechanism with no “political power at local and regional levels” because all the power was concentrated at the central government together with that of the political parties that captured all political decisions under the same centralist scheme (Brewer-Carías, 1994:19). The representative system established in Venezuela since 1958 through the political parties collapsed in the 1980s, together with the economic model that had been applied in the country. The representative democracy established by political parties and supported by the 1961 national constitution, came to a crisis of legitimacy, that starkly laid out the need to introduce changes

in the institutional structure of political participation (Contreras, 2003; Brewer-Carías, 1994; Blanco, 2006).

#### 6.4 The Reform of the State

In 1984 Venezuela embarked in a process of restructuring the state, for that purpose the Presidential Commission for the Reform of the State (Comisión Presidencial Para la Reforma del Estado/ COPRE) was created. This section will explore the commencement of this process, which started with the proposition of an administrative reform of the state, to give way to a more comprehensive set of transformations that would include the political and social aspects. At the onset it was thought that changing the judiciary, administrative and technical aspects of the state would be enough to correct past mistakes, but isolating those problems of their political dimension, and more particularly the way that the state should relate with the civil society, was seen as a troublesome and therefore a problem that should be overcome and constitute a central feature of this process (COPRE, 1988).

##### 6.4.1 The Background

The first step toward a process of decentralization had been the enactment in 1978 of the Organic Law of Municipal Administration (Ley Orgánica del Régimen Municipal). Through this law, responsibilities assigned to local councils were defined. However, despite the fact that clear competences were allocated to municipal councils, their dependence upon central decisions meant that this did not compensate for the excessive power exerted by either the central government or the political parties (González & Mascareño, 2004).

The political and social crisis that developed in Venezuela as a result of the political model established since the return to democracy in 1958, and that was fuelled by the failures of development models, became more evident at the end of the 1980s. This crisis, which was emphasized by the loss of legitimacy of political

parties, led the government and political leaders to think that it was about time to embark on the necessary reforms of the state to overcome such a difficult and complicated crisis (González & Mascareño, 2004; Selee, 2004). As a result, decentralization, understood as process to transform the political and economic institutional structure of the state became the fundamental aspect of this reform (Romero, 2001). Despite this situation, political leaders still largely failed to grasp the degree of crisis of governance that had been developed under former political coalitions (González & Mascareño, 2004). The driving forces of decentralization in Venezuela were, according to Mascareño, the combination of three factors: a) the crisis of the political system and the collapse of the rentier state whose economy was based on oil revenues; b) the strengthening of provincial power; and c) the crisis of the regional model of development as described in chapter five (Mascareño, 2004).

Although the Venezuelan political crisis became much more evident towards the end of the 1980s as stated before, the political elite still opposed the proposition to reform the political structure of the state which involved the decentralization of political power towards sub-national governments. The next section presents the work undertaken by the Presidential Commission for the Reform of the State (COPRE) and the main recommendations in relation to the structural changes needed to be implemented in the country to overcome the political and social crisis in Venezuela.

#### *6.4.2 The Presidential Commission for the Reform of the State (COPRE)*

Given the urgency of finding solutions to the crisis described above, the government of President Jaime Lusinchi formed a presidential commission, whose aim was to carry out the necessary analysis to determine the main features, policies and actions that would guide the establishment of a modern state that could respond to the needs and demands of Venezuelan society. This commission was named the Presidential Commission for the Reform of the State (Comisión Presidencial Para la Reforma del Estado/ COPRE), and was constituted through the Presidential Decree No. 403 in 1984 (Presidencia de la República, 1984). This commission was constituted by a professional team

appointed by the president, whose main characteristic was the plurality of its members in terms of political position, professional background and social status, and although the main work was carried out by this group, it was supported by other state institutions. The commission also set up a round of consultations of its proposals with members of different social sectors. Another mechanism of consultation was the discussion of propositions with the congress to probe its political feasibility (COPRE, 1988).

The rationale behind the work carried out by the commission in terms of political changes, was to decentralize political power from the national state towards regional and local spaces, and to give more access to the civil society to the decision-making process. The political reforms in this way constituted the most important factor in the reform of the state which would change the nature of the system of representation established by the 1961 constitution (Copro, 1989).

The discussion about decentralization was based on three fundamental aspects: the tension between centralization and the independence of sub-national governments; public participation as a mean to improve democratic processes; and the reduction of the central state and the improvement of public institutions (Cordova, 2002).

#### Reasons that compelled the process of decentralization

The rationale behind the proposal of decentralization was varied:

- a. The fact that local and regional governments did not have any autonomy in their administration
- b. The lack of tasks and responsibility of regional and local administrations
- c. The political allegiance of local and regional authorities toward their political parties
- d. The dissatisfaction of local communities with their authorities who did not meet their demands
- e. The inefficiency of public administration
- f. The submission of regional and local matters to national decisions

Decentralization was proposed as a means to give vigour to states and municipal governments. It was also a proposal to make an attempt to improve the competence and effectiveness of the state, and by no means to encourage the disarticulation of the national unity, on the contrary, it sought to improve the presence of civil society in public matters, as well as to generate the necessary mechanisms for communities to take part in the decision-making process (Copro, 1989).

#### Key Features to be reformed

- i. Political Aspects: as mentioned above, these changes could improve the political representation system at all levels of governments; to that end the commission considered that the most important changes should be addressed to: the direct election of governors and mayors, the uninominal election of deputies and town-city councillors, reinforcement of the parliament, and the encouragement of civil organizations.
- ii. Administrative aspects: the sustained transfer of national competences to regional and local governments and the establishing of a coordination system between the national government and the regional ones.
- iii. Economic and financial aspects: equivalent distribution of the constitutional transfer financial system<sup>32</sup>, reinforcement of the local and regional bank organization, improvement of the structure of regional planning and reconciliation of national planning and economic development.

To tackle this effort, the commission thought that the most important step was to uncover those critical issues that could hinder the instrumentation of the reform. By tackling those key elements, it was expected that the reform would unleash a sequence of changes to complete the process. The key aspects to be transformed were to be initiated through:

- ✓ Political reforms
- ✓ Decentralization
- ✓ Strengthening the democratic state

---

<sup>32</sup> In Venezuela this system is called *Situado Constitucional*.

- ✓ To professionalize public administration
- ✓ To improve the capacity of the state to formulate public policies

COPRE argued that these political reforms should be addressed towards improving the relationship between the state and the civil society via raising the quality of political representation and participation. The key element was to increase the notion of citizenship. Regarding decentralization, the intention was to deepen democracy in public administration as much as to increase the efficiency of the state. The decentralization process, it was suggested, should reflect the territorial distribution of power (COPRE, 1988).

The reinforcement of democracy and with it the observance of the law was important to guarantee the freedom that society must have to carry out its activities, so the state could focus its functions on those of its competence. Improving the degree of professionalization of public service, on the other hand, should overcome the recruitment criteria applied before based on political party allegiances or “clintelismo”<sup>33</sup> (COPRE, 1988).

The last key issue in this proposal of the reform is the improvement of the state capacity to prepare public policies, particularly to carry out an administration able to perform its activities in key areas in such a way that the whole country can benefit from it. To that end, the state should improve in areas such as the law security, economy, education, science, technology and culture. (COPRE, 1988).

There were some factors considered fundamental in order to undertake the structural changes in the country, those were:

- i. The Institutionalization of the State: in order to have an efficient state with clear objectives it should have the right instruments for taking decisions. The institutionalization of the state implies that its competence and functions should be limited to those pointed out in the constitution.
- ii. The Strengthening of the Civil Society organization: civil society should be more actively involved in the process of decision making to balance

---

<sup>33</sup> The practice of obtaining votes with promises of government posts.



the power of the state. To that end civil society should be able to develop a sense of autonomy and avoid state interference, because the role of the state is to create the political and legal conditions to allow civil society organizations to participate in public affairs.

- iii. State Decentralization and Society: decentralization should be understood as a political process with a territorial and institutional expression. It implies the territorial redistribution of power where some people and institutions are going to diminish their power and other are going to gain more influence in public affairs. The process of decentralization entails the establishment of mechanisms for democratic participation and to convert the state into a more diversified and tiered space that provides services in a more efficient way.
- iv. The Transformation of the Role of Political Parties and the Emergence of an Alternative Leadership: the most important element that political parties should change their “clienteles” structure.
- v. The Planning Process as a Mechanism to Overcome Fragmentation: the planning practice should be seen as a political process because this process needs the participation and commitment of all sectors, it should reflect the concurrence of objectives and instruments of participation among local, regional and national institutions and social agents.
- vi. Defining National Objectives: to that end there must be established a national debate about the objectives, resources and mechanisms that have to be in place in order to achieve those objectives.
- vii. Defining the Borders between the Public and Private Sector: this criterion refers to the privatization process, and should be understood as a way to make more competitive the economy and as a mean to make more

efficient the state and the civil society and to improve the democratic process (Copre, 1988).

These factors identified by the COPRE largely reflect the discussions that have developed around the second generation structural reforms, particularly in regard to the importance of limiting the state to those tasks that can only be exercised by national governments. It also points to the importance of civil society in the reform process state, and how fundamental is that the state open channels through which civil society can participate in public affairs that affect their lives. The commission however, does not deny the importance of political parties but refers these should have less influence on the decisions of state and become channels of participation and not social or political tutelage.

To achieve the reform of the state, three immediate political reforms were recommended:

- i. Reforming the political parties to become instrument of participation and popular representation. It is necessary as well that the leadership of political parties develop into more responsible representatives.
- ii. Reforming the electoral system by separating the electoral processes, it counts for those events where national, regional and local authorities are chosen. It is also important to choose the contestants by uninominal and open lists or establish mix systems where open and closed list are used, as well as proportional representation.
- iii. Politic decentralization, power to the province. These measures include the direct election of governors and mayors, the creation of municipalities, metropolitan districts, and parishes, the obligatory process of consultation with the community, the election of council representatives through uninominal lists, and the introduction of the referendum.

## The Aftermath

Despite the creation of the commission, there was not a political will among the ruling class to implement the changes proposed by COPRE, at least under the administration of President Lusinchi. Out of the entire proposal for changes, the most outstanding were the political transformations recommended by the COPRE and at the same time there were those which encountered more rejection from the political leaders (Fundación Empresas Polar, n/d). In fact, the government of Jaime Lusinchi rejected the document where the political reforms proposal was presented; alternatively, the major political party in congress, Democratic Action (Acción Democrática AD) delayed the discussion and approval of the laws suggested under the pretext of lack of congressional time (Fundación Empresas Polar, n/d). During the presidential campaign of 1988, the Copre reached some sort of compromise with the political candidates to implement the changes recommended, and at some point in the government of President Pérez, between 1988 and 1989, the congress passed the Law About the Election and Removal of State Governors (Ley sobre Elección y Remoción de Gobernadores de Estado, 1989), the Law on the Period on the State Public Authorities (Ley sobre el Período de los Poderes Públicos de los Estados, 1989); and the Organic Law of Municipal Scheme (Ley Orgánica de Régimen Municipal, 1989) (Fundación Empresas Polar, w/d), the Organic Law on Decentralization, Delimitation and Transfer of Power from the Public Sector (Ley Orgánica de Descentralización, Delimitación y Transferencia de Competencias del Poder Público) was endorsed by the congress in 1989.

To achieve this body of legislation, the commission had to build a process of political consensus characterized by permanent links of consultation among national and regional political leaders, members of the civil society, workers union, chambers of commerce, the congress and government representatives (Mascareño, 2004; Cuñarro, 2002). “The process that leads to the enactment of the first reforms on the subject of decentralization was saturated by forwards and backwards, obstacles and adhesions, it was a dynamic game of alliances and making the most of political opportunities” (Mascareño, 2004: 138-139). In addition to this process of consensus, the commission established a system to

track the agreements reached among the public opinion and the civil society. In this way, political parties and political leaders were forced to accept arrangements that had been already achieved (Cuñarro, 2002).

### 6.5 The Instruments of Decentralization in the Framework of the 1961 National Constitution

In section 6.3 the federal character of Venezuela's political and administrative structure under the 1961 national constitution was outlined. This also stated that the government is democratic, representative, responsible and alternative (Congreso de la República, 1961).

As mentioned in the previous section, during the second administration of President Pérez, the Congress enacted some laws addressed to accelerate the process of decentralization in the country. Another law approved under the recommendations made by the Copre was the law of Suffrage and Political Participation (Ley Orgánica Del Sufragio Y Participación Política) that was sanctioned during the second administration of President Rafael Caldera in 1998. The next section presents the legal ground enacted to support the decentralization efforts carried out in Venezuela under the 1961 national constitution.

#### 6.5.1 The Organic Law of Decentralization and the Law about the Election of Governors

These two laws complement each other. The Law about the Election of Governors specified the way these regional authorities were going to be elected and the limitations established by law for taking part in this voting. It also indicated the reasons that could lead to the removal of these authorities and how they could be replaced (Congreso de la República de Venezuela, 1989).

The Organic Law of Decentralization had, as a main purpose, to develop the constitutional grounds in order to promote the administrative decentralization and define the competences between national and regional authorities, identify the source of income of the states and facilitate the transfer of services from the national government to the regional authorities (Congreso de la República de Venezuela, 1989: Article 1). Regarding the responsibilities assigned to each level of government, article 3 pointed out the exclusive competences allocated to regional governments, and article 4 mentioned those that were shared by the national and regional levels.

Although these competences are defined, those corresponding to the sole responsibility of regional governments were less relevant than those that were shared with the national authorities. According to the law, some responsibilities could be transferred to regional administration when these governments expressed their capacity to do so (article 6). The initiative of transfer could also be taken by the national executive, but it had to be approved by the senate or high chamber of congress (article 7).

Regarding the financial aspects, the law established that the main source of income for regional governments was the '*Situado Constitucional*'<sup>34</sup>, those coming from additional profits, public service delivery, taxes, public credit, those assigned by the national government different to the *situado* that correspond to the responsibilities transferred by this level of government, and any other specified by laws.

The law also contemplates a joint investment plan between national and regional governments, where the states have to dedicate 50% of the *situado* to this program (article 17). The investment program was addressed to encourage economic activities within the states, improve education and health services, city regeneration and to support nature conservation schemes.

---

<sup>34</sup> According to the Law of Budget of Income and Public Expenditures (Ley de Presupuesto de Ingresos y Gastos Públicos de 1990) The *Situado Constitucional* would be 16% of the total ordinary state revenue established in the national budget. This percentage will be increased 1% per year until reaching 20%.

On the subject of coordination among national and regional administrations, the law established that governors, as agents of the national executive branch, should lead the process of planning, together with the majors and all directors of the state institutions, and make this effort compatible with the process of national planning. The law also encouraged periodical meetings between governors and the president to discuss financial matters and any other matters agreed among them.

#### 6.5.2 The Organic Law of Municipal Scheme (Ley Orgánica del Régimen Municipal)

This law established the legal grounds for the organization, functioning and control of municipal institutions. According to this act, approved on June 15<sup>th</sup> 1989, the municipality is the most basic autonomous political organization within the national political division or structure, and should be capable of generating its own income to cover the tasks assigned by law. Its autonomy is based on the election of its authorities, the free administration of matters of its competence, and the creation, collection and investments of its revenue (article 3, 10 & 16).

Municipalities are divided into parishes, which were created to decentralize the council administration, to encourage the participation of civil society in public matters, and to improve local service delivering (article 32).

Local councils have a vast array of responsibilities and have the freedom of delivering any kind of public services to meet local needs. To that end, councils count within their reach a wide arrange of instruments to deliver those services (article 36-41).

To carry out their functions, council's authorities are constituted by the major and the municipal council. The former represents the executive branch, the latter the deliberative instrument and both are elected through free, direct elections every three years.

The financial budget of local councils will be made of ordinary and extraordinary revenues. Ordinary revenues refer to council taxes, fines, payment for municipal services, the municipal *situado*, and any other guarantee by law. Extraordinary incomes come from especial contributions established by national laws, public credit, land selling, donations and any other contribution from national and regional governments. Other incomes derive from gambling taxes, publicity and town and city regeneration schemes.

The municipal *situado* issued from the states would be constituted as such: 50% would be divided into equal parts among all the municipalities, and 50% in proportion to its number of inhabitants, and this income was destined to be invested on road building and equipment to improve service delivery.

Regarding the right to participation, the law in its article 167 established that neighbours living in a determined municipality have the right to: elect their authorities; take part in the local administration according to the law; and make contributions through the payment of taxes. Local councils have the duty to provide information about public matters and to encourage the participation of the community in these matters. Although participation is encouraged by this law; the same law established, in a conflicting way, that " the ways, means and procedures of participation that have been established by municipalities in the exercise of their duties, will not impair decision-making powers that have been allocated to local government bodies" (Article 168). At the same time, local councils were required to support, with information and financial aid, neighbours associations whose main object would be to defend collective interests.

In terms of coordination with other authorities' levels, national and regional authorities would communicate to local councils when an activity had been planned within its territory to avoid parallel services, multiplicity of efforts or contradictions among different levels of administrations.

The enactment of the two preceding laws reflected that decentralization policies implemented in Venezuela reflected in large proportion its similarity with the experiences developed in other Latin American countries as presented in

Chapter 3. In this Chapter I discussed how the experiences in the Andean countries shared two characteristics: municipal level was privileged over state levels, which brought as a consequence a strong polarity between the central and the local governments. This also happened in Venezuela. Another characteristic presented in the Venezuelan case, as it was in other Latin American countries, was that, despite legal grounds being provided to initiate decentralization process, additional laws had been enforced to underpin this process.

#### 6.5.3. The law of Suffrage and Political Participation

This law will determine the electoral process in the country, including those of the president, members of the congress, state governors, regional assemblies, majors, local councils, parishes' authorities and any other authority established by law.

The deliberative representatives will be elected following a nominal system with proportional representation. It means that part of this body will be chosen by name and the rest by proportional measures.

This law also established all the procedures that have to be followed in order to set in motion every electoral event, including the selection of candidates, voters' records, the confirmation of the electoral personnel, witnesses taking part in those events, and all the procedures involved during the day of election (voting, counting and results). It also includes those aspects regarding the referenda that can be requested on a particular matter; those regarding electoral campaigns and any other act related to the election of national, regional and local authorities.

#### 6.5.4. Mechanisms for Intergovernmental Coordination

As expressed by Jordana (2004) in Chapter III, intergovernmental relationships constitute an important factor in the successful implementation of decentralization processes (Jordana, 2004). The author expressed that it is important to reduce tensions between levels of government which can be caused



by the lack of clear definitions of responsibilities at each level, and by the distribution of financial resources to lower levels. This feature was also seen in the development of the legal foundations of the Venezuelan decentralization process. In order to guide the relationship between different levels of governments the Organic Law of Decentralization, Delimitation and Transfer of Responsibilities of Public Authorities was created. Through Article 10 of this law it was established that the national government through the Ministry of Internal Affairs would be in charge of the process of decentralization. Article 19 institutes that governors should coordinate the elaboration of the investment plans with the mayors in each state. Article 25 established that each state should create a Planning and Coordination Committee with the purpose of coordinating, planning, evaluating and controlling the programmes and actions carried out in each state. Article 29 establishes the foundation of the Governors Convention which should meet with the president once a year; in such meetings the Coordinated Investment Plan should be discussed and approved.

The second partial regulation of this law established a National Commission for Decentralization presided over by the Ministry of Internal Affairs and constituted by Directors of this ministry, the office of planning CORDIPLAN, the executive secretary of COPRE and directors of other ministries (González & Mascareño, 2004). A third partial regulation issued in 1993 instituted the creation of the Government Territorial Council, chaired by the president in office, the ministers, the governors, the governor of the Federal District, and a person appointed by the president in office. The purpose of the National Commission was to encourage, to support, to plan and to coordinate the process of decentralization and the process of de-concentration carried out by national offices; the second mechanism in turn, was created to mediate and coordinate the relationship established between the central and sub-national governments, as well as to take part in the design of public policies and harmonize the decisions that involve different levels of governments (Matheus, 1999). In 1993 the Governors Association was created in order to encourage the cooperation among governors, and in the same year was instituted, through presidential decree, the National Council of Mayors whose main objective was to constitute a mechanism for

collaboration, cooperation and coordination of public policies and actions between the central and municipal government (Matheus, 1999).

According to Brewer-Carías, despite the legal efforts developed to support the decentralization process in Venezuela, decentralization responded more "to the initiative of the states and their governors, than to the initiative of the central government. Decentralization was perceived as something of interest to the governors but not to the central government. The strongest effort carried out to create a real link between the central government and local and regional authorities, was made during the transitional government led by Dr. Ramon J. Velásquez in 1993 when the Ministry of State for Decentralization was created whose main objective was that decentralization would become "a national policy and not a process left to the sole initiative of the state governors" (Brewer-Carías, 1994).

#### 6.5.5. Mechanisms for Funding

It was mentioned in section 6.5.1 that the main source of income for sub-national governments was the constitutional *situado*. However, other mechanisms were put in place in order to compensate the mechanism stipulated via the ordinary budget. Those mechanisms are the Intergovernmental Fund for Decentralization (Fondo Intergubernamental para la Descentralización FIDES) created in 1993 and the Law of Special Economic Assignations for the States Derived from Mines and Hydrocarbons (Ley de Asignaciones Económicas Especiales para los Estados Derivadas de Minas e Hidrocarburos LAEE).

FIDES was an institution created in November 1993 by presidential decree; it is an institution, which, functioning in terms of financing and administration is autonomous (FIDES, 2009). The creation of this institution was aimed to promote decentralization and development, and the funds that would cover its functioning would derive mainly from the Value Added Tax (Impuesto al Valor Agregado), and financial resources from international credit agencies. The law that regulates the functioning of FIDES enacted in 2006 established that 42% out

of the total budget will be destined to the states and 28% to the municipal councils (FIDES, article 5, 2006). The resources coming from additional credits would be distributed as follows: 30% for the states and 20% for the municipal institutions, the Federal District and the Alto Apure District (Article 6).

The criteria of distribution are as follow:

- 45% according to the amount of inhabitants in each state and municipal area
- 10% according to the territorial extension of each state and municipality
- 45% according to the inter-territorial compensation index which will benefit those states and municipalities with low development index.

The LAEE was addressed to the states and its funding was derived from the taxes established in the Law of Mines and the Law of Hydrocarbons. The distribution would be as follows: 20% in 1998, 25% in 1999 and 30 % for 2000 and onwards (LAEE, article 2). The financial resources would be distributed in the following way: 70% for those states with mineral deposits and 30% for those states that do not have hydrocarbons. The amount to distribute between the former states would be established following these criteria: 70% in proportion to the contribution generated by each state, 20% according to the population, 5% according to the territorial extension, and 5% for those states that carry out process of refinery. For those states with no hydrocarbons reserves, the resources would be distributed according to these criteria: 90% in proportion with its population, 5% according to the territorial extension and 5% if they perform refinery processes (LAEE, articles 6, 7 & 8). The fund from this law would be directed to environmental projects, research, infrastructure and support for schools, hospitals, public roads, culture and housing; the resources intended by this law would be coordinated within the ministry of internal affairs (Articles 10-12).

## 6.6 The Advantages and Failures of the Decentralization Process

The process of decentralization initiated with the conformation of the COPRE, following the 1961 national constitution, opened an important political process in the country. For the first time local and regional authorities were appointed through free and direct elections, responsibilities were transferred from the central government to the new authorities, and these new administrations could be accountable to their own constituencies. The enactment of a group of laws by the congress gave legal grounds to this process. Despite all this, the Organic Law of Decentralization still reflected the spirit of the centralist state. For example, the states had very few responsibilities compare to that assigned to municipalities. States also had a lot of limitations in the collection of taxes as a source of income, and getting responsibilities from the central government. States have to go through a procedure that involves the state legislative assembly and the national congress (article 6). Governors, on the other hand, were considered “agents of the national executive branch” (Chapter VI, article 22, 23). Article 28, particularly, said that any decision taken by a governor, the republic would be accountable for; a characteristic that seemed to remove responsibilities that governors might incur if they took a decision that might bring about negative consequences. In Chapter VIII of the national constitution, Article 31 established that a governor could be removed from the administration by the president in office if the regional authority continuously refused to carry out the orders given by the president. This particular case required by law, reflecting the dependence that could be created from the central to regional governments, or in any case, reinforcing dependency that existed before the decentralization process. It also reflected a disregard for civil society participation in choosing their authorities as the law did not provide for public consultation for the removal of governors.

The Organic law of Municipal Scheme in contrast establishes in its Article 63 that any act carried out by the mayor, the councillors or any council officer implies individual responsibility, and contrary to that of the organic law of decentralization, municipal authorities can only be removed by the municipal council or the *cabildo* (article 68 & 69).

Despite the flaws that the decentralization law contained, the political changes that the process of decentralization brought to the country implied a more extensive process of transformation. Among them, was the process of decision making within the structure of local governments. As was mentioned before, one of the foundations of the Project proposed by COPRE was to encourage a more extensive participation of civil society in public matters; this proposal was reflected at local level by the Law of Municipal Scheme enacted in 1989.

In the process of decentralization there were four key aspects that influenced its viability, these were: political, economic, legal, and institutional frameworks (Brewer-Carías, 1994). The political aspects involved the political will that national authorities must have to transfer political power to sub-national governments, as much as the political will that regional authorities must show to make this process work. There were also important aspects within this, to identify what sort of responsibilities and the financial resources linked to them were to be allocated to the new governments (Brewer-Carías, 1994).

Regarding the economic factors, those were comprised by the financial, human and infrastructure resources required for the establishment and functioning of sub-national authorities and institutions. The last two aspects make reference to the legal ground that decentralization must have in order to make clear this process, as well as to determine the sort of institutional arrangement that have to be put in place in order to coordinate the efforts of different levels of government (Brewer-Carías, 1994). Once more, the reference to these aspects largely reflected the influence that had the decentralizing principles enunciated by development agencies in the Venezuelan decentralization process.

However, the early stages of this process lacked the proper systematization, and the effect of this was the inequalities in the transfer of responsibilities which depended almost exclusively of the interest and political will of governors (González & Mascareño, 2004; Brewer-Carías, 1994; Matheus, 1999), resulting in the allocation of competences differing between one state to another (Escobar-Lemmon, 2003) . This situation was amended in 1993 when President Ramón J. Velásquez created the ministry for decentralization and appointed Dr. Alan Brewer-Carías as a State Minister for Decentralization, whose main purpose was

to advise the president in office about leading the decentralization process as a state policy (Brewer-Carías, 1994). The most important characteristic of this new ministry was that decentralization was finally considered as a state policy in which “the national government and the national public administration had to be committed in its execution” (Brewer-Carías, 1994: 22). Working within the National Commission for Decentralization, ministries and autonomous institutions began a more organized process of transfer and became the link between the national and regional governments (Brewer-Carías, 1994).

During this administration, governors started to get involved in the appointment of directors of national offices in their states, the Law of Decentralization was reformed and the Territorial Council of Government (Consejo Territorial de Gobierno) was created as an intergovernmental mechanism to link the national government and state governments. There was also the establishment of the Governments Council of the Caracas Metropolitan Area (Consejo de Gobiernos del Área Metropolitana de Caracas) and the Mayors National Council (Consejo Nacional de Alcaldes) (Brewer-Carías, 1994).

Despite the intentions of supporting decentralization, the efforts carried out to this point failed because those mechanisms created to improve the relationships among different levels of governments did not work properly and failed to establish the links for what they were created (Gonzales & Mascareño, 2004; Matheus & Romero, 2002). Many institutions were created to coordinate the process of decentralization, and as a result the same functions were carried out by several of them, efforts were dispersed and none of them achieved the enough authority to lead this process (Matheus & Romero, 2002).

The intergovernmental mechanisms put in place in the framework of the 1961 national constitution did not harvest the result intended. The Ministry of Internal Affairs role as a channel between subnational government and the congress for the transfer of responsibilities failed to lead this process, and as a consequence, the negotiations between different levels of government were characterized by delay difficulties, uncertainty (del Rosario & Mascareño, 2001), and by a process of “undetermined gradualism” (Barrios, 1998 cited by del Rosario & Mascareño).

In Chapter III, several authors mentioned the importance that intergovernmental links had on the process of decentralization. In that chapter the debates stressed that the quality of intergovernmental relationships represented an important factor in the successful implementation of decentralization processes (Jordana, 2004; Leal & Gotera, 2003). For that reason, it was important to reduce tensions between levels of government which can be caused by the lack of clear definitions of responsibilities at each level (Jordana, 2004). The distribution of financial resources to lower levels, which also represents a source of conflict, alludes to the determination of central governments to control the process by imposing its dominance over the implementation of public policies and the financial resources allocated to them (Jordana, 2004; Fesler, 1965; Bennett, 1990). As mentioned before, those factors were also identified by Brewer-Carías in his analysis of the process of decentralization in Venezuela. Brewer-Carías, as many scholars have also done, suggested the levels of commitment necessary to reach equilibrium between central and sub-national governments, and to define and institutionalize rules in order to coordinate the relations that must be established between them. According to Jordana (2004), those relations “constitute a necessary element in the functioning of decentralization in any political context, and they must progress parallel to the progress of decentralization” (Jordana, 2004:149).

A negative factor that has been pointed out was the extreme dependency that most municipalities and regional governments had had from the constitutional *situado* and other financial mechanisms (Selee, 2004). In Venezuela, only those municipalities situated in big cities, commercial and industrial districts have showed real opportunities for establishing their own sources of income.

This dependency from the financial resources distributed by the central government had made sub-national authorities weak, and had reflected a conflict of power among different levels of governments to control the administration of the fiscal income. This problem was accentuated by the extreme centralist tax structure, which hindered the economic independence of regional governments (Mora, 2002; Leal & Gotera, 2003; Guerón, 2000; del Rosario & Mascareño, 2001). The problem has been manifested by the lack of changes introduced to

the structure and administration of the tax system which had benefited the central government to the detriment of local and regional ones (Leal & Gotera, 2003).

Since the transfer of responsibilities was left to the initiative of regional government, and the transfer of financial resources did not correspond with the cost that those services involved, many responsibilities stayed as concurrent, which meant that there were not clear motivations for regional governments to request the allocation of further services at regional level (Leal & Gotera, 2003). Besides, regional governments depended even more from central resource allocation than the municipal governments, due to the limitations imposed by the Law of Decentralization to the collection of taxes (del Rosario & Mascareño, 2001).

At a local level, some municipalities depended, to a great extent, on the national budget, either because they did not have the appropriate structure to collect their own taxes, or because the collection of taxes represented a political cost. This happened despite the fact that the Law of Municipal Scheme established in its Article 18 that one of the requisites to creating a municipality was, among others, to have the capacity to generate its own financial resources; enough to cover government expenditures as well as the services to be provided to the community.

Despite the problems and obstacles encountered in the first phase of the process of decentralization, the truth is that these mechanisms opened up political opportunities for civil society to take part in the selection of its own authorities. If a contrast is established with the former mechanism this represented a huge transformation to appoint regional and local authorities. As a result of this outcome, decentralization has also been seen as a mechanism for political legitimacy (Guerón, 2000). Through the election of regional and local authorities, states and municipalities started to administer their financial resources and began allocating them according to local requirements. The allocation of fiscal income improved during this process, the constitutional *situado* was increased, and other mechanisms for public investment were created to support regional and sub-national governments (Sánchez Meléan, 2002).



The distribution of power among different levels of government was another positive element of this process, as well as the accountability and responsibility that public authorities have before civil society.

Although this process was not the same across the whole country, because some regional governments and municipalities have proven to perform better than others, mainly because they could rely on better financial and human resources, as much as better infrastructure, decentralization was a much needed political reform in order to overcome the crisis of political legitimacy suffered by political parties and leaders, as well as to overcome the inefficiency of the national state, that was very evident in the regions.

Even though the mechanisms for participation in public matters were quite limited to local spaces, it represented an advance compared to the mechanisms imposed by political parties, which restricted the incorporation of civil society in the decision making process with a false sense of political representation.

Although decentralization transcended the urgency of overcoming the political and social crisis that erupted in Venezuela with greater force at the end of the eighties, and became a state policy, the efforts of COPRE to deepen democracy in Venezuela, by opening greater spaces for civil society participation beyond the election of local and regional authorities, had had no greater response from the government that followed the transitional administration that created the Ministry for decentralization. Once in power, President Chávez launched a process to desecrate any achievement in what he called the "Fourth Republic", and with the approval of the national constitution a new chapter on the issue of political decentralization Venezuela was opened. A preliminary observation that can be done in relation to the decentralization processes carried out under the constitutions of 1961 and 1999, is that the former responded more to a national need to overcome a conflict that spanned the social, political and economic aspects of the country. As a response, a multidisciplinary committee was created to find the most appropriate ways to overcome this period of national conflict. I argue that the proposal for advanced decentralization under the 1999 constitution, responded more to the political project which is currently implemented by President Chávez and that is creating changes in the process of

decentralization itself as this project moves forward in time. These changes are discussed in Chapters VII where decentralization under the 1999 national constitution is presented in more detail. The results of this process, particularly in relation to the participation of civil society in public affairs, continues in chapters VIII and IX.

## Chapter VII

---

### The Process of Decentralization in Venezuela Under the 1999 National Constitution

*“Venezuela began a major decentralization experience with direct election of governors and mayors in 1989 in an effort to buoy the flagging democratic regimen. A subsequent backlash began, however, under President Rafael Caldera in the mid-1990s and was intensified under President Hugo Chávez Frías. The strong centralist penchant of his political experiment casts doubts on the intention of President Chávez to abide by the intent of earlier decentralization legislation, as his government sought to undo many of the early decentralization reforms”*

*(de la Cruz, 2004: 181)*

## INTRODUCTION

The purpose of this Chapter is to analyse how the process of decentralization in Venezuela was addressed within the constitution approved in 1999. The previous chapter explored how decentralization was initiated in Venezuela in the 1980s under the 1961 national constitution and what the main influences were upon this process. It also outlined the main changes produced in the structure of governance that resulted from these political reforms.

Building upon the above, this chapter moves on to explore the changes (in relation to decentralization) introduced under the 1999 national constitution as part of President Chávez's attempts to introduce a very different model of economic and political development to that pursued in the previous decades described in the previous two chapters. In order to achieve this, the analysis draws upon the extensive data collected during the fieldwork carried out in Venezuela in 2006 and 2007, based on national-level interviews, and a detailed reading of government documents, such as laws, bills and other official documents. The use of newspaper articles and radio interviews were also part of the data upon which this chapter was built. This detailed examination helps to construct the broader political and institutional context within which the analysis of the ensuing chapters regarding the mechanisms for public participation through local governments established in the 1999 constitution is situated.

### 7.1 Decentralization in the V Republic

#### *7.1.1 Why a New Constitution?*

After a period of political crisis, the collapse of representative democracy in Venezuela became clearly observable and with it, the collapse of the major political parties that lost their legitimacy as a result of this political crisis. During the election process that took place in 1998, candidate Hugo Chávez Frías promised, as a main element of his political campaign, to call for a constituent national assembly to create a new national constitution (Salamanca & Viciano,

2004; Martinez Dalmau, 2004). After gaining access to the presidential office, Chávez initiated a process of changes which started with the referendum to approve his proposal. As a result a constituent national assembly was elected, followed by period of debates that lasted approximately three months. Finally, on December the 15<sup>th</sup> 1999 a new constitution was approved in a national referendum (Martinez Dalmau, 2004). Thus, a new legal framework was established in the Bolivarian Republic of Venezuela<sup>35</sup> which was elaborated in order to “transform the state and its legal code with the intention of advancing towards a social and participatory democracy” (Salamanca & Viciano, 2004).

With this first step, the approval of the national constitution, President Chávez was seeking to implement his political project, which at the very beginning was not very clearly defined. At the beginning this political project was called just “the process” without further explanation of what it might mean or entail. In October 1998, Chávez said<sup>36</sup>: “We are in transition. That transition began in the late '70s, when the situation A (state capitalism-“Punto Fijo” Agreement<sup>37</sup>) began to show signs of exhaustion. The challenge today is to drive this transition to a desired preconceived location B, p. There may be several ways to promote this transition. It is possible then to envision these roads and guide the transition towards those that offer more possibilities ”.

When President Chávez presented the document: “La Propuesta de Hugo Chávez para Transformar a Venezuela. Una Revolución Democrática” (Hugo’s Chávez Proposal to Transform Venezuela. A Democratic Revolution), the document stated:

All this implies deep democratic conviction and confirms our strong intention to build a new republic that embodies a true National Project on the basis of the broadest possible consensus and respect for many different positions and visions of national sectors. Thus we have the document that first presents the macro politic-pole (Polo Macro-político), whose centre line is the constitutional process and aims to transform the

---

<sup>35</sup> The name of the country was changed in this constitution.

<sup>36</sup> All translations were carried out by the author of this thesis unless otherwise stated.

<sup>37</sup> He referred to the political pact called Punto Fijo, which was explained in Chapter VI.

current legal and political framework, already exhausted, to make way for a genuine participatory democracy. At the same time, this quest for political balance through the Constituent Assembly proved that the first phase of the Transition Project has been reached. Then will come, in sequence, the territorial de-concentration Pole (polo de desconcentración territorial), the human development process to achieve social balance, the transformation of production for achieving economic balance, emphasizing macroeconomic discipline and finally, the international and geopolitical vision of the Project, within the globalization-oriented hegemony, a clear understanding toward peaceful relations and mutual respect with all nations of the world. This set of dynamic areas will shape subsequent phases of the Transition Project. The boundaries of these phases will be more clearly defined along the innumerable and creative discussions that will give rise to the presentation of this document

(Chávez, 1998).

### 7.1.2 The 1999 National Constitution and the Process of Decentralization. Meanings and Mechanisms

The 1999 constitution in its preamble stated that one of the main objects of re-founding the republic (give a new political direction) would be to establish a federal and decentralized state, to that end the new constitution introduced some elements addressed at strengthening this process first initiated under the 1961 national constitution. The allusion to this process started in article 4 which states the decentralized and federal character of the country. Article 6 remarks that this character will be unchanged (Asamblea Nacional Constituyente, 1999). Regarding the political and administrative division of the country, article 16 established that that the country is divided into states, the capital district, federal dependencies and federal territories. The most outstanding feature of this article is that it points out that the organization of the country is based around the existing municipalities, and the political and administrative structure of the

country will be supported by an organic law in order to guarantee political autonomy and political and administrative decentralization.

Regarding the capital district, the constitution called attention to the composition of this administrative area where municipal authorities are constituted in two tiers or levels: The *Alcaldía Mayor* and four municipalities that comprise this *Alcaldía*: Chacao, Libertador, Sucre and the Hatillo. To endorse that, the executive branch of government would comprise national, state and municipal powers, each with their own functions (Asamblea Nacional Constituyente, 1999).

Article 141 mentions that the purpose of public administration is to serve the people and should be based on honesty, participation, efficiency, transparency and responsibility amongst other issues. Although article 156 identifies the competences attributed to the national level of government, the following article calls attention to the possibilities of transferring some of them, given the previous approval of the national assembly, to lower levels of the administration in order to promote or expand the process of decentralization. Decentralization is then, according to this constitution in its article 158, a national policy, and is a process that should deepen democracy by bringing power closer to the people and establishing the right conditions to create more efficient administrations (Asamblea Nacional Constituyente, 1999).

As was established in the 1961 national constitution, the 1999 Constitution also gave political autonomy and equality to the states and municipalities, with the latter being presented as the primary political unit of the country. State Governors are elected every four years, and, as a result of an amendment made to the constitution following a referendum in 2009, there is no limitation to their re-election<sup>38</sup>. The competences assigned to state authorities included organizing the public institutions present in their jurisdiction as well as the municipalities within their territory, the administration of the state budget, the organization and collection of taxes, the administration of quarries and salt deposits. There

---

<sup>38</sup> This unlimited re-election for all elected public officials and representatives was presented for public referendum in February 2009, the proposition to amend the constitution won the required number of votes (Brewer-Carías, 2009; Oxford Analytica, 2009).

are also state responsibilities to organize the police body, to organize public services, take care of and administer public roads, administration of highways, airports and ports and any other responsibility outside the national and municipal competences (Asamblea Nacional Constituyente, 1999).

Compared to the previous constitution, the 1999 constitution gives more responsibilities to states and establishes that this level of government should decentralize public services and competences to the municipalities, as long as the latter can prove their ability to administer the responsibilities to be transferred.

In order to increase the level of autonomy, and hence deepen the process of decentralization, the new constitution increased the financial sources available to states and municipalities. Under the previous constitution it had been limited to the constitutional *situado*<sup>39</sup>, FIDES and the LAEE<sup>40</sup>. The new constitution broadened the range of sources of income available to the states giving them the right to impose taxes on services, sell stamps, generate other taxes, and they also now receive special contributions from the national budget (the financial sources coming from the Inter-territorial Compensation Fund: Fondo de Compensación Ínter Territorial), as well as other transferences or financial resources derived from national taxes. The financial sources available to municipalities stayed pretty much the same. However, despite creating new sources for funding, many of the mechanisms described above did not help states' finances because the main sources of funding remained the *situado* and the funds originating from the FIDES and the LAEE. According to article 13 of the Decentralization Law, the constitutional *situado* would be 16% of the national estimated revenue; this percentage is increase in one percent (1%) per year to achieve a twenty percent (20%) (Asamblea de la República Bolivariana de Venezuela, Ley Orgánica de Descentralización, Delimitación y Transferencia de Competencias del Poder Público, 2003).

---

<sup>39</sup> The *Situado* is part of the budget equivalent to a maximum of twenty percent of total revenue estimated annually by the National Treasury, which is distributed among the States and the Capital District. The Municipalities of each State shall be entitled, in each fiscal year, a share of not less than twenty percent of the *situado* and other revenues of the respective State.

<sup>40</sup> See Chapter VI where those mechanisms are explained.



The 1999 constitution established that each state has to create a Council for Planning and Coordination of Public Policies (Consejo de Planificación y Coordinación de Políticas Públicas) which is presided over by the governor and composed of the mayors of all municipalities, directors of public ministries, a representation of councillor to the state assembly and a representation of councils men to the municipal councils, as well as of the social organizations and ethnic communities if they are present in the area or state's jurisdiction (Asamblea Nacional Constituyente, 1999).

As mentioned above, municipalities are the most basic unit of the national organization, and the constitution bestows upon them autonomy to elect their own authorities, to administer the competences assigned to them by law, and to create their own source of finance through municipal taxes. According to the constitution, each municipality should organize itself according to its own characteristics; they can be associated with other municipalities and create some sort of commonwealth, or create a metropolitan area if they maintain economic, social and physical relations among several municipalities. The responsibilities of local governments are quite broad and include the following: local urban planning, housing provision, promoting tourism, managing local parks, constructing and maintaining local roads, ensuring environmental protection, providing refuse collection, health, education, cultural and sport activities, water, gas and electricity services cemeteries, , municipal police, and any other responsibility assigned by the constitution or other laws (Asamblea Nacional Constituyente, 1999).

Municipalities have the advantage that their taxation powers are autonomous from the constitution or any other law and these powers can only be exerted by municipalities. All municipalities, according to article 182, are required to create a Local Council for Public Planning<sup>41</sup> (LCPP) which would comprise the mayor, the councillors, parish presidents, representatives of the neighbourhood associations and the organized community. These LCPPs were presented as being part of a system of national planning, and their activities feed back up to the state-level councils for public planning and coordination of public policies.

---

<sup>41</sup> The Local Council for Public Planning will be studied in more detail in Chapter VIII.

Additionally, the 1999 constitution established legal grounds that would allow states and municipalities to transfer the delivery of services to those organized communities that show the capacity to manage such services (Asamblea Nacional Constituyente, 1999).

Another mechanism created by the new constitution was the Federal Council for Government (Consejo Federal de Gobierno), the purpose of which was to coordinate and to plan national level policies and actions in order to increase the level of decentralization and the transfer of responsibilities from the national government to sub-national authorities. This council is composed of the Vice-President, two ministers, three governors and three mayors. At the same time, in order to support its work, the Inter-territorial Compensation Fund (Fondo de Compensación Interterritorial) was created to facilitate public investments and promote the equal development among regions (Asamblea Nacional Constituyente, 1999).

With the purpose of putting into practice this legal framework, in 2001 the executive presented the First National Plan for Regional Development 2001-2007 (Plan Nacional de Desarrollo Regional 2001-2007). One of the main features of this plan was the territorial dimension, because, according to this plan, it is in the territory where activities and people's lives develop, it is also there where natural and cultural resources are found. According to the plan, the absence of this spatial dimension in previous planning experiences had led to an unequal occupation of national space; resulting in a pattern of strong concentration of people and activities in some areas of the country and huge areas less densely occupied or developed, therefore causing severe regional imbalances. To tackle this problem, the plan suggested the consideration of several key elements of territorial policy in order to create a sustainable model of development based upon regions. The strategy to achieve this was to be based on what they called the decentralization de-concentration process. This established the plan in three stages:

1. The development of areas of integration (Fachadas de Integración) based on the Caribbean, Amazonian and Andean areas of the country.

2. Strengthening and development of de-concentration axes (Ejes de desconcentración): Occidental, Orinoco-Apure and Oriental.
3. Strengthening of regional dynamics based on their potentialities. (Ministerio del Poder Popular de Planificación y Finanzas, 2001).

The strategy of decentralization based on de-concentration was established to seek equilibrium in five areas: economy, social, institutional, territorial and international, and would be implemented through the old regional development institutions (Corporaciones Regionales de Desarrollo) created by previous governments with the aim of planning regional and national development.

The Chavez administration returned to these themes in a new national plan developed in 2007 called the Simon Bolivar National Project, First Socialist Plan 2007-2013 (Proyecto Nacional Simón Bolívar, Primer Plan Socialista) which was designed in order to establish a new national geopolitics which proposes the modification of territorial structure, involving the forms of public administration, the strategic planning process and the participation of political actors and social forces within the intention of creating a new economic and productive system. So, the objective of this plan is to take steps to guarantee a new social-territorial organization for Venezuela. The 2007-2013 plan however, does not identify decentralization as a national strategy, but rather talks of a de-concentrated territorial development, and although it takes into consideration the contribution of different levels of government in achieving territorial planning, the base of this model is the axis previously established in the other plan, plus two more axes called the northern coast and the northern plain axis -Ejes nortecostero y norte-llanero- (Ministerio del Poder Popular de Planificación y Finanzas, 2001).

The new national geopolitics included within its objectives, the de-concentration of activities and population and the taking advantage of currently unfulfilled regional potentialities. It does not mention, however, within its strategies and policies, the process of decentralization. On the contrary, the strategy was based on regional development through the axes previously mentioned.

The 2007-2013 plan contains seven guidelines, within which, in my opinion, there are four fundamental to the implementation of the political project of President Chávez. These are:

- The new socialist ethic: proposed to take a new political direction in Venezuela based on the values and principles of socialism and the ideas of Simón Bolívar
- The Participatory Revolutionary Democracy that seeks to consolidate the social organization and power of the individual
- The socialist productive model that seeks to change the capitalist economic structure
- The New National Geopolitics seeks to modify the socio-territorial structure of Venezuela and pursues the domestic articulation of the production models, through a decentralized territorial development model, defined by development axes, regional programs and a system of interconnected cities.

On the basis of these four guiding elements, the embracing of regional development could be seen as a form of decentralization but a particularly economically oriented form of decentralization (in terms of the typologies of decentralization discussed in Chapter III). As such, in contrast to the visions of decentralization articulated within the discussions surrounding COPRE in the early 1980s (as discussed in chapter six), what was missing from the 2007-2013 plan was, despite the fact that rhetorically speaking, the strategies appeared designed to contribute towards a highly participatory political project, in reality they lack any real component of political decentralization, that is greater decentralization of political power to state and municipal authorities. Instead this strategy seeks to implement and facilitate a more orthodox notion of economic decentralization or de-concentration, admittedly based on the involvement of grassroots organizations.

### 7.1.3 New Directions towards Decentralization

Despite the new mechanisms introduced by the 1999 national constitution to increase the level of decentralization in the country, the political actions taken by the government and more specifically, by the president, to restrain the process, create some interesting contradictions and tensions, perhaps culminating in a complete turnaround in relation to the promotion of decentralization.

An early sign of the turnaround can be seen by exploring how decentralization has been prioritized within successive national plans during this period. We have already noted how whilst decentralization efforts were clearly expressed in the 1999 constitution, within the first national plan this decentralization impulse was transformed into a de-concentration process based on the regions, and conducted by regional development corporations, instead of regional and local institutions or through the elected authorities, governors and mayors. This situation became even worse in the second plan where decentralization as a national strategy was not even mentioned. Although decentralization, (understood as the re-distribution of power amongst different levels of government as was discussed in Chapter III) is not mentioned in the most recent national development plan, the functioning of the traditional political and administrative structure of the country is clearly still in place; so too are the financial resources assigned to states and municipalities according to the law. However, it is now becoming clear that the intention of the national government in this most recent period is to implement a parallel administrative structure through which financial resources can be decentralized to levels that go beyond the municipalities. This effort to develop a parallel structure to the traditional structures of power in the country is quite evident, for instance, in the shift of resources to the Communal Councils (a mechanism that will be explained in more detail in Chapter IX), which now seem to constitute the strategy of the present administration for deepening some form of decentralization in the country, albeit under a totally new institutional structure.

The nature of this shift in direction and the dynamics of the current direction of the approach of the Chavez administration towards decentralization can be seen

by exploring the strategies it has employed in its pursuit of economic and social development within the second national plan (which covers the period 2007-2013 (Proyecto Nacional Simón Bolívar, Primer Plan Socialista 2007-2013) already described above. This plan reflected the new direction in decentralization policies. In this plan President Chávez launched a strategy based on five elements, which he called “the Five Engines of the Revolution”, designed to be the mechanisms for transforming the country in seven aspects: political, social, economic, military, territorial, ethical and international. The five engines were the following (Ministerio del Poder Popular Para la Cultura, 2007; Ministerio del Poder Popular Para la Comunicación y la Información, 2007):

- i. The Enabling Law (Ley Habilitante): under this law, the president received from the National Assembly the power to legislate and to enact decree-laws. He was able to apply this power to any aspect of national policies: political, social, defence, economic and administrative aspects, for one year and a half from February 2007.
- ii. The Constitutional Reform (Reforma Constitucional): The proposed reform was requested by the president to the National assembly on August 15<sup>th</sup> 2007. He asked the legislative body to discuss the reform of 33 articles of the 1999 National Constitution. The specific reforms proposed are discussed in detail below.
- iii. Moral and Lights (Moral y Luces<sup>42</sup>): this addressed the transformation of the educational system into one that exhibits specifically socialist characteristics. This item or engine reflects one of the seven guidelines outlined in this plan, expressed as the ‘new socialist ethic’.
- iv. The New Geometry of Power: this instrument sought to transform the way political power is distributed in Venezuela. In particular it seeks to change the current political and administrative division of the country. Because this aspect of constitutional reform is one of the most important elements for establishing Chavez’s political project to give a new political direction to the country, the philosophy that underlay the New Geometry

---

<sup>42</sup> This is based in one of Simon Bolivar’s speeches: El Discurso de Angostura, published by El Correo del Orinoco between February and March of 1819.  
(<http://www.analitica.com/bitblibio/bolivar/angostura.asp>)

of Power and the objectives pursued with this new approach are explained in more detail later in this chapter (under item 'a' of the 'reform of the constitution' section).

- v. The Explosion of Communal Power: the idea was to enhance the process of participative democracy expressed in the 1999 constitution. The explosion of communal power was based on giving grassroots organizations more access to the decision-making structures of public institutions. The constitutional reform proposed a change in Article 184 of the national constitution in order to achieve greater decentralization from national, regional and local public authorities towards organized communities, communal councils, communes and other bodies of popular power.

Due to the extensive nature of the transformations suggested by these 'engines' and the vast number of potential changes that they sought to create, the rest of this part of the chapter will only discuss in more detail those elements that would potentially directly affect the process of decentralization in the country. The most important 'engine' in terms of operationalizing all of the other elements were the proposed reforms to the constitution (the first engine described above). Although these intended reforms have never ended up being adopted in law (the proposals were rejected by the Venezuelan electorate in a national referendum in December 2007)<sup>43</sup> they are important to understand in that they embody the new direction of the Chavez administration's perspective on decentralization. These proposals represented a shift from recommending changes to the territorial structure of the country and the capital city (this modification is explained later in this section) to increasing the executive branch of government. Decentralization was central to the proposed changes but it was not envisaged as it had been in the 1999 constitution and President Chávez was quite explicit about wanting to modify the dominant concept of decentralization as can be seen in the changes proposed to article 158 of the 1999 constitution, which argues that the text should be altered from:

---

<sup>43</sup> Ever since this defeat in the referendum President Chavez has tried to introduce similar changes through other methods like introducing new laws in the National Assembly, laws that will affect and, are at the present, affecting, effectively, the process of decentralization and participation in the country.

Decentralization, as a national policy, should deepen democracy, bringing power closer to the people and creating better conditions, both for the exercise of democracy and increasing the efficiency and efficacy of state competences.

To the following:

The state will promote as a national policy, the protagonist participation of the people, transferring power to them and creating better conditions for building a socialist democracy.

The implication here is clear. The proposed reforms to the constitution were designed to establish a different kind of decentralization, with a structure that would be constituted by linking the central government directly linked to what it defined as “popular power” which in turn would be comprised by instruments like the Communal Councils and the *Comunas* - elements that will be explained and discussed in detail later on.

In more detail, the proposition to reform the constitution involved the following key components:

- a. Changes in the structure of Public Power (Article 136 of the 1999 National Constitution). According to the reform amendment Public Power is distributed geographically as follows: the people's power, municipal power, state power and national power. People's Power is defined as constituting communities, communes and the self-government of cities, through the constitution of communal councils, workers councils, rural councils and student councils.
- b. Modifications to the existing political and administrative organization of the country (based on the states, the capital district, federal dependencies and federal territories and the basic unit of organization which is the municipality, Article 16 of the 1999 National Constitution). The President's intention was, and still is, to re-organize the country according to a new geometry of power, that is the reconfiguration of the way power is distributed in the country. To that end the model proposed



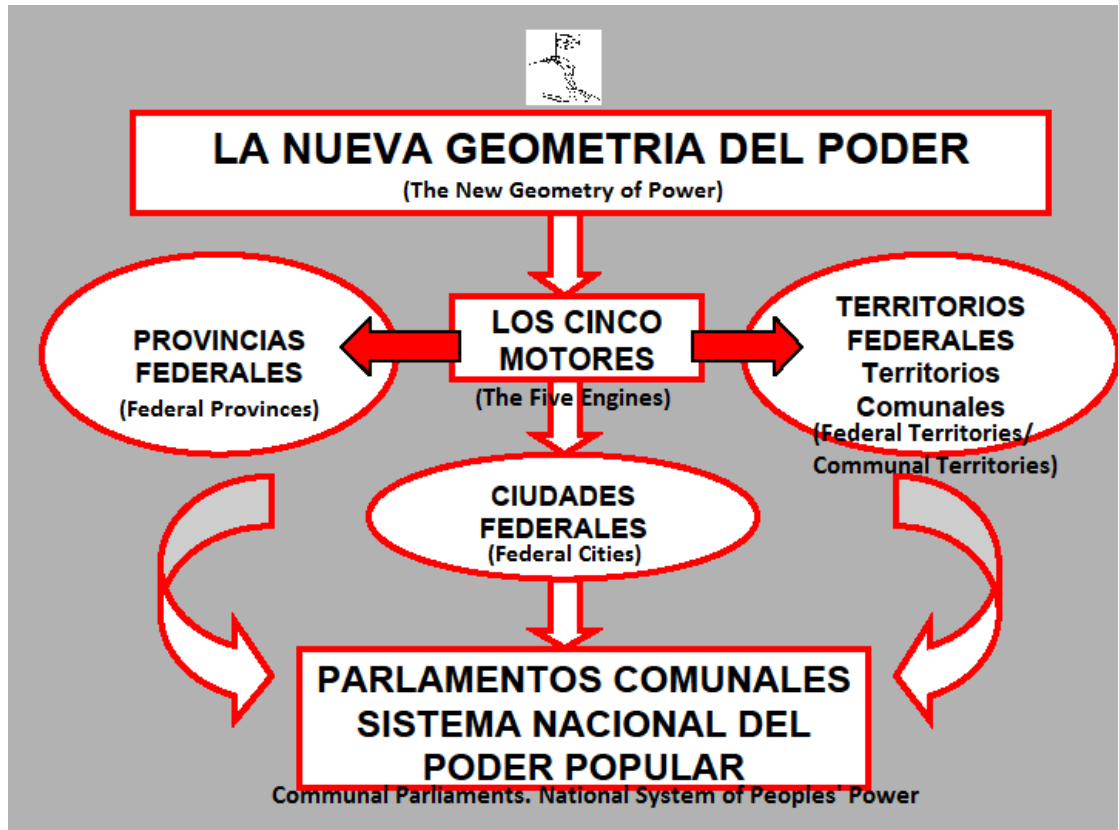
envisaged that the national territory would be conformed, for territorial and political purposes and in accordance with the new geometry of power, by a Federal District which would be home to the capital of the republic, the States, Maritime Regions, the Federal Territories, Federal Municipalities and the District Islands. This was the basic organization proposed. However, the proposal added that the primary political unit of territorial organization is the city, consisting of geographical areas called communes (*comunas*). The communes are to be the geo-human cells of the territory and will be shaped by the communities, which constitute the spatial core of the Venezuelan socialist state. From the community and the commune, people's power will develop forms of political and territorial community aggregation that are regulated by law and which are forms of self-government.

The President also proposed that he should be able to create Federal Provinces, Federal Cities and Functional Districts. The authorities of these entities are also to be designated by the national power (the president) for a period established by the law. Federal Provinces will be formed as units of aggregation and coordination of social and economic policies, at regional scale but based on national strategic plans. By the date that this chapter was written, 184 *comunas* had been created nationwide and 15 *ciudades Comunales* in seven states<sup>44</sup> as a result of the integration of the communal councils and the *comunas*. (Armas, El Universal June 2nd 2010, Ministerio del Poder Popular para la Comunicación y la Información, January 22<sup>nd</sup> 2009). An illustrative example of the New Geometry of Power was presented by Deputy Manuel Briceño (2007) as follows:

---

<sup>44</sup> The states are: Apure, Mérida, Monagas, Portuguesa, Lara, Táchira and Barinas.

Figure 7.1 *The New Geometry of Power*



Source: Manuel Briceño Méndez, 2007

- c. The proposed constitutional amendment also included changes to Article 156 which refers to the powers of the national public power (the Executive branch of government). Among the issues addressed under this amendment which refer to the decentralization process are: planning and management of the territory of the Federal District, States, Municipalities, Federal Agencies and other regional entities; the creation, planning and management of Federal Provinces, Territories, Federal and Communal Federal and Communal Cities; the management of navigation system and air, land, sea and river transport; ports, and airports infrastructure, as well as the management and use of motorways and trunk road; the administration of public services, especially home-based services such as electricity, telephone, television, water and gas. The amendment of article 156 also includes the promotion, organization and registration of councils of popular power (Consejos del Poder Popular), as well as their technical and financial support.

- d. The reform suggested by President Chávez, also argued for the enactment of a **national**<sup>45</sup> law that would create mechanisms for the national government, the states and municipalities to decentralize and transfer control of services to **organized communities, communal councils, communities and other 'bodies of popular power'**. The Federal Government Council was also the object of modification; according to the suggested reform it would be called The National Government Council and was going to be a non-permanent body responsible for assessing the various communal, state and provincial projects in order to articulate the projects to integral development plan of the nation (Chavez, 2007).
- e. In relation to the National Executive, the reform proposed that the President could appoint the first vice president of the nation and the number of vice presidents that he or she considered necessary.

The proposed constitutional reforms provoked strong negative reactions amongst President Chávez' political opponents, and even some of those more sympathetic to his political project. Leopoldo López, former mayor of Chacao (Caracas), provides a good illustration of the many negative opinions about the constitutional reforms. In a public radio interview<sup>46</sup> Mr López said that the intentions of the constitutional reforms were to move away from decentralization. He based his opinion on four pieces of evidence:

- i. In the proposed reform the Federal Council is eliminated and in substitution a National Council is proposed which is called by the president whenever he fancies; if there is a governor from a political standpoint opposed to the president he will not be called to these meetings as happened in 2004 when the president only held meetings with political allies. If the federal Council is eliminated, a significant space will be lost to further the inter-institutional link necessary between central and regional governments.

---

<sup>45</sup> Bold and underscored in the original.

<sup>46</sup> La Entrevista con César Miguel Rondón, Circuito Éxitos de Unión Radio.

- ii. Another element is the proposed presidential power to change territorial borders; through these powers he could create new federal territories, a federal city or communal city as he wishes without having to ask anybody. At the present time if a boundary modification is introduced it has to follow constitutional channels like the regional or municipal assemblies.
- iii. The proposed elimination of FIDES and the LAEE which constitute, in many cases, 60 or 70% of the total income of governors and municipalities.
- iv. Another aspect that goes against decentralization is the suggestion of creating regional authorities: figures who are appointed by the president and not elected by the people.

As mentioned previously, President Chavez's constitutional proposals were presented to the National Assembly and were approved by the Assembly on November 2<sup>nd</sup> 2007. Later on the reform proposal was presented to the National Electoral Council to call for a popular referendum which took place on December 2<sup>nd</sup> 2007. In this referendum the proposals to reform the national constitution were refused by the electorate (Globovisión, 03-12-2007). The 'YES' option that supported the constitutional reform got 49.29% of the total votes, and the option 'NO' objecting to the reform got 50.7% of the total votes (Consejo Nacional Electoral, December 2007). Although the constitutional reform failed to gain the approval for its implementation, President Chávez has carried on with the strategy of the Five Engines. One of the most productive elements of this strategy has been the Enabling Law. Under the *Ley Habilitante*, President Chávez and his team wrote and approved sixty-five (65) laws, and published them in the official gazette on August 31<sup>th</sup> 2008, the very last day of its dead line. Of all this package of laws, the one that influenced the decentralization process most directly was the Organic Law of Public Administration. This law reiterated (in paper) the principle of decentralization and de-concentration of national public administration; the law defined decentralization as an act through which the national public administration can decentralize competences and public services *in* the states and municipalities, *not to them*, in order to increase the efficiency of

administration. Regarding functional and territorial de-concentration, the law refers to the act of transferring powers from a superior institution to one of its branches. Article 57 refers to The Central Planning Commission as the highest organ of coordination and control of the centralized planning of the National Public Administration, it has a permanent character, and it is responsible for ensuring the harmonization and appropriateness of the actions of all the organs and entities of the National Public Administration (Habilitante: Ley Orgánica de la Administración Pública, 2008).

Through this legal instrument, the President of the Republic may designate regional authorities, which have the function of planning, implementation, monitoring and control of policies, plans and management of projects of land development approved under the centrally planning system (Article 70, Gaceta Oficial de la República Bolivariana de Venezuela, 31-07-2008). The creation of regional authorities recalled the figure of the vice presidents in the constitutional reform already rejected in the referendum, and it was considered by some as an action seeking to diminish the authority of governors and mayors because "his ultimate goal (of President Chavez) seems to be making governors and mayors in pure instruments of power, agents of the National Executive, it is to say, a figure like that existed in the 1961 Constitution" (Combellas, Tal Cual, 23-03-09). However, an ex-magistrate of the Supreme Court, Roman Duque Corredor, argued that despite these new regional authorities, "the constitutional principles of decentralization and federation prevent these new regional authorities from invalidating the authority of mayors and governors. However, he admits that the risk exists, as a rule such as that contained in the Organic Law of Public Administration can be interpreted in an arbitrary way: 'If what is proposed is to disguise the regional vice presidencies, the first victims are the inhabitants of the province (El Nacional, 06-08-2008).

Based on this law, president Chávez took on new powers to create new sources of regional control and bypass the existing regional and local institutions and authorities. The motivations are several; when President Chavez set up the Central Planning Committee, he said: "no more state autonomy, centralization, especially in planning, because we have inherited a dismembered state". The

president said that his government was “creating the new social state to build the socialist republic (Unión Radio, June 17<sup>th</sup> 2007). He added that ideally it should be a centralized government. The president argued that central planning should be applied to make the management and control throughout the national territory more effective “it cannot be that a mayor has a plan and the governor has another and the government (national) another one” (Chávez, 22-04-07). One of the underlying motivations for the reform is the suggestion that many mayors and governors were using their positions to work against the implementation of national policies due to the political confrontation between them and the president. An example of this is found in the argument of President Chávez (El Nacional, 28-11-2008), who called for the Venezuelan people to be “in permanent mobilization” to defending the Bolivarian revolution “, as he does not believe in the attempts of the opposition mayors to work together with the National Executive.

As suggested above, the intention of President Chávez to implement a different type of decentralization based on his idea of the New Geometry of Power did not stop with the failed proposition of changing the constitution. As an example of this, before the last elections for regional authorities that took place in December 2008, the president warned the voters that he would not send money to those states where the opposition won. In that regard, he mentioned a program to be activated in 2009, called “the Acceleration Program for Regional Development” (Programa de Aceleración del Desarrollo Regional) that would be established in those states where the new governors “support government policies”. He went on to argue that he would not support financially the opposition governors because they were planning a coup d’état (Agence France-Presse, 06-10-2008; VTV, 2008). Later on, he stated that he needed governors who support him and not those who went out of his political influence (Díaz, El Universal, 19-10-2008). President Chávez also accused the opposition governors of having the intention of destabilizing his government, and called them *caudillitos*<sup>47</sup> that wanted to create another republic within the republic looking for autonomy with separatist

---

<sup>47</sup> This words refers to a military leader.

pretensions, like in Bolivia<sup>48</sup>. The president also threatened them with reversing competences through, for example, taking back the administration of ports and airports (Ustáriz, 2001, 23-03-09), assigned to regional governments by the national constitution. This warning was given to opposition governors, but it was also executed in other states whose governors support Chávez' political project.

This warning was accomplished soon enough after the election for governors and majors, when out of 23 governorates, 5 were won by the opposition, plus the Alcaldía Mayor (CNE, 2008). Even before some of them took office, the national assembly stripped them off of some of their responsibilities. On March 2009, for example, the national assembly approved a partial reform to the Organic Law of Decentralization, Delimitation and Transference of Competences of Public Power (Ley Orgánica de Descentralización, Delimitación y Transferencia de Competencias del Poder Público, Asamblea Nacional República Bolivariana de Venezuela, 2009). The reform was intended to allow the national government to revoke, for strategic reasons, competences given to states and municipalities and that could be considered as of public interest such as highroads, airports and ports (Globovisión, 12-03-2009; El Universal, 13-03-2009) that is, that the state has the prerogative to take back all of these powers and it reserved the right to do so when it judged that strategic reasons had been met. In subsequent articles the reform remarks what responsibilities would continue to be assigned to the states, which were to be reduced to the collection, administration and control of fiscal paper and taxes, and the administration of non mineral deposits. As a contradiction, it declared that the administration of roads, high roads as well as airports and ports was the responsibility of the states, in coordination with the national executive branch, but those would be administered by the national government.

A few days after this reform, President Chávez ordered the army to take over the ports located in Zulia and Carabobo states, both in the hands of adversary governors (Actualidad 2.0, 16-3-20090). According to Chavez, the reversal of responsibilities already assigned to regional government for its administration to

---

<sup>48</sup> An explanation of this Bolivian issue was given in Chapter V, refer to the constitution of regional government opposed to the government of President Evo Morales and that are accused to promote the independence of these regional governments from the Republic.

the central power would initiate a process of regression of what he called breaking the unity of the national territory and sovereignty as previous governments had broken the country into pieces.

Other states were also cut off of some responsibilities and financial sources. On December 2008, the national executive ordered the transference of all health centres under the administration of the Miranda government to the Ministry of Health, citing strategic reasons, but the main reason lies in the statements made by President Chavez on the need to centralize the planning process of the country. According to the newspaper *El Universal*, this transference was not carried out in consultation with the new authorities, but was ordered through a presidential decree and published on the official gazette (*El Universal*, 04-12-2008). The new governor, Enrique Capriles, said that 18 public health centres had been transferred to the central government, and together with them, their budgets and staff; “this is a steal to Miranda State and to the process of decentralization”, he argued (*El Universal*, 04-12-2008).

Another example of reversing regional responsibilities was with the *Alcaldía Mayor*, where national government took over the administration of the regional public television, schools, hospitals, roads and public works; before the elections, the outgoing mayor also returned the metropolitan policy to the national government (Márquez, Agencia de Noticias Inter Press Service, 23-03-2009).

To make things even worse, the authorities of the metropolitan district of Caracas (*Alcaldía Mayor*) legally elected in December 2008 were fiercely attacked by the national government, starting with the City Hall that was occupied by supporters of President Chávez impeding the new authorities from occupying the premises (*The Washington Post*, 12-02-2009). The actions taken against the Mayor is one of the most representative examples against the decentralization process in Venezuela. Before the elections of November 2008, this municipality was governed by a representative of the ruling party and was won by Antonio Ledezma, a strong opponent of President Chavez. In the following section is discussed these events.



The Metropolitan District of Caracas was created by the 1999 National Constitution, and, according to The Special Law About the Administration of the Metropolitan District of Caracas (Ley Especial Sobre el Régimen del Distrito Metropolitano de Caracas) sanctioned by the Constituent National Assembly in January 2000, this district would function as a political-territorial unit whose limits would include the following municipalities: Libertador (previously called Federal District), Sucre, Baruta, Chacao and the Hatillo from Miranda State. This metropolitan district was organized into a municipal administration of two levels:

1. The Metropolitan Level (equivalent to a state), comprising the executive and the legislative and having jurisdiction over the whole metropolitan area of Caracas
2. The Municipal Level constituted by the executive and the legislative bodies of every municipality that formed part of this district (Asamblea Nacional Constituyente, 2000).

All the authorities within this area would be elected by popular elections and for the election of the metropolitan district government (*Alcaldía Mayor*) the electorate would constitute all the electors from the five municipalities mentioned above. One of the main tasks of the Metropolitan Mayor was to coordinate and unify the areas of public services and to take on the competences previously assigned to the figure of the governor of the Federal District; a position that was eliminated by the new constitution.

In order to give more coherence to these governments, the Government Council of the Metropolitan District (Consejo de Gobierno del Distrito Metropolitano de Caracas) was created, which was formed by the Metropolitan Mayor and the mayors of the other municipalities. The competences allocated to the metropolitan district were:

- a. Metropolitan aqueduct
- b. Electricity and domestic gas
- c. Urban roads and transit
- d. Urban transport

- e. Civil protection and Fire-fighter brigade
- f. Urban policy
- g. To coordinate public health services with the municipalities
- h. Refuse collection
- i. Any other competences not assigned to the national or municipal level

The financial sources for this level of government are constituted by taxes, the constitutional *situado* of the past capital district (that is 10% of the *situado* assigned to the municipalities), the transference from the national budget due to its role as national capital, and any other transference from the national government.

The fact that this important level of government was won by a political party opposed to the national administration represented a clear defeat for the president because this government represented the country's most important regional government. After this election, on April 2009 the National Assembly sanctioned the Special Law About the Organization and Administration of the Capital District (*Ley Especial Sobre la Organización y Régimen del Distrito Capital*), this law mirrored item b of the constitutional reform proposal. The purpose of this law at least on paper, was to seek a harmonic development of the city of Caracas, but, in fact, it appears to have been created to take the place of the new metropolitan mayor. To that end, president Chávez appointed Mrs. Jackeline Farías as the new Chief of Caracas' Government. At the outset of this process, the national assembly decided that the headquarters of this new government position would be the Municipal Palace or City Hall, which is the same building where the *Alcaldía Mayor* was believed to deliver his functions. An important element in this law is that the Chief of Government would be designated by the president in office, and could be removed whenever he decided to do so. On the other hand, the legislative function of this Capital District would be carried out by the National Assembly.

The competences assigned to this new authority will be:

1. To administer the financial resources coming from national transfers
2. To create policies to avoid public disasters

3. To promote the organization of communes and the communal government
4. To administer the fire brigade
5. To administer and collect taxes
6. Public policy
7. Organize public services
8. Urban planning

The financial resources will be comprised by:

- ✓ The constitutional *situado* and the transference from the national budget due to its capital nature
- ✓ Taxes
- ✓ Resources from the LAEE and FIDES
- ✓ Any other assigned by national budget

The mayor of the Metropolitan Council Antonio Ledezma reacted against the Special Law About the Organization and Administration of the Capital District, and claimed that with this law the national assembly left the council “without liquid assets by ordering the transference of budget, staff and facilities to a new authority appointed by President Chávez, this a continuous coup d’état to the national constitution” (El Nuevo Herald, 30-04-2009), he also added that this was an arbitrary dismantling from the national executive (EFE, 2009). Ledezma called upon the voters to take to the streets and also filed an appeal on the grounds of unconstitutionality before the Supreme Court (El Universal, 02-04-2009; 22-04-2009), but this was ignored by the judiciary.

### *The Federal Council of Government*

Another fact supporting the argument that decentralization is being reversed in Venezuela was the absence of the Federal Council for Government (FGC which until recently had not been installed. However, fairly recently, on November 3 2009 the National Assembly initiated the first discussion of a projected Organic Law of the Federal Government Council comprising 30 articles (ANTV, 03-11-

2009). This law was approved on February 9<sup>th</sup> 2010. According to the 1999 National Constitution in its article 185, the main task of the FGC is to coordinate policies and actions towards the development of the process of decentralization and transference of competences from the national level to the states and municipalities. However, the law, recently approved, changed this initial principle by saying that the competences of this body would be to establish the direction of the planning process and to coordinate those actions and policies necessary to achieve regional development (Article 1, the purpose of the law). It also adds that it will establish the structure for the transference of competences from the territorial entities **toward** the organizations that hold the original sovereignty of the state. Article 2 recognized, in the first place though, that the Federal Government is the body responsible for the planning and coordination of policies and actions for development of decentralization and the devolution of power from the National state to the states and municipalities. However, it added that accordingly, the Federal Council Government would set the guidelines that apply to the transfer of powers and duties from local authorities to grassroots organizations which it defines as being the base of popular power. Finally, this article stated that the guidelines of the FGC shall be binding on states and municipalities (Asamblea Nacional de la República Bolivariana de Venezuela, 2010).

In my understanding the most alarming article of this law is the 4<sup>th</sup>, within which the concept of organized society is limited to Communal Councils and any other grassroots organization of 'People's Power'. This represents an awkward strategy to marginalize alternative representations of organized community, and deviates from the concept of civil society embodied in the 1999 national constitution which referred to civil society as organizations that did not represent specific political interests (Combellas, 2004). It appears that only certain kinds of 'participation' are to be encouraged in Venezuela, not that arising from "classic" civil society known so far, but that of the "new civil society, mobilized and organized from and by the state" (Salamanca, 2004:97).

This act also established in its article 5 that FGC will plan the creation of “Distritos Motores de Desarrollo (DMD)<sup>49</sup>”, a mechanism that had not been mentioned in any other law before, or in the constitution for that matter. It would also approve the Inter-territorial Compensation Fund and define which areas are more important to invest those funds (Asamblea Nacional de la República Bolivariana de Venezuela, 2010). The president in office would have, without affecting the current political administration of the country, the power to create DMDs with the idea of achieving the comprehensive development of the regions and the strengthening of People’s Power, in order to ease the transition towards a socialist political system (Asamblea Nacional de la República Bolivariana de Venezuela, 2010).

Regarding the subject of devolution of power from the central state to regional and local institutions, which according to the national constitution in its article 185, was the main task of the FCG, it had been changed in the FCG law, which, in its article 7, stated that the devolution of power was the channel to achieving the strengthening of grassroots organizations of the People Power and the harmonic development of the DMD and regions of the country, under the National Plan of Economic Development and Social Welfare (Asamblea de la República Bolivariana de Venezuela, 2010).

One of the attributions of this body is to recommend to the President the transfer of responsibilities and services to the public powers and to the grassroots organizations of the popular power. Also it can advise, based on the necessary efficiency to administer, about possible modifications in the political and territorial organization of the country. Finally, it can suggest to the President the creation of DMD (Article 14).

From what the law had defined as the composition of the *Secretaría*<sup>50</sup>, one can tell that this is a less bureaucratic body compared to that of the Local Councils for Public Planning, for instance. However, one cannot avoid noticing that on this occasion, the “people power” was not part of the *Secretaría*. According to article

---

<sup>49</sup> The DMD are those areas specially created to support the provision of works and essential services in the regions and less developed communities (Ley del Consejo Federal de Gobierno, Artículo 5).

<sup>50</sup> The Secretariat is the management and implementation body of Federal Council of Government (Article 18).

11 the spokespersons from the Communal Councils will only take part in the *plenarias* or general meetings, which to my understanding constituted a severe contradiction considering the tasks assigned by the law to this body.

Through this law the Inter-Territorial Compensation Fund (Fondo de Compensación Interterritorial) was created whose objective was to finance public investments and to promote balanced regional development, a cooperation and complimentary between policies and development initiatives of the different regional public bodies and the execution of works and essential services in the regions and less developed communities (Article 22). There is a confusing item regarding the origins of the funds received by this body, which are to be received from the national government, but also from those resources assigned to the states and municipalities. Considering that already part of their finances coming from FIDES and LAEES, had been cut to privilege the Communal Councils, another severing of funds would really affect the performance of state and municipal authorities.

Finally, the transitional provision of the law established that, pending the adoption of the regulations of this Law in which the procedure for the selection of the spokesperson of the grassroots organizations can be established, those persons will be selected by the Ministry of People's Power with responsibility for citizen participation, through consultation with social sectors (Asamblea de la República Bolivariana de Venezuela). The bill also established that this body will use its powers to help the Federal Regions of Development whose denomination, organization, function and formal structure will be established by the president in office. One of the responsibilities of the FGC will be to suggest to the president what sort of competences and public services can be transferred to the "territorial public powers" (Poderes Públicos Territoriales) and to the units of popular power organizations (Organizaciones de Base del Poder Popular) and, for its installation and deliberation process, it should ask for the authorization of the president.

Within its proposed roles are, among others: to promote the de-concentration of population; to suggest the de-concentration and transfer of public services and responsibilities; to establish offices in the regions; and it will be funded through

the Inter-Territorial Compensation Fund (Fondo de Compensación Interterritorial).

Another bill that has also been discussed in the National Assembly recently is the Organic Law for the Planning and Administration of the Territory (Ley Orgánica Para la Ordenación y Gestión del Territorio), presented on September 30th 2008 and approved after its first discussion the same day. Although this law is addressed to land use planning and the spatial distribution of development in the country, it intends to lead public policies towards the creation of a socialist geographic space (el espacio geográfico socialista) which would be organized and structured through the creation of the Territorial Development Axis, the Functional Regions, the Urban-rural Systems and the Territorial Political Administration Units (Ejes de Desarrollo Territorial, las Regiones Funcionales, los Sistemas Urbanos-rurales, Unidades de Gestión Territorial Político Administrativa). This new territorial organization on which the law is based is underpinned by the new territorial structure established in the strategic objectives posed by President Hugo Chávez Frías, which refer to a different way to distribute spatially the political, economic, social and military power, that is, the new national geopolitical as has been set out in the seven strategic lines of Simon Bolivar National Plan 2007 (Asamblea Nacional de la República Bolivariana De Venezuela, Comisión de Ambiente, Recursos Naturales y Ordenación Territorial, 2008).

According to the political organization proposed by this law, the president in office will appoint a Regional Authority for each functional region created, that would be in charge of developing policies, plans and planning projects in specific regions. To that end, the regional authority, acting as representative of the national government (as was the case with the former governors under the 1961 national constitution) would have the following responsibilities:

- a. To design, coordinate and to implement, under the orientation of Planning Central Commission, policies and guide lines.
- b. To control the functions and operations of the national public administration bodies present in the different regions.

- c. To coordinate the actions of the public administration institutions at national, regional and municipal level and any other form of communal organization in order to implement policies, and land use plans and projects in the region.
- d. Another article establishes that the states and municipal administrations would be subordinated to the guidelines given by the Regional Authorities, although it establishes that state and municipal authorities would be the governors and mayors respectively.

This projected new law has raised negative comments from some quarters about the situation of governors and mayors, as well as about the new structure for the planning process. To begin with, this law establishes some spatial figures similar to those rejected in the popular referendum carried out in December 2007 such as the federal provinces, federal cities, and functional districts. This law does not take as its prime unit of planning the current division of the country in states and municipalities to organize this process; on the contrary, it mentions the creation of figures like productive regions and districts whose spatial area might correspond or not with the geographical limits of states and municipalities. It also establishes the creation of some planning structures resembling those proposed in the constitutional reform such as the Functional Region, Productive Districts, Management Units, the constitutional reform proposed instead the creation of Functional Districts and Federal Provinces, in both cases, the new areas could be created by the President (Asamblea de la República Bolivariana de Venezuela, 2008). Another conflicting element is that the decisions of the regional authorities would be legally binding on states and municipal authorities (El Nacional, 02-10-2008). This legal provision is particularly contradictory because the former would be appointed by the president in office and not elected by the people. According to Dr Julio Castillo, former mayor of Naguanagua, Valencia, governors and mayor will become little more than second class employees, subordinated to the regional authorities created by this proposal, (El Carabobeño, 03-10-08).

However, the proponent of this law, Deputy Manuel Briceño Méndez argued that it “is absolutely untrue to say, as the opposition sector says, that this law lessens



the powers of governors and mayors". He argued instead that the competences and political and administrative power of regional authorities would not only stay the same but will be strengthened. He went on to explain that this new instrument, unlike that approved in 1983, will broaden the process of decentralization even more (Da Costa, Prensa Asamblea Nacional, 07-10-2008).

Regardless of the previous statement given by Deputy Briceño about denying the threat that the Organic Law for the Planning and Administration of the Territory poses over the authority of regional government, the truth is that national government indeed has the intention of creating a new geometry of power, which was exposed in the National Plan 2007-2013. In this plan, as was explained before, one of the strategic objectives is to produce a new national geopolitic, and the strategy to transform the country expressed in the establishment of the "Five Engines" (Briceño, 2007). According to Deputy Briceño, the national administration is seeking, through this Plan and, with the institution of a set of laws one would say, to create a new institutionalism that replaces the current political and administrative division of the country. He said for instance; that a confederation of Communal Councils could substitute the parochial boards<sup>51</sup> (Juntas Parroquiales) because they, as an institution, are useless, that is to say, not fulfilling the role for which they were created. Parishes are local territories within the municipality, created in order to decentralize local government, promote citizen participation and improved the delivery of local public services (República de Venezuela, Ley Orgánica del Régimen Municipal, Article 32). He went on to say that these spaces can be administered by a confederation of Communal Councils. He also estimates that a Council of Public Administration (a figure that does not exist) will substitute the municipalities.

This national authority and proponent of the Planning Law sustained that the new model of development requires structural changes

...that should correspond with a new a proposal of land use planning whose backbone is the construction of a new institutionalism that calls for the revision of the political and administrative territorial units and

---

<sup>51</sup> Juntas Parroquiales are Local authorities are governed by the Organic Law of Municipal Regime, they are part of the municipality administrative division.

their public competences, it means, a new geometry of power<sup>52</sup> (Briceño Méndez, 2007b: 3).

These words coming from the person in charge of the project for a new law that has been discussed in the National Assembly at the moment this chapter was written, confirmed that the fears of regional authorities regarding the re-concentration of power by the national administration are not groundless.

## 7.2 Decentralization or Re-concentration of Power?

The tension between decentralization and centralization efforts has been a constant in Latin American countries. This tension has been accentuated by the establishment of long periods of centralist governments (González & Mascareño, 2004). The history of this process in Venezuela can show how successive national constitutions have included the character of federalism in their contents but ended up being just a concept that is not implemented, like in the 1811 national constitution (Mascareño, 2004). Following long internal wars and periods of dictatorships, national constitutions were characterized by their centralist character, although invoking the federalist political nature of the country. It was also reflected in the constitutions enacted in 1947 and 1961; where the centralist character was very strong, keeping the idea of the federation, but it was just as “a constitutional form that left regional entities empty of their federal content” (Brewer-Carías, cited by Mascareño, 2004:447).

In the present era, these facts have not changed. The 1999 national constitution indeed endorsed the idea of federation and decentralization as a national policy, but the truth is that the tensions between decentralization tendencies and re-centralization attempts have never been more evident and insistent than they are in contemporary Venezuela. According to Mascareño, “from 1999 we are

---

<sup>52</sup> The original says “La inserción del sistema de asentamientos en un Nuevo modelo de desarrollo.... requiere, en consecuencia, cambios estructurales; en concordancia con una nueva propuesta de ordenación del territorio cuyo contenido radica en la construcción de una nueva institucionalidad cuyas competencias y jurisdicciones plantean una revisión de las unidades territoriales político administrativas y de gestión de políticas públicas, es decir, una **Nueva Geometría del Poder**”.

observing a steady scenario characterized by a deep process of re-centralization of power” (2005:147). Perhaps, one of the reasons for this turnaround has been the constant confrontation between the president and regional authorities opposed to his political ideas. The political conflict experienced during 2001-2002 definitely undermined the institutional channels that were supposed to support the links between national and regional governments (Contreras, 2003). Mascareño, however, argues that this process has been reversed because it “came into conflict with the authoritarian and militarist spirit of the government” (2007:12).

During the research carried out in Venezuela, one of the local authority leaders<sup>53</sup> interviewed expressed that one of the main differences between the 1961 and 1999 national constitutions, regarding the subject of decentralization, is that the former stated that Venezuela was a federal state in the terms established by this constitution (Article 2). The current constitution went further when establishing that it is federal and decentralized, but in fact, according to him, it does not give any new competence to the states, but creates an institutional structure downstream of the municipal power, which is this new law on local planning boards and community councils<sup>54</sup>. Besides this, the 1999 constitution gave more power to the president in office; he also mentioned that the constitution produced two new instruments that should have furthered the process of decentralization, but due to lack of political power, have not been taken forward. The following steps, according to the interviewed, should have been to legislate on the State Public Treasury and the Federal Council Law. The first law would have deepened decentralization in Venezuela because the states still receive 80% of their budget from the constitutional *situado* or from laws like the FIDES and LAEE<sup>55</sup>, and those resources come from the national government, meaning that the flow of finances are under the control of the national government and the president in office. The second institution, the Federal Council that was supposed to become the intermediary of decentralization, was not established by the time of the interview.

---

<sup>53</sup> Dr Julio Castillo, former Mayor of Naguanagua, Carabobo State.

<sup>54</sup> He was talking about the Communal Councils and the Councils for Public Planning.

<sup>55</sup> The meaning of these laws was explained in Chapter VI.

According to Mascareño (2004), the tension between the central and regional governments grew because of the restriction to the access to financial sources, which has been accompanied by “the aggressive presidential speech”<sup>56</sup> (Mascareño, 2004:471).

This concern was another element identified as hindering the progress of decentralization and was pointed out by former Mayor Dr. Castillo when talking about the pressure that comes with the control of financial sources by the national administration. This was a subject about which, regional authorities bitterly complained quite frequently. Recently, Governor Capriles Radonski, expressed his dissatisfaction with the continuous reduction of state budgets, saying that it is difficult to explain to communities such reductions when they are just looking forward to improve their wellbeing (Tal Cual, 11-11-2009).

Leopoldo López former mayor of Chacao<sup>57</sup>, in a public interview<sup>58</sup>, also highlighted the problems mentioned by Dr Castillo previously. He also argued that the Chavez government has not deepened the process of decentralization in the last years; on the contrary, he argues, it has gone backwards. He pointed out the inexistence of the Federal Council and the fact that no more powers have been transferred to the states and municipalities, quite the opposite, many hospitals and health centres have been taken away from provincial governments and municipalities, and the same is happening with the progress made by regional authorities on public safety with the creation of the National Policy Force Law.

A former Senior Staff from *Alcaldía de Naguanagua*<sup>59</sup> also expressed his concern about the changes introduced from the national assembly to the role of local authorities by giving more power to new structures like the communal councils.

A study carried out by Venezuelan scholars in 2004 about the first municipalities authorities elected in the country showed, as one of its results, that one of the

---

<sup>56</sup> Earlier in this chapter it was mentioned the sort of speech made by the president previous to the election of regional authorities.

<sup>57</sup> Chacao is one of the municipalities, together with Baruta, El Hatillo, Sucre y Libertador, that are part of the Metropolitan Area of Caracas.

<sup>58</sup> This interview was given in a public radio show called “La Entrevista” conducted by the journalist Cesar M. Rondón.

<sup>59</sup> This interview took place on December 14<sup>th</sup> 2006.

main concerns for these local governments was the lack of support from the national administration to advance in this process (Reverón & Vargas, 2004; Reverón, 2003).

The discussion in the national assembly of the project of the law of the Federal Council is another sign of the turnaround that the process of decentralization has taken in the country. Cesar Perez Vivas, Governor of Táchira State, declared that this law will take away the administrative competences of governors and mayors, “the (national) government wants to give a coup d’état to states and municipalities because it does not accept that the opposition won in those entities with more electoral force” (El Nacional, 11-11-2009). This project has also been rejected by the state assembly of Zulia, Nueva Esparta and Miranda States (all opposed to the national administration) alleging that the national assembly is violating the national constitution and announcing the abolition of decentralization, the spokesperson, Deputy Eliseo Fermin said that this project goes against 13 articles of the national constitution and “has ignored the mandate of article 206 that declares that the states should be consulted by this assembly when legislating subject that affects them. And so far no body has asked us” (El Universal, 11-11-2009). Another complaint has been made by Carlos Vechio, who argued that this law infringes the national constitution because “it gives the president attributions that he has not in the constitution”, he particularly refers to article 7 of the project that allows the president to create “the federal regions for development, figure that is not considered in the constitution. Vechio also pointed out that article 2 goes against article 185 of the national constitution which establishes the attribution of the Federal Council, and adds that with this law the national assembly “wants to impose the new geometry of power proposed by Chávez in the constitutional reform to what the people said no”. On the other hand, Rafael Isea, Governor of Aragua State, alleged that this project is a step forward in the direction of creating the communal state and forecasted the disappearance of the municipal councils (El Nacional, 10-10-2009).

Despite all the criticisms, the Federal Council Law was enacted without taking into consideration the suggestion made by opposition parties. Mr Pablo Pérez,

Governor of Zulia State declared that this law just sought “to centralize even more the power of President Chávez”, he added that this law and the decentralization law are “an elementary textbook that has the national government to exterminate the states and municipalities” (Unión Radio via Informe21.com, November, 2009).

Along the same lines, governors and leaders of opposition in Venezuela also protested the adoption of this new law, because according to them it transfers part of their responsibilities to community organizations and warned that its enactment "centralized" power in the president Hugo Chávez. Antonio Ledezma, Mayor of Caracas argued that this legal body represents a “death blow” to decentralization and is a way “forward in the concentration of power in one hand”. From January next year, the municipalities and governorates shall be converted into offices for the payment of payroll and nothing else. There will be no resources to take any initiative to develop any work” added César Pérez Vivas governor of Táchira State (Últimas Noticias, 22 February 2010). Recently, the Supreme Court rejected an appeal made by Miranda’s State governor Henrique Capriles against this law; the decision taken by the Court, based on the complaint made by Capriles about how the discussion of the law was being carried out by the National Assembly. Capriles argued that “governors and mayors were not being allowed to participate in the drafting of the text, although it affected them directly” (Alonso, March 5<sup>th</sup>, 2010).

On the other hand, Vice-President Elías Jaua, said that negative comments about this law made by “counter-revolutionaries” reflects their refusal to transfer power to the people. He also argued that is completely untrue that the new Inter-Territorial Fund would deny resources to governorates and municipalities. The Fund, he said, also had “a percentage for these local governments to fund community projects. This means that not only the national government is obliged to finance organized people's power” (Agencia Bolivariana de Noticias, 22-02-2010).

The Chief of the Capital District Government, Jackeline Farías alleged that this law will resolve with more efficiency the problems of Venezuelans, because it “will establish a comprehensive view among all the heads of government in

states and municipalities on the situation of the country, thus more effectively to solve the problems that Venezuelans face” (Partido Socialista Unido de Venezuela, 22-02-2010). Finally, a senior staff member from the governorate of Guárico State affirmed that this law “gives the people more active participation and allows people to develop productive projects, through the communal councils (and form), a direct link between people and government, strengthening democracy in the country. He also added that this is “a legal instrument that is moving towards building a socialist and communal state, which is designed to strengthen and recognize the people's power” (Prensa Gobierno del Poder Popular Guariqueño, 22-02-2010).

In a public interview<sup>60</sup> Ricardo Combellas<sup>61</sup> expressed that President Chávez is contradicting himself from his original intention of having a federal country as he was trying to revert the competences of governors and mayors through the reform of the decentralization law. He adds that the President is exhibiting an enormous level of “personal ambition of concentrating an excessive amount of power”, and by doing that President Chávez not only affects those authorities opposed to his political project but his own too (Tal Cual, 23-03-2009).

### 7.3 Preliminary Conclusions

There are many signs nowadays indicating that the process of decentralization that started at the end of the 1980s in Venezuela is being reversed. The incessant attacks on governors and mayors who do not agree with the national administration are reflected in the elaboration of an intricate legal framework by the national assembly in order to accomplish such an overturn. President Chavez did initiate a process of political changes in Venezuela when he brought about a new national constitution. Through this mechanism the system of participation that had prevailed in the country, characterized by the domination of political parties and the representation, was broken and instead of it there was

---

<sup>60</sup> The interview was made by David Ludovic and published in the newspaper Tal Cual.

<sup>61</sup> He is a former chairman of COPRE (Commission for the Reform of The State) and co-writer of the project of National Constitution presented to the Constituent National Assembly (Asamblea Nacional Constituyente) which approved the text presented for national referendum in 1999.

established another system for participation regarded as participatory democracy.

At the beginning, this participatory democracy was implemented with the mechanisms established by the 1999 constitution through regional and local governments. However, as will be explained in the next chapters, it did not work as it was envisaged and a new structure was put in place which was reflected in the establishment of new way of instituting the process of decentralization. President Chávez decided that instead of using governorates and municipalities to encourage civil society participation, it was more effective to work with grassroots organizations that would depend directly from Miraflores or any other ministry from the central government. Thus, a new legal fabric has been produced to underpin this purpose.

President Chávez in a bid to regain the power given by the previous constitution to regional authorities has instigated a strong campaign from this legislative body and from the central administration itself to suffocate the structure of power created by decentralization. As some scholars point out, the tension caused by the policies implemented and the way they had been established has created a situation in which any link or intergovernmental communication among national and regional governments has been damaged, “the presidents’ divisive and polarising discourse with its constant threats... had stirred up dynamics of confrontation” (Hidalgo, 2007). By encouraging the institution of other forms of civil society participation in public affairs, the central administration has diminished financial resources that legally correspond to regional governments. The question is how deep or how far can this new de-concentration scheme go.

In the next chapter this question will be explored, starting with the analysis of how participation policies under the new constitution have been implemented through local and regional authorities in Venezuela. The following chapter will also explore the experiences developed through instruments like the Local Councils for Public Planning and Communal Councils.



## Chapter VIII

---

### A Review of the Mechanisms for Public Participation in Local Government in Venezuela under the 1999 Constitution.

*“La actual popularidad de la democracia participativa está ligada al malestar con la democracia representativa. Una a una, las críticas a las prácticas representativas esperan ser resueltas con la participación ciudadana. No basta constatar los defectos del funcionamiento democrático, hay que afirmar las limitaciones inherentes a los mecanismos, instancias y rutinas del sistema representativo. El futuro de la democracia representativa sería la democracia participativa. Solo ésta ampliaría la frontera de los temas sometidos a la exigencia democrática y daría a los ciudadanos y las comunidades la posibilidad de incidir en los asuntos de interés colectivo y en la política”.*

*“The current popularity of participatory democracy is linked to discomfort with representative democracy. One by one, the criticisms of representative practices wait to be solved with public participation. Is not sufficient to state the defects of democratic functioning, we must affirm the inherent limitations of the mechanisms, institutions and representative system routines. The future of representative democracy would be participatory democracy. Only it (participatory democracy) would extend the border of the issues under the democratic requirement and would give citizens and communities the opportunity to influence matters of collective interest and in politics”.*

*Darío Restrepo, 2001:167*

## INTRODUCTION

Previous chapters of this thesis discussed how the process of decentralization in principle narrows the gap between governors and those who are governed. By electing their own authorities, communities have the opportunity to take part in the political 'game.' However, it has also been remarked that this is not the only mechanism for making the political process more democratic; on the contrary, there are a myriad of debates about what other channels can be put in place to allow civil society to participate in the solution of their own problems. As was presented in the two preceding chapters, Venezuela through decentralization has begun making an attempt to bring local and regional authorities closer to their constituencies; yet, it was not until the approval of the 1999 national constitution that more direct mechanisms were put into place to achieve a broader participation of civil society in public matters.

In the next two chapters an analysis of the mechanisms that the 1999 national constitution created to enhance the involvement of civil society in public matters will be presented; with a particular emphasis upon those forms of participation that occur through local institutions. To accomplish this, the present chapter will focus on an extensive examination of the State Councils for Planning and Coordination of Public Policies (SCPP)<sup>62</sup> and the Local Councils for Public Planning (LCPP)<sup>63</sup> both of which were created by the 1999 national constitution as one of the main instruments for enhancing participation at regional and local levels. In particular, the analysis will focus upon the degree to which these mechanisms have encouraged and enhanced civil society participation in public affairs focussing on the main debates developed in the country surrounding the implementation of these measures.

A second objective of this chapter is to evaluate the performance of the LCPPs. This will be achieved by taking into consideration the experiences of the people that have taken part in the LCPP and assessing the effect that this mechanism had had on the process of participation in local decision-making and planning.

---

<sup>62</sup> Consejo Estatal de Planificación y Coordinación de Políticas Públicas.

<sup>63</sup> Consejos Locales de Planificación Pública.

The preceding two chapters spent some time discussing the experiences of public participation in Venezuela prior to the passing of the 1999 national constitution. Those experiences represented an important effort carried out by local authorities to involve the communities in the decision making process. However, those efforts, as they were envisaged in the debates made by COPRE, and the subsequent efforts to implement mechanisms to engage civil society in formulating public policies following the drafting of the 1999 constitution have been slowed down and, in my opinion, even reversed by changes within the Chavez administration's approach towards territorial governance and a waning political commitment to decentralization.

## *8.1 Civil Society Participation in the Venezuelan Republic: a national debate*

### *8.1.1 The Background of Public Participation*

In the previous chapter the collapse of the party led political system predominant prior to the enactment of the present constitution was discussed. It was suggested by COPRE that policies such as decentralization had to be promoted as a means of lessening the extent of the political crisis that had seriously affected the system of representative democracy established under the 1961 constitution. Based on these circumstances, the current president Hugo Chávez presented as one of his main electoral commitments in the 1998 elections, the writing of a new constitution to re-found the republic and to overcome the limitations of political representation based on political parties and instead institutionalize a more meaningful system of participation, which he termed participatory democracy.

Before the process of decentralization was established in the country in the 1980's, there was very little space for public participation at any level of public administration, there was also very little political obligation felt by regional and local authorities towards their constituencies (Reverón, 2002) because they responded more to the guidelines of political parties. As we can recall from

Chapter VI, the only mechanism established for public participation at the local level was the Neighbourhood Associations (*Asociaciones de Vecinos*). These appeared to be a promising mechanism to enhance the participation of civil society in public matters. Some positive characteristics associated with the *Asociaciones* were their territorial character and their social network character. There was a formal relationship between the associations and local governments which was the mechanism for a limited form of decentralization (Mascareño, 2001: 180). As we can recall from Chapter VI, the *Asociaciones* could participate in the municipal management, but the municipalities were not legally bound by the opinions of the *Asociaciones* or the communities. The *Asociaciones* however, were co-opted by political parties<sup>64</sup>, and although they achieved the establishment of a relationship with local governments, it was this was entirely funded through the redistribution of national oil rents into social programmes distributed via sub-national governments rather than any real attempt to transform the basis of local or regional governance structures (Mascareño, 2005; Mascareño, 2001).

This mechanism for participation can thus be characterized as a process that lacked spontaneity and as something largely designed and driven by the state (Añez, López & Suárez, 2003). This has its origins, as was mentioned in Chapter VI, in the way 'participation' was conceived after the dictatorship: as Salamanca suggests (2003) "organizations were part of the people and should be mobilized in mass." The mechanism for achieving this was seen as the political party; as a consequence, social organizations lacked freedom because they were largely controlled by one of the political parties (Salamanca, 2003:75). Participation, through the *Asociaciones*, appeared to be a mechanism that was put in place in order to address issues of representation, and was, therefore, established around the state's interests (Añez, López & Suárez, 2003). In Chapter VI it was explained that, although the Organic Law of Municipal Scheme in its article 167 established the right for participation in local matters for those people that lived within each municipality, article 168 stated that this did not mean this right could be exerted above that of the council. In other words, participation of civil society would not

---

<sup>64</sup> Political parties politicized neighbourhood associations and these ended up responding more to the interests of the parties to their own community.

be allowed to impair the power of decision that will finally rest in the hands of local authorities.

### *8.1.2 Participation Experiences Prior to the 1999 National Constitution*

In the light of the issues placed on the national agenda by COPRE, some of the local authorities elected for the periods 1989-1992 and 1995-2000 (prior to the 1999 constitution) began to experiment with new forms of involving civil society in their administrations. One example was set by the municipality of Caroní (Municipio Caroní, Estado Bolívar) through a series of reforms introduced by its mayor who thought that the new municipal administration should be established on the basis of a new institutional structure (Carrasquero *et al*, 1994). This new structure was built in a horizontal fashion with the aim of securing a high degree of connection amongst different internal departments, the idea was to create an institution where the relations of power were shared between different staff levels and actions responded more to a team effort (Carrasquero *et al*, 1994). Regarding the question of participation, the municipality established a process of participatory budgeting and created training programs in finance so that community members could participate in the elaboration of financial plans. It also promoted the idea of civil society participation within its entire staff which was reflected in a set of municipal decisions taken based on a series of public consultations. The council also established what it termed territorial bases (Bases Territoriales) which divided the city into nine sectors; each sector had a dedicated team of civil servants devoted to identifying the problems of each area and the information gleaned from that process was to be the base of the city plan. Another action taken by this council was the creation of an information system open to the public to facilitate the participation of civil society in local issues (Carrasquero *et al*, 1994).

The municipality of Chacao (Municipio Chacao, Estado Miranda) also established a program to support and promote the participation of community organizations in the local planning process at this time. This program was called *La Agenda Comunitaria*, and represented the first step towards the involvement of civil

society in the local administration. However, at the beginning, this relationship did not extend to engaging communities in the planning process; instead relations were seen in terms of a customer-business relationship where public participation was not part of the deal, and the participatory process was limited to the creation of mechanisms designed to attend to public demands. By doing this, the council did not promote broadening participation as a public policy but encouraged a “clientelistic”<sup>65</sup> style of administration (García-Guadilla *et al*, 2000). The reason for this is that it was based on attending public demands made by popular sectors, as well as those made by upper and middle classes through the relations with the *Asociaciones de Vecinos*, which were solved in a corporate governance style<sup>66</sup> (García-Guadilla *et al*, 2000).

The ‘*Agenda Comunitaria*’ promoted by the next mayor elected in 2000, Mr Leopoldo López, in contrast was presented as a program for building citizenship; it was a mechanism that was intended to make possible the construction of a joint administration of the municipality between the council and the community. The *Agenda* was designed to be a permanent system of consultation amongst neighbourhood associations and council staff that was intended to identify the type of community in which Chacao’s residents wanted to live. The objectives of this program were:

- ✓ To encourage community participation in the elaboration, control and evaluation of projects and plans
- ✓ To activate and to strengthen the Council Social Network through strategic alliances between the civil society, community organizations and regional and national administrations
- ✓ To reinforce local administration through a process of community training and the strengthening of local and institutional leaders to improve the quality of public administration (Alcaldía de Chacao, n/d).

---

<sup>65</sup> García-Guadilla *et al* found it difficult to compare this particular clientelistic practise to that traditionally expressed in the dichotomy co-option/autonomy, and point out that in this particular case this relationship might contribute towards enhancing efficiency in order to satisfy social demands or to achieve political aims and therefore to produce greater legitimacy and better governance in the short and medium term (García-Guadilla *et al*, 2000: 62).

<sup>66</sup> “The motto of the mayor’s office is “United in Excellence; Chacao, Model of Municipal Efficiency and Excellence in the Quality of Life” (García-Guadilla, 2002: 100).

Until the enactment of the 1999 National Constitution, Venezuela's democracy can be characterized, despite the few examples of local participatory experiments noted above, as exclusively representative because of the absence of formal mechanisms to allow civil society participation in public administration. The 1992 coup d'état was a wakeup call for many social organizations; they saw this political crisis as an opportunity to demand political and institutional changes. In political theory, a political crisis frequently suggests a crisis of legitimacy – when, for example, civil society no longer feels represented by state institutions (Liset, 1979 cited by Hernández, 1994); in this case, changes in the political system are frequently required to restore legitimacy. In these circumstances the crisis of the central state is mirrored in the relations established between state institutions and civil society organizations. When the state tends to be overprotective it creates a difficult environment that closes off spaces for civil society organizations' initiatives to produce different mechanisms to participate in the solution of community problems (Hernández, 1994). On this respect, Crisp (1998) argued that democratic legitimacy is based on the idea that not only is civil society participation in public matters possible for everybody, but that this participation has some effect upon the decision making process. So the importance of recognizing the effect that citizen participation might take on public policies should be reflected in opening more “institutional channels for consultative participation” (Crisp, 1998:37).

One of the organizations that took a leading role in pursuing demands for political changes was *Queremos Elegir* who began to demand the incorporation of “freedom of choice in all aspects of social life and enhancing citizen participation in public life” (Gómez Calcaño, 1998:174). Based on the strong links that *Queremos Elegir* had built with the *Asociaciones de Vecinos*, the organization launched a public campaign to reform the Electoral Law; the changes argued for including the election of representatives by name and not by closed lists and the introduction of independent witnesses at ballot centres (Gómez Calcaño, 1998:).

## 8.2 A New Way for Public Participation

With the objective of achieving better conditions for participation than those imposed by representative democracy, the 1999 National Constitution introduced the a new democratic model which the Chavez administration called participatory democracy<sup>67</sup>. In this particular case the model of participatory democracy involved two particular concepts: people and nation. When he referred to giving the power to the people (el pueblo) Chávez was specifically talking about the poor, those who, he argued, had been forgotten by previous governments and political coalitions, and he called for a new way of making politics that would promote participation right down to the lowest levels of society: a model characterized by a process of popular decision making (Lander, 2005).

The implementation of Chavez's version of participatory democracy involved, what Restrepo (2001) has identified as changes in the central state which, in turn, are reflected in four elements: the socialization of the state, the nationalization of society, the establishment of direct democracy, and the exertion of social control of the state (Restrepo, 2001). The opening of channels within state institution to encourage citizen participation in public matters constituted one of the elements in the implementation of participatory democracy; another was when community organizations executed public works financed with public budgeting. Taking part in political events such as referendums or legislative initiatives and imposing limits to state actions were also presented as mechanisms for direct democracy.

Restrepo (2001) argues that a movement towards a more participatory democracy is the outcome of the combination of factors such as: a crisis of the state, a lack of confidence in political parties or political corruption; it is also "linked to the disappointments caused by the representative democracy" (Restrepo, 2001:167). In Chapter III it was argued that enhanced civil society participation in local decision-making has often been associated with the poor

---

<sup>67</sup> Participatory democracy is a term frequently used to cover a variety of democratic models from those of classical Athens to certain Marxist positions. For a more extensive review see chapter III.



levels of representation by democratic systems, and also to the lack of efficiency shown by public administration. It was also mentioned that community involvement in state actions has often expanded as a result of neoliberal practices, due to the decrease in coverage of the welfare state, through which the community appears “as a potential recipient for responsibilities off-loaded by a governmentalizing state” (Herbert, 2005:851).

The participatory democracy proposed by President Chávez, however, is not connected to this neoliberal agenda and indeed rejects the liberal notion of democracy limited to the “formal institutions of representation”, and instead focuses directly on involving poor communities in public decision making (Burbach & Piñeiro, 2007:182) as part of an attempt to change “the inherited bureaucratic governance structure into a participatory socialist democracy” (Irazábal & Foley, 2010: 97). This attempt to develop a new socialist participatory democracy was, according to Banko (2008) , articulated even more clearly in the proposed reform of the constitution proposed by President Chavez in 2007 as discussed in detail in the preceding chapter (Banko, 2008). The new geometry of power contemplated in those reforms and pursued separately since then represented the establishment of a new structure of decision-making based on the *Comunas*. The idea is that *comunas* should be constituted in each given geographic extension and would together constitute a city. The fundamental idea, as recently articulated by President Chavez, is that the *comuna* should come to represent the basic and indivisible unit of the Venezuelan Socialist State where all citizens can have the power to build their own history and geography. From the *comuna*, ‘popular power’ will develop new forms of political and territorial aggregation that will constitute forms of auto-government or other expressions of direct democracy (Chávez, 2007: 3).

By constituting new forms of participatory democracy (both those instituted under the 1999 constitution and those envisaged under the defeated constitutional reforms of 2007), President Chavez intends to constitute “Popular Power”, which according to Aragort, “would imply the transference of power to the communities, it means, a new spatial distribution of power, a decentralization of power” (Aragort, 2008: 70). However, this attempt to change

the traditional structures of decision-making has encountered important challenges according to Irazábal and Foley. One of those challenges is represented by the difficulties faced in the introduction of laws and “procedures, organizational structures, and (the) resistance from bureaucratic and economic agents opposed to the new regime.” The other challenge is the shift that will have to be made from traditional planning procedures to those that will promote the structures of people’s power which has been sought by Chávez’s administration (Irazábal & Foley, 2010: 98). These changes have engendered “a process of deinstitutionalization” of previous structures of decision making, as well as political tensions and conflicts (Pereira & Vasquez, 2005:4).

According to Combellas (2004) the definition of civil society in the 1999 constitution responds to three main factors: civil society should not be amalgamated with the state and its structure, second it should not be mixed up with political society (with the latter understood as political parties or any other kind of political association), and last, the 1999 constitution does not reflect any kind of corporative society but “a civil society that is pluralistic, multifaceted and open” (Combellas, 2004: 69). For the President, participatory democracy represents a central issue in his political project; it reflects more the arguments developed by post-Marxist theorist discussed in Chapter III, which sustained that the empowerment of the community was based on collective mobilization of marginalised groups. There is a difference though, regarding the difference between the neo-liberalist and the post-Marxist pointed out in Chapter III concerning how those approaches are carried out. The former, was said is a top-down approach the latter a bottom-up, in this case, despite the fact that is base on Marxist theories, is top-down approach because it is instigated by the state.

In Chavez’s concept, participatory democracy is a democratic and revolutionary process that has to be carried out by the people. The problem is that his concept of “people” does not involve Venezuelan civil society in its entirety, nor every citizen in the country, but only the poor, the grassroots section of society, a conception that is reflected within the political thought of a range of sectors of the Latin-American left (Salamanca, 2004). Within Chávez’s political discourse, therefore, it is possible to conclude that the middle class is not part of the

“revolutionary discourse”, and therefore should not be considered as part of the Venezuelan “people”. Consequently, there is a tension within the participatory rhetoric of the Chavez administration where the process of political inclusion articulated within government policies only calls for the impoverished sectors to participate as ‘the people.’ On the other hand, other sectors who do not support the political movement of President Chávez are disqualified from being considered as part of the people and are frequently portrayed as “the enemies of the revolutionary government” (Salamanca, 2004: 95).

The construction of a new structure of decision-making and a new participatory (socialist) democracy implies the establishment of “a pyramidal structure from the bottom up”, in which political representation would be established through the spokespersons from each section of the communities (Lander, 2007). Lander argues that although this model benefits some aspects of direct participation, the importance of others aspects that are key in a democratic process (such as representation and delegation, as well as the treatment of minorities) are underestimated. Under these circumstances, Lander argues, it is not possible to build a deliberative democracy, and as a consequence, direct democracy constituted in this way would be an incomplete democracy (Lander, 2007: 81).

This section has presented an interpretation of the broader thinking around participation, decision-making and democracy under the government of Hugo Chavez. Thus far, our discussion has been conducted at a very general level, in the next section, however, a more complete vision of this process of direct participation is developed, focusing on the Local Councils for Public Planning, one of the main instruments of participation established in the 1999 constitution.

### 8.3 Participation under the 1999 national Constitution

In the preceding section the foundations of new forms of civil society participation in public matters established through the 1999 national constitution were outlined, which stressed the implementation of what Chávez’s government called ‘participatory democracy’, marking a departure from the

'representative democracy' established in the 1961 national constitution, a representation that was accomplished through the political parties.

The 1999 national constitution allocated more than 32 articles to the subject of decentralization and civil society participation. In fact it declared in its foreword the aim of this constitution was to reshape the Republic to establish a democratic, participatory and protagonist, multiethnic and multicultural society in a federal and decentralized state (Asamblea Nacional Constituyente, 1999). Articles 2 and 3 declared that Venezuela is a democratic state subject to popular will. Article 5 that sovereignty resides in the people and was to be put into practice by the means stated in the constitution and through the popular vote. The political character of the country was defined again in article 6 which stated that this is a democratic nation, participatory, elective, decentralized, responsible, pluralist and of revocable mandates (Asamblea Nacional Constituyente, 1999).

According to article 62, everybody has the political right to participate in public matters, either directly or through their elected representatives. The article went on to state that public participation in the decision making process was essential to accomplish development and because of that the state has the duty to offer the necessary mechanisms that allow such participation. Apart from establishing political rights like participation in national, regional and local elections of public authorities, the constitution also distinguished the mechanisms through which civil society can exercise direct participation in public matters (Article 70). Those mechanisms were divided into two forms of participation: political and social/economic. The political instruments were, amongst others: the vote, the referendum, the right to revoke the elected authorities and the creation of citizen assemblies whose decisions are legally binding. The social and economic instruments were: co-operatives, communally-owned companies, self and joint management schemes. Citizens also have the right to participate in, and the state the duty to implement, consultative referendums on those topics of special transcendence at all levels of political life (international treaties or agreements that could compromise national sovereignty and laws/decrees already sanctioned by the national assembly can also be subject to referenda). The

constitution also stated that public administration is based on honesty, participation, efficiency, transparency and responsibility.

In the introductory section to this chapter, it was mentioned that previously the only mechanism for participation, other than that exercised through political parties, was the *Asociaciones de Vecinos*<sup>68</sup> (Neighbourhood Associations). However that mechanism became dominated by political parties diverting the initial purpose of the *Asociaciones*. The preceding sections also outlined the different approach towards decentralization and public participation articulated by President Chávez upon his success in the elections of 1998 which then found expression in the new constitution of 1999. The most important element of the approach towards encouraging civil society participation at the local level envisioned in the 1999 constitution came from the State Council for Planning and Coordination or Public Policies and afterwards the Local Councils for Public Planning (LCPPs). It is to these initiatives that we now turn.

## 8.4 Mechanisms for Participation

### *8.4.1 The State Council for Planning and Coordination of Public Policies*

As explained in the previous chapter, these councils were created by the 1999 constitution in its article 166 as a governing body for public policy planning at the state level in order to promote a harmonic and sustainable development. One of the tasks outlined for these councils was to adjust and link State Land Use Planning at the regional level with the national and the municipal planning process. In order to achieve this, it was supposed to take into account, among other things: the state development plan, the state budget, and the plans prepared by other public organizations present in the state.

The organization of the state council in each state was to be comprised of: the state governor, the mayors of all the municipalities within the state, the directors of ministries, a representative of the National Assembly, elected by and chosen

---

<sup>68</sup> Neighbourhood Associations refer to a group of people that live in the same community.

from the national MPs representing the state, a representative of the State Authority Legislative Council, a representative of the councillors from the municipal councils of the state, and a representative of the organized community<sup>69</sup>, and the indigenous communities (if they are present in the state). The members of this council were to be appointed by election and the procedure for this was established in article 8 of this law (Asamblea Nacional de la República Bolivariana de Venezuela, 2002).

Article 9 indicates that the role of the state council was to discuss and approve the state development plan, to establish cooperation and coordination among different levels of government, to evaluate the application of the plan, to give opinion on programs and projects submitted to the FIDES by the governor, and to make suggestions over the transfer of competences to municipalities and organized communities. The decisions taken in this council, according to article 12, were to be approved by simple majority; whilst article 13 indicates that this council will meet every three months. For its functioning, the state government will guarantee the premises and also technical and administrative support to the undertaking of its tasks (Asamblea Nacional de la República Bolivariana de Venezuela, 2002).

The cooperation and coordination among different levels of government was to be carried out through the links established with the Federal Government Council and the Local Councils for Public Planning (LCPP), which will be explained in more detail in the next section. The State Council's budget is assigned according to the state budget law.

Despite the prominence that the SCPPs were afforded in the constitution and other government documentation of the period, its prominence was very short lived. Conducting research interviews on the functioning of the state councils several years later it appeared that representatives of other state institutions (let alone the wider Venezuelan civil society) were largely unaware of their supposed role and function.

---

<sup>69</sup> Organized community includes: business organizations, unions, peasant organizations, a representation of universities and historical cultural heritage, neighbourhood organizations and a representation of the indigenous communities if they are present (Article 6. Ley de los Consejos Estadales de Planificación y Coordinación de Políticas Públicas, 2002).

Despite these setbacks, I tried to carry out some interviews<sup>70</sup> in Venezuela during July 2007, with members of the SCPP in two different states. At the time of the interview, both states had sanctioned the rules for the functioning of their SCPP. The first distinctive element between the two SCPPs was the steep difference in the way the activities of each SCPP were conducted. In Mérida, for example, the council was considered as an advisory (rather than a governing) body that could provide technical support for the management of public policies for all public institutions (Secretaría Ejecutiva del Consejo Estatal de Planificación y Coordinación de Políticas Públicas. 2006). Merida's SCPP was also encouraged (under the influence of former governor Porras) to work effectively with all state and national institutions. According to the chief of the SCPP's office, the SCPP had contact with the twenty three LCPPs present in the state and one of the most recent activities that had been carried out by this office, at the time of the interview, was to update those LCPPs of amendments to LCPP law which had occurred at that time. One of the mechanisms established by Merida's SCPP for getting in touch with other local institutions was the *Plenarias Móviles* (mobile government meetings), through which the investment plan for the whole state was discussed and decided.

In Carabobo, by way of contrast, the SCPP was seen as a link in the national planning system where projects could be submitted to be approved either with regional or national funds. The mechanisms through which this council worked were by special meetings called sessions or by the establishment of working committees (Secretaría de Planificación, Ambiente y Ordenación del Territorio, 2005). The interviewee (participant B-18), who was part of the staff of the SCPP's office, said that mayors could present projects to the SCPP to be discussed in the sessions or by the any of the committees. Another form of presenting projects to the SCPP could be done directly by the Communal Councils (CCs)<sup>71</sup>, which at the time of the interview were receiving a lot of institutional attention due to the public support given by President Chávez towards these newly implemented

---

<sup>70</sup> These interviews were conducted with the Chiefs Office of the SCPP in Mérida and Carabobo State.

<sup>71</sup> CCs were created within the constitutional framework of democracy participatory and protagonist, as instances of participation, coordination and integration between various community organizations, social groups and citizens that permit the organized people to exercise direct management of public policies. This mechanism will be explained in Chapter IX.

instruments of participation. The biggest role of the SCPP here was, then, to approve or disapprove proposals from each of the municipalities rather than for the municipalities to have an input into the design of state-level strategies.

The biggest problem identified by this person regarding the link between the LCPPs and the SCPP was the lack of interest shown by the majors in participating through this mechanism. This participant said: “it could be apathy. The mayors do not come to the meetings but they send the information required with council staff. For instance, the mayor of Naguanagua, who politically opposed the current governor did not participate in the meetings, but sends a representative to the meetings who takes part in the committees. Most of the mayors do not come, they just send the information, and others do not even bother with sending projects or going to the meetings”. Hernández, (2004) in his research about the SCPPs argued that one of their weaknesses was that they have been considered by the law as a mechanism of decision making in the state, a fact which has generated conflicts amongst the participants within the SCPPs (Hernández, 2004). According to the law in its article 1, the main object of the SCPP as a governing body, is to coordinate public policy planning in each state, in order to promote the harmonious, balanced and sustainable (Asamblea Nacional de la República Bolivariana de Venezuela, 2002), however, this role was not fulfilled by these councils in any state. As a consequence, some mayors rejected the idea of participating in the meetings hold by the SCPP office, participant B-18 though that perhaps political difference between governors and mayors could reflect this lack of synergy amongst different levels of government institutions, as was observed in Carabobo where this factor also affected the effectiveness of the SCPP. Recent years have seen a strong and growing political polarisation in Venezuela which in turn is reflected in the way public institutions relate amongst them. Politically opposed authorities avoid working with or following public policies established by authorities identified with the other side of the political spectrum. As a consequence, legal instruments for public participation like the SCPPs have frequently been caught in the middle of this confrontation and have seemingly failed the purpose for which they were created.



One of the clearest findings that emerged from these interviews and other explorations of the functioning of the SCPPs is that their organization is quite complicated and bureaucratic. In Mérida, for example, the SCPP was constituted by at least 50 people. This made it really hard for the council to carry out the job that it was supposed to do. In fact one staff of the SCPP's office, interviewee B-15, recognized that the council had only met on very few occasions, and it was because of this that Governor Porras had implemented the *Plenarias Móviles*. However, the main difference that can be stressed between the two SCPPs considered here was the political will manifested by both governors in terms of the level support they gave to the functioning of the councils. In Mérida, governor Porras was fully committed to the implementation of the SCPP. This was not the case in Carabobo, where lack of interest and political support from the governor could represent a key factor in the failure of this SCPP.

The SCPP was supposed to have been a key piece in the national planning system as the governing body of public policy planning, for the purpose of promoting the harmonious, balanced and sustainable development of each state. However, they were only going to meet these objectives if they were given the real status of governing bodies whose main purpose should be to articulate different institutions around a common development plan (Hernández, 2004). The evidence from the two states explored here and the breadth of evidence from the rest of the country is that this does not appear to have occurred.

### 8.5 Instating Other Forms of Public Participation

As mentioned before, the Bolivarian National Constitution endorsed in 1999 through a national referendum created innovative mechanisms for involving common citizens in the decision making process particularly at local level. The keystone, regarding citizen participation, in this constitution was the stress upon concepts such as citizenry, legitimacy, human rights and democracy, all of which give multiple character to the process of participation because they entail elements that take part in the political, economic and social life of the country (Nuñez Nava, 2003; Bracho & Nuñez, 2005). According to Viciano Pastor (2004),

this constitution mirrored a process of ongoing political change characterized by its strong democratic nature expressed in the implementation of the participatory democracy project described above. This author also argued that this constitution established a new political priority in the country,

“The consideration of the democratic principle as the most important constitutional principles, and the deepening of democracy in the creation and functioning of institutions, with the inclusion of innovative mechanisms of citizen participation” (Viciano Pastor, 2004: 47).

Whatever the limitations of the over-broad focus upon ‘the people’ (see the critique in earlier sections of this chapter), what President Chávez did establish was a new way of making politics that was given voice in many of his constant speeches, and in legislation: the idea of giving supremacy to the interests of the poor, emphasizing that the poor have the right to be taken into account, and stressing the importance of improving their ability to participate in everyday life decisions (Ellner, 2006). President Chávez persistently insisted that this was an outstanding debt with society that the previous political system established under the 1961 constitution had failed to accomplish. As a result of this constant discourse, he called for the re-organization of civic society, particularly in the political arena.

### 8.5.1 *Círculos Bolivarianos*

In June 2001, during his radio and TV program, President Chávez called upon the people to organize “*Círculos Bolivarianos*” (Bolivarian circles) which he said, should be constituted by up to eleven people (Bisbal, 2003; Hawkins & Hansen, 2006), comprised by honest people and formed everywhere: schools, working places, universities, anywhere (Bisbal, 2003). The aim of those organizations was to “defend the constitution, be faithful to the ideas of Simón Bolívar, and serve the interests of their communities” (Hawkins & Hansen, 2006: 102-103). The headquarters of these new groups was established at Miraflores<sup>72</sup> (Bisbal, 2003).

---

<sup>72</sup> Miraflores is where the Presidential Office has been established.

A handbook produced by the *Comando Supremo Revolucionario Bolivariano* established that the aim of these organizations would be “to activate and lead the participation of individuals and communities in the revolutionary process in order to build the society and free nation.... dreamt of by” Simón Bolívar (cited by Arenas & Gómez, 2005). This strong political affiliation clearly embodied in the *Círculos*, although not to a political party but to a political leader, incited a clear rejection among those who did not feel part of the ‘revolutionary’ process who refused to accept these organizations or participate within them (Arenas & Gómez, 2005).

However, the *Círculos Bolivarianos* had a short existence. The main tasks developed by them were strongly associated with two activities: political activism and working with state social programs; it allowed them to develop straightforward links with the government and President Chávez (Hawkins & Hansen, 2006). Researchers, such as Arenas & Gómez (2005), Romero (2005) and Bisbal (2003) suggest several reasons for the disappearance of the *Círculos*. The fact that this organization was founded in a pyramidal structure, following the ideal of a model society which obeys the voice of the leader represented by the figure of President Chávez, lead some people to see the *Círculos* as violent organizations. The *Círculos* were strongly linked to the thought that all those groups of people who were opposed to President’s Chávez political project, were illegitimate and therefore subject to disqualification, exclusion and even aggression (Arenas & Gómez, 2005; Romero, 2005; Bisbal, 2003). Arenas and Gomez (2005) argue that the *Círculos* were based upon a concept of exclusion that denies the existence of different points of view as well as other ways of association (Arenas & Gómez, 2005).

Hawkins & Hansen (2006) in their research about the *Círculos* found three alternative reasons why this type of popular organization ceased to function beyond the earliest years of the Chávez administration: they could not keep up with the emergence of new organizations that received more financial resource from the state, they were not suited to the accomplishment of long-term projects, and finally they were subject to an increasing separation from national coordination, this reflected a lack of clear ground rules and the fact that they had

a different political identity from President Chávez's political party, which made them very weak in the event of new programs or political organization promoted by President Chávez (Hawkins & Hansen, 2006: 126-127). As other political initiatives were emerging and the *Círculos* were declining, President Chávez instigated the search for new forms of popular participation in the revolutionary process, represented in the first instance by the Local Councils for Public Planning, and later on, by the Communal Councils.

### 8.5.2 The Local Council for Public Planning (LCPP)

Following the somewhat disappointing results obtained from the constitution of the *Círculos Bolivarianos* and the SCPP, the central government started to support another mechanism already established in the 1999 constitution, to enhance the level of citizen participation within the activities of government through the Local Councils for Public Planning (LCPP). The LCPPs have their origin in article 182 which established their creation in each municipality. Within each municipality they are constituted by the mayor, the city councillors, the presidents of the parish boards and representatives of neighbourhood organizations and civil society organizations. The legal framework that regulates these councils was enacted by the national assembly on June 12<sup>th</sup> 2002, and decreed again on December 26<sup>th</sup> 2006. There are some important differences between these laws that changed in a very important way the organization and functioning of these councils; however, since most of the interviews and research were carried out under the enforcement of the first law, this section will analyze in the first place the activities of LCPPs developed before the second law was imposed.

The objective of the first law was to establish the foundations for the organization and functioning of the LCPPs, to make their intervention in the planning process, which was supposed to be carried out jointly between the municipal government and the organized community, effective. The law aimed to establish a participatory element within the planning process to be carried out between local authorities and civil society; it was presented as a governing body

that sought to reconcile different positions between organized society, communities and local institutions. In general terms this mechanism can be characterized as providing an opportunity to build a new kind of relationship between civil society and the state at the municipal level (Fermin *et al*, 2002) because it represented an instrument for people to participate in the process of decision making, as well as in the planning, implementation and oversight of the whole process (Añez, López & Suárez, 2003).

One of the findings of the earlier research into the CLPPS was that the implementation of the LCPPs had been extremely varied across the country and despite the setbacks that will be presented later on in this chapter, interviews in some municipalities revealed a series of positive experiences with the setting up and running of LCPPs. The previously referred to experiences in Merida under former governor Mr Florencio Porras demonstrated that political interest in developing this participatory mechanism can be instated at all levels of government. Another example of the positive political will in Merida comes from a program created to enhance civil society participation in local matters called CREOPA<sup>73</sup>. CREOPA was an investment program carried out together with LCPP and the CC<sup>74</sup>. In line with what the chief of the SCPP expressed during the interview, a senior staff member from the Dirección de Participación Ciudadana stated that the positive attitude of the staff in working together with the community to solve common problems was part of a policy instated by governor Porras.

Other successful experiences regarding the LCPPs were found when doing interviews in the *Alcaldías* of Valencia, Carabobo State and the *Alcaldía Libertador* in Caracas.

The working process established in the *Alcaldía* de Valencia was established following the rules established under the LCPP law and its own regulations. The good working relations were evident and manifested through the interviews with both sides: council staff and members of the civil organizations that took

---

<sup>73</sup> Crecimiento Organizativo Parroquial, and later on was renamed as a Fortalecimiento Comunitario.

<sup>74</sup> The interview took place in the Dirección de Participación Ciudadana (Department of Citizen Participation), Gobernación del Estado Mérida on July 20<sup>th</sup> 2007.

part in the planning process through the LCPP. A senior representative from Gente de Soluciones<sup>75</sup> said that this council worked in this way basically for two reasons. There was political will from the mayor and council staff to make this happen, in other words, there was political will for participation, to accept it, to support it and to encourage it. The other reason was the social capital existent in the city that was identified and involved in this process.

One element that gave a real push to this process was the foundation of the Cathedra Alexis de Tocqueville. According to participant A-8, who was part of the Technical Board<sup>76</sup>, through this cathedra not only did the council learn about the local economy and local politics, but also the community benefited from the program because it enhanced the ability of local civil society to participate in local management. The LCPP also became a mechanism for people to be involved in the participatory budget<sup>77</sup>, as well as in the planning process and oversight of this administration, the important thing, according to A-8, is that the community recognised the municipality as their space and became integrated within it.

In terms of the work carried out by this LCPP, members<sup>78</sup> of different Neighbourhood associations taking part in this mechanism gave their opinions about their involvement within this mechanism for participation. They identified three important elements or features. These were:

1. Effectiveness: this characteristic is related to three chief factors:
  - 1.1. Financial resources get to the communities, as a consequence people start trusting this mechanism for participation and are motivated to do so
  - 1.2. The importance of the participatory budget as a tool of negotiation among different communities

---

<sup>75</sup> Gente de Soluciones is NGO that collaborates with this council.

<sup>76</sup> The functions of the Technical Board was to provide comprehensive information to the organized community for the purpose of planning, management control and participation, to create and implement the Plans and Projects Unit, and to ensure the information on registration and control of the organized community associations involved with the CLPPs (Ley de los Consejos Locales de Planificación, 2002. Article 19).

<sup>77</sup> The council allocates 50% of its total budget for the Participatory Budget. Neighbours discuss their needs, prioritize and then decide how to spread the budget.

<sup>78</sup> The participants interviewed were: D-45, D-27, D-28, D-29, D-52, D-30 & D-31.

- 1.3. The impact that a good Technical Board has on the implementation of this mechanism because it constitutes an orientation tool for the neighbours
2. Political Will: they recognized the importance of political will in order to attain the following:
  - 2.1 To open spaces for public participation
  - 2.2 To allow political plurality
  - 2.3 To recognize the representativeness of the LCPP and therefore the importance of community leaders
- 3 Opportunities for Participation
  - 3.1 The fact that most of the decisions are taken in the Citizen Assembly shows that the whole community participates in its own decision making process
  - 3.2 The chance that this mechanism gives them to control and track the decisions
  - 3.3 They have realized that they indeed influence the decision making process in the council
  - 3.4 They see the LCPP as a mechanism to participate and give predominance to the *Plenarias*
  - 3.5 Identify the training process as a boost in the participation process
  - 3.6 They see the LCPP as a space for deliberation, planning and creating the participatory budget
  - 3.7 Finally they see the LCPP as a space for organized participation
- 4 The participants also recognized some problems attached to the implementation of the LCPP, those were
  - 4.1 The interference of political bias
  - 4.2 Neighbours do not want to be branded as a political subjects
  - 4.3 As a common feature, they feel disappointed because the community relies too much on their community leaders
  - 4.4 The constant changes in the participatory spaces or mechanisms, i.e the shifts between Neighbourhood associations (*Asociaciones de Vecinos*), LCPPs and now the CCs delay the process of participation and therefore community development

- 4.5 The appropriation of LCPPs for political reasons or purposes
- 4.6 The resistance that some local council staff show to the participation of civil society in the local administration.

The LCPP in *Municipio* Libertador presented a comparable experience to that observed in *Alcaldía* de Valencia. A member of this LCPP (D-37) was very keen to point out that the LCPP was quite distinct from organizations such as a CC or a Neighbourhood Association, because it was an institution that has its legal ground in the national constitution, it is a constitutional institution. This member explained that this *municipio* is divided into 22 parishes or *parroquias*, and there is a spokesperson from each parish represented on the LCPP. Although there are a lot of similarities between these two LCPPs, some additional interesting aspects about how this instrument works in the capital district were revealed in the interview. There were some interesting points made about how this LCPP advised local communities on how to constitute their CC, and their role in evaluating and checking public projects considered by the municipality. In my opinion, however, the most interesting role of the LCPP in this municipality was the role that it had in the preparation of the participatory budget.

Participatory budgeting is considered by FIDES<sup>79</sup> as a tool that empowers people. “The budget is a fundamental mechanism for administrative planning and investment based on the democratic model that has been implemented at national level, it must be built with the participation of the organized community, in such a way that the financial resources can be distributed on the basis of solving those problems that the people prioritize” (FIDES, 2005: 11-12). To carry out their role within this process, the LCPP based its efforts on three teams: one called the politic-strategic team because it was in charge of facilitating the administrative procedures. The technical group was in charge of teaching the staff the aspects that communities had to learn in order to take part in this process. The last group was the parish team that promoted the participation of civil society in the making of the municipal budget by encouraging the community to take part in this process.

---

<sup>79</sup> Fondo Intergubernamental para la Descentralización (Intergovernmental Fund for Decentralization).



Regarding the problems that this LCPP experienced in its functioning, the biggest problem she called attention to was political bias. In her opinion, the negative experiences or delays in the implementation of the LCPP in some municipalities is due to a lack of political will. D-37 mentioned, as has been mentioned before, the misrepresentation that some mayors made of this instrument by including their own staff as a part of the LCPP. This person also thought that this reflected the ignorance that the community has about this means of participation and about the purposes of the LCPP. In summary, D-37 argued that the resistance to sharing power, the unawareness of the community about this instrument and how the influence of politics has hindered the effectiveness of the LCPPs.

Another problem encountered in the implementation of the LCPPs was that their functioning frequently became politically biased reflecting the political orientation of the mayor in each municipality and local communities were not sufficiently informed about their purpose and functioning or how individuals could become active in their operation (Mora, 2005; Maigon, 2004). This political bias was reflected in the actions taken by many mayors to hinder “the participation of the people so they could keep control of the municipality” (López & Añez, 2005:133). According to these authors, for example, the experience of the San Francisco Municipality in Zulia State reflected clear political bias in the functioning of the LCPP where political allies of Mayor Saady Bijany were encouraged to actively engage in the LCPP whilst the possibilities for involvement of those who were opposed to him politically were very limited (López & Añez, 2005).

The political influence did not stop there. In more general terms there was also a serious lack of political will for implementing this mechanism (López & Añez, 2005; Maingon, 2004). In Chapter III the key factors for a successful implementation of decentralized policies were discussed in some detail. One of the factors pointed out in that chapter was the political commitment necessary to advance the process. This political commitment implies a change in the structure of decision making at all levels of public administration; whilst according to the organizational theories reviewed in Chapter II; one of the most resistant elements to change within an organization is the structure of decision making. Its

resistance to change stems from the fact that the players that take the decision are those who decide “whose interests matter”, and what sort of actions should be taken by the organization, as a consequence the structure of decision-making represents power of those who take the decisions.

One example of the impacts of this lack of political will is presented by Perez in his analysis of the LCPPs (Cited by Ferrer, 2004). In 2004 he carried out a survey of all the municipalities in the country to establish the level of implementation of the LCPPs. His findings showed that out of 335 municipalities only 287 claimed to have implemented the LCPP, from this total, just 220 were functioning, and out of this 220 only 27 were fully committed to work with the people (Perez, 2004). Perez suggested that for many mayors and city councils the LCPP represented a threat to their power (Perez, 2004). The major problems identified by Pérez and Ferrer were a resistance to sharing power and the fact that political will is the result of isolated efforts and not something general to all mayors (Ferrer, 2004; Pérez, 2004).

The theory of organizations discussed in Chapter II pointed out that organizations are structures through which rational actions are expressed, and as such, they are instruments used by players to attain their objectives. Following this line of argument, it is easy to see how the structure of organizations can have some important aspects that can affect the success of intended reforms – such as resistance to change. The impacts of organizational change will be felt differentially among different sections of the organization affected. When comparing similar types of organizational change amongst the same kind of organizations, outcomes can be significantly different because the internal structural dynamic of those organizations can differ considerably.

This type of organizational theory can be useful in helping to explain the different outcomes and levels of implementation of the introduction of the LCPPs. The most crucial aspect of this is the way in which local councils (both in the form of their leaders and the civil servants who work there) across Venezuela felt threatened by (and in some cases actively resisted) a process of change that sought to transform long-established decision-making processes by involving communities in a much more active way.

The lack of information reaching communities, on the other hand, was not simple in its causation or impacts. On one side, the shortage of information from municipalities reflected, according to Maigon, the resistance of municipality staff to accepting the involvement of civil society in public matters and therefore, to taking measures to promote such participation (Maigon, 2004). Then again, the lack of knowledge within civil society about the whole process gave rise to some problems such as low levels of commitment and consequently a lack of concern for the functioning of this mechanism (Maigon, 2004). This problem was mentioned frequently during the interviews carried out in August 2007, community leaders continuously complained about how the community relied too much on their efforts and did not take part in meetings or the work carried out by the LCPPs. Participants A3 & A4 from the LCPP office in Naguanagua, Valencia argued that one of the flaw of the LCPPs is that communities do not know about it:

“We still find people in neighbourhoods that do not know what a LCPP is, they believe that the mayor and the councillors are the only ones in charge of doing public policies in the municipality, many people do not know yet about the LCPP. We think that the main obstacle was that more publicity was needed, it was also necessary to relate more with the community, because at the end of the day, they are the main actors in this process”

D-37 also mentioned this problem in *Municipio Libertador* in Caracas, this person said that the lack of community participation in the LCPPs was due to the lack of knowledge about the law and because they did not know the power that the LCPPs have.

Another difficulty that hampered the implementation of the LCPPs was the budget deficit that severally affected the functioning of many municipalities and hence the resources available to promote the new mechanism (especially if it was not considered a political priority for local leaders). (Maigon, 2004, Ferrer, 2004).

Many of these drawbacks were manifested during the interviews carried out in Venezuela during the course of this research. Dr Julio Castillo<sup>80</sup>, former mayor of Naguanagua argued that the LCPPs

“were part, basically, of the budgetary planning process in public institutions, (they were instruments that) contained the CC that would have represented a real space for the participation of civil society in the process of elaborating the investment plans and budgeting in public institutions. (But) the LCPP ended up being another bureaucratic space in the planning process, it is not but a legal demand, the LCPP never called for election anywhere, here in Naguanagua they never called for elections”.

In part, it could be argued that the LCPPs became a bureaucratic structure because of their composition. As outlined earlier it was comprised by the president (the mayor), a vice-president (a figure that was not contemplated in the national constitution in its article 182), the councillors, presidents of parishes, and representatives that come from community and neighbourhood organizations and those from indigenous communities if they are present in the area. One example of the amount of people that comprise a LCPP was given by *Municipio Libertador* in Caracas where the LCPP was constituted by 73 members, from which, 37 were community representatives.

Another example was given by interviewee D-46, from Gente de Soluciones, an ONG that worked with the Alcaldía of Valencia, to explain how the participatory budgeting, which was one of the main activities of this council, was prepared. On this regard, this contestant said:

“This is a relatively complex and permanent process. Involving the mobilization of a critical mass of people. About a thousand people are mobilized through the councils, and below them are the 500 organizations that have to be mobilized to gain access to resources in order to present their projects and prepare the minutes of the meeting”.

---

<sup>80</sup> Interview carried out on December 7th 2006 in Naguanagua, Valencia *Estado Carabobo*.

This process referred only to the participation of civil society, after this was completed, the inputs obtained through the participation of the community is taken into another stage of the budget preparation which involve the participation of the mayor and the rest of the members that, by law, are also part of the CLPP and participate in participatory budgeting. According to D-46, this process worked because “there was political will of the mayor and his management team to facilitate participatory processes, it means that there was political will to participate, to accept and encourage it and promote it; also because there is a legal framework, besides the political will to implement this legal framework.

When asked about the participation of the LCPP within the planning process and the implementation of the Technical Board (*Sala Técnica*) he stated that indeed there existed a Technical Board but it was only a myth, it was only a bureaucratic space.

“The LCPP do not do anything unlike the CC that certainly are going to execute projects, they will get financial resources to do so. The LCPP neither run any projects nor take part in the planning process. If I present them a document with the investment budget, they approve it because they have no idea and because they are not part of anything, they do not represent anyone because they were elected by a minority. What happens is that it was not conceived as a live entity, it is a dead entity, a toll that I have to pay because I cannot take anything to the municipal council to be approved without passing through them” (Dr Julio Castillo, *op cit*).

This argument from Dr Castillo, about the pointlessness of the LCPP and its lack of knowledge about its own purpose, mirrors one of the institutional limitations found by Maigon about the LCPPs. Maigon pointed out that one of the main setbacks of this mechanism is “the absence of political will and legal discipline” from local authorities (Maigon, 2004:7). The fact that the LCPP in this local council was seen as a unnecessary mechanism for participation not only reflects what has been mentioned before, unawareness of this instrument among the organized community, but also the lack of political will to implement it according to what has been established in the 1999 national constitution and the LCPP law.

A senior civil servant (A-2) from the same municipal council expressed the view that the LCPP had a lot of drawbacks, but that it was an interesting mechanism (14-12-2006). This person argued that for it to be implemented effectively would have required some changes, like minimum conditions for its functioning because the legal framework leaves a lot of vacuums like the criteria for LPCC meetings. When A-2 was asked about the resistance of municipalities to allowing civil society participation in local matters he said that participation (in this municipality) definitely happens, and that in his particular council participation works with or without the LCPP because it is a council policy to work with communities.

On the subject of sharing power with communities, National Assembly Deputy Manuel Briceño (06-02-2007) affirmed that the reluctance of some mayors to share decision-making power to the communities meant that people did not know about this mechanism because they were not informed. As a result, he argued, the LCPP did not fulfil their purpose, and it was evident that they did not function as had been expected.

On this regard, one person from the staff of the Citizen Participation Office at Puerto Cabello Council, (A-6)<sup>81</sup> said that part of this, the refusal to share power, “is the reflection of bad habits from past administrations and this is something that repeats along the whole institution”. This opinion reflects what has been pointed out before, that one of the most resistant elements to change within an organization is the structure of decision making.

Mr Di Gregorio<sup>82</sup> totally supports this point of view. He argued that unawareness about the LCPP was a constant at all levels of public administration; he said that “the mayors never wanted to share the power; they wanted to see this as barrier to community participation and the lack of information was therefore justified”. He also talked about how the LCPP in Puerto Cabello had been captured by the mayor<sup>83</sup>. Regarding the Technical Board, Mr Di Gregorio expressed that the law of LCPPs which is discussed later in this section, approved in December 2006,

---

<sup>81</sup> This interview took place in Puerto Cabello, Carabobo State on January 23<sup>rd</sup> 2007.

<sup>82</sup> This person has a webpage where publicly speaks about local government issues.

<sup>83</sup> People always refer to this action when political allies are formed in order to constitute the LCPP, another example of this is the *Alcaldía* of San Francisco in Maracaibo, Zulia State.

did not consider its professionalism which worsened the nature of this body; he also added that most of the municipalities do not comply with the law and have not allocated any budget for their implementation.

But the lack of information and understanding of the law of the LCPP that the author encountered when researching these issues in the Amazon State (24-08-2007) reached its peak in Atures Council in Puerto Ayacucho. At this time, the person in charge of the CLPP office appeared totally confused about the function of this mechanism, and due to the short time in office this member of the staff had not been updated in relation to the job that the previous staff had been carrying out regarding the LCPP. However, the fact that this interviewee declared that the mayor used to go to the communities and conduct the citizen assembly showed not only a lack of knowledge about this process, but a lot of improvisation in its implementation.

Up until this point we have discussed the performance of the LCPP under the law enacted in 2002. This law was amended or enacted for the second time on December 26<sup>th</sup> 2006. The objective of the 2006 law was to regulate the organization and operation of the LCPPs and their relationships with the bodies of popular participation<sup>84</sup> (Asamblea Nacional, 2002, 2006). The object of the first law, on the other hand, was oriented to lay down the rules and guidelines for the organization and operation of the LCPPs, to make effective its involvement in the planning jointly conducted with the respective municipal government and the organized communities. Although both laws are intended to carry out town planning and the preparation of Municipal Plan, the 2002 law emphasizes that its purpose is to achieve the integration of the organized communities and neighbourhood groups within a general policy of the state of decentralization and devolution of powers and resources. Of the above noted, calls the attention that the object of the 2006 bill, is focused on the relationship between the council and the communities. This second bill also eliminated the reference made on decentralization and de-concentration of powers and resources established on the first law and gave no express role to local authorities, mentioning in its

---

<sup>84</sup>"La presente Ley tiene por objeto regular la organización y funcionamiento de los Consejos Locales de Planificación Pública y su relación con las instancias de participación y protagonismo del pueblo" (Artículo 1).

article 5 that the president of this body would be the mayor because the national constitution says so. This law also differentiates what can arguably be defined as two forms of civil society by establishing the following differences:

Communal and neighbourhood organization: These are collectives that exist in a community and bring together a group of citizens associated in a legitimate way; they share interests and common objectives, and are part of the LCPP, they meet in an organized way with the purpose of identifying necessities, developing potentialities, establishing requests and suggesting collective solutions.

On the other hand are the “Other organizations of the organized society” (Ley Orgánica de los Consejos Locales de Planificación Pública, Asamblea Nacional, 2006). According to the law these are collective sectors constituted by associated citizens in a legitimate fashion, that share a common activity in the municipal scope comprised by social sectors, productive, professional associations or any other that contributes to municipal development.

The 2006 law established the way the spokespersons are to be elected; it also established the way they have to be chosen, which is in a parish assembly held by the CCs. The main functions of the LCPPs were, among others, to coordinate citizen participation in the elaboration of the municipal plan or any other plan for that matter, to ensure that the municipal plan is properly articulated with the national, state and community plans, to promote the process of decentralization and transfer of services and municipal responsibilities towards the CCs and community organizations. To draw up records of the CCs and any other organization in its jurisdiction in order to connect their activities with the National Planning System, to evaluate and approve all those municipal projects financed through the FIDES and the LAEE.

There is a new mechanism established in this law called the Municipal Investment Budget and Participatory Budgeting. The previous law established the consolidated budget, which had to be prepared based on the main necessities presented by the communities in line with that estimated by the council in the budget for that sector. The 2006 law established that the participatory budget was a mechanism that allows citizens to propose debate and decide in



formulating and evaluating the municipal plan and the municipal investment budget. The participatory budgeting should have deliberative mechanisms to collect the largest possible number of proposals. The participatory process has three phases: participatory assessment, plan and budget formulation of the municipal investment and approval of the plan and municipal investment budget. Despite the development of this second law, and the introduction of the participatory budgeting , which represented a major advance in community participation at municipal level, the implementation and functioning of the CLPPs were discouraged in favour of the CCs, and those LCPP that were working in conjunction with the community, like the *Alcaldía* of Valencia's CLPP, were dismantled by the new administration or given an orientation totally different to that pointed out by the law like in *Alcaldía* of Átures in Puerto Ayacucho.

### 8.6 Preliminary Conclusions

Local Councils for Public Planning did not function as had been expected. Official records showed that a year after the enactment of this law in 2002 only 220 municipalities out of 335 had installed their LCPP. For former Vice-Minister of Participation and Development José A. Mota, "Most of the LCPP did not achieve the development of this important link of popular power, resulting in delays, frustration, apathy and a lack of credibility in (public) institutions. That caused the searching for other options to give the necessary boost to the Communal Councils" (El Nacional, 07-05-06, Page B-16, cited by Rodriguez, 2007:11; Lerner, 2007). Other setbacks pointed out by the National Assembly about this process were: legal gaps regarding the elections of LCPP counsellors, lack of interest or resistance from local authorities towards this mechanism, appointment, in many cases, of public staff as representative of the community, and lack of financial resources to invest on communitarian projects (Rodriguez, 2007:11).

The Next chapter will explore another mechanism for public participation, the Communal Councils. These CCs appeared on the national scene as an answer to the lack of implementation of the LCPP.

## Chapter IX

---

### A Review of the Communal Councils as a Mechanism for Public Participation in Venezuela

*“La participación en los asuntos públicos no puede ser concebida exclusivamente como una serie de eventos o un conjunto de ellos, sino como un proceso social que debe estar orientado a fortalecer la identidad del individuo con su entorno. Por ello, es necesario que los actores y las comunidades involucradas, no solo reconozcan las fuentes de las cuales emanan su poder, sino que a través de la participación fortalezcan progresivamente su posición dentro de la estructura de la toma de decisiones en sus localidades. De lo contrario, la participación en la práctica se puede convertir en un juego de actores totalmente desequilibrados en donde la autoridad formal, hace prevalecer sus intereses individuales frente a los restantes actores”.*

*“Participation in public affairs cannot be conceived exclusively as a series of events or a set of them, but as a social process that must be aimed at strengthening the identity of individuals with their surroundings. It is therefore necessary that the actors and the communities involved, not only recognize the sources from which it derives its power, but through participation progressively strengthen its position within the structure of decision making in their localities. Otherwise, participation in practice can become completely unbalanced game players where formal authorities make their individual interests more important than the remaining players*

Antonio Ecarri, 2007: 19

## INTRODUCTION

Having explored two of the channels for direct participation in public matters at regional and local level in the previous chapter, this chapter will focus on another, albeit connected, mechanism through which civil society can take part in the decision making process at local levels in Venezuela - the Communal Councils (CCs). As mentioned before, participatory democracy is a new political model in Venezuela which has been introduced through the enactment of the 1999 National Constitution. Encouragement of the direct participation of civil society in public affairs was a major theme within the content of the new constitution (Combellas, 2004). Although, as explored extensively in chapter seven, participation was not an unknown concept prior to the enactment of the new constitution in 1999, it is certainly the case that the introduction of new mechanisms for participation within the constitution gave a huge boost to efforts to enhance popular involvement within public decision-making (Salamanca, 2004).

As suggested by its title, this chapter will build upon the analysis of the preceding chapter by focussing on the implementation of the Communal Councils (CCs) as perhaps the most important strategy employed by the state under President Chávez's administration to increment the participation of local communities in public matters. It will provide a detailed description of the origins, nature and dynamics of the CCs before going on to explore their forms of functioning and the impacts that they have had; this analysis will draw extensively upon research interviews conducted with participants within specifically selected CCs and through engagement with other data sources including other investigations carried out into this model of political and social participation.

### 9.1 Changes in the approach of Participation

The preceding chapter established the general reference points concerning the broader context of the forms of participatory democracy implemented in Venezuela through the 1999 national constitution. In that chapter the underlying

reasons or motivations that guided President Chávez in the evolution of the government's approach towards popular participation within political decision-making were also examined in some detail. One of the key aspects of government policy in this regard has been the focus that there has been, not only on generic mechanisms for incorporating society as a whole into this political model, but also more specific mechanisms which might be employed to most effectively integrate popular organizations, those representing the grassroots section of society, in the process of decision making. Quite what forces within society are recognized as having a legitimate role in this regard has been the source of some controversy. Under the 1999 constitution, the idea of 'social organization' was interpreted relatively broadly as comprising those organizations that had the capacity to deal with national institutions and included political parties, unions, neighbourhood associations, professional organizations, business and practically any other NGOs. More recently, however, the Chávez administration has developed a much more restricted view of what it understands by the idea of organized society. For example, the recently promulgated Organic Law of the Federal Government Council enacted on February 9<sup>th</sup> 2010 says in its article 4 that:

“For the purposes of this Act, organized society is constituted by communal councils, communes and other grassroots organization of the People's Power”

(Asamblea Nacional de la República Bolivariana de Venezuela, 2010).

This returns us to the debates surrounding how the Chávez administration understands the concept of civil society which were considered in the previous chapter. Lander (2005) points out that for the Chávez administration, empowering civil society or 'the people' actually means in practice empowering the poor - hence the calls for new ways of making politics that could promote participation right down to the lowest levels of society: a model characterized by a process of popular decision making (Lander, 2005). This specific focus upon the poor has, however, become more pronounced and urgently promoted over the years of the administration.

Thus in the first national plan under Chávez, "*Líneas Generales del Plan de Desarrollo Económico y Social de la Nación 2001-2007*" (General Guidelines for the Economic and Social National Development Plan 2001-2007) the whole of Venezuelan society is clearly presented as being the target of the struggle to enhance participation. This plan, for example, stated that the democratic transformation will only be achieved via responsible participation of all sectors in all areas by means of the de-concentration and decentralization of decision making in order to bring the dynamics of change to the whole nation. This was presented as a novel and alternative form of planning that would rely on the active participation of the Venezuelan people (Ministerio del Poder Popular de Planificación y Finanzas, 2001).

However, the second plan, *Proyecto Nacional Simón Bolívar. Primer Plan Socialista -PPS- 2007- 2013*, issued by the government, did show in a clearer fashion how this transformation was to be implemented. The plan specified the bases of the political transformation which it argued would be underpinned, among others factors, by two political concepts: revolutionary participative democracy and the new national geopolitics (República Bolivariana de Venezuela, 2007). The fundamentals of those concepts were discussed in Chapter VII.

In order to achieve these goals, national government had, as a starting point the national constitution, which established the ways through which participatory democracy could be accomplished; these actions were also supported with the issue of a set of laws such as the Local Councils for Public Planning law, already discussed in the previous chapter, and the Communal Councils CCs law. CCs were part of the original vision for participation embodied in the 1999 constitution but have then been developed beyond that original vision to form one of the major components of the new more limited approach towards participation championed over recent years. The next section discusses first how CCs were originally conceived under the 1999 constitution before then moving on to explore how they have been transformed since then.

## 9.2 The Commencement of the Communal Councils

Communal Councils represent the most significant form of participatory democracy implemented by this government. The first mention of CCs was made in the LCPP law enacted in 2002 in its article 6 that established:

“Members of the Local Public Planning Council will be obliged to perform its functions in favour of collective interests, maintain an ongoing relationship with the networks of parish councils and community councils, taking their views and suggestions, and provide timely information, of the activities carried out by the Local Council for Public Planning”

(Asamblea Nacional de la República Bolivariana de Venezuela, 2002).

Article 8 established:

“The Local Public Planning Council will promote the network of parish councils and community councils in each of the spaces of civil society who will become the main centre of people's participation and leadership in the formulation, implementation, evaluation control and public policy. Once these proposals are approved and turned into projects, members of the parish and community councils may carry out the monitoring, control and respective assessment process”

(Asamblea Nacional de la República Bolivariana de Venezuela, 2002).

Despite the weight attached to the role of CCs within this documentation, the evolution of the CCs was negatively affected by the problems involved in the implementation of the LCPPs which were discussed in detail in the previous chapter. At least, in part, as a result of the difficulties faced by the LCPPs, the National Assembly approved, on April 10<sup>th</sup> 2006, the first law directly concerning the administration of the CCs. This law is analyzed in the following section.

### 9.3 The Communal Councils 2006 Law

As explained in the preceding section, CCs existed as part of the LCPPs approved in 2002 prior to the passing of the first law which bears their name in 2006. This evolution in the nature of CCs, as they became something other than just a channel for participation through the LCPPs, began in 2006 when the Commission for Citizen Participation of the National Assembly carried out a series of popular consultations through a mechanism called "*Parlamentarismo Social de Calle*". The purpose of this public consultation was to propose an amendment to the LCPP law (Quijada, 2007). The issue of this consultation revolved around whether or not CCs should be part of the LCPP. According to Quijada (2007), the decision reached at that time was that the CCs should be kept within the LCPP, however, when the National Assembly approved the first CCs law later that year, they were formally detached from the CLPPs (Quijada, 2007).

These legal actions from the national government at the beginning of the implementation of CCs did not just affect the role envisaged for these social organizations within government policy, but also the process of the formation of the CCs themselves was also influenced by this decision. Institutions at all level of government found themselves in the middle of an unstable situation where there was considerable confusion in the perceived future path of CCs which led in turn to a continued lack of planning and organization in putting the idea of CCs into action. Thus, despite the political and economic support given to the CCs by the national government (they have constantly been presented as a central component of government strategy); their commencement has not been an easy one. The fact that unclear mechanisms, regulations and procedures were put in place has made the implementation of CCs a difficult process. During the fieldwork I conducted in Venezuela during this period it was possible to develop a fair insight into how this mechanism has been working. However, it is pertinent to say that trying to assess these experiences by accessing a representative sample of CCs has been a daunting experience, considering the amount of CCs that have been registered in the country. By 2007, around 16,000 to 19,500 CCs had been registered countrywide (Díaz, 2007; Pastrán, 2007; Últimas Noticias, 2007; Lerner, 2007), and within this number, 600 CCs had been constituted in 36

different indigenous groups (Pastrán, 2007). The target of the national government had been to constitute 32,000 CCs by the end of 2007, before then reaching a total of 50.000 over the course of the next year (Díaz, El Universal 2007). Those CCs already constituted had received, by August 2007, the amount of \$ 340,196 to be spent in different kind of projects (Radio Nacional de Venezuela, 2007).

Nevertheless, despite the challenges, it was possible to identify within the analysis of these experiences (both from primary interviews conducted for this research and drawing upon other secondary material), five key elements common to the CCs studied. Those elements, that were used to analyse the way CCs operate, were: difficulties found by people in the implementation and functioning of CCs; the interference of political bias in the implementation and functioning of CCs; the process of participation as a national and local experience; the myth of participation; and the role of national and local institutions in the implementation of CCs. The myth of participation reflected the debates on participation discussed in Chapter III, particularly on Tanaka's argument about the purposes of participation, who participates and for how long. This element was also based on the similarities found with the problems reflected by Herbert on expectations that are created around the civil society participation in public affairs, when the community believes that much is expected of them and how the community believes that their involvement in public matters was more a way for government to disengage itself of its responsibilities.

According to the 2006 law of CCs, they can be defined as:

“instances of participation, coordination and integration between various community organizations, social groups and citizens, that permit the organized people to exercise direct management of public policies and projects to meet the needs and aspirations of communities building a society of equity and social justice” (Article 2)

The law, then, defines the community as a social cluster of families and/or citizens living in the same geographical area whose geographical boundaries are



set by the Citizens Assembly established within the Communal Council. The CC will be constituted by 200 to 400 families in urban areas and from 20 families in rural areas and from 10 families in indigenous communities. However, the population will be decided by the Assembly of citizens according to the particularities of each community. The most important element within a CCs organization is the Assembly of Citizens, which were defined in this act as the primary body for the exercise of power, popular participation and involvement in the community, and whose decisions are of a binding character to the CC” (Article 4).

The functions of the CCs specified in the law included approving the rules of functioning for the CC itself and the development plan for the community. It also involved the election of the members of the Promotion and electoral Commission, the election of the members of the Financial Management Unit and those of the Social Audit Unit (Article 6). For the purposes of its operation, each Communal Council was to be composed of the executive body (composed of Spokespersons from each Work Committee), the unit of financial management and the social audit unit (Article 7). In a given CC it was possible to constitute as many as 14 work committees, it all depended on the amount of necessities a community could establish. The Financial unit, also called the Communal Bank was established to manage the financial resources of the community. All of these rules caused a lot of confusion amongst members of the communities wanting to organise and constitute a CC in their neighbourhoods, because there were no clearly identifiable official agencies established for dealing with the establishment of the CCs.

In the earliest stages, therefore, the implementation of CCs was rather chaotic, disorganized and confusing, and whilst people from poorer communities were encouraged to establish CCs, the evidence is that most people found the journey of constituting a CC rather challenging. For example, a member of the staff from the Citizen Participation Office at Puerto Cabello Council<sup>85</sup>, suggested in an interview carried out in January 2007 that the process of forming CCs could be

---

<sup>85</sup> Participant A-6, this interview took place on January 23<sup>rd</sup> 2007 in the *Alcaldía of Municipio Puerto Cabello*, Estado Carabobo.

classified as one of trial and error. Prior to the enactment of the 2006 law, the Ministry of Defence (Min Defence) was in charge of the organization of CCs. This produced a lot of confrontation between Min Defence, the LCPPs, the parishes and *Fundacomún* (who had been integrated into this process at a later stage as well). Eventually, in 2006, the national government decided to give the sole responsibility of organizing the establishment of CCs at the national scale to The Ministry of Popular Participation and Social Development (Ministerio de Participación Popular y Desarrollo Social –MINPADES-<sup>86</sup>) who have delegated this task to one of its affiliated entities - *Fundacomún*<sup>87</sup>. However, at the beginning, it seems pretty clear, for many people that the formation of the CCs came through the military. In an informal conversation with a CC's spokesperson from Maracaibo, Zulia state, I was informed that, within that region, the National Guard was in charge of the organization of CCs. Another person who was interviewed in Valencia<sup>88</sup> also referred to the military as those in charge of organizing and registering the CCs nationwide<sup>89</sup>.

This problem was also illustrated through the decision taken by the *Alcaldía* of Sucre in Caracas to create a *Sala Situacional* office<sup>90</sup>. According to a member of the staff from this office<sup>91</sup>, the *Alcaldía* decided to create a *Sala Situacional* in this municipality<sup>92</sup> because they had observed that “a range of different places were developing experiences with *comunas*, local governments or community governments, but all seemed to have a different orientation because they had not been given any overall guidance.” As a result, many municipalities in the country were willing to share their experiences and contribute towards the unification of what criteria might be used to orientate the formation of CCs. In a meeting held at the end of 2005 with MINPADES and the authorities of the Caracas' Metropolitan Area a guideline “to orientate communities about the reasons for constituting a CC and how to develop an appropriate instrumentation for

---

<sup>86</sup> The name changed to Ministry of Popular Power for the communes and social protection.

<sup>87</sup> This name changed to FUNDACOMUNAL.

<sup>88</sup> Participant D-32. This interview is discussed later in this Chapter.

<sup>89</sup> On this initial period of formation of CC there are no clear records that might document this information.

<sup>90</sup> A sort of diagnosis room.

<sup>91</sup> Participant A-13.

<sup>92</sup> This interview took place on February 1<sup>st</sup> 2007.

socioeconomic diagnosis and how to prepare material for the *acta constitutiva*<sup>93</sup> was proposed. In the light of these experiences the mayor of Sucre decided to establish this office because as this person argued “CCs should have a reference point to look for information, somewhere they can meet to share among themselves their experiences and develop this social fabric that is called today CCs, which in the future should evolve into a federation of CCs, that was the vision that still stands”.

Returning to the content of the 2006 CC law, article 12 established that the Spokespersons of the working committees and the members of the economic and financial and control bodies shall be elected in a direct and secret vote by the Assembly of citizens. There are also provisions that indicate the requirements for those who aspire to be elected as spokespersons. From articles 15 to 19 the law explained how to constitute a provisional promoter commission. This commission has to be formed by any grouping of citizens seeking to establish a CC and is placed in charge of organizing the demographic census of the community as well as establishing a citizen assembly (with the participation of at least 10% of the population over 15 years) in order to choose the promoter and the electoral commission (Asamblea Nacional de la República Bolivariana de Venezuela, 2006).

The electoral Commission of each CC is charged with elaborating voter registration, informing the community about the election, developing the necessary electoral materials, presenting the results of the election and preparing a certificate of the election. After this, another assembly meeting, called the Community Constituent Assembly will be arranged to elect the spokesperson; this assembly must bring together 20% of the community's inhabitants over 15 years old (Asamblea Nacional de la República Bolivariana de Venezuela, 2006).

The law also goes into some detail about the functions of the CCs. Article 21, for example, establishes these as: to Implement the decisions taken in the assembly of citizens; to articulate social organizations in the community; to develop work

---

<sup>93</sup> This is some sort of agreement reached among the members of the CCs that states that the CC was constituted according to the law.

plans to solve the problems faced by the community utilizing their own resources; to formalize their registration with the relevant Presidential Commission of Popular Power; to promote the request for the transference to their community of public service delivery; to promote the exercise of legislative initiative and participate in the consultation process within the framework of social parliamentarism (*Parlamentarismo Social*); to promote the exercise and defence of sovereignty and territorial integrity of the nation; to develop the Plan of Community Development through the participatory diagnosis (Asamblea Nacional de la República Bolivariana de Venezuela, 2006). Article 22, in turn, laid out the functions of each CC's Communal Bank (*Banco Comunal*). These were amongst others: to manage the resources allocated to the CC; to promote the formation of cooperatives, to promote the diagnosis and participatory budgeting prioritizing the needs of the community; to be publicly accountable to the citizens' assembly once a year or whenever necessary; and to give social assistance (Asamblea Nacional de la República Bolivariana de Venezuela, 2006).

There is nothing in any of these details so far that would suggest that the law of CCs might present any kind of conflict with the work of the local councils or the municipalities for that matter. Article 25, however, that established the origins of the financial resources to be transferred to CCs was highly controversial as it established that those resources would have to come from national, regional and municipalities budgets (although it should be pointed out that resources would also come from FIDES and LAEE). Other resources could come from donations or the administration of public services transferred to the CCs.

To support this act, on March 22<sup>nd</sup> 2006 before the enactment of the law, the National Assembly promulgated a partial reform to the FIDES law. Article 1 of this reform addressed the object of this law which was modified to suggest that, at its core, was “the aim of promoting decentralization, inter-regional solidarity and the development of states, municipalities, the metropolitan district of Caracas, the district of Alto Apure **and** the Communal Councils” (Asamblea Nacional de la República Bolivariana de Venezuela, 2006). At the same time Article 6 of the FIDES law, was altered to specify that the financial resources

granted by this law would be distributed as follows (Asamblea Nacional de la República Bolivariana de Venezuela, 2006):

- ✓ 42% was destined for the states
- ✓ 28% was destined to the municipalities
- ✓ 30% was directly destined to the bank accounts of CCs

This reform also included a new article on the resources granted by the executive by way of additional appropriations, not programmed or budgeted in the previous fiscal year. These are as follows: 30% for the governorate, 20% for municipalities and 50% for CCs (Asamblea Nacional de la República Bolivariana de Venezuela, 2006). As can be observed, the allocation of financial resources benefited more to the CCs than the states and municipalities. According to article 26, the management of the financial resources to be transferred to the CCs established by this act was to be guided according to the decisions adopted by the citizens' assembly.

One of the most interesting elements of the law related to Article 30 which stated that Communal councils had to be registered with the Presidential Commission for Popular Power. This Presidential Commission was responsible for organizing, at state and municipal levels, Regional and Local Commissions with the approval of the President of the Republic (Asamblea Nacional de la República Bolivariana de Venezuela, 2006). This Presidential Commission of Popular Power was a distinctive feature within the law because it gave a remarkably centralising nature to the functioning of the CCs as it was directly controlled by the president in office. The purposes of this Commission were:

- a. To guide, coordinate and evaluate the development of community councils at national, regional and local levels
- b. To strengthen the momentum of popular power in the context of the participatory democracy
- c. To create educational and training mechanisms
- d. To collect the various projects approved by the community councils

- e. To handle the technical, financial and other necessary resources for the implementation of projects
- f. To create in some communities, where deemed necessary, external promotion teams to promote the formation of community councils (Asamblea Nacional de la República Bolivariana de Venezuela, 2006).

All these responsibilities gave the impression that CCs were to be managed from the central government through this Commission. However, due to problems in the functioning of the commission, in the new law of CCs which was approved in 2009, this commission was removed and the responsibility for organizing the CCs was transferred to Minpades, now called *Ministerio del Poder Popular Para las Comunas y Protección Social*, delegating the responsibility to Fundacomunal<sup>94</sup> at the state level.

An example of the confusion in understanding the role of the Presidential Commission was given by participant D-32<sup>95</sup> opinion about how it worked. According to this interviewee, everyone understands the process in their own way, giving their own interpretation of the law. For D-32, for instance, the knowledge about the presidential commission bears much relation to the management of the CCs that were initially established through the military as was mentioned before. In this way, the Presidential Commission was “the soldiers of the people” appointed by President Chávez and this person was talking about the group of sergeants from the national army authorized exclusively by the national government to regularize the CCs<sup>96</sup>. At the beginning of the implementation of the CCs all national institutions took part in this effort, but it was the National Guard that had the main responsibility of doing that in the field (Rivadeneira, 2007). Later on, in January 2006 this responsibility was transferred to MINPADES who carried out this task with the regional support of Fundacomún as mentioned before.

---

<sup>94</sup> Before it was called Fundación Para el Desarrollo de la Comunidad y Fomento Municipal (Fundacomún).

<sup>95</sup> Barrio Fundación CAP, Municipio Libertador, Tocuyito, Valencia-Estado Carabobo.

<sup>96</sup> In an informal conversation with a CC's spokesperson from Maracaibo, Zulia state, this person told me that in that region the National Guard was in charge of the organization of CCs.

Finally, this law included a repealing provision which indicated that article 8 of the existing LCPP law<sup>97</sup> (enacted in 2002) would be abolished along with any other provisions that contradict the provisions of this Act (Asamblea Nacional de la República Bolivariana de Venezuela, 2006). This confirmed that under the 2006 law, the CCs were detached from local and regional institutions, and became therefore, more dependent on national institutions' decisions. Some observers have seen this as having a major detrimental impact upon the implementation and functioning of the CCs. In this regard, a representative<sup>98</sup> of a community organization in Valencia and active member of the *Alcaldía's* of Valencia LCPP, pointed out that this detachment had brought about a rupture in the relationship that had been forged among the different communities and the LCPP. This person also argued that it damaged the general sense of the city because CCs have become just concerned with their own immediate area and not with the whole community or municipality as they did through the LCPP in Valencia. It also brings back the shadow of centralism, finally added.

One of the outcomes of CCs being directly linked with (or perhaps even controlled by) national institutions, and with the Presidential Commission for CCs in particular, was that decisions were taken outside of the state where they were located. Lerner pointed out that "CCs apply for funding directly from Caracas and national agencies determine funding guidelines". As a consequence, he argues, states and municipalities are ignored, a situation that has led to the consolidation of a powerful central state (Lerner, 2007: 1-4). Aragort rejects this notion of centralism but totally agrees that CCs should not be separated from the structure of local and regional governments, and therefore, from the National Planning System (Aragort, 2008:84). This idea is also developed by Ecarri, who argues that CCs "cannot exist but as an instrument of localities to deepen

---

<sup>97</sup> Article 8 established: "The Local Public Planning Council will promote the network of parish councils and community councils whose function will become the main centre of people's participation and leadership in the formulation, implementation, monitoring and evaluation of public policies. Once approved his proposals and turned into projects, members of parish councils and community can track, monitor and evaluate the implementation of public policies" (Asamblea Nacional de la República Bolivariana de Venezuela, 2002).

<sup>98</sup> The interview took place on September 8<sup>th</sup> 2007.

democracy and participation, and never as a weapon of centralism” (Ecarri, 2007: 17).

### 9.3.1 The Link between CCs and the LCPPs

Despite the presidential encouragement for the independence of CCs, in December 28<sup>th</sup> 2006, the national assembly produced a legal reform to the law of LCPPs. This new act established (in article 10) that the functions of the CLPP, among others, were: “to promote decentralization and the transfer of municipal services and powers to community councils and to draw up a register of community councils for the purpose of seeking coordination with the national planning system.” Another function was to promote and coordinate with community councils the use of participatory assessment in identifying community needs and problems regarding investment concerns (Asamblea Nacional de la República Bolivariana de Venezuela, 2006). Clearly, the idea of this act was to re-establish the link between the CC and the municipality through the LCPP, with the intention of ensuring that actions carried out by CCs were inserted into local or regional plans. However, this attempt failed, and instead of re-establishing or strengthening an intergovernmental relationship with the municipality, CCs main institutional link remained with the *Ministerio del Poder Popular para la Participación y Protección Social* (MINPADES) through FUNDACOMUN.

The complex and contradictory implementation of LCPPs and CCs in the country following the establishment of the 1999 constitution has been one of the major outcomes of a series of political and social changes that have sought to transform the old political system. The problem, though, is that such changes have been carried out through a process of dismantling old institutions but without effectively establishing new ones. As a result, a sequence “of confusion and inconsistencies in policies and political actions, as well as political conflicts had been constant” (Pereira & Vásquez, 2007).



Due to these inconsistencies in policies and public actions, the sudden boost given to CCs following the 2006 law meant that their starting phase was characterized by a lack of organization and planning, and, as a consequence, people that were looking to constitute a CC had to roam through a range of different organizations<sup>99</sup> to accomplish that objective, in order to get information and to register the documents required.

In the next section some of the experiences of the functioning of CCs, particularly in their early stages, are explored; many of these experiences reflect the constant institutional changes mentioned in the preceding discussion.

#### 9.4 Communal Councils and the Political Project of President Chávez

After being invested for his second period as President in January 2007, President Chávez announced the launching of what he called the *Cinco Motores Constituyentes* (The Five Engines) that had to be put in place in order to further the construction and strengthening of the Socialism of the 21<sup>st</sup> Century. The five engines were explored in Chapter VII and as mentioned before, they constituted the guidelines that underpinned the Simón Bolívar National Project<sup>100</sup> or Second National Plan introduced in 2007. The Engines were:

1. 1<sup>st</sup> Engine: the Enabling Law<sup>101</sup>
2. 2<sup>nd</sup> Engine: Constitutional Reform<sup>102</sup>
3. 3<sup>rd</sup> Engine: Educational Reform
4. 4<sup>th</sup> Engine: the New Geometry of Power

---

<sup>99</sup> By the time of fieldwork, some of the many institutions to which the spokesmen of the CC had to resort to register the CC were, among others, FUNDACOMUN, Sunacoop, Ince, and others that were designated according to the region where the establishment of the CC.

<sup>100</sup> Is the second national Plan presented by this administration, is also called Primer Plan Socialista 2007-2013 (First Socialist Plan 2007-2013).

<sup>101</sup> The 1999 National constitution established in its article 230 that “Enabling laws are sanctioned by the National Assembly for three-fifths of its members to establish guidelines, objectives and framework for matters that are delegated to the Chairman or President of the Republic, with rank and force of law. The enabling legislation has a fix period of exercise” (Asamblea Nacional Constituyente, 1999).

<sup>102</sup> In a national referendum carried out on December 2nd 2007 the people said No to this reform.

## 5. 5<sup>th</sup> Engine: the Explosion of Communal Power

The Engines represented the foundations of the political project of President Chávez, which seeks to change the Venezuelan political system, to establish what the president has called the Socialism of the XXI Century. The theoretical foundations of this project are reflected mainly in many of the presidential speeches, which are illustrated below:

Regarding the 3<sup>rd</sup> Engine President Chávez said that it was necessary:

“to demolish the old values of individualism, capitalism, egoism, create new values and that can only be achieved through education, therefore, this is the third largest motor” (Ministerio del Poder Popular para la Comunicación y la Información, 2007).

On the socialist re-organization of the national geo-politics or 4<sup>th</sup> Engine Chávez argued:

“We have to do an analysis on the territory, how the political, social, economic, and military power is distributed and how it should be distributed. It is necessary to find a new way of distributing political, economic, social and military power on space. Let us review the political-territorial division of the country, innovate, seeking a new formula which fits much more to our reality and aspirations. I would say that at state level the situation is not too serious, where it is serious is at the municipal level. Popular Power is required to occupy all spaces, the popular controller. This will lead us to revise basic laws such as the municipal council’s law. Municipal councils have no power; they represent the same old structure of the *cuarto-republicano* state” (MINCI, 2007; Rengifo, Mayo, 2-2007).

Another statement that helps to understand part of his political project was through the view of the CCs as follows:

“People power is the soul, nerve, bone, flesh and essence of the Bolivarian Revolution, the Bolivarian democracy, the true democracy. This engine is the Bolivarian socialist project that has greater strength. Communal councils must transcend the local. We should not set limits, they are tools of

popular constituent power, we must stimulate, strengthen them. Gradually, we, the institutional power, we must transfer political, social, economic and administrative power to CC, in order to march toward the welfare state and get out of the old structures of the bourgeois capitalist state(MINCI, 2007; Rengifo, Mayo, 2-2007).

Finally, President Chávez said:

“We are headed to the socialist republic of Venezuela and this requires a deep reform of the national constitution. The current constitution gives us a first step towards the construction of socialism, but to advance in greater dimension; it requires a set of constitutional reforms” (Ministerio del Poder Popular para la Comunicación y la Información, 2007).

On March 2007, in one of his Sunday television program President Chávez urged a speeding up of the conformation of Communal Councils, recognizing them as the most important spaces of popular power. He argued that many areas of the country have been identified as not having constituted any CCs and called for mayors and governors across the nation to promote the organization of this mechanism (Minpades, 01-03-2007). A spokesperson from MINPADES (Ministerio del Poder Popular para la Participación y Protección Social) stated, that at that time, “CCs were in an early phase but they had the strength of having the support of President Chávez, as well as the legal framework that is being developed to give them more security and legal grounds”(Minpades, 10-05-2007).

There have been a range of academic interpretations of the events of this period and the prioritization increasingly attached to the CCs by the Venezuelan government. According to Quijada (2007), CCs were intended to fix “ineficiencias shown by other mechanisms that had encouraged community participation, like the Asociaciones de Vecinos in the 1980s and later on, the LCPP created in 2002”. For other analysts, CCs represent a deliberate social strategy set in motion by the national government to initiate a political revolution: to build a revolutionary, socialist and protagonist democracy

(Manzano & Castro, 2007). Ellner argues that a key piece in this political strategy is the mobilization of the rank and file members of Chávez's political party within the CCs; this strategy has brought them a sense of empowerment (Ellner, 2010) over which President Chávez has sought to build his political project. Pereira & Vásquez (2005) agree with Ellner's opinion about the importance of the popular sectors in the structural changes that President Chávez wants to implement in Venezuela, they pointed out that his project is based upon gaining the support of the 'popular' strata of society, which in turn has allowed him to occupy popular spaces from where he has been able to transform political and institutional structures in the country (Pereira & Vásquez, 2005).

Whatever the debates over the role of the CCs within the wider political strategy of the government, they have also been presented as offering an effective long-term solution to the question of how the state might encourage the participation of organized society in public affairs (Finol Romero, 2008). Aragort goes further in this argument, citing approvingly Diaz's statement (2006) that CCs "have legal grounds that allow them to become autonomous, administer financial resources, and be a starring performer of public administration, within a clear concept of comprehensive decentralization: political, financial and administrative decentralization" (Aragort, 2008: 78). To my understanding, CCs as a political strategy to encourage civil society participation have worked, particularly within the poorest social sectors, because as will be argued in the following sections, they have been able to draw upon community members' desires to find practical solutions for the alleviation of their community's problems. There is also a clear political motivation to taking part within a participatory process that has been so directly encouraged by President Chávez, through which participation might be interpreted as giving support to his political project. However, I disagree with Aragort's opinion that the implementation of CCs represents the purest form of decentralization. They have indeed administered financial resources to the community level, but they are far from being autonomous as will be demonstrated in the following sections.

### 9.5 The Experiences in the Implementation and Functioning of the Communal Councils under the 2006 Law

In the course of the fieldwork carried out in 2006 and 2007, similar experiences to the difficulties experienced by the *Alcaldía* of Sucre (as described in Section 9.3) were found in other places where people participating in CCs were interviewed. It was quite evident from those interviews that those who wanted to organize a CC in the earliest stages, had to face all sort of difficulties in order to achieve that goal. This complexity was obvious even in big cities where it is easier for people to find information, but in small rural towns, the difficulties of getting from one place to another made this task even more difficult.

During an interview carried out with spokespersons from the CC of Barrio Coromoto in Naguanagua, Valencia<sup>103</sup>, they said, in response to questioning about their experience in the establishment of their CC:

“It had been quite burdensome; we had to do a lot of errands, we completed the legal aspects of it, which had been very arduous, it is the bureaucracy, it is the same with Fundacomún, Ince, Sunacoop<sup>104</sup> “.

They related that there did not appear to be any clear rules in the process of registering a CC. Institutions, for example, may fix the day of an appointment but when the members of the CC arrive with all of the documents that they thought were required for that particular meeting, the answer more often than not was that the documents they had bought were not for that particular institution. The members of the community added “We had been before to ask about all of the requirements and then the day we came back it seems that we did not have some of them”.

Another illustrative experience from this particular CC happened with Fundacomún. As explained earlier in this chapter, this institution was appointed by MINPADES in 2006 as the responsible institution for registering and guiding CCs in the registration process at the regional level. The CC members explained

---

<sup>103</sup> Municipio Naguanagua, Valencia-Estado Carabobo. In this interview, that took place on August 8<sup>th</sup> 2007, 10 people or spokespersons of this CC participated.

<sup>104</sup> All those are some of the official institutions where CCs have to be registered.

that on the day that they went to MINPADES to hand over the *Acta Constitutiva*<sup>105</sup>, they were told that the *Acta* they had prepared was not suitable because it was outdated. Fundacomún then, gave them a new version of the act which then had to be signed again by everybody. They explained that it had not been easy to gather all of the signatures again because people had other responsibilities and commitments, and for that reason the establishment of their CC had been significantly delayed.

The difficulties caused by the lack of a set of clear rules for establishing CCs was also pointed out by a spokesperson of the CC established in the neighbourhood of Los Lirios, Puerto Ayacucho (Amazon State). The spokesperson pointed out that each of the institutions that comprise the Presidential Commission asked for a different set of documents. This member added that there are a lot of documents that the institutions require and not just for initial registration; there are also a lot of documents that have to be kept and presented to the institutions, like the account books. In terms of registration, the CCs' papers (the census, the registration document, el RIF<sup>106</sup> and copies of personal documents of every member of the CC) have to be taken to Fundami, Minpades, Fundacomún and Sunacoop. Ellner (2009) explores these issues and argues that institutional measures are complicated because they have "to ensure that the money assigned to CCs is well spent", and because CCs can get financial resources from a wide range of national, regional and local institutions and the "requirements for funding vary, as do inspections procedures, thus complicating the council's everyday operations" (Ellner, 2009:12). Therefore, the mounting number of official bodies that can finance CCs explains the multiple and most of the time, repetitive, requirements that are demanded of the CCs (Ellner, 2006).

The fact that few people were able to follow the complicated procedures to form a CC was another challenging issue. The various institutions involved in the process have tried really hard to reach people interested in forming a CC by producing all kind of accessible material, such as handouts, leaflets, and accessible versions of the law. They also conduct workshops in communities in

---

<sup>105</sup> This a document that CCs had to present to FUNDACOMUN to proof that the CC were constituted following the rules, after this each CC received a registration number.

<sup>106</sup> This is a legal document in Venezuela needed to perform any act.

such a way that people with low educational levels are able to understand them. However, during an interview that took place on August 26th 2007, within the indigenous communities of La Reforma and Paria Grande<sup>107</sup> in Amazon State, they pointed out some difficulties with this material, for example the fact that it is only produced in Spanish was problematic for those communities that speak different languages. One of the consequences of this problem is that there has been a high level of dependence on institutional advice and support for following even the simplest procedures.

The significance of this issue was confirmed during an interview with a senior staff member of Fundacomún<sup>108</sup> conducted in 2007, who said that it had been very difficult to explain to members of the indigenous communities how to apply some of the methods required of each CC - like those used to identify and prioritize problems or to conduct the required economic and social diagnosis. This person added that the elaboration of projects, which is the main requirement for funding, was a particularly difficult task for the CCs located in indigenous communities which he attributed mainly to the language barrier. Indeed, this finding was also confirmed by indigenous Deputy José Poyo, President of the America Indigenous Parliament. Deputy Poyo said in a public interview<sup>109</sup> that Minpades had sent instructors to indigenous communities that did not know their language. He added that “the lack of knowledge about indigenous life can be the most persistent difficulty for both the Commission of Indigenous People in the Parliament and the government in implementing the project of enhancing popular power within the communities. The translation of the CC law is slow, and therefore, for example, the indigenous communities do not understand how the communal bank has to function”, a situation that is a breeding ground for corruption. These circumstances happened, according to Deputy Poyo, because of the lack of education and proper training of the members of indigenous communities and that of the officers of government institutions (Pastrán, 2007).

---

<sup>107</sup> La Reforma is constituted by the ethnic group *Guahibo* or *Hiwi* & Paria Grande is inhabited by the ethnic group *Piaroa* or *Wotuja*, both are localized outside of Puerto Ayacucho- *Estado Amazonas*.

<sup>108</sup> This interview took place on August 23<sup>rd</sup> 2007 with a senior staff.

<sup>109</sup> *Diario Tal Cual*, 23 Mayo 2007.

Interviews with those involved in CCs revealed a range of different motivations for their formation. For example, when a resident<sup>110</sup>, of Municipio San Diego, was asked what moved their community to start a CC, this person said that they had done it because “they had information that others CCs had had financial resources, and if other communities had received money, then why not them?” Afterwards, she added that the CCs were “a great opportunity (that national government was giving to the people) and they have to take advantage of it”. Citing much more specific and personal reasons, two neighbours from Guacara<sup>111</sup> said that the main reason that they had for getting involved within a CC was because they wanted to get a house, and the president had said that it would be possible through the CC.

Although the reasons of these motivations reflected what article 2 of the law says, that CCs were the channel through which “the organized people can exercise direct management of public policies and projects to meet the needs and aspirations of the community” (CC Law, 2006), President Chávez has argued that there should be other motivations for the constitution of this mechanism and has called for these motivations to be reflected in the reasons underlying the formation of CCs and their activities. On February 14<sup>th</sup> 2009, the president said:

“The *comunas*<sup>112</sup> (CCs) have limited themselves to the satisfaction of their necessities and have not engaged with the political issues.... We are not here in the *comuna* only to fix our houses or to produce tomatoes. We are here to fight for the socialist revolution in Venezuela” (Zerpa, 2010).

In fact, President Chávez’s reference to the *comunas* reflects the latest stage in his administration’s strategy for defining the transition to participatory democracy as described within this and preceding chapters. By the *Comunas*, President Chávez was talking about “political and administrative decentralized units comprised by CCs (Romero, 2009). In July 2009 President Chávez, announced the approval of Bs 100 million as additional budget for this second part of the year,

---

<sup>110</sup> This interview took place on August 3<sup>rd</sup> 2007.

<sup>111</sup> Guacara is a municipality in *Estado* Carabobo. D-34 & D-49 were interviewed on August 8<sup>th</sup> 2007.

<sup>112</sup> This concept was explained in Chapter VII, Section 7.1.3, they were figure proposed in the constitutional reform defeated in December 2007. The *comunas* are to be the geo-human cells of the territory and will be shaped by the communities, which constitute the spatial core of the Venezuelan socialist state.



with the purpose of fostering the creation of *comunas* in Venezuela (Venezolana de Televisión, 2009). *Comunas*, then, are seen by the national government as the local expression of "the People Power" which is achieved through the articulation of Community Councils (Guacarán, 2009). In essence, then, rather than simply being vehicles for enhanced public participation in government, *Comunas* should be seen as a new alternative form of political-administrative unit that this government wants to establish with the eventual aim of substituting these for the existing municipalities and establishing a socialist political system (El Nacional, 14 Febrero 2010).

The political implications of CCs suggested by this and their role within the wider political project of the government have been an important factor underlying the reluctance of many people to take part in them. Many of the people interviewed during this research, for example, expressed the view that the CCs were part of the political project of President Chávez. There is of course good reason for this view, As in one illustration, in 2007 President Chávez called on the community councils "to create militia as military bodies subordinate to the armed forces under the command of officers". The president justified this approach on the basis that there was a need to exercise territorial control on the part of his political project. "Community Councils are the fundamental and cutting-edge tool for advancing the construction of socialism, because they represent the fundamental cell of revolutionary and true democracy".

(Venezolana de Televisión, 2007; Laclaseinfo, 2010).

Clearly then, in terms of their contribution to a wide and meaningful process of popular participation, the politicization of the CCs and utilization "for political purposes" has been a major limitation of the CCs:

"Politics and the state are very much at the centre of the community council phenomenon... Council meetings sometime devote time to discussing electoral strategy and logistics<sup>113</sup>"

(Ellner, 2009: 13).

---

<sup>113</sup> I personally witnessed a PSUV meeting after a CC reunion.

These issues were perhaps illustrated most clearly and openly when the members of CCs were called by the former Minister of Minpades to campaign in favour of president Chávez' proposal to amend the national constitution in a referendum carried out in February 2007 (Ellner, 2009: 14). In addition, in January 2009 MINPADES Minister Ms Erika Farías, called upon the CCs to abandon any work they were doing and dedicate themselves fully to seeking votes for the approval of the idea of allowing Hugo Chávez's re-election. "From this moment, each community council should be seen as a committee for the "YES" campaign. Everyone should be organized for the Battle of Yes" (El Nacional, January 8<sup>th</sup> 2009). The very same day during an event in Barinas State, Governor Adán Chávez urged representatives from more than 1,500 CCs "to commit in public to promote and defend the proposed constitutional amendment" (De Frente, January 8<sup>th</sup> 2009).

The Politization of CCs interfered with one of the major objectives of this initiative, which was to increase levels of political participation amongst civil society. Pereira & Vásquez (2007) in their research about the political changes and the process of participation in Venezuela found that the implementation of the CCs and the actions of the President's political party became two complementary mechanisms for the development of the party's political project and the political changes he was trying to introduce in the country (Pereira & Vásquez, 2007). Lerner also stressed these political dimensions in his analysis of the CCs. He detailed criticisms from studies of two different CCs where members complained about the imposition of a "pro-Chávez vision and the suppression of dissent" within those CCs (Lerner, 2007).

### *9.5.1 An Analysis of CCs Functioning*

Whatever difficulties and political implications the development of the CCs presented, the most important feature of the introduction of these mechanisms is the fact that today more people can be part of the decision-making process in their own communities than has ever been the case before. Enhancing participation has become a key element that goes across the whole political

process within the new national plan<sup>114</sup> established for the period 2007-2013. Reflecting upon this, Aragort re-asserts that transferring power to CCs represents “a new spatial distribution of power, in other words, the decentralization of power” (Aragort, 2008: 70). Aragort based her argument on the fact that CCs, in her opinion, decide their own fate; “they represent the exercise of popular self-government by allowing the development of their community. This implies collective participation in conjunction with the state in the development, management, implementation, monitoring and control of public affairs” (Aragort, 2008: 69). However, Irazábal and Foley argue, in allusion to the effort of the national government to encourage popular democracy, that although “this is a great opportunity for progressive planners, there are constant difficulties, like inequitable conditions of communication, ambiguities of the planning system, instability of planning networks, and deficiencies in capacity and management” (Irazábal & Foley, 2010: 105). They also drew attention to the growing centralization of planning which accompanied the drive towards enhancing participation at the local level. Their argument is reinforced by some of President Chávez’s pronouncements about the need for the centralization of the planning process in Venezuela. In 2007 he said:

“We are entering an era of central and strategic planning, in which projects are divided in economic and social categories. With this new stage, the classical capitalist model that had prevailed is over”

(Chávez, cited by Aponte, 2007).

This approach is also clear from the issuing of Decree No. 5384 which established the Central Planning Commission. This decree was published in the Official Gazette No. 5841 dated June 22, 2007. It stated:

“The Central Planning Commission is a permanent organ of the national government, which strengthens the strategic leadership of the latter on the planning and coordination of public management, in order to put an end to

---

<sup>114</sup> Proyecto Nacional Simón Bolívar. Primer Plan Socialista 2007-2013.

the existing "atomization" or "independence" badly exercised by the organs and entities of Public Administration" (Forewords, Chávez, 2007).

One of the purposes of this decree was "to support the transition towards an integrated model of central planning; ensuring social and planned management of the public administration" (article 2, Chávez, June 2007).

The creation of the Central Planning Commission and the emphasis upon enhancing centralized control which it has been accompanied by, sits uneasily with the promotion of CCs as a mechanism for citizens to have a say in their communities' own fate and take a direct part in the decision making process within their own communities. For Aragort (2008) the real transference of responsibilities to communities is central to the establishment of the CCs because it means a new decentralization of power (Aragort, 2008). There are, however, some tensions over this which have still not been resolved in practice. One of the major issues relates to the very establishment of the CC themselves. CCs have a very limited spatial context, and their actions are limited to the geographical area established by their Assembly of Citizens. Communities are identified with a certain space which can itself change over time. The way decisions are taken is also important: they have to be the result of a process of discussion and consensus when holding a citizen assembly (Aragort, 2008). The basic contradiction arises from the fact that CCs are being promoted as a "communitarian government that exercises the direct administration of public policies and projects in order to meet the needs, potentials and aspirations of the communities in the construction of the new model of the socialist society" (Asamblea de la República Bolivariana de Venezuela, CCs Law, Article 2), and yet they are not linked into the National Planning System, which means that their projects are not inserted in the planning process of any official institution. This is possibly one of the outcomes of having what Irazábal and Foley argue is a planning system that is characterized by its ambiguities, the instability of its planning networks, and its deficiency in capacity and management.

An example of the autonomy given to the CCs is the demarcation of their territory, which is defined by the community itself in a citizen assembly.

However, this territory or CC area is demarcated without taking into consideration “the constitutional competences” or opinions of regional and local governments. As a consequence, the decisions taken in an Assembly of Citizens will certainly have an effect on the locality beyond the demarcated area of the community and could generate conflicts of competences with state and municipal authorities (Morales *et al* 2006, cited by Quijada, 2007).

As we can recall from Section 9.3, for the establishment of a CC, a community is defined as a social cluster of families that live in a particular space and have some attributes in common such as history, necessities, social traditions and others characteristics. It was also mentioned that all decisions are taken in an Assembly of Citizens which has to summon at least 20% or 30% of the whole community. However, despite the proximity of neighbours that take part in the CCs, participation in the Assembly of Citizens is still a controversial issue which could be detected clearly during the interviews. Most of the people interviewed addressed this concern in one way or another.

The people that I interviewed in the indigenous community of Paria Grande<sup>115</sup> explained that at that precise moment<sup>116</sup> it was the first time that they had come together, as a community, since the CC was first established. They added that many times previously they had called for a meeting but with very little response from the rest of the community. They said that despite the fact that it was a small community, there were always political divisions between them and that most of the time, political parties represented an obstacle for community participation. They added that it was those who call themselves “revolutionaries,” those who are with the president, who always lead the meetings.

Two neighbours from Guacara<sup>117</sup> had a different perspective. They argued that the problem with the functioning of the CCs was not a lack of participation in the citizen assemblies. In fact, they said that people liked to participate there. Instead, they argued, that what people did not like to do was to involve

---

<sup>115</sup> *Comunidad indígena Paria Grande, Puerto Ayacucho, Estado Amazonas*. Four people participated in the interview and they were identified as D-39, D-40, D-41 & D-53. This interview was carried out on August 26<sup>th</sup> 2007.

<sup>116</sup> The interview coincided with a large meeting of a large part of the community.

<sup>117</sup> This interview took place on August 8th 2009 in Fundacomún, Valencia Carabobo State with Participants D-34 & D-49.

themselves in the duties attached to the organization of CCs. A third more positive assessment was offered by 2 CC participants from Naguanagua<sup>118</sup> who felt that, despite political differences and some scepticism about the process of participation, everybody in their community were working together.

The factor called previously the 'Myth of Participation' was reflected on many occasions in the interviews and was loosely used to refer to those issues related to the practical problems found in civil society participation in public matters. This problem was illustrated in many ways during the interviews, people used to mention the problems caused to the community due to the lack of political will amongst local politicians and civil servants to open channels of participation. However, the importance of securing a more active community that did not rely on social leaders was also frequently mentioned. The dilemma of representation versus participation arose when the interviewees complained about the lack of participation or the lack of interest shown by communities when they were called to participate in a citizen assembly.

Lerner reported the same problem of a lack of interest in participation shown by members of a CC in Catia (Capital District) where the first assembly called to organize the council experienced a low turnout. A woman from the community explained that the cause of this was that a CC requires "too much work" (Lerner, 2007:6). This, according to the author, is an important challenge because a "participatory democracy requires more participation from more people than any social movement or other form of civic engagement", so, the question was how many people are needed to participate? (Lerner, 2007: 6).

However, interestingly, there was a somewhat different perspective from a senior staff member of Fundacomunal<sup>119</sup>, who in response to questions on this topic kept saying that in the case of CCs, no one represents a given group of people, because those who attend institutional meetings or are in charge of doing some errands are just spokespersons who do not have the power to decide anything without the community's consent. Nevertheless, it is certainly clear that communities keep relying on their spokespersons to do the job. Participation is

---

<sup>118</sup> Municipio Naguanagua, Valencia-Estado Carabobo.

<sup>119</sup> This was said to me by a senior staff member of Fundacomún in Valencia.

clearly difficult to implement. It is a reality that civil society wants to participate in, but those who want to participate do not aspire to dedicate their lives entirely to it. As has been suggested before, the will to participate is not going to be the same for everybody; it is very common to find “groups of very active individuals versus the absolute passivity of other sectors” (Font *et al*, 1999: 118, cited by Landaeta, 2007).

A connected complaint of many interview respondents was the problem of widespread apathy and general lack of interest of their communities, which they attributed to a type of exhaustion produced by the demands of participation. Two CCs in Puerto Ayacucho that were interviewed for this research were experiencing this problem; they said that the community had got tired of having meetings and that gradually fewer and fewer people were attending the CC meetings. One of them also said that people were exhausted by the work that had to be done in the committees. This problem has been exacerbated by the bureaucratic requirements and organizational difficulties described previously in the chapter. For example, in the indigenous community La Reforma they alleged that the process of constituting a CC was far too slow and that people got tired of going from one office to another.

Another example of this problem of the lack of participation was found during an interview carried out in *Fundación CAP*<sup>120</sup>. One of the spokespersons here complained that the members of their CC were getting tired because parts of the community did not want to work, there were not incentives and many people did not want to get involved. The issue here was also, as pointed out by Lerner, to what extent participation has to be voluntary or can be conducted as a paid labour (Lerner, 2007).

Interestingly, Herbert (2005) in a research carried out in several neighbourhoods in Seattle, USA, found the same problems – suggesting that “the complex and time-consuming process of community organizing were too much for many of the interviewed” (Herbert, 2005: 861). Herbert argued that whilst communities have the advantage of knowing their own problems, which “enables

---

<sup>120</sup> *Municipio Libertador de Tocuyito*. This was carried out on August 5<sup>th</sup> 2007.

citizens to come together” and try to resolve them, problems can stem from the inability of the community to organize along the “lines desired by agents of the state”. This can then lead to resentment on the part of community members who start asking themselves why the guidelines are so difficult to understand and “see the requirements for participation as simply too high” (Herbert, 2005).

Another issue which was raised during the interviews, as well as in other researches carried out on the CCs, was the question of their ability to manage big constructions projects and the degree to which such initiatives should instead be considered a state responsibility. In La Reforma, for instance, the CC explained that its biggest problem was water supply, and as such, they thought that the community must tackle it. However, they were not sure about their own capability to engage in such a big project, although they were still considering undertaking it. In a study carried out with a CC in Mérida, Lerner (2007) found the same water-related problems. In this case, the CC had applied for funding in order to resolve the issue. However, the funding the community obtained did not cover the cost of building a new water system, even if the community themselves were to carry out some of the hard labour. This reintroduces the question as to whether state institutions should be held responsible for meeting these types of major needs or whether the community should take it upon itself to resolve their own problems whenever possible. A member of that particular CC in Mérida, argued that “popular participation should mean involvement in developing broad government plans: *the CCs should say we need stairs, not develop a project to build stairs*” (Lerner, 2007: 3).

In tackling common problems of this nature CCs face a huge challenge imposed by their limited capacity to resolve them. They need information to resolve the issues which they are deciding are most important to them as a community and this is the start of a vast “imbalance between the citizens and the state”. As Ecarri (2007:18-19) argues, this negative relationship is based on a clear disadvantage because government staff can manage instrumental knowledge, a circumstance that can lead to a lack of interest and “detachment and passivity of citizens in the participatory process” (Ecarri, 2007: 18-19) since they do not have the same technical capacity as government staff do.



Despite the negative experiences described above, many of the people that participated in the interviews stressed the importance of participation, not only to solve common problems, but also to enable them to help decide the fate of their own communities and to create trust in the process of participation itself. In reviewing their opinions, it was possible to identify three areas related to the process of participation within the CCs that recurred within their responses to questions. These were: the factors upon which participation depends; the factors that define participation; and how to measure the overall success of this process of participation.

The elements that were recognized as important for participatory processes to work well were, amongst others, a pre-existing motivation that people have to take part in activities designed to address their communities' concerns. Motivation or purpose of participation was identified by Tanaka (2000) in Chapter III, as an important factor in community participation; effective participation occurs when people participate in order to solve some common problem, or a problem that is important to some groups. Either way, participation is important because it involves a collective action. The will to participate and become involved in the organization and training of the community were also deemed as important in improving participatory processes, but also to show co-responsibility about the decisions that are taken collectively. The most important outcomes of this process were the potential that communities have to decide about their own reality, the trust and the sense of belonging that was created through their involvement. CC members also pointed out the importance of knowing their rights and their duties towards their own communities. Finally, they called attention to the importance of institutional support for the process.

Regarding the factors that define participation, CC members highlighted collective decision-making through the citizen assemblies, because they saw this as representing the exercise of their citizenship. Participation gave them a sense of autonomy and independence. To illustrate these facts, here are some opinions gathered during the interviews:

“Everything is discussed in the Assembly of Citizens, in this assembly we decide which are our problems, and we give priority to those problems” (Participant D-27, Spokesperson of *Barrio* Rafael Urdaneta, Valencia. July 11<sup>th</sup> 2007).

“The CCs says that the highest authority is the assembly of citizens” (Participant D-32, Valencia. August 4<sup>th</sup> 2007).

With this (the CCs) there is a real participation but people have to be aware that if we do not fight for what we need, we will not have it, and that's another thing, that is better do it ourselves because that is when we acquired what is the sense of belonging. It is very different now, the community decides what we want to do - not before; before someone came out and said what he/her was going to do. I believe that the CC is the best thing that could happen, it really gives the sense of real participation to people, if people participate and if you believe in this and want to help” (Interview in *Barrio* Coromoto, Naguanagua, Valencia. August 8<sup>th</sup> 2007).

On the subject of how to measure whether or not participation has been successful, interviewees argued that it was best judged on the outcomes that they can see as a result of their actions, despite the fact that in many cases it was the result of the trial and error approach. They also valued the importance of previous experiences in participation to make this process easier to implement.

Finally, interviewees identified the role that institutions have played as a key factor in the process. However, their opinion about the performance of national, regional and local institutions was not too encouraging, particularly when they talked about the coordination among institutions, whether at national or local levels. The very first obstacle to the successful establishment of a CC, which was frequently referred to in interviews was the lack of institutional preparation shown by official organizations for undertaking such an important task. This was worsened by the constant changes introduced to the guidelines, procedures and legal frameworks, and by a deficient coordination among institutions which made the job of communities even more difficult, particularly at earlier stages and in rural environments. The high dependency of local and de-centralized

institutions upon central government was also seen as reflecting interference within the implementation and functioning of CCs. As was mentioned before, CCs' project applications go straight to a central office located in Caracas, and it is there where the funding is approved (Lerner, 2007).

In an exploratory research carried out by Machado between February 2008 and April 2008 with 1,138 CCs formed in eight different regions in the country, the author found that members of these CCs expressed a range of recurring problems with state institutions. The main issues identified were: lack of answers to their problems," lack of dialogue and red tape in government agencies". Machado's interpretation of this issue was that it was the result of the slow pace of institutional procedures, the lack of timely responses to requests made by CCs or insufficient attention being made to the demands made by CCs (Machado, 2008).

Institutional resistance and a lack of political will for opening mechanisms for participation was also identified as a problem by spokespersons from the CCs. This dilemma, also noted with the LCPPs, was seen particularly in local institutions that saw CCs as a threat to their own responsibilities. In Chapter II it was argued that one characteristic of organizations is that when they undergo changes some elements change more, and more quickly, than others. The explanation for this is that some elements within organizations are more inclined to change, while others, particularly perhaps those that represent the values of an organization, like the structure of decision-making, can offer more resistance to change (Ranson et al 1980, Greenwood & Hinings, 1988).

The resistance from some local and regional governments to the political project of President Chávez, and therefore the refusal to support national policies as it was discussed Chapter 8 about the negative of sub-national governments to implement the LCPPs and transfer the power towards the community, has meant that constant threats arise to the survival of sub-national government. This menace was even more real with the proposal made by President Chávez (which has become a reality) about the creation of *Comunas*. The *Comunas* have turned out to be an issue that "threatens to substantially undermine the power of municipal government by creating a parallel structure" (Ellner, 2009: 13). The

acts passed on March 22<sup>nd</sup> and 29<sup>th</sup> 2006 regarding a partial reform made on the *Fondo Intergubernamental para la Descentralización* (FIDES) and *Ley de Asignaciones Económicas Especiales Para los Estados y el Distrito Metropolitano de Caracas Derivadas de Minas e Hidrocarburos* (LAEE), confirm the fear expressed by local and regional authorities. Both acts were modified to include CCs as recipients of governmental funding together with the states and municipalities.

One of the most notorious aspects of these laws is that CCs perceived there as getting more financial resources from the central state than governorates and municipalities, besides those resources that can they get from regional and local institutions.

Public participation in Venezuela had shown some contradictions: on the one hand, the principle of popular participation in decision-making is now enshrined in Venezuelan law like never before but there still persists a lot of institutional rigidity that has hampered the implementation of the mechanisms designed to achieve effective participation (Castillo & Márquez, 2007). Landáez (2007) found in her research about citizen participation in Venezuela under the 1999 constitution, that participation represents a challenge to all citizens because, in order for it to work properly, there must be a set of conditions for participation which are implemented in a satisfactory manner, in order to comply with the law and the principles of participation (Landáez, 2007: 3). In general terms, this research has found that this set of conditions for participation has been found wanting in Venezuela. In particular, the process has been impeded by a lack of coordination between institutions which has caused a lot of confusion among the communities because there were not a clear set of rules to follow. Centralism of procedures, the continuous changes in institutional criteria and the lack of political will to encourage mechanisms for enhancing participation were the other factors most frequently mentioned by respondents.

Interviewees recognized that CCs could have two different kinds of purposes: a political and a functional aim. In terms of functional aims CCs represented a tool or an instrument for community organization in order to solve common problems; interviewees also saw the councils as a mechanism for real power, involving a genuine sense of decentralization. This perspective came from the

fact that community members could meet and take decisions, based on their own community diagnosis, in a citizen assembly, a space that was highly rated by them. In other words, many of them understood the significance of the councils for the exercise of direct power and the benefits that direct participation could bring to their communities.

The other purpose linked to CCs, however, was the political one. CCs, as mentioned previously, have been considered as a part of the new geometry of power, a key factor in the construction of the XXI Century Socialism promoted by President Chávez. In this vision, CCs can be seen as a substitute for local governments rather than as a mechanism for increasing the accountability of the former. In this sense they constitute power structures established as social networks which in the future may become a form of local government in their own right (Rivadeneira, 2007).

In July 2009 *Comandante* Chávez asked community organizations to redouble their efforts. He said that Community Councils must transcend themselves. The *Comuna*, he went on, has to be the territorial base of Socialism ...", as such, he urged and reiterate to CCs, that the people themselves must give body to Bolivarian Socialism, in order for it, the political project called the Socialism of the 21 Century, to become more than just a desire". In official words, la *Comuna* will be the vehicle that will allow CCs to implement their own government system. But, the institutionalization of CCs is a process that started with their own creation. From the very beginning the councils have been regarded as part of the public institutions of the state rather than outside of them, by just looking at Minpades webpage it is possible to observe that CCs, together with Fundacomunal, the Misiones<sup>121</sup>, the Women's National Institute (Instituto Nacional de la Mujer) among others are considered as "*entes adscritos*" (affiliated entities) of this ministry.

As a consequence, CCs, which have legal status, have also been given a variety of state responsibilities, like the administration of some of the Misiones, which are social programs delivered outside the traditional state structure constituted by

---

<sup>121</sup> Misiones are popular programs implemented by central government to alleviate poverty, they are implemented in areas like health and education.

the ministries. Through different mechanisms, the central state has tried to transfer some serious responsibilities to CCs that it can be argued go beyond their competencies. According to the 2009 law of CCs, they can undertake responsibilities for security and defence that so far have been a function of the National Armed Forces (Kelzi, 2009). In the disarmament bill, approved in its first discussion by the National Assembly this year, CCs would have power over the control, registration and recovery of weapons, if the national executive decides so; this is also a responsibility thus far carried out by the Army (San Miguel, 04-02-2010).

Those are not the only responsibilities placed upon CCs. In August 2007, three national institutions SENIAT<sup>122</sup>, INDECU and Fundacomún established a training program for CCs in Puerto Cabello (Carabobo State). The idea was to give an induction workshop to prepare representatives from CCs to create Committees of Social Auditing for the supply of products with price controls. After the training, they would be able to go out to inspect the stores, where these products are sold but they would also be able to assess whether the stores comply with SENIAT regulations (Notitarde, August 3<sup>rd</sup> 2007). Another example of these multiple duties was observed recently when, in Trujillo, the CCs “joined the campaign being conducted by the Revolutionary Government to prevent the outbreak of speculation in the shops of the region<sup>123</sup>” (Ministerio del Poder Popular Para las Comunas y Protección Social, January 2010). Although this is the duty of a state institution (INDEPABIS), CCs are frequently being called upon to take this kind of responsibility.

Rodríguez (2007), in considering these issues, argues that the transfer of proper functions of the public administration had put the CCs out of the scope of the public planning process and transformed them “into instruments of public policy implementation, and, incidentally, in monitoring and control bodies of their own communities” (Rodríguez, 2007). CCs have legal status to administer financial resources transferred by the central state; however, they lack legal grounds for assuming the execution of state functions. In other words, as expressed by Mora

---

<sup>122</sup> The institution in charge of tax collection.

<sup>123</sup> With the adjustment of the official rate exchange central government feared speculation with food and other commodities' prices.

Bastidas (2007:141), CCs can “materialize acts of authority and thus be subject to the provisions on administrative work and its legal consequences”, therefore it is important to analyse how this contradiction can be consistent with the principles of the national constitution. To that end, Mora Bastidas argues that since the structure of the CCs law makes it almost impossible to know what their condition is, the responsibility remains in state hands to prepare and train the members of CCs so that they understand the scope of the commitment that they assume when they constitute a CC (Mora Bastidas, 2007:155).

#### *9.6 Preliminary Conclusions*

LCPPs and CCs represented the finest instruments for public participation ever devised by Venezuelan legislation. LCPP’s short existence proved, however, that legal establishment was not enough for mechanisms that open channels for civil society participation to work. The LCPPs main drawback was the lack of political will or commitment of local authorities to implement them as instruments through which communities could take part in the local process of decision making. CCs on the other hand, not only had the proper legal grounding to fulfil their purpose and to function according to what was established in the law, they also have financial and institutional support to act independently. However, their purpose appears to have changed as time has passed, and from being created as community organizations with the aim of tackling public concerns, they have also become political instruments.

The analysis of this chapter has illustrated the difficulties that have been faced in the functioning of CCs, with political interference, institutional resistance and centralising institutional structures for their administration identified as the main institutional challenges. With the implementation of CCs, the issue of the relative merits of representative versus direct democracy have been put on the political table again as CC members have grappled with a range of difficult practical issues. Concerns raised in the interviews about these issues included the question of how much is expected in terms of participation in order to achieve social benefits, and to what extent the spokespeople of any given CC are

just the messengers of decisions that are taken in the Assembly of Citizens, or are those who really work within the CC while the rest of the community relies on and benefits from their work. Lack of interest in the participatory process amongst the bulk of the population and a debilitating dependency upon institutional guidance were also mentioned as key concerns.

The CCs are relatively new instruments for participation. The greatest momentum towards their establishment was observed between 2006 and 2008, and as such, it will be necessary to allow some time to pass before we can establish a comprehensive diagnosis of their functioning. However, as pointed out by some of the interviewees, rules have to remain stable for people to understand them and work under their guidance, and another problem experienced by those attempting to establish CCs is that the continuous legislative changes did not allow the implementation and effective functioning of CCs. This has led to uncertainty and confusion in the whole process and as a consequence the enthusiasm of civil society has not been as strong as might have been hoped for.

An example of this has come from the continuous changes that there have been within the legal mechanisms that have sustained the existence of CCs. They were established under the 2002 LCPP law, and then detached from the LCPPs in the 2006 CC law, before then being incorporated again under the LCPP law enacted in December 2006.

On May 12<sup>th</sup> 2009, the national Assembly approved, in first discussion, a reform of the Law of Communal Councils (Vasquez, in *El Universal* May 12<sup>th</sup> 2009). On November 24<sup>th</sup> 2009 this bill was submitted for debate for the second time and approved by the National Assembly on the same day, and published on Official Gazette on December 28<sup>th</sup> 2009. The object of the 2009 law was to regulate the constitution, organization and functioning of communal councils as a mechanism for the direct participation of Venezuela's citizens, in the process of decision-making, as well as their relations with state institutions (Article 1). Communal Councils are defined in this law as:



“instances of participation, coordination and integration between citizens and diverse communitarian organizations, social and popular movements, that allow the organized people to exercise communitarian government and the direct administration of public policies and projects targeted to meet the needs, potential and aspirations of the communities in the construction of the new model of the socialist society of equality, equity and social justice” (Asamblea Nacional, 2009).

The 2009 law kept some similarities with the previous law; however the 2009 law stressed that the activities of the CCs are focused on building the socialist state, that is to say, the law gives a preeminent political role to the CCs in the implementation of Chávez’s political project. The sense of centralism is quite obvious in this law, when it is stated that CCs are to be registered, and can consequently acquire legal status only through the Minister of Popular Power with competence in citizen participation<sup>124</sup> that now is called *Ministerio del Poder Popular para las Comunas y Protección Social* (Ministry of Popular Power for the Communes and Social Protection). According to this provision, there is no other place or local institution, thus LCPPs, municipalities or governorates do not play any role in this process. This means that rather than being part of the established systems of local government, the formation of CCs dependent directly upon central government institutions. A copy of the registration had to be handed over to the Local Council for Public Planning of their jurisdiction in order to achieve coordination with the National Public Planning System, but since these councils practically disappear, this provision seems a futile effort to connect the CCs to the National Planning System.

There are some new figures in this law called the Collective of Community Coordination, which is a mechanism that brings together all the members of the CC and the Executive Unit that promotes the organized participation of all community residents, organizations, social and popular movements, and will implement the decisions taken by the citizen assembly (Asamblea Nacional,

---

<sup>124</sup> At regional level this is carried out in FUNDACOMUNAL, previously known as FUNDACOMUN – which is an affiliate entity on the Ministry of Communes-.

2009). Amongst the functions of these figures there is one that is particularly highlighted for attention:

- To coordinate with the Bolivarian Militia<sup>125</sup> all those aspects concerning the defence of the country

As mentioned before, to assign these kind of functions to CCs has brought about all sorts of disputes that point to the argument that the functions assigned to CCs go beyond their competences and their nature, particularly as some of these tasks relate to a function that, according to the 1999 national constitution, belongs exclusively to the national armed force.

The financial resources assigned to the CC, that come from central, regional and local public budgets, from FIDES and LAEE and those resulting from the administration of public services transferred by the state, and any other that come from bank interests, donation or any activity supported by this law and the national constitution, has also brought conflicts, particularly with sub-national governments that see their financial resources reduced in favour of the CCs. These resources transferred to the CCs must be administered or invested in programs and projects, as well as the implementation of public policies; these financial resources cannot be diverted to other uses unless it is authorized by the public entity that gave the resources, changes in the direction of the money should be approved by the citizen assembly (Asamblea Nacional, 2009). In its transitional provisions the law instructs the Ministry of Popular Power in Citizen Participation incorporation in its regulation, about taking the necessary actions to the organization of Communal Councils National Fund<sup>126</sup>. Another demonstration of centralism referred to the rules of the law, for which the President of the country has been instructed to issue the regulations of this law, but until this happens, the Ministry of Popular Power with competence in citizen participation will elaborate the guidelines necessary to make effective the registration of the CC (Asamblea Nacional, 2009).

---

<sup>125</sup> The Bolivarian Militia is an especial body organized by the Venezuelan state comprising the territorial militia and Body Fighters oriented to complement the National Army in the integral defence of the nation. The Bolivarian Militia depends directly on the President of the Bolivarian Republic of Venezuela (Artículo 43 de la Reforma de la Ley Orgánica de las FAN. Asamblea Nacional de la República Bolivariana de Venezuela, 2009).

<sup>126</sup> Fondo Nacional de los Consejos Comunales.

In the next chapter, the conclusion of this dissertation will be presented; those main conclusions will reflect the links established between the different theories here discussed, with the main subject of this research: the process of decentralization in Venezuela and the mechanisms established in order to let civil society take part in the elaboration of public policies.

# Chapter X

---

## Conclusions

*“The Fifth Republic has not changed these basic traits of post-1958 Venezuelan politics: structurally, dependence on oil continues; demographic trends continue to accelerate as the population grows, urbanization increases, and poverty remains pervasive. Institutionally it maintains a highly centralized decision-making structure, even though a new set of privileged actors have emerged. What has changed? The revolutionary sense that truth and justice are on the side of the Bolivarians and that all who oppose it are enemies is reminiscent of the rhetoric of the revolution of 1945. Institutionally, the attempt to dismantle and discredit the representative democratic institutions has impeded the creation of legitimate replacement. In addition, the tactic used by the new ruling class to replace the existing institutions unilaterally with procedures intended to establish a direct relationship between the leader and citizens, state and society, has fuelled confrontation.*

*Jennifer L. McCoy, 2004: 294*

## Introduction

Although this research established at its outset that its basic intention was to analyse the evolution of the process of decentralization in Venezuela since the 1980s, it was inevitable, however, that there would need to be a more specific focus upon one of the main features of this decentralization process and this was found in prioritizing an analysis of local institutions as channels for people to participate in public matters. This was achieved via an empirical focus upon those measures put in place by the national legal framework to facilitate public engagement in public life in Venezuela over the years since the first enacting of the 1999 constitution. Whoever has reached this point in the analysis of these issues might perhaps be asking him/her self whether it is the contention of this thesis that everything has been entirely negative in regard to these measures? In relation to the communal councils whose operation has been heavily criticized in the preceding pages, I would suggest that the reader might like to visit the website of Minpades (Ministerio del Poder Popular para las Comunas y Protección Social –<http://www.mpcmunas.gob.ve/>). On that website you will find a totally different story about the operation of the CCs to that which I have presented in this research. It is very possible that the reader does not find in that page, a single negative aspect or comment about the operation of the CCs, it is like reading an Alice in Wonderland version of Venezuelan politics, where everything works without a hitch. Of course all governments present their policies in a positive light but the Minpades site does seem to be particularly guilty of this. It reads more like a political propaganda site. In addition, many of the terms or concepts which have been discussed heavily in the thesis or are the subject of considerable debate within Venezuela are frequently used in this website without any guidance or explanation. Just to take one example, the site refers to “*el banco de la comuna socialista*” an organization that has not even been legally approved, and yet according to Minpades, it has been implemented and is already allocating financial resources. A couple of examples of some relevant news stories published by this website which illustrate this follow below:

“*El Banco de la Comuna Socialista* an Instance of Economic Power in the organized communities: the Bank of the socialist *comuna* is to respond to organized communities that have historically been ignored by the oligarchy in power

management, participation and leadership in the development and implementation of community development projects," said Achilles Silva, elected commoner in the Citizens Assembly to constitute the Bank<sup>127</sup> of the Socialist Commune 'Riveras Guanare River' in the state of Anzoátegui (<http://www.mpcomunas.gob.ve/noticias.php>, 16-06-10).

The photograph that accompanies the story is as follows:



*Photograph 10.1 El Banco de la Comuna Socialista*

News published in this website also frequently refers to the politicized way CCs take part in the political debate; for example the following story from June of this year.

"Community Councils march in support of the political and economic project of the National Government: People's Power progresses in its strategy to confront the economic war declared by capitalist enterprises, on this occasion there was a march of popular forces that ended in the headquarters of Fedecamaras in Yaracuy state." (<http://www.mpcomunas.gob.ve/noticias.php>, 18-6-10).

The photograph that accompanies the story is as follows:

---

<sup>127</sup> These are local banks associated with individual comunas.



*Photograph 10.2 Community Councils march in support of the political and economic project of the National Government*

These examples ratify the argument that has been widely shown in previous chapters about the constant changes introduced by the government to increase participation without explaining exactly what it is that people are supposed to be participating in and how. These changes are learned by citizens on the basis of their enforcement in the communities. The second example shows how CCs are used for political practices, which reinforces the idea discussed about the influence of politics on the direction and functioning of the CCs.

In the following sections a summary of the major findings and arguments of the thesis will be presented.

### *10.1 Theoretical Issues*

Chapters II and III presented the theoretical foundations of this research. The first part of Chapter 2 presented the main debates about institutional theory with a particular focus upon the New Institutionalism and those arguments that link institutions to organizational theory. In this Chapter it was argued that Institutions are fundamental to society, because they are “the rules of the game”, the concept of institutions employed here is one that defines them as social structures, which mirror how the relations of power are structured between actors and within the processes of decision-making. Although a range of important factors that influence institutions were discussed, the most significant observations made in the chapter concerned what institutional and

organizational theories had to say about the dynamism that institutions experience, particularly as a result of changes in the social and political context where they are located (Thelen & Steinmo, 1992: 16), and within those discussions, the resistance that organizations present to those changes (Greenwood & Hinings 1996: 1023).

Drawing upon this literature, it seems that one of the most important features of organizational structure in relation to their experience of reform is the resistance presented by their core values to external and internal pressures towards change. The theory argues that one of the core elements within an organization with a high impact system<sup>128</sup> is the decision-making structure. As was seen in the debates presented in Chapters VI to IX, the structure of decision-making, which represents the power within an organization, has a decisive role in the implementation of public policies. Perhaps the most important factor gleaned from the wide-ranging explorations of institutional and organizational theory was that institutions are part of a context, and as much as they can change that context, they can, as well, be changed by this context.

Chapter II also discussed the various streams of the literature on Governance in some detail, drawing on a range of debates in that field ranging from those changes to their governance structures embarked upon by nation states as an answer to their external environments and more internally-oriented debates revolving around transformations in the role of the state in co-ordinating public-private interactions. This literature helped to pinpoint some of the institutional components that constitute a key factor in the understanding of governance processes and led to the thesis' emphasis upon such factors as: the bureaucracy, the rule of law, the character of the policy-making process, and civil society (Campos & Nugent, 1999: 439). Other key elements in the concept of governance that were also identified in this chapter were: rules and processes that structure the way the power is exercised, rules that structure collective actions and norms that define who the politics actors are. Perhaps the most important of these for the development of this research was that which explored governance as an alternative to government, where new institutional mechanisms have been opened for civil society participation in the defence of their interests and for public accountability.

---

<sup>128</sup> High impact systems represent values that are highly protected in some organizational structure; more than others, they are steering factors for change (Kanters 1983, cited by Kikulis et al, 1995: 72).



In Chapter III, attention was focused down onto two more specific literatures concerning respectively the two major themes of this research: decentralization and civil society participation. Regarding decentralization several important aspects about this process were discussed; such as types of decentralization policies, the advantages and disadvantages of their implementation, and how to measure the level of decentralization, as well as some experiences of its implementation around the world. This involved detailed discussions of the different reasons that had prompted countries around the world to implement decentralization and the broad range of issues which decentralization intentions connect with, particularly those linking decentralization to regional and local development programmes, democracy, territoriality, and the distribution of power. From the discussion presented it was clear the importance that institutions represent for this process, it was pointed out that a strong institutional framework has been a key factor in the implementation of successful decentralization programs wherever they have been applied. One of the main conclusions drawn from this section was the fact that decentralization is not the result of one factor alone but responds to many factors instead. For the process to be successful and meaningful there needs to be a convergence between political commitment, the presence of an effective legal framework, strong institutions, adequate resource transfers and good intergovernmental links.

Participation, on the other hand, can be understood as the influence that civil society has over those decisions taken by governments and that influence their lives. Key conclusions drawn from reviewing this literature included the importance of community empowerment, and above all the significance of communities securing access to the right information and the power to influence the decisions that are taken on their behalf. Securing effective community participation entails consideration of a range of important elements like motivation, forms, requirements, channels or mechanisms as discussed in detail in Chapter III. For all the debates over forms of participation, it is also important to highlight that although institutionalised participatory processes represent valid channels for involving civil society in public affairs, a lot of work still needs to be done in terms of increasing the political will to develop this process as discussed in detail in relation to the Venezuelan experience within this thesis. Finally, the chapter considered an interesting alternative perspective

on participation which emphasized that there is a danger that participatory practice could be seen by society as a burdensome process, either because it requires excessive commitment or because it represents a way of relieving the state from much of its duties. As such, for those committed to enhancing public participation in decision-making it is important that society should not see this process as an obligation they have to fulfil because governments are inefficient, or feel overwhelmed by the amount of responsibilities that they have to take on.

## 10.2 Decentralization and Institutional Reform in Latin American and Venezuela

The process of institutional reform implemented in Latin America, and more particularly in Venezuela, over recent decades and within which any discussion of decentralization policies must be situated was discussed extensively in Chapters V and VI. Chapter V evaluated the process of import-substitution implemented in Latin America since the 1930s, and also explained how this process, together with other factors discussed in detail there, led those countries to a financial crisis at the beginning of the 1980s and subsequently to the implementation of a markedly different set of development policies based around the promotion of market-based solutions and limiting the level of state intervention. Those policies derived from a Neoliberal worldview (frequently referred to as the Washington consensus) were most famously enacted in the form of Structural Adjustment Programs. The shortcomings of these Neoliberal policies not only raised serious concerns about their effectiveness and differential impacts, but most importantly for our concerns, eventually led to a shift in the approach itself, the main feature of which was, if not to restore, then certainly to re-structure the role of the state in the development process. Accordingly, this chapter debated the state reforms put forward by international development and financial agencies at this time to overcome the problems of development in Latin America, as well as some examples of the process of the reform of the state in individual countries. The role of decentralization within these institutional reform programmes was also discussed and some experiences of decentralization were also evaluated in four Latin American countries. One of the main outcomes of Chapter V was to identify the major

reasons as to why most Latin-American countries embarked upon a decentralization process. The main reasons identified were: the influence of the neoliberal reforms discussed above, the pressure imposed by international development and financial agencies, the beginning of a process of democratization in some countries, socio-structural causes, and the influence of political-institutional or electoral interests (Montero & Samuels, 2004:9-21). Both, top-down and bottom-up approaches to the processes of decentralization in the region were also discussed.

The intention of Chapter VI was to draw upon the wider insights from the study of institutional reform in Latin America outlined in chapter V to develop an analysis of the background to the process of decentralization in Venezuela. The chapter started by explaining the reasons why Venezuela embarked upon a process of state reform and the outcomes of that reform. For our purposes, the most important result of the state reform, based on COPRE<sup>129</sup> recommendations, was the administrative and political decentralization that was carried out at the end of the 1980's. However, as was demonstrated in this chapter, the process of decentralization kept much of the centralist character of the previous state structure with, for example, very little space made for civil society participation in public matters, mainly because not too many channels were devised for that process under the 1961 national constitution. Amongst the factors that hampered decentralization in Venezuela at this time, were the poor intergovernmental mechanisms developed to support the process and, in particular, the lack of progress in the re-distribution of financial resources and the dependency that sub-national governments continued to have on central funds. Other negative factors were the absence of a clear set of responsibilities to be assumed by state and municipal governments and the lack of political commitment from central elites to the decentralization process. Despite these difficulties, the chapter concluded by stressing that the process of decentralization initiated under the 1961 national constitution represented an important change in the governance structure of the nation-state, and also embodied an important channel for lessening the political crisis that the country was experiencing at that time.

---

<sup>129</sup> Comisión Presidencial para la Reforma del Estado (Presidential Commission for the State Reform).

Chapter VII was the first of the three major empirical chapters of the thesis and addressed the continuation of decentralization under the constitution enacted in 1999. This constitution introduced important changes to the nature of this process, particularly because, at least on paper, it broadened the channels through which civil society could take part in the decision-making process, the constitution also, at least initially, deepened the commitment to decentralization of power to states and municipalities which has then been gradually reversed, as argued in chapters VII to IX. The chapter presented a comprehensive discussion of the evolution of decentralization under the mandate of President Chávez and the legal framework produced both to underpin this process and to deepen the mechanisms for participation. The chapter also emphasized the political conflicts that developed between the central government and those sub-national administrations opposed to the political project led by President Chávez. This conflict was examined in some detail because it helps to explain why decentralization has taken a different path to that first elaborated in the 1999 national constitution (this turn around also had its origins within internal changes and tensions within the President's political project itself). One of the central themes of the chapter was how the evolution of Chavez's political project has seen a gradual move away from a progressive commitment to territorial democracy and the decentralization of power embodied in the 1999 constitution towards a project which has continued to promote citizen participation but within a project that has increasingly sought to stifle the established political structures of decentralization and instead nurtured a new and competing system which is much more centrally controlled by the national government and state-affiliated grassroots organizations operating across the whole country. Although the tension between decentralization and re-centralization has been a constant in Latin American countries' experience of decentralization, this chapter presented a strong argument that the tensions between decentralization tendencies and re-centralization attempts have never been more clear and insistent as they have been in recent times in Venezuela.

### *10.3 Instruments for Civil Society Participation*

Chapters VIII and IX built upon the general analysis of the changes introduced under the 1999 constitution and the wider context within which they must be situated to more directly explore the mechanisms devised by that constitution to improve the participation of the organized community in public matters.

Chapter VIII focused on the Local Councils for Public Planning (LCPP), and briefly, on the State Councils for Planning and Coordination of Public Policies (SCPP). However, in order to place those experiences within a wider historical understanding of political participation in Venezuela at this time, some previous experiences developed by the first local authorities elected at the beginning of the 1990s in relation to encouraging citizen participation in decision-making were first discussed. The chapter's main focus concerned the failure of the LCPPs as a channel for involving the participation of communities through local councils. The analysis attributed much of this failure to the lack of political will for implementing the councils at municipal levels, the influence of political bias and polarization and the ways in which local communities were not sufficiently informed about their purpose and functioning. LCPPs were frequently interpreted as a political threat to the power held by local and regional authorities. There were, however, some instances where the LCPPs appeared to work more successfully. Based on the analysis made of the research interviews conducted with participants in LCPPs, three key factors were identified as crucial to the successful implementation of any LCPP: the first is that the work of the LCPP had to demonstrate its effectiveness to the community - that is they had to show results. The second is that the political will had to exist for its effective implementation and the last one that real opportunities had to be provided to civil society for participation. Regarding the problems that most affected the functioning of the LCPPs, the most important was the political bias shown by local authorities which led to another problem - that of the resistance of local authority staff to promoting real citizen participation. Other negative factors were disappointing levels of community participation, which most of the time reflected a lack of knowledge about the LCPP and the potential benefits of community participation and the continuous changes in the legal framework supporting the LCPPs which caused a lot of confusion about how this mechanism was to function.

Chapter IX in turn was focused on the implementation and functioning of the Community Councils (CCs). This mechanism was implemented due to the failure experienced in the implementation of the LCPPs almost everywhere in the country. Due to the strong support shown by President Chávez to the CCs, which over time have come to constitute the very core of his political project, they gained their own legal status and their establishment was promoted all over the country. The majority of the interviews for this chapter were conducted from November 2006 to August 2007, which corresponds to the first years of CCs' implementation. During this period, the main characteristic of the CCs in their commencement was the utter chaos that surrounded their establishment. One clear example of this disorganized procedure was the enactment and subsequent amendments of the legal framework produced by the national assembly for the operation of CCs. The chapter went on to outline the wide-ranging debates which have occurred across Venezuela in relation to the establishment of the CCs. These have ranged from perspectives which have seen them as the true representation of an effective alternative decentralization process to those that have seen them as little more than a way for President Chavez and his political party to manipulate political participation to their own advantage. One of the main characteristics of the establishment of CCs during this period was found to be that a lack of clear mechanisms, regulations and procedures put in place by the government to implement the CCs made it incredibly difficult for them to be established, causing as a consequence serious difficulties for their functioning. Another negative factor was the intrusion of politics in the formation and functioning of the CCs, an issue that proved to be a divisive factor between communities, and decreased the willingness of many people to participate in an important part of civil society.

The functioning of CCs put into question how the national government implements its policy on public participation at local levels, particularly by the structures of power that have been created via the 'new geometry of power, ' consisting of two levels: the community and the national government represented by the executive and more precisely by President Chavez. The shift from LCPPs to CCs as the preferred vehicle for local level participation in decision-making raises some significant questions over what type of participation is sought in Venezuela. The increasing emphasis upon CCs suggests an increasingly top-down character to participation intentions and an increasing

politicization of the process due to the strong tutelage and influence of the government on these organizations.

Another key factor identified in this chapter was the importance of the role that institutions played in the implementation of CCs, and the institutional support which is surely fundamental to the encouragement of civil society participation. Which institutions were important? How did they encourage participation in ways which the LCPPs had been unable to? Effective institutional support is only one factor in securing effective participation, however, and the chapter also spent considerable time exploring the question of public motivation to participate (as stressed extensively in the general literature on participation). It was my impression that motivation constitutes a powerful factor in this participatory process and is therefore a fundamental factor if CCs are to work effectively. According to the analysis of the data collected during the interviews, the main motivation for people to participate was to solve community problems, particularly those relating to the functioning of public services or improvements in communities such as pipes, electricity, road improvements, access to transportation systems, schools, parks, etc.

#### *10.4 General Conclusions*

##### *Answering the Research Objectives*

The earlier contextual chapters of this thesis led to the elaboration of a series of important objectives that guided the conducting of the research. The ways in which the thesis addressed each of these objectives in turn is explained in detail in the ensuing paragraphs of this section:

- a. To outline the mechanisms that have been put in place to allow the participation of civil society in public matters in Venezuela, with a specific focus upon the period between 1999 and 2009.*

The research explored the mechanisms put in place to allow the participation of civil society in public matters in Venezuela in considerable historical detail. Originally, it was intended that the research would focus most specifically upon two of the main instruments outlined in the national constitution for

public participation that is the Local Council for Public Planning (LCPP) and the State Councils for Planning and Coordination of Public Policies (SCPP). As the research proceeded, however, it became necessary to focus equally upon another mechanism that developed as the most important channel for public participation - the Communal Councils (CC).

*b. To review the ways in which these mechanisms have been incorporated into the structure of decision making within local institutional such as local councils.*

The way through which, the CCs and LCPPs were implemented and the consequent failure of LCPPs, had negative implications for the decentralization process initiated in the 1980s and continued under the 1999 constitution. Implementing the CCs through national institutions and ignoring the importance of the work that LCPPs were intended to carry out through local councils have brought about an erosion of support for, and even reversal of, decentralization efforts, with consequent implications for democracy, the delivery of public services, and the viability of local planning. More importantly, it has been accompanied by the establishment of a new structure of political power where elected local and regional governments do not appear to have any role whatsoever.

*c. To analyse the effects that mechanisms such as the Local Councils for Public Planning and the Communal Councils, established in the 1999 National Constitution, have had in encouraging and improving the participation of civil society in public matters at local levels.*

The detailed description of the thesis' findings in the previous section has presented a very negative view of the process of decentralization and the mechanisms for establishing participation in political life in Venezuela over the period of the study but there clearly have been advances particularly in relation to the latter. Whatever the limitations on participation observed in previous chapters, the creation of the LCPPs and the CCs in Venezuela have presented opportunities for people from all walks of life to participate in the political process in ways which were simply not possible before. With the



enactment of the 1999 national constitution, Venezuela experienced a major evolution in decentralization; however, despite the commitments outlined in the constitution, this thesis has argued that over recent years there has been a retreat from any commitment to transferring political and administrative power to freely-elected sub-national governments and another more centralized structure of political power is arguably in the process of being established between the central government and politically-associated grassroots organizations. Thus it was argued in Chapter VII that decentralization, as a process of the transference of political power away from the central government, had been consistently undermined over recent years by the Chavez administration's attempts to create a new structure of power constituted, as mentioned before, by the central state and the CCs. Some would argue that transferring decision-making powers to these local organizations does in itself constitute a form of decentralization and one which ordinary people have more chance of participating in than traditional forms of local government which are easily dominated by elite groups. The problem is, however, the structure of dependence that has developed between communities and central government, a problem that has been accentuated, in my view, by the political manipulation of the communal councils from central government.

*d. To assess the effectiveness of the implementation of the Local Councils for Public Planning and the Communal Councils, and the factors affecting their operation in different geographical and social contexts.*

The research findings proved that local peculiarities have been very important in the implementation of public participation policies in Venezuela, by which I mean, for example, that the opportunities to implement and put into motion a CC are not the same for the whole country. Some areas offer more facilities and information for people to find out about the requirements for establishing a CC and their benefits; others do not have the same opportunities particularly in relation to the formation of rural and indigenous

CCs. In terms of the effectiveness of the implementation of LCPPs and CCs, particularly in terms of enhancing public participation the research findings show that under present circumstances, where public participation is promoted via the central government, it is difficult to establish whether this type of participation particularly through the CCs, have made more effective the objective of these mechanisms, which in principle should be increasing community participation. The link that has been created between the national government and community organizations can respond to a new model of local governance but one that has been instigated by central government involving local communities in a mechanism that might work better if other institutions, particularly at regional and local levels, were incorporated. In my opinion, local governance and participatory democracy, as established by the political project of President Chávez, is contradictory because there is not cohesion between this participatory process carried out by local communities and regional and local governments. Although it might be argued that the establishment of comunas, as discussed in Chapters VII to IX, will go some way towards addressing this issue, through, for example, their provision of an intermediate level of governance between the state and the individual CC, but in my opinion this link would still be incomplete if regional and local governments are not considered in this equation.

*e. To assess what light the Venezuelan experience can shed upon our understanding of the potential role of decentralization in enhancing public participation within political decision-making.*

The Venezuelan experience so far with decentralization and the implementation of mechanisms that enable citizen participation in public affairs show that, when political will exists, it is possible to extend public participation beyond its traditional levels. What this experience also shows, however, is that political manipulation hampers the participatory process and can create, as in the case of Venezuela, negative political polarization and distortions in the results of participation.

### 10.5 Implications of this Research

Leaving to one side, the concerns presented above about the whole CCs' strategy (particularly in terms of its impacts upon the decentralization process) the findings of the research have implications for how their functioning as an expression of popular engagement within decision-making processes could be better achieved. During the research carried out in Venezuela and through the interviews applied to a wide range of institutions and people, I identified some of the main problems met by the CCs and the LCPPs in their operation. Although the research identified some severe difficulties in the implementation of CCs and LCPPs, particularly at the beginning, some actions could be implemented in order to improve the operation of these entities in enhancing local participation in Venezuelan political life. These actions can be categorized into two groups:

#### *Institutional Nature:*

The links established between CCs and LCPPs. In the light of the findings of this research; it appears that local decision-making in Venezuela would be best served if the links between CCs and LCPPs could be re-established. In order to achieve this, a formal reinstatement of the LCPPs within the political landscape would be necessary since over recent years the mechanism has not been implemented by local governments or recognized by citizens. Thus, although the national government is increasingly looking to do away with municipalities, local democracy would be better served if they were to re-establish the link that existed between LCPPs, elected local authorities and the CCs under the 2006 LCPP law. For local democracy and effective local government to be enhanced in Venezuela will require cooperation between LCPPs and the CCs. These instruments should not operate independently. On the contrary, the best solution would be for LCPPs to be the bridge between institutions and local communities. This suggests perhaps that CCs could form the foundations of the LCPP, with the latter becoming a planning body. It would also make sense for the priorities established by CCs in their community plans to be coordinated with the Urban Development Plan through the

LCPP, and in this way, for the needs of local communities to be incorporated into the National Planning System<sup>130</sup>. As a conclusion, a reconsideration of the potential role of the LCPPs, could facilitate the more effective operation and integration of CCs. I am quite sure, however, that in reality and in the present circumstances, this is highly unlikely to occur since the LCPPs and local authorities are clearly not seen as part of the government's plans for the transformation of the geometries of power within Venezuela. As such, the second set of actions that might be contemplated from the findings of the research relate more specifically to the functioning of the CCs themselves.

The first of these concerns the direct link established between CCs and the central government. At present, the relationship between the state and the CCs is becoming ever closer and yet the findings of this research suggest that the CCs would operate more effectively if their dependency upon funding and steering from the central government were to be eliminated or at least reduced. Government interference was frequently referred to as an obstacle in the effective operation of CCs by those involved within their management. Finally, it is clear that despite the strong role of the state in promoting and formalizing the role of CCs, arrangements for their financial oversight are far from adequate considering the amount of Councils that have been established nationwide. To a degree this perhaps reflects the failure of legislation to provide an effective and stable framework for the establishment of the CCs. Clearly there now needs to be some stability in the legal foundations and requirements for both LCPPs and CCs so that members of both organizations can make themselves more familiar with the requirements because there has been an inordinate and unhelpful level of amendment in these regulations over the past years.

Overall, the main requirement for CCs to constitute a more effective tool for promoting meaningful participation in public decision-making is that the tutelage of the state should be lessened and the CCs given greater independence. Whatever the likely future of municipalities under the Chavez administration, one of the arguments of this research is that for as long as they remain a part of the political system in Venezuela then they should play an important part in improving the operation of LCPPs and CCs. In

---

<sup>130</sup> At present time, through the structure within which CCs are working, they are not connected with the National Planning System.

particular, there is a clear need for community training programmes if there is to be real improvement in the functioning of local participation and local authorities remain the most obvious institution to be charged with supporting community training activities. This is another area where improved relations between the CCs and municipalities could be helpful. The municipality of Valencia, for example, as discussed in Chapter VIII established an organization dedicated to this purpose with great success.

Finally, taking into consideration that most of the data pertaining to CCs is stored either at national level or in a sole institution (Fundacomunal) at regional level, the creation of a data bank at municipal level containing details about the CCs established in the municipality and the projects carried out by each CC would help the council to conciliate the work of CCs and that performed by local and regional institutions, and avoid the scattering of financial resources either from national or sub-national governments and institutions. It would also be extremely beneficial if more financial support were given to the spokespersons of each CC.

#### *Implications for the Functioning of Indigenous CCs*

In conducting the research a range of specific issues relating to the formation of CCs within indigenous communities were encountered. In many ways, these were the most vulnerable group of CCs analyzed in this research. Factors like language barrier represented an obstacle in the implementation of CCs, making it even more difficult for these communities to understand the legal framework, the procedures and the full potential of CCs for their communities. Despite these difficulties, they have tried to implement the CCs in their communities.

The first problem encountered by this group was the administrative requirements made of the CCs. As is the case with all CCs, CC's within indigenous communities have to elaborate an accounting book for each of their committees. Interview respondents reported having to present up to eleven sets of accounts a task which they felt was too demanding. As a consequence they asked to the minister of the Ministerio del Poder Popular para los Pueblos Indígenas (Ministry of Popular Power for Indigenous Peoples) to reduce the amount of administrative requirements for indigenous communities, based on their difficulties in following these administrative procedures.

Regarding the training process for those involved in CCs, which has been really limited, respondents from these communities suggested that the people in charge of this should not only be from the area and have some knowledge about indigenous communities, but also should be from their same background, a member of the community itself. It was advised as well that more clear criteria should be established in the training process in order to reduce the dependence upon state institutions.

Indigenous communities have quite different experiences and traditions, from the rest of Venezuelan society and it would seem to make sense if the legal framework for CCs were to be adapted to these conditions. As an example, members of an indigenous community interviewed during the research raised concerns regarding the requirements of the CCs law about the amount of families that can constitute a CC, arguing that in the case of indigenous communities, it would be better if only one CC were established for the whole community. The reason for this is that there are frequently a lot of confrontations and divisions amongst members of the community (due to a range of political and religious reasons), therefore, creating more than one CC only would bring more separation between them. Others indigenous communities might have a different view – eg whether the existence of more than one CC might allow for a wider range of views and opinions to be voiced and listened to. Based on the knowledge gather from these interviews, in indigenous communities the consensus works better than elections because they have a great deal of respect for the community's authorities and the elder's council.

### *10.6 Possibilities for Future Research*

Since decentralization and civil society participation are common debates within discussions of development and the experiences of their implementation so diverse, it might be fruitful to explore what light the detailed analysis presented here about the evolution of these issues in Venezuela under very different political conditions to those that have held sway within most Latin American countries undertaking decentralization processes. There remain complex debates about the relationship between decentralization and neoliberalism and between decentralization and alternative perspectives such as the Chavista model in Venezuela which could be taken further by

making more detailed systematic comparisons amongst Latin American countries. It will also be important to compare the Venezuelan experiences with the LCPPs (despite the fact that they had a very short existence) and the CCs with other experiences of community participation in public matters like those carried out by Brazil and Peru, and categorize their key elements in order to offer advice for processes of decentralization and civil society participation elsewhere.

Whilst this research was focused on decentralization at local levels and civil society participation through the implementation of LCPPs and CCs, the lack of information, time and financial resources did not allow for the undertaking of a full comparison of local councils studying Venezuela regarding the changes experimented with in their structure of decision making since the process of decentralization was started in the 1980s. A more comprehensive analysis of these changes, with the opportunity of taking into consideration time and the context within which the municipality operates, and also the influence that political will plays in the implementation of these participatory mechanisms could help us to further understand why some local councils administration work better than others and why, for example, so few of them were able to implement successfully a LCPP.

Finally, it would be interesting to further explore the particular difficulties faced by indigenous CCs via explorations of what sort of mechanisms or rules could work with their cultural traditions. One of the major findings in relation to the operation of the LCPPs and CCs was that they faced particular difficulties within indigenous communities and it would be interesting given more time and more resources to explore these questions in more detail.

### *10.7 Implications beyond Venezuelan Borders*

As referred to previously in Section 10.4, the results of the experience gained so far in the Venezuelan decentralization process in relation to the implementation of mechanisms that enable citizen participations in public affairs show that when political will exists, it is possible to extend public participation beyond the traditional methods used until now. Latin American countries have implemented a range of mechanisms ranging from indirect methods to direct instruments to involve civil society (Chapter III

discussed the experience of Colombia and Mexico, as well as the important experiences developed in Peru and Brazil regarding the direct mechanisms). However, some might argue that none of these have empowered communities to administer their own financial resources or arouse such interest in communities towards engaging in these systems of participation than has been the case with the CCs in Venezuela. What the Venezuelan experience also showed, however, is that political manipulation can hamper the participatory process and can create, as in the case of Venezuela, a negative political polarization and a distortion in the results of participation. What should be avoided by any government in Latin America and elsewhere is political manipulation of the participation of civil society, participation should flow as the outcome of popular initiative, the initiative of the communities or civil society themselves.

### *10.8 Where Things Are Going in Venezuela*

This concluding chapter has argued that the enactment of the 1999 national constitution gave a big push to the institutional process of decentralization in Venezuela. The constitution recognized the capacities of regional and local governments to improve public policy implementation at this level of government, as well as the level of finances needed to meet public requirements. However, as was illustrated in Chapter VII, more recently the national government has created, in the midst of the political confrontation and polarisation characteristic of these times in Venezuela, a legal structure that supports an escalation of actions that go against decentralization, and has initiated as a result, a partial reversal of the process of decentralization in Venezuela.

Recent developments that have occurred since the main period under investigation in this thesis have confirmed the direction of government policy. For example, the recent passing of the Federal Council of Government law<sup>131</sup> (Ley del Consejo Federal de Gobierno) is a clear indication of the intentions of the government to substitute the current political structure of the country for one where local governments, as established in the 1999 national constitution, tend to disappear. Recently, some candidates for deputies to the national assembly elections to be held on September 26,

---

<sup>131</sup> This law was sanctioned by the National Assembly on February 2<sup>nd</sup> 2010.



2010, have offered as part of their policies, the following statement (as reported in the blog Notitarde):

“The United Socialist Party of Venezuela (PSUV) assumes that the new National Assembly that will be elected on September 26<sup>th</sup> 2010 will be a tool to radicalize the revolution. Hence the 3527 candidates for PSUV primaries recorded as requirements for their running in the elections both an engagement letter ("oath of loyalty to the party and Hugo Chávez") and a legislative management program which stated that if they are elected candidate for parliament, would aim at the development of socialist laws and destruction of the bourgeois state.

Amongst the legislative management programs for government for these elections is the aim of eliminating state and city governments. According to Alfredo Murga, a deputy who aspires to run for re-election, "the reality is that the community represents a formula for self-government, so they (city governments) have no reason to exist and, they should be eliminated". The governors and mayors would be replaced by the *comunas*, according to the members of the PSUV that aspire for re-election” (Notitarde, 19-04-2010; [atravesdevenezuelablogspot.com](http://atravesdevenezuelablogspot.com). 04-2010).

As a confirmation of what the candidates to the Assembly proposed, on Tuesday 9<sup>th</sup> March 2010, the National Assembly began discussions on the Law of the *Comunas*. *Comunas* were first mentioned in the proposal of constitutional reform made by President Chavez in 2007 which was rejected in a public referendum in December 2007. *Comunas*, according to the central government are constituted by the union of several CCs, and in the law that was approved in first discussion by the National Assembly is stated that "*comunas* are called to become the new political territorial units" and therefore seeks the elimination of regional and local authorities.

“On Tuesday the National Assembly began the process of popular consultation in order to prepare the bill for the *Comunas*, which spells the end for the municipalities. A document drafted by the Commission for Citizens pointed out that "the people's socialist's *comunas* are set to become the new political-territorial units for the construction of the new revolutionary social fabric. They also state that the *comunas* will be at "the forefront of these stages of transition to

the Venezuelan socialism whose main objective is the community government” (Peñaloza, 2010).

The approval by the National Assembly of the Federal Council Law has raised a lot of criticisms from those political leaders opposed to President Chavez’s political project. An example of this comes from Carlos Vecchio<sup>132</sup>, who said:

“The Federal Council Act states that the purpose of the Federal Council is to transfer the powers and duties from local authorities, to grassroots organizations of popular power. To Vecchio, this is unconstitutional because Article 185 of the Constitution stipulates that the Federal Government Council should be aimed at the devolution of National Power to States and Localities: "That is, from the President to the states and municipalities. The Act of the Federal Government Council does not even contemplate that, but talks of the transfer of power from the central state directly to the communities. Although we consider positive the transfer of some activities to the communities, we think that it has to be done in the terms (established by) the Constitution” (Noticiero Digital, 22-02-2010).

Another opinion from Mr Salas Feo, governor of Carabobo state, regarding this law was the following:

Regional leaders, political parties and civil society organizations rejected the Law of the Federal Council describing it as unconstitutional and a tool for the destruction of regional power. The governor of Carabobo, Henrique Salas Feo, said the national government's intentions with this law is to change the geography of the regions and create space for the President to have the power to appoint a person in this region” (Castillo, 22-02-2010).

These actions carried out by the central government are a clear demonstration of the continued reversal of the process of decentralization that was started in Venezuela in 1980, and developed through the national constitution of 1999, and the transfer of more powers to local and regional authorities, and the creation of mechanisms to incorporate citizen participation in decision-making process.

---

<sup>132</sup> He is member of the NGO *Asociación Civil Ciudadanía Activa*, and former candidate to the National Assembly.

Regarding the opening of real opportunities for public participation in political decision-making, these remain partial at best. As was presented in Chapter VII, the mechanism created by the 1999 national constitution, the Local Council for Public Planning failed in its mission of incorporating local communities in the decision structure of local councils. Regarding the implementation and functioning of the Communal Councils, these have related more to a national policy instated and supported by President Chavez in his attempt to implement his political project. Have CCs improved local democracy in the country? One can say yes, they have, but with a very centralistic style of governance, and the law of Communal Councils enacted in December 2009 is further evidence of this. CCs only respond, for example, to the Ministry of Communes through a de-concentrated institution called FUNDACOMUNAL. One downside of this is that local governments will support the operation of CCs because this policy has dragged them into it, not because these institutions support responding to their local communities as a policy in its own right. As a consequence, CCs have remained separate from the National Planning System and operate on their own accord. In my opinion, and due to the large amount of CCs nationwide, CCs have faced a lot of problems that, according to recent newspaper articles, have not been resolved. Some examples of this include the following extracts:

“In the communal councils organizational function is confused with political identity. Many times, it seems that the intention of Chavez is that these councils will become an extension of the United Socialist Party of Venezuela. The report, conducted in June 2009 by the *Centro Gumilla* about the views they have on their communities, the researchers found that people, even if they are unclear what it means to transfer 70% of municipal powers to the community, they agree with this decision” (Fuentes, 25-3-2010).

“The registration process is very cumbersome. Since early this year we have been sending all requirements, but the people of Fundacomunal never respond to us, they say that they are busy and never meet with us. It is a terrible delaying, bureaucracy, complains Subero” (Fuentes, 22-04-2010).

"What happens is that before the middle class would not participate in CCs because they were an initiative of Chavez's supporters Now that they have

realized that the communal councils are relevant and useful, they want to be part of them. In most cases what happened is that before CCs were constituted by Chavez's followers but today everybody participates, therefore Fundacomunal does not want to register new CCs, hampering them, they do not accept the documents, etc. ... They (FUNDACOMUNAL) always find a way to argue that they cannot be registered " says López, a spokesman from Caucagüita community. One of the requirements asked for registration at Fundacomunal is that community representatives have to be members of the PSUV, they have to be "*chavistas*". They say, 'If you are not identified with the revolutionary process, what will you do in a community council?' (Fuentes, 22-04-2010).

Based on the information gathered during the fieldwork one can conclude that geographical and social context definitely have an effect on CCs operation. Information is more accessible in urban settings than in rural ones. In those states where the roads are more developed or with an established transportation system, the CCs community representatives have fewer difficulties in mobilizing for dealings with government institutions in matters relating to their CC. However, in states such as Amazon, where roads are scarce and mobilization is restricted to the use of small aircraft or small river boats, the CCs may have many more problems, especially considering that the municipalities do not have a key role in this process, which is directed by Minpades at national level and Fundacomunal at regional level with only one office per state.

The legal framework that was developed in Venezuela with the constitution of 1999 saw decentralization as a key process in enhancing public participation in decision making and envisioned putting into place diverse mechanisms to improve territorial justice and participation at all levels of public administration. Experience has shown however, that for these intentions to be met depends upon the existence of the political will to implement new measures effectively and the generation of interest amongst the community in getting involved. The way CCs have been administered in Venezuela suggest two fundamental conclusions. The community, particularly the poorest communities, are willing to participate to solve their problems, but more preparation is necessary and more institutional continuity in this process is needed. It also shows that the role of local authorities should not be overlooked, and instead, it should be at this

level where the process of participation should be encouraged for it to have more institutional coherence.

Finally, we can say in general terms, that the Venezuelan decentralization process in the first phase showed that public participation is essential for the consolidation of new power structures originated with the reform of the state. Regional and local governments need the approval and support of the community for their legitimization. On the other hand it proved the importance of institutions in decentralization and the political will necessary if changes in power structures are to occur, civil society can be a key element in achieving transformations in the decision-making structure. Although the implementation and operation of LCPPs and CCs have presented problems of organization, institutionalization and political tutelage, both mechanisms represent a good example in terms of participation, on the possible channels through which public participation as well as participatory democracy can be made effective.

My final conclusion is that the government should listen more to their citizens, because they have firsthand information about their problems. The decisions taken by the government, particularly those relating to the implementation of public policies and development of legislation, should avoid being influenced by political conflict, and right now that is the impression which is perceived, that such decisions are based on government's desire to eliminate the opponent or ignore it completely. In one of the interviews I conducted in the National Assembly I had the distinct impression that the drafting of laws is done behind closed doors and the participation of civil society only exists in the so-called street parliamentarism (*Parlamentarismo de calle*), where civil society opposed to the political project of President Chávez, is not heard. Referring to a recent article in a national newspaper<sup>133</sup> which made a clear reference to the difference between *estatización* (expropriation) and nationalization, I would like to caution that public participation in Venezuela is being *estatizada*. By this I mean that political participation in Venezuela is being appropriated or monopolized by the central government through the approval of a legal framework that makes the citizen a public official without actually being so. Public participation must have a degree of differentiation from the state, and not merely be part of it, there must be a degree of

---

<sup>133</sup> Gerver Torres, "La privatización", El Universal, 27 Junio 2010.

tension between state and citizenry to enable citizens to defend their rights, and it should be primarily an activity led by civil society.

## References

- 2001, *Ledezma Llama a Marchar en Defensa de la Democracia Venezolana* [Homepage of 2001], [Online]. [Date accessed 28 Junio 2010] Available: [http://2001.com.ve/registro\\_noticias.asp?registro=107677&sw=1](http://2001.com.ve/registro_noticias.asp?registro=107677&sw=1).
- Abers, R. 1996, "From Ideas to Practice: The Partido dos Trabalhadores and Participatory Governance in Brazil", *Latin American Perspectives*, vol. 23, no. 4, pp. 35-53.
- Acharya, A., Gurza, A. & Houtzager, P. 2004, "Civil Society Representation in the Participatory Budget and Deliberative Councils of Sao Paulo, Brazil", *IDS Bulletin*, vol. 35, no. 2, pp. 40-48.
- Actualidad 2.0, *Chávez se Apodera de Administración de Puertos y Aeropuertos Venezolanos*. [Accessed 16 March 2009] Available:

<http://www.actualidad20.com/venezuela/Chávez-se-apodera-de-administracion-de-puertos-y-aeropuertos-venezolanos/>.

Adkins, B., Kendall, G. & Summerville, J. 2008, "Community Participation, Rights, and Responsibilities: the Governmentality of Sustainable Development Policy in Australia", *Environment and Planning C: Government and Policy*, vol. 26, pp. 696-711.

Agence France-Presse 2008, *Anuncia que No Enviará Dinero a las Gobernaciones Donde Gane la Oposición*. [Accessed 18 February 2009] Available: <http://www.noticias24.com/actualidad/?p=18403>.

Agencia Bolivariana de Noticias, *Contrarrevolucionarios No Quieren Transferirle Poder al Pueblo*. [Accessed 22 March 2010] Available: <http://www.abn.info.ve/noticia.php?articulo=221569&lee=4>.

Agnew, J. 1987, *Place and Politics. The Geographical Mediation of State and Society*, Allen & Unwin, Boston.

Alcaldía de Chacao, *La Agenda Comunitaria*. [n.d.] [Accessed 29 November 2009] Available: <http://www.chacao.gov.ve/adicionales.asp?Id=138>.

Alcaldía de Libertador [n.d.] *Participación del Municipio Libertador en el 1er Gabinete Móvil Comunitario*, Alcaldía de Libertador, Tocuyito, Estado Carabobo.

Alcaldía de Libertador [n.d.] *Propuesta para la Construcción del Poder Popular. Territorio Social (Espacio Comunal)*, Alcaldía de Libertador, Tocuyito, Estado Carabobo.

Alcaldía del Municipio Bolivariano Libertador 2006, *Herramientas Para la Participación*, Tocuyito, Estado Carabobo.

Allen, J. 2003, *Lost Geographies of Power*, Blackwell, Oxford.

Alonso, J.F., *TSJ Rechazó Acción Contra la Ley del Consejo Federal de Gobierno* [Homepage of El Universal], [Accessed 5 March 2010] [Online]. Available: [http://economia.eluniversal.com/2010/03/05/pol\\_ava\\_tsj-rechazo-accion-c\\_05A3536171.shtml](http://economia.eluniversal.com/2010/03/05/pol_ava_tsj-rechazo-accion-c_05A3536171.shtml).

Analítica.com, *Pacto de "Punto Fijo"*. [Accessed 3 March 2010] Available: [http://www.analitica.com/bitblo/venezuela/punto\\_fijo.asp](http://www.analitica.com/bitblo/venezuela/punto_fijo.asp).

Andean Information Network April 2008, *Illegal Autonomy Referendum Deepens Division in Bolivia* [Homepage of Upside Down World], [Accessed April 2008] [Online]. Available: <http://upsidedownworld.org/main/content/view/1251/1/>.

Añez, C. & López, Mirtha & Suárez, Wendolin 2003, "El Estado Venezolano y La Participación Ciudadana", *Espacio Abierto*, vol. 12, no. 4, pp. 579-603.

- Anheier, H.K. 2004, *Civil Society: Measurement, Evaluation, Policy*, Earthscan Publications, London.
- ANTV Martes, , *AN debatirá Proyecto Ley Orgánica del Consejo Federal de Gobierno* [Homepage of Fundación Televisora de la Asamblea Nacional], [Accessed 3 November 2009] [Online]. Available: <http://www.antv.gob.ve/m8/noticiam8.asp?id=28737>.
- Aponte Antonio, *La Planificación Central*. [Accessed 11 May 2010] Available: <http://ungranodemaiz.blogspot.com/2007/06/la-planificacin-central.html>.
- Aragort, Yubirí, 2008, "La Descentralización Política y los Consejos Comunales: Parroquia J.J. Osuna Rodríguez- Municipio Libertador del Estado Mérida", *Provincia*, vol. 12, no. 20, pp. 63-85.
- Arenas, N. & Gómez C. Luis 2005, "Los Círculos Bolivarianos: el Mito de la Unidad del Pueblo", *América Latina Hoy*, no. 39, pp. 167-193.
- Armas, M. Junio 2 2010, *Gobierno Ejecuta Seis Puntos del Modelo Socialista de 2007*, Caracas. El Universal, 2 June 2010.
- Asamblea Nacional Constituyente 1999, *Constitución de la República Bolivariana de Venezuela*, Caracas.
- Asamblea Nacional Constituyente 2000, *Ley Especial Sobre el Régimen del Distrito Metropolitano de Caracas*, Caracas.
- Asamblea Nacional de la República Bolivariana de Venezuela 2000, *Ley que Autoriza al Presidente de la República Para Dictar Decretos con Fuerza de Ley en las Materias que se Delegan* [Homepage of Adriana Márquez Valdecantos], [Accessed 06 May 2010] [Online]. Available: <http://marval.tripod.com.ve>.
- Asamblea Nacional de la República Bolivariana de Venezuela 2002, *Ley de los Consejos Estadales de Planificación y Coordinación de Políticas Públicas*, Caracas, Venezuela.
- Asamblea Nacional de la República Bolivariana de Venezuela 2003, *Ley Orgánica de Descentralización, Delimitación y Transferencia de Competencias del Poder Público*, Caracas.
- Asamblea Nacional de la República Bolivariana de Venezuela 2009, *Ley de Reforma Parcial de la Ley Orgánica de Descentralización, delimitación y Transferencia de Competencias del Poder Público*, Caracas.
- Asamblea Nacional de la República Bolivariana de Venezuela, 2000, *Ley de Asignaciones Económicas Especiales para los Estados y el Distrito Metropolitano de Caracas Derivadas de Minas e Hidrocarburos*, Caracas, Venezuela.



- Asamblea Nacional de la República Bolivariana de Venezuela, 2002, *Ley de los Consejos Locales de Planificación Pública*, Caracas, Venezuela.
- Asamblea Nacional de la República Bolivariana de Venezuela, 2006, *Ley de los Consejos Locales de Planificación Pública*, Caracas, Venezuela.
- Asamblea Nacional de la República Bolivariana de Venezuela, 2006, *Ley que Crea el Fondo Intergubernamental para la Descentralización*, Caracas, Venezuela.
- Asamblea Nacional de la República Bolivariana de Venezuela, 2006, *Ley de Reforma Parcial de la Ley que Crea el Fondo Intergubernamental Para la Descentralización (FIDES)*, Caracas.
- Asamblea Nacional de la República Bolivariana de Venezuela, 2006, *Ley de los Consejos Comunes*, Caracas.
- Asamblea Nacional de la República Bolivariana de Venezuela, 2009, *Ley de Reforma Parcial del Decreto No. 6.239 con rango, Valor y Fuerza de Ley Orgánica de la Fuerza Armada Nacional Bolivariana*, Caracas.
- Asamblea Nacional de la República Bolivariana de Venezuela, 2010, *Ley Orgánica del Consejo Federal de Gobierno*, Caracas.
- Asamblea Nacional República Bolivariana de Venezuela 17-03-2009, *Sancionada Reforma Parcial de la Ley de Descentralización*. [Accessed 17 March 2009] Available: [http://www.asambleanacional.gob.ve/index.php?option=com\\_content&task=view&id=21385&Itemid=27](http://www.asambleanacional.gob.ve/index.php?option=com_content&task=view&id=21385&Itemid=27).
- Asamblea Nacional República Bolivariana de Venezuela, 2009, *Ley Orgánica de los Consejos Comunes*, Caracas.
- atravesdevenezuelablogspot.com 04-2010, *Candidatos del PSUV Proponen Eliminar Gobernaciones y Alcaldías*. [Accessed April 2010] Available: <http://atravesdevenezuela.blogspot.com/2010/04/aberrantes-candidatos-del-psuv-proponen.html>.
- Ballon, E. 2003, "Participación Ciudadana en Espacios Locales: Notas para un Balance Necesario", *Cuadernos Descentralizados*, no. 10, pp. 9-44.
- Banko, C. 2007, "Industrialización y Políticas Económicas en Venezuela", *Cadernos PROLAM/USP*, vol. 1, no. 6, pp. 129-147.
- Banko, C. 2008, "De la Descentralización a la "Nueva Geometría del Poder", *Revista Venezolana de Economía y Ciencias Sociales*, vol. 14, no. 2, pp. 167-184.
- Barracca, S. 2005, "Devolution and the Deepening of Democracy: Explaining Outcomes of Municipal Reform in Mexico", *Journal of Latin American Studies*, no. 37, pp. 1-28.

- Barrios, A. 1998, "Las Finanzas Públicas en los Estados en Venezuela" in *Descentralización en Perspectiva*, ed. IESA, IESA/FEG'S, Caracas, pp. 51-58.
- Barth, J. 2006, "Public Policy Management Councils in Brazil: How Far Does Institutionalized Participation Reach?", *Public Administration and Development*, vol. 26, no. 3, pp. 253-263.
- Beaumont, J. & Nicholls, W. 2008, "Plural Governance, Participation and Democracy in Cities", *International Journal of Urban and Regional Research*, vol. 32, no. 1, pp. 87-94.
- Beck, C.T., 1993, "Qualitative Research: The Evaluation of its Credibility, Fittingness and Auditability" *Western Journal of Nursing Research*, vol. 15, no. 2, pp. 263-66.
- Beer, C. 2004, "Electoral Competition and Fiscal Decentralization in Mexico" in *Decentralization and Democracy in Latin America*, ed. Alfred P. Montero & David J. Samuels, University of Notre Dame Press, Notre Dame, Indiana, pp. 180-200.
- Béland, D. 2005, "Ideas and Social Policy: An Institutionalist Perspective", *Social Policy & Administration*, vol. 39, no. 1, pp. 1-18.
- Belousov, K., Horlick-Jones, T., Bloor, M., Gilinskiy, Y., Golbert, V., Kostikovskiy, Y. & Levi, Michael & Pentsov, Dmitri 2007, "Any Port in a Storm: Fieldwork Difficulties in Dangerous and Crisis-Ridden Settings", *Qualitative Research*, vol. 7, no. 2, pp. 155-175.
- Bennett, R. 1990, "Decentralization, Intergovernmental Relations and Markets: Towards a Post-Welfare Agenda?" in *Decentralization, Local Governments and Markets. Towards a Post-Welfare Agenda*, ed. Robert Bennett, Clarendon Press, Oxford, pp. 1-26.
- Bickerstaff, K. & Walker, G. 2001, "Participatory Local Governance and Transport Planning", *Environment and Planning A*, vol. 33, no. 3, pp. 431-451.
- Bisbal, M. 2003, "Sociedad Civil, Comunicación y Política en el Contexto Venezolano", *Programa Andino de Derechos Humanos. Emergencia de los Movimientos Sociales en la Región Andina*, no. Boletín No 5, pp. 1-13.
- Blanco, C. 2006, "Reform of the State: An Alternative for Change in Latin America", *The Annals of the American Academy of Political and Social Science*, vol. 606, no. 1, pp. 231-243.
- Bland, G. 2004, "Enclaves and Elections" in *Decentralization and Democracy in Latin America*, ed. Alfred P. Montero & David J. Samuels, University of Notre Dame Press, Notre Dame, Indiana, pp. 94-121.
- Blanes, J. 2003, "La Descentralización en Bolivia: Avances y Retos Actuales" in *Procesos de Descentralización en la Comunidad Andina*, ed. Fernando Carrión, Facultad Latinoamericana de Ciencias Sociales FLACSO, Quito, Ecuador, pp. 177-220.

- Bodemer, K. & Müller, U. 2004, "*El Debate Sobre el Desarrollo en América Latina- Legados Históricos, Experiencias Prácticas y Nuevos Enfoques. Un Diálogo Entre América Latina y Alemania*" in *Nuevos Paradigmas de Desarrollo Para América Latina*, eds. M. Ulrich & B. Klaus, GTZ/ IIK, pp. 5-17.
- Boisier, Sergio. 2000, "*Chile: La Vocación Regionalista del Gobierno Militar*", *Revista Latinoamericana de Estudios Urbano Regionales EURE (Santiago)*, vol. 26, no. 77, pp. 81-107.
- Bracho Grand, P. & Núñez, I. 2005, "*Nuevas Relaciones del Estado con la Sociedad Civil en la Prestación de los Servicios Públicos*", *Cuestiones Políticas*, no. 34, pp. 11-32.
- Bradshaw, M. & Stratford, E. 2005, "*Qualitative Research Design and Rigor*" in *Qualitative Research Methods in Human Geography*, ed. Iain Hay, 2nd Edition, Oxford University Press, Victoria, Australia, pp. 67-76.
- Bräutigam, D. 2000, "Foreign Aid and the Politics of Participation in Economic Policy Reform", *Public Administration & Development*, vol. 20, no. 3, pp. 253-264.
- Bresser-Pereira, L.C. 1984, "*The Crisis of the 1970's*" in: *Development and Crisis in Brazil: 1930-1983*, ed. C. Boulder, Westview Press.
- Bresser-Pereira, L.C. 1989, "*A Debtor's Approach to the Debt Crisis*" in: *Solving the Global Debt Crisis*, ed. Christine Bogdanowics-Bindert, Harper & Row, New York.
- Bresser-Pereira, L.C. 1991, "*La Crisis de América Latina. Consenso de Washington o Crisis Fiscal?*", *Pensamiento Iberoamericano*, no. 19, pp. 13-35.
- Bresser-Pereira, L.C. 2000, "*La Reforma del Estado de los Años Noventa. Lógica y Mecanismos de Control*" in *Institutions and the Role of the State*, eds. Leonardo Burlamaqui, Ana C. Castro & Ha-Joon Chang, Edward Elgar, Cheltenham, pp. 175-219.
- Bresser-Pereira, L.C. 2005, "*From ECLAC and ISEB to Dependency Theory*" [Homepage of Bresser-Pereira Website], [Online]. [Accessed 21 May 2008] Available: <http://www.bresserpereira.org.br/view.asp?cod=1731>.
- Brewer-Carías, A. 1975, *Cambio Político y Reforma del Estado en Venezuela*, Editorial Tecnos, Madrid.
- Brewer-Carías, A. 1977, "*El Federalismo Venezolano y la Regionalización*" in *Estudios Sobre la Regionalización en Venezuela*, ed. Allan Brewer-Carías & Norma Izquierdo, Ediciones de la Biblioteca, Caracas, pp. 27.
- Brewer-Carías, A. 1977, "*Introducción. Aspectos Institucionales de la Administración del Desarrollo Regional y Urbano*" in *Estudios Sobre la Regionalización en Venezuela*, ed. Allan Brewer-Carías & Norma Izquierdo, Ediciones de la Biblioteca, Caracas, pp. 6-26.

- Brewer-Carías, A. 1994a, *Memoria del Dr. Allan Brewer-Carías: Mensaje del Ministro al Congreso*, Caracas.
- Brewer-Carías, A. 1994b, *Informe Sobre la Descentralización en Venezuela*, Oficina del Ministro de Estado Para la Descentralización, Caracas.
- Brewer-Carías, A. 2009, "Venezuela 2009 Referendum on Continuous Re-election: Constitutional Implications", *Venezuela Referendum: Public Opinion, Economic Impact and Constitutional Implications*, ed. Americas Society/Council of the Americas, New York, pp. 1-7.
- Briceño Méndez, M. 2007a, *De la Ordenación del Territorio a la Nueva Geometría del Poder. Hacia la Construcción de un Espacio Geográfico Socialista*, Asamblea Nacional de la República Bolivariana de Venezuela, Caracas.
- Briceño Méndez, M. 2007b, "Sistemas Urbanos, Ordenación Del Territorio y La Nueva Geometría Del Poder", *Congreso Venezolano De Ciudades. Reinventando La Ciudad Desde el Poder Comunal*, ed. Gente de Soluciones, Valencia, Venezuela, pp. 1-9.
- Brinkerhoff, D. & Goldsmith, A. 1992, "Promoting the Sustainability of Development Institutions: A Framework for Strategy", *World Development*, vol. 20, no. 3, pp. 369-383.
- Brito, M. 2003, "Las Reformas de "Segunda Generación" en América Latina: la Reivindicación de la Política", *Ciencias del Gobierno*, vol. 7, no. 13, pp. 11-35.
- Bryman, A. & Burgess, R. 1994, "Developments in Qualitative Data Analysis: An Introduction" in ed. Alan Bryman & Robert Burgess, Routledge, London, pp. 1-17.
- Bryman, A. & Burgess, R. 1999, "Qualitative Research Methodology- A Review" in: *Qualitative Research*, ed. Alan Bryman & Robert Burgess, Sage Publications, London, pp. IX-XLVI.
- Bryman, A. 1999, "The Debate about Quantitative and Qualitative Research" in *Qualitative Research*, ed. Alan Bryman & Robert Burgess, Sage Publications, London, pp. 35-69.
- Bryman, A. 2004, "Social Research Methods", 2nd Edition, Oxford University Press, Oxford.
- Bukve, O. 2000, "Towards the End of a Norwegian Regional Policy Model?" in *Governance, Institutional Change and Regional Development*, eds. Mike Danson, Henrik Halkier & Greta Cameron, Ashgate.
- Burbach, Roger & Piñeiro, C. 2007, "Venezuela's Participatory Socialism", *Socialism and Democracy*, vol. 21, no. 1.

- Burki, S. & Perry, G. 1997, "*The Long March: A Reform Agenda for Latin America and the Caribbean in the Next Decade*", The World Bank, Washington, D.C.
- Burki, S. & Perry, G. 1998, "*Beyond the Washington Consensus: Institutions Matter*", The World Bank, Washington D.C.
- Cabrero Mendoza, E. 2004, "*Descentralización de la Política Social y Nuevo Papel de los Gobiernos Locales. Políticas Multinivel o Múltiples Políticas? El Caso de México*" in *Descentralización y Políticas Sociales en América Latina*, ed. J.J. Ricard Goma, Ediciones Bellatera, Barcelona, España, pp. 155-185.
- Calcagno, A. 2001, "*Ajuste Estructural, Costo Social y Modalidades de Desarrollo en América Latina*" in *El Ajuste Estructural en América Latina. Costos Sociales y Alternativas*, ed. Emir Sader, CLACSO, Buenos Aires, Argentina, pp. 75-98.
- Calonge, S. 2006, "*Dos Proyectos Políticos: COPRE Versus Chávez en Cuanto a Democracia y Renta Petrolera*", *Psicología y Ciencia Social*, vol. 8, no. 002, pp. 31-42.
- Camero, Y. , "*El Puntofijismo: a 42 Años del Pacto de Punto Fijo*" (31 de Octubre de 1958) [Homepage of Analítica.com], [Accessed 3 March 2010] [Online]. Available: <http://www.analitica.com/va/Política/opinion/2966108.asp>.
- Campbell, B. 2001, "*Governance, Institutional Reform and the State: International Financial Institutions and Political Transition in Africa*", *Review of African Political Economy*, vol. 28, no. 88, pp. 155-176.
- Campbell, T. 2003, "*The Quiet Revolution. Decentralization and the Rise of Political Participation in Latin American Cities*", University of Pittsburgh Press, Pittsburgh.
- Campos, N. & Nugent, J. 1999, "*Development Performance and the Institutions of Governance: Evidence from Asia and Latin America*", *World Development*, vol. 27, no. 3, pp. 439-452.
- Cardoso, F. & Faletto, E. 1979, "*Dependency and Development in Latin America*", University of California Press, Los Angeles, California.
- Carrasquero, N., Díaz, J. & Rojas Cristina 1994, "*Experiencia en Participación Ciudadana en el Municipio Caroní del Estado Bolívar*" in *La Distribución del Poder II: Descentralización del Ordenamiento Urbano y Experiencias Municipales Exitosas*, ed. Gabriela Chalbaud, Serie Venezuela, la Reforma del Futuro, Editorial Nueva Sociedad, COPRE-PNUD, Caracas, Venezuela, pp. 181-204.
- Carrera Hernández, A. 2006, "*Descentralización Fiscal y Desarrollo Local en México*", *XI Congreso Internacional del CLAD sobre la Reforma del Estado y de la Administración Pública CLAD*, Caracas, pp. 1-21.

- Carrión, F. 2003, "*La Descentralización en América Latina: Una Perspectiva Comparada*" in *Procesos de Descentralización en la Comunidad Andina*, ed. Fernando Carrión, FLACSO, OEA, Parlamento Andino, Quito, Ecuador, pp. 15-46.
- Castillo, J. & Márquez, M.T. 2007, "*Experiencia de la Participación Ciudadana en el Municipio San Francisco del Estado Zulia*", *Congreso Venezolano de Ciudades. Reinventando la Ciudad Desde el Poder Comunal*. Gente de Soluciones, Valencia, pp. 1-24.
- Castillo, L.E. & González, D. 2008, "*La ley Contraviene la Constitución y Rescata Conceptos de la Reforma*", Caracas, Venezuela. [El Nacional](#), 02 de Octubre de 2008, Caracas, Venezuela.
- Castro, J. 22 Abril 2007, "*Hugo Chávez Advierte a los Gobernadores que en Venezuela no hay Autonomía*", Caracas.
- Castro, M. & Lea, M. 1996, "*La Hora de lo Local en Bolivia*", *Nueva Sociedad*, no. 142, pp. 116-127.
- Castro, Ocando, 30-04-09, "*Chavistas dan 'Golpe de Estado' al Alcalde de Caracas*" [Homepage of El Nuevo Herald], [Online]. [Date accessed 27 Junio 2010] Available: <http://www.elnuevoherald.com/2009/04/30/438870/chavistas-dan-golpe-de-estado.html>.
- Castro, T., Mussali, R. & Oliver, L. 2005, "*Revisitando el Estado. Los Estados Populistas y Desarrollistas: Poner las Cosas en su Lugar*" in *El Debate latinoamericano. Poder y Política en América Latina*, eds. Teresa Castro Escudero & Lucio Oliver Costilla, Siglo XXI Editores, México, pp. 17-49.
- Cernea, M. 1992, "*The Building Blocks of Participation: Testing Bottom-Up Planning*". *Discussion Papers # 166*, The World Bank, Washington D.C.
- Chamboux-Leroux, J. 2001, "*El Desequilibrio y la Deuda Externa Como Limitantes del Desarrollo*", CASA México, México.
- Charmaz, K. 1983, "*The Grounded Theory Method: An Explication and Interpretation*" in *Contemporary Field Research*, ed. R.M. Emerson, Little, Brown, Boston, Massachusetts.
- Chávez Frías, H. 2007a, "*Proyecto de Reforma de la Constitución de la República Bolivariana de Venezuela*", Caracas.
- Chávez Frías, Hugo, 1998 "*La Propuesta de Hugo Chávez Para Transformar a Venezuela. Una Revolución Democrática*". [Accessed 3 March 2010] Available: [http://www.mpd.gob.ve/prog-gob/pg\\_present.htm](http://www.mpd.gob.ve/prog-gob/pg_present.htm).
- Chávez, F. 2008, "*Bolivia: Referendum Gives Major Boots to Autonomy Movement*" [Homepage of GALDU Resource centre for the Rights of Indigenous Peoples],

[Online]. [Accessed 21 October 2008] Available:  
<http://www.galdu.org/web/index.php?odas=2780&giella1=eng>.

- Chávez, H. 2008, "*Habilitante: Ley Orgánica de la Administración Pública*", Caracas.
- Chávez, Hugo, 2007, "*Decreto con Rango, Valor y Fuerza de Ley Orgánica de Creación de la Comisión Central de Planificación*", Caracas.
- Cheema, S. & Rondinelli, D. 2007, "*From Government Decentralization to Decentralized Governance*" in: *Decentralizing Governance. Emerging Concepts and Practices*, eds. S. Cheema & D. Rondinelli, Brookings Institution Press, Washington, D.C., pp. 1-20.
- Chirinos, L. 2005, "*Presentación*", *Cuadernos Descentralistas*, no. 14. [Accessed 21 November 2008]. Available: <http://www.propuestaciudadana.org.pe/n-publicaciones.shtml>.
- Clark, G. 1997, "*Secondary Data Sources*" in *Methods in Human Geography. A Guide For Students Doing a Research Project*, ed. Robin Flowerdew & David Martin, Prentice Hall, Harlow, England, pp. 57-70.
- Clavijo, F. & Valdivieso, S. 2000, "*Reformas Estructurales y Política Macroeconómica: El Caso de México 1982-1999*", CEPAL, Santiago de Chile.
- Cochrane, A. 1998, "*Illusions of Power: Interviewing Local Elites*", *Environment and Planning A*, vol. 30, no. 12, pp. 2121-2132.
- Combellas, R. 2004, "*Representación Versus Participación en La Constitución de la República Bolivariana de Venezuela. Análisis de un Falso Dilema*" in *El Sistema Político en la Constitución Bolivariana de Venezuela*, ed. Luis Salamanca & Roberto Viciano Pastor, Vadell Hermanos Editores, Caracas, pp. 67-81.
- Comisión Presidencial del Poder Popular [n.d.], "*Consejo Comunal*", Comisión Presidencial del Poder Popular. Caracas, Venezuela.
- Comisión Presidencial del Poder Popular [n.d.], "*Cooperativas*", Comisión Presidencial del Poder Popular. Caracas, Venezuela.
- Comisión Presidencial del Poder Popular [n.d.], "*Diagnóstico Participativo*", Comisión Presidencial del Poder Popular. Caracas, Venezuela.
- Comisión Presidencial del Poder Popular [n.d.], "*Gabinetes Móviles Comunales*", Comisión Presidencial del Poder Popular. Caracas, Venezuela.
- Comisión Presidencial del Poder Popular [n.d.], "*Gabinetes Móviles Comunales*", Comisión Presidencial del Poder Popular. Caracas, Venezuela.

- Comisión Presidencial del Poder Popular [n.d.], *“Organizaciones Comunitarias, Áreas de Trabajo y Comités de Trabajo”*, Comisión Presidencial del Poder Popular. Caracas, Venezuela.
- Comisión Presidencial del Poder Popular [n.d.], *“Pasos Para la Conformación de los Consejos Comunales”*, Comisión Presidencial del Poder Popular. Caracas, Venezuela.
- Comisión Presidencial del Poder Popular [n.d.], *“Proyecto Comunitario”*, Comisión Presidencial del Poder Popular. Caracas, Venezuela.
- Comisión Presidencial Para la Reforma del Estado (COPRE) 1988, *“La Reforma del Estado. Proyecto de Reforma Integral del Estado”*, COPRE, Caracas.
- Comisión Presidencial Para la Reforma del Estado (COPRE) 1989, *“La Descentralización. Una Oportunidad Para la Democracia”*, COPRE, Caracas.
- Congreso Constituyente 2001, *“Ley N° 26300 de los Derechos de Participación y Control Ciudadanos”*, Lima, Perú. [Accessed 21 November 2008] Available from: [http://www.grupoidd.org/Descentralización/norma\\_leyes.html](http://www.grupoidd.org/Descentralización/norma_leyes.html).
- Congreso de la República de Bolivia, 1995, *“Ley N° 1654 Ley de Descentralización Administrativa”*. Available: [Accessed 27 May 2008] <http://www.enlared.org.bo/LegislacionMunicipal/cgdefault.asp?cg=111>.
- Congreso de la República de Venezuela 1961, *“Constitución de la República de Venezuela 1961”*, Caracas.
- Congreso de la República de Venezuela 1989, *“Ley Orgánica de Descentralización, Delimitación y Transferencia de Competencias del Poder Público”*, Caracas.
- Congreso de la República de Venezuela 1996, *“Ley de Asignaciones Económicas Especiales para los Estados Derivadas de Minas e Hidrocarburos”*, Caracas, Venezuela.
- Congreso de la República de Venezuela 1998, *“Ley Orgánica del Sufragio y Participación Política”*, Caracas.
- Congreso de la República del Perú 2002, *“Ley No. 27783. Ley de Bases de la Descentralización”*, Lima, Perú.
- Congreso Nacional de la República de Bolivia, 1999, *“Ley N° 2028 Ley de Municipalidades”*. [Accessed 27 May 2008] Available: <http://pdba.georgetown.edu/Decen/Bolivia/2028.html>.
- Consejo Nacional Electoral 2 Diciembre 2007, *“Referendo de la Reforma Constitucional”*. [Accessed May 2010] Available: [http://www.cne.gov.ve/divulgacion\\_referendo\\_reforma/](http://www.cne.gov.ve/divulgacion_referendo_reforma/).



- Consejo Nacional Electoral, 2008, "*Divulgación Elecciones Regionales 2008*". [Accessed May 2010] Available: [http://www.cne.gov.ve/divulgacion\\_regionales\\_2008/](http://www.cne.gov.ve/divulgacion_regionales_2008/).
- Contreras N, Miguel A. 2003a, "*Descentralización y Democracia: Vicisitudes de la Política Territorial en Venezuela*" in *Políticas Públicas Siglo XXI: caso Venezolano*, ed. Carlos Mascareño, CENDES, Caracas, pp. 133-158.
- Contreras N., M.A. 2003b, "*Cambios y Discontinuidades del Proceso de Descentralización en el Gobierno de Chávez*", *Revista Venezolana de Economía y Ciencias Sociales*, vol. 9, no. 3, pp. 255-272.
- Conyers, D. 1983, "*Decentralization: the Latest Fashion in Development Administration?*", *Public Administration and Development*, vol. 3, no. 2, pp. 97-109.
- Conyers, D. 1986, "*Future Directions in Development Studies: the Case of Decentralization*", *World Development*, vol. 14, no. 5, pp. 593-603.
- Cook, I. 1997, "*Participant Observation*" in *Methods in Human Geography. A Guide for Students Doing a Research Project*, ed. Robin Flowerdew & David Martin, Prentice Hall, Harlow, England, pp. 127-149.
- Cope, M. 2005, "*Coding Qualitative Data*" in *Qualitative Research Methods in Human Geography*, ed. Iain Hay, Oxford University Press, Victoria, Australia, pp. 223-233.
- Corden, Anne; Sainsbury, Roy, 2006, "*Exploring 'Quality': Research Participants' Perspectives on Verbatim Quotations*", *International Journal of Social Research Methodology*, vol. 9, no. 2, pp. 97-110.
- CORDIPLAN 1976, "*V Plan de la Nación*", Oficina Central de Coordinación y Planificación, Caracas, Venezuela.
- CORDIPLAN 1981, "*VI Plan de la Nación*", Oficina Central de Coordinación y Planificación CORDIPLAN. Caracas, Venezuela.
- CORDIPLAN 1984, "*VII Plan de la Nación*", Oficina Central de Coordinación y Planificación CORDIPLAN. Caracas, Venezuela.
- CORDIPLAN 1990, "*VIII Plan de la Nación. Lineamientos Generales*", Oficina Central de Coordinación y Planificación CORDIPLAN. Caracas, Venezuela.
- CORDIPLAN 1994, "*Programa de Estabilización y Recuperación Económica*", Oficina Central de Coordinación y Planificación CORDIPLAN. Caracas, Venezuela. Caracas, Venezuela.
- CORDIPLAN 1995, "*IX Plan de la Nación*", Oficina Central de Coordinación y Planificación CORDIPLAN. Caracas, Venezuela.

- CORDIPLAN 1996, "La Agenda Venezuela", Oficina Central de Coordinación y Planificación CORDIPLAN. Caracas, Venezuela.
- Córdova Jaimes, E. 2002, "Descentralización Política Administrativa en Venezuela: Aproximaciones Teóricas", *Revista de Ciencias Sociales*, vol. 8, no. 3, pp. 433-448.
- Cornwall, A. 2004, "Introduction: New Democratic Spaces? The Politics and Dynamics of Institutionalized Participation", *IDS Bulletin*, vol. 35, no. 2, pp. 1-10.
- Crabtree, J. 2008, "Santa Cruz's Referendum, Bolivia's Choice" [Homepage of Open Democracy, Free Thinking for the World], [Online]. [Accessed 14 August 2008] Available: [http://www.opendemocracy.net/article/democracy\\_power/politics\\_protest/santa\\_cruzs\\_referendum\\_farewell\\_bolivia](http://www.opendemocracy.net/article/democracy_power/politics_protest/santa_cruzs_referendum_farewell_bolivia).
- Crang, M. 1997, "Analyzing Qualitative Materials" in *Methods in Human Geography. A Guide For Students Doing a research Project*, ed. Robin Flowerdew & David Martin, Prentice hall, Harlow, England, pp. 183-196.
- Crisp, B. 1998, "Institutional Design and Compromised Legitimacy" in *Reinventing Legitimacy. Democracy and Political Change in Venezuela*, ed. Damaris Canache & Michael Kulisheck, Greenwood Press, Westport, pp. 21-38.
- Crisp, B. 2000, "Democratic Institutional Design. The Powers and Incentives of Venezuelan Politicians and Interest Groups", Stanford University Press, Stanford, California.
- Cuadernos Descentralistas 18, 2006, "La Descentralización en el Perú: Un Balance de lo Avanzado y una Propuesta de Agenda Para una Reforma Imprescindible", Grupo Propuesta Ciudadana/ Participa Perú, Lima, Perú.
- Cuervo, J. 2003, "La Reforma del Estado y el Ajuste Estructural en América Latina. El Caso de Colombia", *Revista Opera*, vol. 3, no. 3, pp. 67-110.
- Cuñarro Conde, E. 2004, "Venezuela: 15 años de historia (La Comisión Presidencial para la Reforma del Estado (COPRE) Como Mecanismo de Innovación Política)", *Cuestiones Políticas*, vol. 33, pp. 1-40.
- Cuñarro, E.M. 2002, "Desarrollo Político y Democratización de la Gestión Pública: El Proceso de Reforma del Estado en Venezuela (Periodo 1984-1999)", *Opción*, vol. 18, no. 39, pp. 102-125.
- Cunill, N. 1991, "Participación Ciudadana. Dilemas y Perspectivas Para la Democratización de los Estados Latinoamericanos", Centro Latinoamericano de Administración Para el Desarrollo, Caracas, Venezuela.
- Cunningham, C. & Tiefenbacher, J. 2008, "Evaluating the Effectiveness of Public Participation Efforts by Environmental Agencies: Repermitting a Smelter in El Paso,

Texas, USA", *Environment and Planning C: Government and Policy*, vol. 26, no. 4, pp. 841-856.

Da Costa, Zenaida, 07-10-08, *Ley de Ordenación y Gestión del Territorio Establece Dónde, Cuándo y Cómo se Ejercen las Competencias*. [Online]. [Date accessed 27 Junio 2010] Available:

[http://www.asambleanacional.gob.ve/index.php?option=com\\_content&view=article&id=20447&Itemid=215&lang=es](http://www.asambleanacional.gob.ve/index.php?option=com_content&view=article&id=20447&Itemid=215&lang=es).

Dagnino, E. 2003, "Citizenship in Latin America. An Introduction", *Latin American Perspectives*, vol. 30, no. 129, pp. 211-225.

Dalton, R. 2008, "Citizenship Norms and the Expansion of Political Participation", *Political Studies*, vol. 56, no. 1, pp. 76-98.

Dalton, R. 2008, "Citizenship Norms and the Expansion of Political Participation", *Political Studies*, vol. 56, no. 1, pp. 76-98.

Dammert, M. 2003, "La Descentralización en el Perú a Inicios del Siglo XXI: de la Reforma Institucional al Desarrollo Territorial", CEPAL/ILPES, Santiago de Chile.

Danson, M., Halkier, H. & Cameron, G. (Eds) 2000, "Governance, Institutional Change and Regional Development", Ashgate.

De Frente, 2009, "Más de Mil Quinientos Consejos Comunales Defenderán la Propuesta de Enmienda", De Frente, Barinas. [Accessed 8 January 2009] Available from: <http://www.defrentebarinas.info/>

De Janvry, A. & Sadoulet, E. 1993, "Market, State, and Civil Organizations in Latin America Beyond the Debt Crisis: The Context for Rural Development", *World Development*, vol. 21, no. 4, pp. 659-674.

de la Cruz, R. 2004, "Decentralization: Key to Understanding a Changing Nation" in *The Unraveling of Representative Democracy in Venezuela*, ed. Jennifer McCoy and David Myers, The Johns Hopkins University Press, Baltimore, pp. 181-201.

Del Búfalo, E. 2002, "Las Reformas Económicas en América Latina", *Revista Venezolana de Economía y Ciencias Sociales*, vol. 2, pp. 129-182.

Del Rosario, H. & Mascareño, C. 2001, "Conflicto y Cooperación entre Niveles de Gobierno: el Federalismo Venezolano", *Cuadernos del CENDES*, vol. 18, no. 46, pp. 21-52.

Delgado, A. & Gómez, L. 2001, "Concepciones de la Ciudadanía Social en las Constituciones Venezolanas de 1947, 1961 y 1999", *Cuadernos del CENDES*, vol. 18, no. 46, pp. 73-100.

- Departamento Nacional de Planeación 1994, "*El Salto Social. Plan Nacional de Desarrollo, Ley de Inversiones 1994-1998*", Presidencia de la República, Santa Fe de Bogotá.
- Department for Communities and Local Government 2007, "*Strong and Prosperous Communities. The Local Government White Paper. Making It Happen: The Implementation Plan*", Department For Communities and Local Government" [Accessed 20 November 2008] Available from: <http://www.communities.gov.uk/documents/localgovernment/pdf/153575.pdf>, London.
- Devas, N. & Delay, S. 2006, "*Local Democracy and the Challenges of Decentralising the State: An International Perspective*", *Local Governments Studies*, vol. 35, no. 2, pp. 677-695.
- Devas, N. & Grant, U. 2003, "*Local Government Decision-Making. Citizen Participation and Local Accountability: Some Evidence from Kenya and Uganda*", *Public Administration and Development*, vol. 23, no. 4, pp. 307-316.
- Devas, N. 1997, "*Indonesia: What Do We Mean by Decentralization?*", *Public Administration & Development*, vol. 17, no. 3, pp. 351-367.
- Díaz, L. 2006, "*Los Consejos Comunales. Más Poder Para el Pueblo*", Editorial Miranda, Villa de Cura.
- Díaz, S. 19-10-2008, "*Chávez realizó inspección del sistema ferroviario en Carabobo*". [Online]. [Date Accessed 20 Octubre 2008]. Available from: [www.venezolanosenlinea.com](http://www.venezolanosenlinea.com)
- Díaz, S.C. 01-03-2007, "*32 Mil Consejos Comunales Serán Constituidos Durante este Año*", Caracas. [online]. [Date accessed 07 March 2010]. Available from: [http://buscador.eluniversal.com/2007/03/01/pol\\_art\\_195460.shtml](http://buscador.eluniversal.com/2007/03/01/pol_art_195460.shtml)
- Dilla, H. & Oxhorn, P. 2002, "*The Virtues and Misfortunes of Civil Society in Cuba*", *Latin American Perspectives*, vol. 29, no. 4, pp. 11-30.
- Diniz, E. 2004, "*Reforma del Estado, Gobernabilidad y Sostenibilidad de la Democracia*", *Revista Instituciones y Desarrollo*, vol. 16, pp. 107-132.
- Docherty, I., Goodlad, R. & Paddison, R. 2001, "*Civic Culture, Community and Citizen Participation in Contrasting Neighborhoods*", *Urban Studies*, vol. 38, no. 12, pp. 2225-2250.
- Dunn, K. 2005, "*Interviewing*" in *Qualitative Research Methods in Human Geography*, ed. Iain Hay, 2nd. Edition, Oxford University Press, Victoria, Australia, pp. 79-105.
- Dwyer, C. & Limb, M. 2001, "*Introduction: Doing Qualitative Research in Geography*" in *Qualitative Methodologies for Geographers. Issues and Debates*, ed. Melanie Limb & Claire Dwyer, Arnold, London, pp. 1-20.

- Ecarri, A. 2007, "*Municipios y Consejos Comunales: Instancias Para el Progreso de las Ciudades*", Congreso Venezolano de Ciudades. Reinventando la Ciudad Desde el Poder Comunal. Gente de Soluciones, Valencia, pp. 1-23.
- ECLAC 1949, "*Estudio Económico Para América Latina*", Comisión Económica Para América Latina y el Caribe, Santiago de Chile.
- ECLAC 1990, "*Changing Production Pattern with Social Equity: The Prime Task of Latin America and Caribbean Development in the 1990's*", ECLAC, Santiago de Chile.
- Edmonds-Poli, E. 2006, "*Decentralization Under the Fox Administration: Progress or Stagnation?*", *Mexican Studies*, vol. 22, no. 2, pp. 387-416.
- Ehrenberg, J. 1999, "*Civil Society: The Critical History of an Idea*", New York University Press, New York, NY, USA.
- El Nacional 06-08-2008, "*Autoridades Regionales Pueden Anular Gobernadores y Alcaldes*," Caracas, Venezuela. [Accessed 10 November 2009] Available from: [www.el-nacional.com](http://www.el-nacional.com)
- El Nacional 2010, "*Ley Comunal*", Caracas. [Accessed 6 March 2010] Available from: [www.el-nacional.com](http://www.el-nacional.com)
- El Nacional 28-11-2008, "*Chávez Descalifica a Gobernadores Opositores y Llama al Pueblo a Estar en Movilización Permanente*", Caracas. [Accessed 29 May 2010] Available from: [www.el-nacional.com](http://www.el-nacional.com)
- El Nacional January 8Th 2009, "*Gobierno Obliga a los Consejos Comunales a Trabajar por el Sí*", Caracas. [Accessed 8 January 2009] Available from: [www.el-nacional.com](http://www.el-nacional.com)
- Ellner, S. 2006, "*Las Estrategias "Desde Arriba" y "Desde Abajo" del Movimiento de Hugo Chávez*", *Cuadernos del CENDES*, vol. 23, no. 62, pp. 73-93.
- Ellner, S. 2010, "*Hugo Chávez's First Decade in Office: Breakthroughs and Shortcomings*", *Latin American Perspectives*, vol. 37, no. 1, pp. 77-96.
- Ellner, S. May/June 2009, "*A New Model with Rough Edges: Venezuela's Community Councils*", *NACLA Report on the Americas*, vol. 42, no. 3, pp. 11-14.
- Escobar-Lemmon, M. 2003, "*Political Support for Decentralization: An Analysis of the Colombian and Venezuelan Legislatures*", *American Journal of Political Science*, vol. 47, no. 4, pp. 683-697.
- Everitt, J. 1998, "*Strategy Committee*" [Homepage of Bath & North East Somerset Council], [Accessed 19 November 2008] [Online]. Available: [http://www.bathnes.gov.uk/Committee Papers/Strategy/sc980901/15modern.htm#TopOfPage](http://www.bathnes.gov.uk/Committee%20Papers/Strategy/sc980901/15modern.htm#TopOfPage).

- Fenwick, J. & Elcock, H. 2004, "*The New Political Management in Local Government: Public Engagement or Public Indifference?*", *Local Government Studies*, vol. 30, no. 4, pp. 519-537.
- Fermín, E., Martínez, R., Antúnez, E. & Ochoa, M. 2002, "*Las Nuevas Instituciones Locales en Venezuela: El Consejo Local de Planificación Pública*", VI Congreso Iberoamericano Municipalista "*Municipio y Financiación: La Integración y la Cohesión del Desarrollo Territorial*" Santo Domingo, pp. 873-887.
- Ferrer Soto, J. 2004, "*Ética Social y Liderazgo Ético del Servidor Público: Fundamento para la Construcción de un Principio de Transparencia Institucional*", IX Congreso Internacional del CLAD Sobre la Reforma del Estado y de la Administración Pública. Madrid, pp. 1-20.
- Fesler, J. 1965, "*Approaches to the Understanding of Decentralization*", *The Journal of Politics*, vol. 27, no. 4, pp. 536-566.
- Finol Romero, L. 2008, "*Viabilidad de los Consejos Comunales Como Política de Estado en Venezuela Descentralización o Desconcentración?*", XIII Congreso Internacional del CLAD Sobre la Reforma del Estado y de la Administración Pública. CLAD, Argentina, pp. 1-11.
- Fleury, S. 1999, "*Reforma del Estado en América Latina, Hacia Donde?*", *Nueva Sociedad, Democracia y Política en América Latina*, vol. 160.
- Fleury, S. 2003, "*Reforma del Estado*", *Revista Instituciones y Desarrollo*, vol. 14 y 15, pp. 81-122.
- Fondo Intergubernamental Para la Descentralización (FIDES) 2005, "*El Presupuesto Participativo Como Expresión de la Corresponsabilidad Ciudadana*", FIDES, Caracas.
- Font, J., Blanco, I., Gomá Ricard & Jarque Marina 1999, "*Mecanismos de Participación Ciudadana en la Toma de Decisiones Locales: Una Visión Panorámica*", CLAD, Caracas, Venezuela.
- Forero, Juan, 12-02-09, "*Chávez Erecting Obstacles for Foes Who Won Office. In Caracas, Backers Ransack City Hall*" [Homepage of the Washington Post], [Online]. [Date accessed 27 Junio 2010] Available: <http://www.washingtonpost.com/wp-dyn/content/article/2009/02/11/AR2009021103986.html?nav=emailpage>.
- Forester, J. 1989, "*Planning in the Public Domain*", University of California Press, Berkeley, CA.
- Franco, R. 1996, "*Los Paradigmas de la Política Social en América Latina*", Comisión Económica Para América Latina y el Caribe CEPAL, Santiago de Chile.

- Franco, R. 2004, "*Descentralización, Participación y Competencia en la Gestión Social*" in *Descentralización y Políticas Sociales en América Latina*, ed. J.J. Ricard Goma, Ediciones Bellatera, Barcelona, España, pp. 29-40.
- Fuentes, Patty, 25-3-10, "*Comunas al Desnudo*". [Online]. [Date accessed 25 Marzo 2010] Available: <http://www.talcualdigital.com/Avances/Viewer.aspx?id=33303&secid=28> .
- Fundación Empresas Polar [n.d.] , "*Historia de Venezuela Para Nosotros. Gobierno de Jaime Lusinchi*" [Homepage of Fundación Empresas Polar], [Accessed 01 May 2009] [Online]. Available: <http://www.fpolar.org.ve/nosotros/educacional/instituc/lusigob.html#refestado>.
- Gaceta Oficial de la República Bolivariana de Venezuela N° 5.890 31-07-2008, "*Decreto Con Rango, Valor y Fuerza De Ley Orgánica De La Administración Pública*", Decreto N° 6.217, Caracas, Venezuela.
- Gamble, A. 2000, "*Economic Governance*" in *Debating Governance. Authority, Steering, and Democracy*, ed. Jon Pierre, Oxford University Press, New York.
- Gans, H. 1999, "*The Participant-Observer as a Human Being: Observations on the Personal Aspects of Field Work*" in *Qualitative Research*, ed. Alan Bryman & Robert Burgess, Sage Publications, London, pp. 39-54.
- García-Guadilla, M. & Ernesto Roa 1996, "*Gobernabilidad, Cambio Político y Sociedad Civil: El Proceso Constituyente en Venezuela*", *Revista Venezolana de Economía y Ciencias Sociales*, vol. 2, no. 3, pp. 85-112.
- García-Guadilla, M. & Roa, Ernesto & Rodríguez, Juan 2000, "*Efectos del Modelo de Gestión Local en la Eficiencia y Legitimidad Política: el Municipio Chacao, Venezuela*", *América Latina, Hoy*, no. 24, pp. 55-65.
- García-Guadilla, M. 2002, "*Democracy, Decentralization and Clientelism*", *Latin American Perspectives*, vol. 29, no. 126, pp. 90-109.
- Gerson, K. & Horowitz, R. 2002, "*Observation and Interviewing: Options and Choices in Qualitative Research*" in *Qualitative Research in Action*, ed. Tim May, Sage Publications, London, pp. 199-224.
- Giddens, A. 1985, "*The Nation-State and Violence*", Cambridge: Polity.
- Globovisión , 03-12-07, "*CNE Publicó los Resultados por Estado del Referendum Constitucional 2007*" [Homepage of Globovisión], [Online]. [Date accessed 27 Junio 2010] Available: <http://www.globovision.com/news.php?nid=72796>.
- Globovisión 12-03-2009, "*Parlamento Aprobó Reversión de Competencias por "Razones Estratégicas" a Gobernaciones y Alcaldías*". [Accessed 7 November 2009] Available: <http://www.globovision.com/news.php?nid=112190>.

- Gobierno de Chile (SUBDERE), 2001, *"El Chile Descentralizado que Queremos. Un Proyecto de Todos"*, Ministerio del Interior, Subsecretaría de Desarrollo Administrativo.
- Gold, L. 2002, *"Positionality, Worldview and Geographical Research: A Personal Account of a Research Journey"*, *Ethics, Place and Environment*, vol. 5, no. 3, pp. 223-237.
- Goldfrank, B. 2006, *"Los Procesos de "Presupuesto Participativo" en América Latina: Éxito, Fracaso y Cambio"*, *Revista de Ciencia Política*, vol. 26, no. 2, pp. 3-28.
- Goldsmith, A. 2002, *"Fear, Fumbling and Frustration: Reflections on Doing Criminological Fieldwork in Colombia"*, *Criminal Justice*, vol. 3, no. 1, pp. 103-125.
- Gómez Calcaño, L. 1998, *"Civic Organization and Reconstruction of Democratic Legitimacy in Venezuela"* in *Reinventing Legitimacy. Democracy and Political Change in Venezuela*, ed. Damaris Canache & Michael Kulisheck, Greenwood Press, Westport, pp. 169-185.
- Gomez, E. 2003, *"Decentralization and Municipal Governance: Suggested Approaches for Cross-Regional Analysis"*, *Studies in Comparative International Development*, vol. 38, no. 3, pp. 57-80.
- González, F. 1997, *"A Un Año de la Agenda Venezuela. Evaluación de una Ilusión"*, *Revista Venezolana de Análisis de Coyuntura*, vol. III, no. 2, pp. 183-219.
- González, R.A. & Mascareño, C. 2004, *"Decentralization and Restructuring of Politics in Venezuela"* in *Decentralization and Democratic Governance in Latin America. Woodrow Wilson Center Report on The Americas*, ed. Joseph Tulchin & Andrew Selee, Woodrow Wilson Center, pp. 187-230.
- Gore, C. 2000, *"The Rise and Fall of the Washington Consensus as a Paradigm for Developing Countries"*, *World Development*, vol. 28, no. 5, pp. 789-804.
- Greenhalgh, T. & Taylor, R., 1997, *"How to Read a Paper: Papers that go Beyond Numbers (Qualitative Research)"*, *British Medical Journal*, Vol. 315, pp. 740-43.
- Greenwood, R. & C.R. Hinings 1996, *"Understanding Radical Organizational Change: Bringing Together the Old and the New Institutionalism"*, *The Academy of Management Review*, vol. 21, no. 4, pp. 1022-1054.
- Greenwood, R. & Hinings, C.R. 1988, *"Organizational Design Types, Tracks and the Dynamics of Strategic Change"*, *Organization Studies*, vol. 9, no. 3, pp. 293-316.
- Greenwood, R. & Hinings, C.R. 1993, *"Understanding Strategic Change: The Contribution of Archetypes"*, *The Academy of Management Journal*, vol. 36, no. 5, pp. 1052-1081.
- Grompone, R. 2002, *"Los Dilemas no Resueltos de la Descentralización"*, Documento de Trabajo 118, Instituto de Estudios Peruanos IEP, Lima, Perú.



- Grompone, R. 2005, "*Discutiendo la Intervención Ciudadana en el Presupuesto Participativo Regional*", *Cuadernos Descentralistas*, , no. 15, pp. 1-76.
- Grupo Propuesta Ciudadana 2004, "*Marco Legal del Presupuesto Participativo*". *Documento de Trabajo # 3*, Grupo Propuesta Ciudadana, Lima, Peru.
- Grupo Propuesta Ciudadana 2006, "*La Descentralización en el Perú: un Balance de lo Avanzado y una Propuesta de Agenda para una Reforma Imprescindible*", *Cuadernos Descentralistas*, no. 18, pp. 1-51.
- Guacarán, F. 28-06-2009, "*Comunas en Venezuela: Oportunidad Histórica Para el Poder Popular* [Homepage of Tercera Información], [Accessed 12 May 2010] [Online]. Available: <http://www.tercerainformacion.es/?Comunas-en-Venezuela-oportunidad>.
- Guerón, G. 2000, "*Los Discursos Sobre la Descentralización en Venezuela. Imágenes de la Descentralización en tiempos de Cambio*", *Latin American Studies Association XXII International Congress* Latin American Studies Association, Miami, pp. 1-19.
- Gurza, A., Acharya, A. & Houtzager, P. 2005, "*Beyond Comparative Anecdotalism: Lessons on Civil Society and Participation from Sao Paulo, Brazil*", *World Development*, vol. 33, no. 6, pp. 951-964.
- Hammersley, M. 1999, "*Deconstructing the Qualitative-Quantitative Divide*" in *Qualitative Research*, ed. Alan Bryman & Robert Burgess, Sage Publications, London, pp. 70-83.
- Hawkins, K. & Hansen, D. 2006, "*Dependent Civil Society. The Círculos Bolivarianos in Venezuela*", *Latin American Research Review*, vol. 41, no. 1, pp. 102-132.
- Held, D. 1996, "*Models of Democracy*", Second Edition, Polity Press, Cambridge.
- Herbert, S. 2005, "*The Trapdoor of Community*", *Annals of the Association of American Geographers*, vol. 95, no. 4, pp. 850-865.
- Hernández, J.J. 1994, "*El Dilema Centralismo-Federalismo en Tres Tiempos: Opciones y Decisiones*" in *La Distribución del Poder II: Descentralización del Ordenamiento Urbano y Experiencias Municipales Exitosas*, ed. Gabriela Chalbaud, Editorial Nueva Sociedad, COPRE-PNUD, Caracas, Venezuela, pp. 13-34.
- Hernández, J.J. 2004, "*Planificación y Deliberación. Acerca de los Consejos Estadales de Planificación y Coordinación de Políticas Públicas*", *Cuadernos del CENDES*, vol. 21, no. 55, pp. 131-147.
- Herod, A. 1999, "*Reflections on Interviewing Foreign Elites: Praxis, Positionality, Validity, and the Cult of the Insider*", *Geoforum*, vol. 30, no. 4, pp. 313-327.
- Hidalgo, M. 2007, "*A Petro State: Oil, Politics and Democracy in Venezuela*", Real Instituto Elcano, Madrid.

- Hirst, P. 2000, "Democracy and Governance" in *Debating Governance. Authority, Steering and Democracy*, ed. Jon Pierre, Oxford University Press, New York.
- Hughes, Gordon & Smith, Stephen 1991, "Economic Aspects of Decentralized Government: Structure, Functions and Finance", *Economic Policy*, vol. 13, no. 2, pp. 425-459.
- Hutchcroft, P. 2001, "Centralization and Decentralization in Administration and Politics: Assessing Territorial Dimensions of Authority and Power", *Governance: An International Journal of Policy and Administration*, vol. 14, no. 1, pp. 23-53.
- Ikeda, K., Kobayashi, T. & Hoshimoto, M. 2008, "Does Political Participation Make a Difference? The Relationship between Political Choice, Civic Engagement and Political Efficacy", *Electoral Studies*, vol. 27, no. 1, pp. 77-88.
- Instituto de Investigaciones Jurídicas 2008, "Constitución Política de los Estados Unidos Mexicanos" [Homepage of Universidad Nacional Autónoma de México], [Accessed 17 July 2008] [Online]. Available: <http://info4.juridicas.unam.mx/ijure/fed/9/>.
- International Monetary Fund IMF April 2008, "Poverty Reduction Strategy Papers (PRSP)" [Homepage of IMF], [Accessed 21 May 2008] [Online]. Available: <http://www.imf.org/external/np/exr/facts/prsp.htm>.
- Irazábal, C. & Foley, J. 2010, "Reflections on the Venezuelan Transition from a Capitalist Representative to a Socialist Participatory Democracy: What Are Planners to Do?", *Latin American Perspectives*, vol. 37, no. 1, pp. 97-122.
- Israel, A. 1987, "Institutional Development. Incentives to Performance", A World Bank Publication, The Johns Hopkins University Press, Baltimore.
- Jaramillo P, I. 2004, "La Nueva Descentralización y su Impacto en las Relaciones Intergubernamentales", IX Congreso Internacional del CLAD Sobre la Reforma del Estado y de la Administración Pública. Madrid, España.
- Jiménez, F. 2001, "El Modelo Neoliberal Peruano: Límites, Consecuencias Sociales y Perspectivas" in *El Ajuste Estructural en América Latina. Costos Sociales y Alternativas*, ed. Emir Sader, CLACSO, Buenos Aires, Argentina, pp. 145-169.
- Jordana, J. 2004, "Las relaciones Intergubernamentales en la Descentralización de las Políticas Sociales" in *Descentralización y Políticas Sociales en América Latina*, ed. Jordana, Jacint & Goma, Ricard, Ediciones Bellatera, Barcelona, España, pp. 127-152.
- Jordana, Jacint & Goma, Ricard 2004, "Introducción: Democracia, Descentralización y Política Social" in *Descentralización y Políticas Sociales en América Latina*, ed. J.J. Ricard Goma, Ediciones Bellatera, Barcelona, España, pp. 11-21.
- José L., L.C. 1994, "Las Elecciones Municipales en México", Universidad Nacional Autónoma de México, Instituto de Investigaciones Jurídicas, México.

- Kanter, R.M. 1983, *"The Change Masters"*, Simon and Schuster, New York.
- Kaplan, M. 1998, "El Estado Latinoamericano: Entre la Crisis y las Reformas", *Revista Venezolana de Análisis de Coyuntura*, vol. IV, no. 1, pp. 97-115.
- Katz, C. 1994, "Playing the Field: Questions of Fieldwork in Geography", *The Professional Geographer*, vol. 46, no. 1, pp. 67-72.
- Kaufman, R. & Trejo, G. 1997, "Regionalism, Regime Transformation, and PRONASOL: the Politics of the National Solidarity Programme in Four Mexican States", *Journal of Latin American Studies*, no. 29, pp. 717-745.
- Kay, C. 1991, "Teorías Latinoamericanas del Desarrollo", *Nueva Sociedad*, no. 113, pp. 101-113.
- Keen, B. & Haynes, K. 2000, *"A History of Latin America"*, Sixth edn, Houghton Mifflin, Boston.
- Kelzi A, M. 12-19 Junio 2009, *"En Reforma a la Ley Consejos Comunales Asumen Funciones de Seguridad y Defensa"*, Caracas.
- Kickert 1993, "Complexity, governance and Dynamics: Conceptual Explorations of Public Networks Management" in *Modern Governance*, ed. J. Kooiman, Sage, London.
- Kikulis, L., Slack, T. & Hinings, C.R. 1995, "Sector-Specific Patterns of Organizational Design Change", *Journal of Management Studies*, vol. 32, no. 1, pp. 67-100.
- Kitchin, R. & Tate, N. 2000, *"Conducting Research in Human Geography. Theory, Methodology & Practice"*, Pearson Prentice Hall, Harlow, England.
- Kitzinger, J. 1999, "The Methodology of Focus Groups: The Importance of Interaction between Research Participants" in *Qualitative Research*, ed. Alan Bryman & Robert Burgess, Sage Publications, London, pp. 138-155.
- Kooiman, J. & Van Vliet, M. 1993, "Governance and Public Management" in *Managing Public Organizations: Lessons from Contemporary European Experience*, eds. K. Eliassen & J. Kooiman, Sage, London.
- Kooiman, J. 2000, "Societal Governance: Levels, Modes and Orders of Social-Political Interaction" in *Debating Governance. Authority, Steering and Democracy*, ed. Jon Pierre, Oxford University Press, New York.
- Kooiman, J. 2003, *"Governing as Governance"*, Sage Publication Ltd., London.
- Kornblith, M. & Maingon, T. 1985, *"Estado y Gasto Público en Venezuela 1936-1980"*, Ediciones de la Biblioteca, UCV, Caracas.

- Kornblith, M. 1996, "*Crisis y Transformación del Sistema Político Venezolano: Nuevas y Viejas Reglas del Juego*" in *El Sistema Político Venezolano: Crisis y Transformaciones*, ed. A. Álvarez, IEP-UCV, Caracas, pp. 1-31.
- Kornblith, M. 1998, "*Legitimacy and the Reform Agenda in Venezuela*" in *Reinventing Legitimacy. Democracy and Political Change in Venezuela*, ed. Damaris Canache & Michael Kulisheck, Westport, Connecticut, pp. 3-20.
- Krishna, A. 2003, "*Partnership between Local Governments and Community-Based Organizations: Exploring the Scope for Synergy*", *Public Administration & Development*, vol. 23, no. 4, pp. 361-371.
- Kumsa, A. & Mbeceh, I. 2004, "*The Role of Institutions in the Development Process of African Countries*", *International Journal of Social Economics*, vol. 31, no. 9, pp. 840-854.
- Laclase.info 09-02-2010, "*Presidente Chávez Llama a Consejos Comunales a Organizar Milicias*" [Homepage of Laclase.info], [Accessed 14 May 2010] [Online]. Available: <http://laclase.info/nacionales/presidente-Chávez-llama-consejos-comunales-organizar-milicias>.
- Landáez, N. 2007, "*La Participación y el Individuo. Ciudad y Poder Comunal*", *Congreso Venezolano de Ciudades. Reinventando la Ciudad Desde el Poder Comunal*. Gente de Soluciones, Valencia, pp. 1-10.
- Lander, E. 1996, "*The Impact of Neoliberal Adjustment in Venezuela, 1989-1993*", *Latin American Perspectives*, vol. 23, no. 90, pp. 50-73.
- Lander, E. 2005, "*Venezuelan Social Conflict in a Global Context*", *Latin American Perspectives*, vol. 32, no. 2, pp. 20-38.
- Lander, E. 2007, "*El Estado y las Tensiones de la Participación Popular en Venezuela*", *OSAL (CLACSO)*, vol. Año VIII, no. 22, pp. 65-86.
- Lane, M. 2003, "*Participation, Decentralization and Civil Society. Indigenous Rights and Democracy in Environmental Planning*", *Journal of Planning Education and Research*, vol. 22, no. 4, pp. 360-373.
- Lasagna, M. & Cardenal, A. 1998, "*Desarrollo y Reforma Política en América Latina: La Agenda Pendiente*", *Instituciones y Desarrollo*, vol. 1, pp. 103-140.
- Leal Ríos, G. & Gotera, J.C. 2003, "*Política de Descentralización Fiscal Hacia los Municipios en Venezuela: Un Arreglo Institucional Posible?*", *Ciencias del Gobierno*, vol. 7, no. 13, pp. 123-145.
- Lechner, N. 1992, "*El Debate Sobre el Estado y el Mercado*", *Nueva Sociedad*, no. 121, pp. 12 pp.

- Legislatura del Estado de México 1984, *Ley de Planeación del Estado de México*, [Accessed 20 November 2008] Available from: <http://www.edomex.gob.mx/legistelfon/doc/pdf/ley/abr/leyabr045.pdf>, México.
- Lerner, J. 2007, "Communal Councils in Venezuela: Can 200 Families Revolutionize Democracy?", *Z Magazine*, vol. 20, no. 3.
- Levine, D. 1973, "Conflict and Political Change in Venezuela", Princeton University Press, USA.
- Leyton, C. 2005, "Plan de Desarrollo Concertado y Presupuesto Participativo 2004-2006. Avances y Desafíos a Tomar en Cuenta: La Planificación Estratégica Como Instrumento de Gestión Pública: Un Balance de Cinco Casos Regionales", *Cuadernos Descentralistas*, , no. 14, pp. 11-46.
- Li, Y. & Marsh, D. 2008, "New Forms of Political Participation: Searching for Experts Citizens and Everyday Makers", *British Journal of Political Science*, vol. 38, no. 2, pp. 247-272.
- Liset, S. 1979, "El Hombre Jurídico", EUDEBA, Buenos Aires.
- Listerborn, C. 2007, "Who Speaks? And Who Listens? The Relationship Between Planners and Women's Participation in Local Planning in a Multi-Cultural Urban Environment", *GeoJournal*, vol. 70, no. 1, pp. 61-74.
- López Chavarría, J.L. 1994, "Las Elecciones Municipales en México", Universidad Nacional Autónoma de México, Instituto de Investigaciones Jurídicas.
- López Maya, M., Martínez O. Leopoldo & Urdaneta, A. 1998, "Venezuela: Centralización y Descentralización del Estado" in *Políticas Urbanas y Habitacionales*, ed. Alberto Lovera, ALEMO-CENDES, Caracas, Venezuela, pp. 115-173.
- López, J. & Wiener, E. 2004, "Planeamiento y el Presupuesto Participativo Regional 2003 - 2004: Enfoque de Desarrollo, Prioridades de Inversión y Roles de los "Agentes Participantes", *Cuadernos Descentralistas*, , no. 11, pp. 17-55.
- López, M. & Añez, C. 2005, "Los Consejos Locales de Planificación Pública en Venezuela: Una Instancia de Participación y Capacitación Ciudadana", *Revista Venezolana de Economía Social*, vol. 5, no. 10, pp. 114-141.
- Lora, E. & Panizza, U. 2002, "Un Escrutinio a las Reformas Estructurales en América Latina", Inter-American Development Bank, Washington, D.C.
- Lowder, S. 1992, "Decentralization in Latin America: An Evaluation of Achievements" in *Decentralization in Latin America. An Evaluation*, ed. Arthur Morris & Stella Lowder, Praeger, New York, pp. 179-194.

- Lowndes, V., Pratchett, L. & Stoker, G. 2006, "*Local Political Participation: the Impact of Rule-in-Use*", *Public Administration*, vol. 84, no. 3, pp. 539-561.
- Loyo, J. 2002, "*La Arquitectura de Gobernanza y la Gobernabilidad del Sistema Político Venezolano: Una Explicación de la Estabilidad y el Cambio de la Democracia Venezolana*", VII Congreso Internacional del CLAD Sobre la Reforma del Estado y de la Administración Pública. Lisboa, Portugal.
- Ludovic, D., "*Combellas: Revierte lo que Impulsó*" [Homepage of Tal Cual], [Online]. [Date accessed 23 Marzo 2009] Available: <http://www.talcualdigital.com/Avances/Viewer.aspx?id=18703&secid=28>.
- Lustig, N. 1990, "*Economic Crisis, Adjustment and Living Standards in Mexico, 1982-85*", *World Development*, vol. 18, no. 10, pp. 1325-1342.
- Machado, J. 2008, "*Estudio de los Consejos Comunales en Venezuela*", Fundación Centro Gumilla, Caracas.
- Macpherson, C. 1977, "*The Life and Times of Liberal Democracy*", Oxford University Press, Oxford.
- Maglione, Hermelinda, 2008, "*Los Estudiantes no Deben Pedir Permiso para Ir a la Plaza Bolívar*" [Homepage of El Nacional], [Online]. [Date Accessed 20 Diciembre 2008] Available: [www.el-nacional.com](http://www.el-nacional.com) .
- Maingon, T. 2004, "*Los Consejos Locales de Planificación Pública: Nuevos Espacios Para la Participación Ciudadana en Venezuela?*", IX Congreso Internacional del CLAD sobre la Reforma del Estado y de la Administración Pública. Madrid, pp. 1-16.
- Malavé- Mata, H. 1983, "*Por Qué Nos Endeudamos. Diagnóstico de la Deuda en América Latina*", *Nueva Sociedad*, no. 68, pp. 31-43.
- Malavé-Mata, H. 2002, "*La Trama Funesta del Petróleo*", *Nueva Economía*, no. 17.
- Manrique Campos, I. 2001, "*México: Modernización Financiera Integral en la Condicionalidad de las Políticas de Ajuste Estructural*" in *El Ajuste Estructural en América Latina. Costos Sociales y Alternativas*, ed. Emir Sader, CLACSO, Buenos Aires, Argentina, pp. 11-27.
- Manzano, X. & Castro, R. 2007, "*Los Consejos Comunales como estrategia social para engranar el V Motor*", *Congreso Venezolano de Ciudades. Reinventando la Ciudad Desde el Poder Comunal*. Gente de Soluciones, Valencia.
- March, J. & Olsen, J. 1984, "*The New Institutionalism: Organizational Factors in Political Life*", *The American Political Science Review*, vol. 78, no. 3, pp. 734-749.
- March, J. & Olsen, J. 1989, "*The Organizational Bases of Politics*", the Free Press, New York.

- Mardones, R. 2006, "*Descentralización y Transición en Chile*", *Revista de Ciencia Política*, vol. 26, no. 1, pp. 3-24.
- Mariátegui, J.C. 1952, "*Siete Ensayos de Interpretación de la Realidad Peruana*", Amauta Editorial, Lima.
- Márquez, H., "*Venezuela: "Adiós a la Descentralización"*" [Homepage of Agencia de Noticias Inter Press Service], [Accessed 7 November 2009] [Online]. Available: <http://ipsnoticias.net/print.asp?idnews=91613>.
- Martínez Dalmau, R. 2004, "*El Proceso Constituyente Venezolano de 1999: un Ejemplo de Activación Democrática del Poder Constituyente*" in *El Sistema Político en la Constitución Bolivariana de Venezuela*, ed. Luis Salamanca & Roberto Viciano Pastor, Vadell Hermanos Editores, Caracas, pp. 25-40.
- Mascareño, C. 2001, "*Redes Sociales Territorializadas: Nuevos Espacios para la Política Social (Alusión al Caso Venezolano)*", *Contraste. Revista Especializada en Estudios Regionales*, vol. 1, no. 2, pp. 169-195.
- Mascareño, C. 2004a, "*El Federalismo Venezolano: Hacia dónde va el Régimen Chavista*" in *El Sistema Político en la Constitución Bolivariana de Venezuela*, ed. Luis Salamanca & Roberto Viciano Pastor, Vadell Hermanos Editores, C.A., Caracas, pp. 445-485.
- Mascareño, C. 2004b, "*Consenso Político Para Descentralizar el Federalismo Centralizado Venezolano*", *Politeia*, vol. 27, no. 32-33, pp. 113-172.
- Mascareño, C. 2005, "*Descentralización, Recentralización y Sociedad Civil*" in *Venezuela Visión Plural. Una Mirada desde el CENDES*, ed. CENDES, BID & Co Editor, Caracas, pp. 146.
- Mascareño, C. 2007, "*El Federalismo Venezolano Re-centralizado*", *Provincia*, no. 17, pp. 11-22.
- Mason, J. 1996, "*Qualitative Researching*", Sage, London.
- Matheus, M. & Romero, M.E. 2002, "*El Federalismo en el Estado Venezolano, Niveles Territoriales y Relaciones Intergubernamentales*", *Ciencias del Gobierno*, vol. 6, no. 11, pp. 27-50.
- Matheus, M.M. 1999, "*Negociaciones Entre los Niveles del Poder Público: Impulso o Freno Para la Descentralización*", *Espacio Abierto*, vol. 8, no. 3, pp. 369-388.
- Mathur, K. 1982, "*Small Farmers Development Agency in India: an Experimenting in Controlled Decentralization*", *Senior Level Seminar on Implementing Decentralization Policies and Programmes*. United Nations Centre for Regional Development, Nagoya.
- Mawhood, P. 1987, "*Decentralization and the Third World in the 1980s*", *Planning and Administration*, vol. 14, no. 1, pp. 10-22.

- May, T. 2001, *"Social Research. Issues, Methods and Process"*, 3th Edition, Open University Press, Maidenhead, England.
- Mayorga Ugarte, F. 2006, "Referendum y Asamblea Constituyente: Autonomías Departamentales en Bolivia", *Colombia Internacional*, no. 64, pp. 50-67.
- Mayorga Ugarte, F. Febrero 2007, "Referendum y Asamblea Constituyente: Autonomías Departamentales en Bolivia", *Reforma y Democracia*, no. 37, pp. 201-222.
- McCoy, J. 2004, "From Representative to Participatory Democracy? Regime Transformation in Venezuela" in *The Unraveling of Representative Democracy in Venezuela*, ed. Jennifer McCoy & David Myers, The Johns Hopkins University Press, Baltimore, pp. 263-295.
- McGuirk, P.M. 2001, "Situating Communicative Planning Theory: Context, Power, and Knowledge", *Environment and Planning A*, vol. 33, no. 2, pp. 195-217.
- Melcher, D. 1995, "La Industrialización de Venezuela", *Revista Economía*, no. 10, pp. 57-89.
- Menéndez-Carrión, A. 1991, "Para Repensar la Cuestión de la Gobernabilidad desde la Ciudadanía. Dilemas, Opciones y Apuntes para un Proyecto", *Revista Latinoamericana de Ciencias Sociales*, vol. 1, no. 1, pp. 79-98.
- Miller, D. & Friesen, P. 1980a, "Archetypes of Organizational Transition", *Administrative Science Quarterly*, vol. 25, no. 2, pp. 268-299.
- Miller, D. & Friesen, P. 1980b, "Momentum and Revolution in Organizational Adaptation", *The Academy of Management Journal*, vol. 23, no. 4, pp. 591-614.
- Ministerio del Interior Chile. Secretaría de Desarrollo Regional y Administrativo 2002, *"Ley Orgánica Constitucional de Municipalidades"*, Santiago de Chile.
- Ministerio del Poder Popular de Planificación y Finanzas 2001, *"Líneas Generales del Plan de Desarrollo Económico y Social de la Nación 2001-2007"*, Caracas.
- Ministerio del Poder Popular Para la Comunicación y la Información (MINCI) 2007, *"Todos los Motores a Máxima Revolución... Rumbo al Socialismo!"*, MINCI, Caracas.
- Ministerio del Poder Popular para la Comunicación y la Información (MINCI) 22-01-09, *"15 Ciudades Comunes se han conformado en Todo el País"*, [Homepage of MINCI], [Online]. [Date accessed 27 Junio 2010] Available: <http://www.rnv.gov.ve/noticias/?act=ST&f=&t=88877>.
- Ministerio del Poder popular para la Cultura, 2007, *"Todos los Motores a Máxima Revolución.....Rumbo al Socialismo!"*. [Online]. [Date accessed 29 Junio 2010] Available: <http://www.bibliotecayacucho.gob.ve/fba/index.php?id=102> .



- Ministerio del Poder Popular Para las Comunas y Protección Social, 2010, "Consejos Comunales de Trujillo Colaboran en Combate a la Especulación". [Accessed 11 Marzo 2010] Available: [http://www.minec.gob.ve/noticias\\_detalle.php?id=3829](http://www.minec.gob.ve/noticias_detalle.php?id=3829).
- Minpades 10-05-2007, "Los Consejos Comunales Pasaran por Encima de Quienes se le Resistan". [Accessed 7 February 2010] Available: <http://www.minpades.gob.ve/view/noticiaShow.php?id=8>.
- Minpades, 2007, "Comisión Presidencial se Despliega en Todo el País Para Promocionar Creación de Consejos Comunales". [Accessed 07 February 2010] Available: <http://www.minpades.gob.ve/view/noticiaShow.php?id=69>.
- Mizrahi, Y. 2004, "Mexico: Decentralization from Above" in *Decentralization and Democratic Governance in Latin America*, ed. Joseph Tulchin & Andrew Selee, Woodrow Wilson International Center for Scholars, Washington D.C., pp. 137-165.
- Mohammad, R. 2001, "'Insiders' and/or 'Outsiders': Positionality, Theory and Praxis" in *Qualitative Methodologies for Geographers. Issues and Debates*, ed. Melanie Limb & Claire Dwyer, Arnold, London, pp. 101-120.
- Mohan, G. & Stokke, K. 2000, "Participatory Development and Empowerment: the Dangers of Localism", *Third World Quarterly*, vol. 21, no. 2, pp. 247-268.
- Montero, A. & Samuels, D. 2004, "The Political Determinants of Decentralization in Latin America. Causes and Consequences" in *Decentralization and Democracy in Latin America*, ed. Alfred Montero and David Samuels, University of Notre Dame Press, Notre Dame, Indiana, pp. 3-32.
- Montesinos, E. 2005, "Los Estudios de Descentralización en América Latina: una Revisión Sobre el Estado Actual de la Temática", *Revista EURE*, vol. XXXI, no. 93, pp. 77-88.
- Moore, M. 1995, "Promoting Good Government by Supporting Institutional Development?", *IDS Bulletin*, vol. 26, no. 2, pp. 89-96.
- Mora, E.B. 2005, "La Política Venezolana: Entre las Fallas de la Descentralización, las Demandas de Participación y la Necesidad de Innovación Gestiológica", *Revista Venezolana de Análisis de Coyuntura*, vol. XI, no. 2, pp. 223-244.
- Mora, E.G. 2002, "Déficit del Sistema Político, Límites de la Descentralización y Redefinición de los Espacios de Participación del Gobierno Local en Venezuela", *Provincia*, no. 9, pp. 90-112.
- Mora Bastidas, F. 2007, "La Responsabilidad de los Consejos Comunales Derivada del Ejercicio de la Función Pública", *Provincia*, vol. Julio-Diciembre, no. 18, pp. 137-157.
- Morales, E., Cuñarro, E. & Leal, N. 2006, "Los Consejos Locales en el Diseño Constitucional de la Democracia Participativa en Venezuela", *IX Congreso de Derecho Constitucional*. Universidad de los Andes, Caracas.

- Morelli, F. 2007, "*Origen y Valores del Municipalismo Americano*", *Araucaria, Revista Iberoamericana de Filosofía, Política y Humanidades*, [Online], no. 18. [Accessed 21 October 2008] Available from: [dialnet.unirioja.es/servlet/fichero\\_articulo?codigo=2354445&orden=86845](http://dialnet.unirioja.es/servlet/fichero_articulo?codigo=2354445&orden=86845)
- Moreno, A. 2003, "*La Participación como Problema para una Definición del Concepto*", *Revista Venezolana de Ciencia Política*, no. 24, pp. 162-178.
- Moreno, A. 2004, "*La Participación Como un Problema Para una Definición del Concepto*", *Revista Venezolana de Ciencia Política*, vol. 24, no. 2, pp. 162-178.
- Morone, J. & Kilbreth, E. 2003, "*Power to the People? Restoring Citizen Participation*", *Journal of Health Politics, Policy and Law*, vol. 28, no. 2-3, pp. 271-288.
- Morris, A. 1992, "*Decentralization: The Context*" in *Decentralization in Latin America. An Evaluation*, ed. Arthur Morris & Stella Lowder, Praeger, New York, pp. 1-14.
- Naím, M. 1993, "*Latin American: Post-Adjustment Blues*", *Foreign Policy*, no. 92, pp. 133-150.
- Naím, M. 1995, "*Latin America: The Second Stage of Reform*" in *Economic Reform and Democracy*, ed. Larry Diamond & Marc Plattner, The John Hopkins University Press, Baltimore, USA, pp. 28-44.
- Nellis, J. 1985, "*Decentralization and Local Public Finance in Tunisia*", *Public Administration & Development*, vol. 5, no. 3, pp. 187-285.
- Newell, P. & Tussie, D. 2006, "*Civil Society Participation in Trade Policy-Making in Latin America: Reflections and Lessons*", IDS Working Paper 267, Institute of Development Studies, Brighton.
- Newman, J. 2001, "*Modernizing Governance. New Labour, Policy and Society*", Sage Publication, London.
- Nicholas, P. 1988, "*Adjustment for the Poor. The Role of the World Bank*", *Food Policy*, pp. 83-89.
- Nickson, A. 1995, "*Local Government in Latin America*", Lynne Rienner, Boulder, Colorado.
- North, D. 1990, "*Institutions, Institutional Change and Economic Performance*", Cambridge University Press, Cambridge.
- Noticiero Digital, 22-02-10, "*Vecchio: la Ley del Consejo Federal es una Ley Caudillista*" [Homepage of Noticiero Digital], [Online]. [Date accessed 27 Junio 2010] Available: <http://www.noticierodigital.com/forum/viewtopic.php?p=8842710#8842710>.

- Notitarde 19-04-2010, "*Proponen la Eliminación de Gobiernos Regionales*" [Homepage of Notitarde], [Accessed 19 Abril 2010] [Online]. Available: <http://www.notitarde.com/>.
- Notitarde 3 Agosto 2007, "*Consejos Comunes Actuarán Como Controladores Sociales Aduaneros y Tributarios*", Valencia.
- Notitarde, 2008 "*Adeptos al Oficialismo Arremetieron Contra Estudiantes Universitarios*" [Homepage of Notitarde], [Online]. [Date Accessed 20 Diciembre 2008] Available: [www.notitarde.com](http://www.notitarde.com).
- Núñez Nava, R. 2003, "*La Revaloración Jurídica de la Participación Ciudadana en la Constitución Venezolana*", *Cuestiones Políticas*, no. 30, pp. 11-25.
- Oates, W. 1990, "*Decentralization of the Public Sector: An Overview*" in *Decentralization, Local Governments, and Markets. Towards a Post-Welfare Agenda*, ed. Robert Bennett, Clarendon Press, Oxford, pp. 43-58.
- O'Neill, K. 2004, "*Decentralization in Bolivia. Electoral Incentives and Outcomes*" in *Decentralization and Democracy in Latin America*, ed. Alfred P. Montero & David J. Samuels, University of Notre Dame Press, Notre Dame, Indiana, pp. 35-66.
- Öniş, Ziya & Şenses, Friket 2005, "*Rethinking the Emerging Post-Washington Consensus*", *Development and Change*, vol. 36, no. 2, pp. 263-290.
- Oszlak, O. 1999, "*De Menor a Mejor. El Desafío de la Segunda Reforma del Estado*", *Nueva Sociedad, Democracia y Política en América Latina*, vol. 160.
- Oxford Analytical 2009, "*Venezuela: Referendum Debate will Deepen Cleavage*". [Accessed 30 October 2009] Available: <http://www.oxweb.com/display.aspx?ItemID=DB147581>.
- Padrón, A. 1999, "*Las Políticas de Ajuste Estructural (PAE) en Venezuela: Rezago Social y Alternativas Para Combatir la Pobreza*", *Revista de Economía*, no. 15, pp. 111-130.
- Panizza, F. & Philip, G. 2005, "*Second Generation Reform in Latin America: Reforming the Public Sector in Uruguay and Mexico*", *Journal of Latin American Studies*, vol. 37, pp. 667-691.
- Panizza, F. 2000, "*Beyond 'Delegative Democracy': 'Old Politics' and 'New Economics' in Latin America*", *Journal of Latin American Studies*, vol. 32, no. 03, pp. 737-763.
- Parfitt, J. 1997, "*Questionnaire Design and Sampling*" in *Methods in Human Geography. A Guide for Students Doing a Research Project*, ed. Robin Flowerdew & David Martin, Prentice Hall, Harlow, England, pp. 76-109.
- Parkins, C. 2000, "*A Post-Washington Consensus?*", *Global Capital and Global Struggles: Strategies, Alliances, Alternatives*". University of London Union, London.

- Partido Socialista Unido de Venezuela PSUV 22-02-2010, "*Ley de Consejo Federal de Gobierno Solucionará con Más Eficacia Problemas de Venezolanos*". [Accessed 22 Marzo 2010] Available: <http://www.psu.org.ve/?q=node/7474#comentarios>.
- Pasco-Font, A. 2000, "*Políticas de Estabilización y Reformas Estructurales: Perú*", CEPAL, Santiago de Chile.
- Pastrán, G. 23 mayo 2007, "*Corrupción Afecta Consejos Comunales Indígenas*", Caracas. ". [Accessed 24 Mayo 2007] Available:
- Pastrán, G. 27 Marzo 2007, "*Diagnóstico de los Consejos Comunales se Hace Eterno*", Caracas. ". [Accessed 28Marzo 2007] Available: [talcualdigital.com](http://talcualdigital.com)
- Pateman, C. 1970, "*Participation and Democratic Theory*", Cambridge University Press, Cambridge.
- Patton, M.Q. 1990, "*Qualitative Evaluation and Research Methods*", 2nd. Edition, Sage, Beverly Hills.
- Paunovic, I. 2000, "*Growth and Reforms in Latin America and the Caribbean in the 1990's*", CEPAL, Santiago de Chile.
- Peñaloza, P. 10-03-2010, "*AN Pretende que las Comunas Desplacen a los Municipios*". [Accessed 10 Marzo 2010] Available: [http://www.eluniversal.com/2010/03/10/pol\\_art\\_an-pretende-que-las-1791536.shtml](http://www.eluniversal.com/2010/03/10/pol_art_an-pretende-que-las-1791536.shtml).
- Peñaloza, P. 13-03-2009, "*Por "Conveniencia" el Gobierno Quitara Competencias a Estados*", Caracas, Venezuela. [Accessed 20 Junio 2010] Available: [http://www.eluniversal.com/2009/03/13/pol\\_art\\_por-conveniencia-e-1303133.shtml](http://www.eluniversal.com/2009/03/13/pol_art_por-conveniencia-e-1303133.shtml)
- Pender, J. 2001, "*From "Structural Adjustment" to "Comprehensive Development Framework": Conditionality Transformed?*", *Third World Quarterly*, vol. 22, no. 3, pp. 397-411.
- Pereira Almao, V. & Vásquez Vera, M. 2007, "*Una Discusión Sobre el Cambio Político y la Participación en la Venezuela Revolucionaria*", *Congreso Reinventando la Ciudad Desde el Poder Comunal*. Gente de Soluciones, Valencia, pp. 1-21.
- Pérez Monagas, D. 2004, "*Los Consejos Locales de Planificación Pública: Un Espacio en la Participación Ciudadana*", *Taller Información y Experiencias de los Consejos Locales de Planificación del Estado Zulia*, Maracaibo.
- Pérez, C. 1996, "*La Modernización Industrial en América Latina y la Herencia de la Sustitución de Importaciones*", *Comercio Exterior*, vol. 46, no. 5, pp. 347-363.

- Perrons, D. & Skyers, S. 2003, "*Empowerment through Participation? Conceptual Explorations and a Case Study*", *International Journal of Urban and Regional Research*, vol. 27, no. 2, pp. 265-285.
- Peters, G. & Pierre, J. 1998, "*Institutions and Time: Problems of Conceptualization and Explanation*", *Journal of Public Administration Research and Theory*, vol. 8, no. 4, pp. 565-583.
- Peters, G. 2000, "*Governance and Comparative Politics*" in *Debating Governance. Authority, Steering, and Democracy*, ed. Jon Pierre, Oxford University Press, New York.
- Pierre, J. 2000, "*Introduction: Understanding Governance*" in *Debating Governance. Authority, Steering and Democracy*, ed. Jon Pierre, Oxford University Press, Oxford, pp. 1-10.
- Pineda, P. 1996, "*El Papel de los Gobiernos Locales en América Latina*", *Gestión y Política Pública*, vol. 2, pp. 373-392.
- Platt, M. 2008, "*Participation for What? A Policy-Motivated Approach to Political Activism*", *Political Behaviour*, vol. 30, no. 3, pp. 391-413.
- Pløger, J. 2001, "*Public Participation and the Art of Governance*", *Environment and Planning B: Planning and Design*, vol. 28, no. 2, pp. 219-241.
- Political Database of the Americas, 2005. "*Decentralization and Local Governance*" [Homepage of Georgetown University], [Online]. [Date accessed 22 June 2010] Available: <http://pdba.georgetown.edu/>.
- Powell, F. 2008, "*Civil Society, Social Policy and Participatory Democracy: Past, Present and Future*", *Social Policy & Society*, vol. 8, no. 1, pp. 49-58.
- Prensa Gobierno del Poder Popular Guariqueño 22-02-2010, "*Guárico: Ley del Consejo Federal de Gobierno Fortalece el Poder Popular*" [Homepage of Aporrea.org], [Accessed 22 February 2010] [Online]. Available: <http://www.aporrea.org/poderpopular/n151607.html>.
- Presidencia de la República de Bolivia Enero, "*Decreto Supremo Nº 27988 Convocatoria a Elecciones de Prefectos Período 2002-2007*". [Accessed 27 Mayo 2008] Available: <http://www.enlared.org.bo/2005/agencia/cgdefault.asp>.
- Presidencia de la República, 2001, "*Plan Nacional de Desarrollo 2001-2006*", Gobierno de los Estados Unidos Mexicanos, México.
- Presidencia de la República, 2007, "*Plan Nacional de Desarrollo 2007-2012*", Gobierno de los Estados Unidos Mexicanos, México.

- Putnam, R. 1993, "*Making Democracy Work. Civic Traditions in Modern Italy*", Princeton University Press, Princeton, New Jersey.
- Queiroz, A. 2005, "*Historical Institutionalism and Economic Policymaking- Determinants of the Pattern of Economic Policy in Brazil, 1930-1960*", *Bulletin of Latin American Report*, vol. 24, no. 4, pp. 527-542.
- Quijada, M. 2007, "*Consejos Comunales ¿Espacios de Participación Comunitaria o Instrumentos de Concentración del Poder?*", *Congreso Venezolano de Ciudades. Reinventando la Ciudad Desde el Poder Comunal*. Gente de Soluciones, Valencia, pp. 1-26.
- Radio Nacional de Venezuela 2 Agosto 2007, "*Presidente Chávez se Reúne con Consejos Comunales en Gabinete Móvil*", Caracas. [Accessed 7 Marzo 2010] [Online]. Available: [www.rnv.gov.ve/noticias](http://www.rnv.gov.ve/noticias)
- Radio Nacional de Venezuela 22 Enero 2009, "*15 Ciudades Comunales se Han Conformado en Todo el País*" [Homepage of Ministerio del Poder Popular Para la Información y la Comunicación], [Accessed 18 Marzo 2010] [Online]. Available: <http://www.rnv.gov.ve/noticias/index.php?act=ST&f=4&t=88877>.
- Ramírez Medina, J. 2002, "*Cambios Institucionales: la Descentralización en Venezuela*", *Convergencia*, vol. 9, no. 28, pp. 335-353.
- Ranson, S., Hinings, B. & Greenwood, R. 1980, "*The Structuring of Organizational Structures*", *Administrative Science Quarterly*, vol. 25, no. 1, pp. 1-17.
- Regulska, J. 1997, "*Decentralization or (Re)centralization: Struggle for Political Power in Poland*", *Environment and Planning C: Government and Policy*, vol. 15, pp. 187-207.
- Remmer, K. 1990, "*Democracy and Economic Crisis: The Latin American Experience*", *World Politics*, vol. 42, no. 3, pp. 315-335.
- Rengifo, A. 02-05-2007, "*Consejos Comunales Avanzan Hacia el Socialismo del Siglo XXI*". [Accessed 7 Febrero 2010] Available: [http://www.mci.gob.ve/reportajes/2/12930/consejos\\_comunales\\_avanzan.html](http://www.mci.gob.ve/reportajes/2/12930/consejos_comunales_avanzan.html).
- República Bolivariana de Venezuela 2007, "*Proyecto Nacional Simón Bolívar, Primer Plan Socialista PPS. Desarrollo Económico y Social de la Nación 2007-2013*", Ministerio del Poder Popular para la Planificación y el Desarrollo, Caracas.
- República Bolivariana de Venezuela, 2006, "*Ley de Reforma Parcial de la Ley de Asignaciones Económicas Especiales Para los Estados y el Distrito Metropolitano de Caracas Derivadas de Minas e Hidrocarburos*", Caracas.
- República de Bolivia, Corte Nacional Electoral 2006, "*Asamblea Constituyente y Referendum 2006*", La Paz, Bolivia.

- Restrepo, D. 2001, "Eslabones y Precipicios Entre Participación y Democracia", *Revista Mexicana de Sociología*, vol. 63, no. 3, pp. 167-191.
- Reverón Escobar, Z. & Vargas Caciue, A. 2004, "Análisis y Evaluación de las Consideraciones y Perspectivas de los Alcaldes Venezolanos Sobre la Política de Descentralización, la Participación Ciudadana y las Alcaldías", *Cuestiones Políticas*, no. 32, pp. 32-63.
- Reverón Escobar, Z. 2002, "El Estado, la Participación Ciudadana y Descentralización en Venezuela", *Revistas Mundo Nuevo*, no. 92-93, pp. 113-133.
- Reverón Escobar, Z. 2003, "El Proceso de Descentralización de Venezuela, Desde la Perspectiva de los Alcaldes Electos para el Periodo 2000-2004", *América Latina Hoy*, no. 35, pp. 199-224.
- Reyes, G. 2007, "Cuatro Décadas en la Historia Económica de América Latina". [Accessed 21 Mayo 2008] Available: <http://www.zonaeconomica.com/historia-economica-america-latina>.
- Rhodes, R. 1997, "Understanding Governance. Policy Networks, Governance, Reflexivity and Accountability". Open University Press, Buckingham.
- Richards, d. 1996, "Elite Interviewing: Approaches and Pitfalls", *Politics*, vol. 16, no. 3, pp. 199-204.
- Riofrío, G., Soria, L. & Llona Mariana 2003, "Planes Concertados y Presupuestos Participativos. Balance de tres Experiencias Regionales", *Cuadernos Descentralistas*, no. 10, pp. 74-105.
- Rivadeneira G, J. 13 Abril 2007, "Qué son los Consejos Comunales?", 2001, Caracas.
- Robinson, M. 2007, "Does Decentralization Improve Equity and Efficiency in Public Service Delivery Provision?", *IDS Bulletin*, vol. 38, no. 1, pp. 7-17.
- Rocha Menocal, A. 2001, "Do Old Habits Die Hard? A Statistical Exploration of the Politisation of Progresá, Mexico's Latest Federal Poverty Alleviation Programme, under the Zedillo Administration.", *Journal of Latin American Studies*, vol. 33 (3), pp. 513-538.
- Rodríguez, J.C. 2007, "Poder Comunal, Planificación y Participación en Venezuela ¿Un sistema de planificación participativa?", *Congreso Venezolano De Ciudades Reinventando La Ciudad Desde El Poder Comunal*. Gente de Soluciones, pp. 1-25.
- Romero Milano, A. 2005, "Venezuela: Nuevos Actores Sociales, Sindicatos y Perspectivas Democráticas", *Labour Again Publications on Latin America*, pp. 1-8.
- Romero, M.E. 2001, "Federalismo y Municipalización: la Dualidad de la Descentralización Política", *VI Congreso Internacional del CLAD sobre la Reforma del Estado y de la*

- Administración Pública*, ed. Centro Latinoamericano de Administración para el Desarrollo CLAD, Caracas, Venezuela, pp. 1-13.
- Romero, Y. 26-05-09, "Comunas Socialistas en Venezuela" [Homepage of Aporrea.org], [Accessed 12 Mayo 2010] [Online]. Available: <http://www.aporrea.org/actualidad/a78503.html>.
- Rondinelli, D. & James McCullough & Ronald Johnson 1989, "Analyzing Decentralization Policies in Developing Countries: a Political-Economy Framework", *Development and Change*, vol. 20, pp. 57-87.
- Rondinelli, D. 1981, "Government Decentralization in Comparative Perspective: Theory and Practice in Developing Countries", *International Review of Administrative Sciences*, vol. 2, pp. 133-145.
- Rondinelli, D. 1983, "Implementing Decentralization Programs in Asia: a Comparative Analysis", *Public Administration and Development*, vol. 3, no. 3, pp. 181-203.
- Rondinelli, D., Nellis, J. & Cheema, S. 1983, "Decentralization in Developing Countries. A Review of Recent Experience", World Bank Staff Working Papers # 581, Washington D.C.
- Rose, G. 1997, "Situating Knowledge: Positionality, Reflexivities and Other Tactics", *Progress in Human Geography*, vol. 21, no. 3, pp. 305-320.
- Rousseau, J.J. 1968, "The Social Contract", Penguin Books, Cranston, M.
- Sabot, E.C. 1999, "Dr. Jekyll, Mr. H(i)de: The Contrasting Face of Elites At Interview", *Geoforum*, vol. 30, no. 4, pp. 329-335.
- Sader, E. 1999, "Brasil: Una Historia de Pactos Entre Élités" in *Tiempos Violentos; Neoliberalismo, Globalización y Desigualdad en América Latina*, eds. A.A. Boron, J. Gambina & N. Minsburg, Colección CLACSO - EUDEBA, CLACSO, Consejo Latinoamericano de Ciencias Sociales, Buenos Aires, Argentina, pp. 109-119.
- Sahas, I. 1998, "Building a Learning Network on Governance: The Experience of the Governance Cooperative", Institute on Governance, Ottawa, Canada.
- Salamanca, L. & Viciano, R. 2004, "Continuidad y Discontinuidad Constitucional en el Diseño del Sistema Político Venezolano" in *El Sistema Político en la Constitución Bolivariana de Venezuela*, ed. Luis Salamanca & Roberto Viciano Pastor, Vadell Hermanos Editores, Caracas, pp. 11-23.
- Salamanca, L. 1994, "Venezuela. La Crisis del Rentismo", *Nueva Sociedad*, no. 131, pp. 10-19.
- Salamanca, L. 2003, "La Sociedad Civil Venezolana en Dos Tiempos: 1972-2002", *Politeia*, vol. 26, no. 30, pp. 66-85.



- Salamanca, L. 2004, "La Democracia Directa en la Constitución venezolana de 1999" in *El Sistema Político en la Constitución Bolivariana de Venezuela*, ed. Luis Salamanca & Roberto Viciano Pastor, Vadell Hermanos Editores, Caracas, pp. 83-122.
- San Miguel, R. 04-02-2010, "Consejos Comunales Vs FAN", Tal Cual, Caracas, [online]. [Accessed 4 February 2010]. Available from: <http://www.talcualdigital.com/Blogs/Viewer.aspx?id=31304>.
- Sánchez Meléan, J. 2002, "Pasado, Presente y Futuro de la Descentralización en Venezuela. Breves Notas Para la Reflexión", *Provincia*, no. 9, pp. 20-33.
- Sánchez, R. 2002, "Sustentabilidad Urbana, Descentralización y Gestión Local" [Homepage of Universidad de California], [Accessed 29 October 2008] [Online]. Available: [www.rolac.unep.mx](http://www.rolac.unep.mx).
- Sandoval, I. 2004, "Hacia un Enfoque "Estratégico-Relacional" del Estado: Mas Allá del Nuevo Institucionalismo", *Perfiles Latinoamericanos*, no. 25, pp. 217-235.
- Santiso, C. 2001, "Gobernabilidad Democrática y Reformas Económicas de Segunda Generación en América Latina", *Revista Instituciones y Desarrollo*, vol. 8 y 9, pp. 325-366.
- Santiso, C. 2003, "Another Lost Decade? The Future of Reform in Latin America", *Public Administration & Development*, vol. 23, no. 4, pp. 297-305.
- Saurugger, S. 2007, "Democratic 'Misfit'? Conceptions of Civil Society Participation in France and the European Union", *Political Studies*, vol. 55, no. 2, pp. 384-404.
- Sayer, A. 1992, "Method in Social Science: A Realist Approach", 2nd Edition, Routledge, London.
- Schaffer, B.B. 1977, "Spatial Dimensions and Institutional Factors", Institute of Development Studies at the University of Sussex, Brighton.
- Schmitz, G. 1995, "Democratization and Demystification: Deconstructing 'Governance' as Development Paradigm" in *Debating Development Discourse: Institutional and Popular Perspectives*, ed. D. Moore & G. Schmitz, Mac Millan, pp. 54-89.
- Schönwälder, G. 1997, "New Democratic Spaces at the Grassroots? Popular Participation in Latin American Local Governments", *Development and Change*, vol. 28, no. 4, pp. 753-770.
- Schultz, A. 1967, "Collected Papers", Martinus Nijhoff, The Hague.
- Schumpeter, J.A. 1943, "Capitalism, Socialism and Democracy", Geo. Allen & Unwin, London.

- Scott, R. 1981, "*Organizations. Rational, Natural and Open Systems*", Prentice-Hall, Inc., New Jersey.
- Scott, R. 2001, "*Institutions and Organizations*", Second Edition, Sage Publications, Thousand Oaks.
- Secretaria de Planificación, Ambiente y Ordenación del Territorio, 2005, "*Reglamento Interno de Funcionamiento y de Debates del Consejo Estatal de Planificación y Coordinación de Políticas Públicas del Estado Carabobo*", Valencia.
- Secretaria Ejecutiva del Consejo Estatal de Planificación y Coordinación de Políticas Públicas, 2006, "*Reglamento de Funcionamiento y de Debates del Consejo Estatal de Planificación y Coordinación de Políticas Públicas*", Mérida.
- Selee, A. 2004, "*Exploring the Link Between Decentralization and Democratic Governance*" in *Decentralization and Democratic Governance in Latin America*, eds. Joseph Tulchin & Andrew Selee, Woodrow Wilson International Center for Scholars, Washington, D.C., pp. 3-35.
- Selznick, P. 1948, "*Foundations of the Theory of Organizations*", *American Sociological Review*, vol. 13, no. 1, pp. 25-35.
- Senado de la República de Colombia 1991, "*Constitución Política de Colombia*", Santa Fe de Bogotá.
- Servicio de Información y Análisis de la Gestión Municipal (SIAM)- Federación de Asociaciones Municipales de Bolivia FAM Abril 2008, "*14 Años de Municipalización*". Boletín Informativo No 4, Edición Especial, pp. 1-8. [Accessed 27 Mayo 2008] Available: <http://www.Descentralización.org.bo/index.php?pg=documentos/DOC656/>.
- Shatkin, G. 2000, "*Obstacles to Empowerment: Local Politics and Civil Society in Metropolitan Manila, the Philippines*", *Urban Studies*, vol. 37, no. 12, pp. 2357-2375.
- Silverman, D. 2000, "*Doing Qualitative Research: a Practical Handbook*", Sage Publications, London.
- Skelton, T. 2001, "*Cross-Cultural Research: Issues of Power, Positionality and 'Race'*" in *Qualitative Methodologies for Geographers. Issues and Debates*, ed. Melanie Limb & Claire Dwyer, Arnold, London, pp. 87-100.
- Slater, D. 1989, "*Territorial Power and the Peripheral State: The Issue of Decentralization*", *Development and Change*, vol. 20, pp. 501-531.
- Slater, D. 2003, "*On the Spatial Dynamics of Democratic Politics: Analyzing the Bolivian Case*", *Development and Change*, vol. 34, no. 4, pp. 607-632.

- Slater, D. Autumn 1991, "*Towards the Regionalization of State Power: Peru, 1985-90*", *Regional Politics and Policy*, vol. 91, pp. 210-222.
- Smith, B. 1985, "*Decentralization. The Territorial Dimension of the State*", George Allen & Unwin, Boston.
- Smith, B. 1986, "*Spatial Ambiguities: Decentralization within the State*", *Public Administration & Development*, vol. 6, pp. 455-465.
- Smith, K. 2006, "*Problematizing Power Relations in 'Elite' Interviews*", *Geoforum*, vol. 37, no. 4, pp. 643-653.
- Souza, C. 2001, "*Participatory Budgeting in Brazilian Cities: Limits and Possibilities in Building Democratic Institutions*", *Environment and Urbanization*, vol. 13, no. 1, pp. 159-184.
- Spencer, L.; Ritchie, J.; Lewis, J. & Dillon, L., 2003, "*Quality in Qualitative Evaluation: A Framework for Assessing Research Evidence*", London: Cabinet Office.
- Suárez, A. 2002, "*Gobernabilidad: Algunos Enfoques, Aproximaciones y Debates Actuales*", *VII Congreso Internacional del CLAD Sobre la Reforma del Estado y la Administración Pública* CLAD, Caracas.
- Summerville, J., Adkins, B. & Kendall, D. 2008, "*Community Participation, Rights, and Responsibilities: the Governmentality of Sustainable Development Policy in Australia*", *Environment and Planning C: Government and Policy*, vol. 26, no. 4, pp. 696-711.
- Tam Cho, W. & Rudolph, T. 2008, "*Emanating Political Participation: Untangling the Spatial Structure Behind Participation*", *British Journal of Political Science*, vol. 38, no. 2, pp. 273-289.
- Tanaka, M. 2000, "*Los Tres Principios de la Participación: Involucramiento Colectivo, Intermediación y Pluralismo. Participación Popular en las Políticas Sociales y los Grados de Complejidad Social*", Instituto de Estudios Peruanos/ Consorcio de Investigación Económico y Social, Lima, Perú.
- The National Environmental Justice Advisory Council (NEJAC) 2000, "*Model Plan for Public Participation*" [Homepage of Environmental Protection Agency], [Accessed June 2010] [Online]. Available: <http://www.epa.gov/projctxl/nejac.htm#CORE%20VALUES%20FOR%20THE%20PRACTICE%20OF%20PUBLIC>.
- Thelen, K. & Steinmo, S. 1992, "*Historical Institutionalism in Comparative Politics*" in *Structuring Politics: Historical Institutionalism in Comparative Analysis*, eds. Sven Steinmo, Kathleen Thelen & Frank Longstreth, Cambridge Press University, Cambridge, pp. 1-32.

Tolbert, P. & Zucker, L. 1983, "*Institutional Sources of Change in the Formal Structure of Organizations: The Diffusion of Civil Service Reform, 1880-1935*", *Administrative Science Quarterly*, vol. 28, no. 1, pp. 22-39.

Últimas Noticias 09-05-07, "*Minpades Registra 19 Mil 500 Consejos Comunales*", Caracas. [online]. [Accessed 14 Julio 2007]. Available from: <http://www.aporrea.org/poderpopular/n94588.html>

Últimas Noticias 22 Febrero 2010, "*Oposición Rechazó Ley de Consejo Federal de Gobierno*". [Accessed 22 February 2010]. Available: <http://www.ultimasnoticias.com.ve/capriles/cadena-global/detalle.aspx?idart=2885009&idcat=56657&tipo=2>.

UNDP, 1997, "*Governance for Sustainable Human Development. A UNDP Policy Document*". [Accessed 11 Junio 2008]. Available: <http://www.undp.org>.

Unión Radio Noviembre 9 2009, "*Pérez: Ley de Consejo Federal de Gobierno Centraliza el Poder en Chávez*". [Accessed 22 Marzo 2010]. Available: <http://informe21.com/gobernador-del-zulia/perez-ley-consejo-federal-gobierno-centraliza-poder-Chavez>.

Unión Radio, 22-04-2007, "*Chávez Reitera: 'Se Acabó la Autonomía de los Entes del Estado'*" [Homepage of Unión Radio], [Online]. [Date accessed 17 Junio 2007] Available: <http://www.unionradio.com.ve/Noticias/Noticia.aspx?noticiad=206285>.

United Nations, 1992, "*Agenda 21*". Washington.

Ustáriz, M. 23-03-2009, "*Gobernadores de Oposición Tienen Intenciones Separatistas*", Caracas [online]. [Accessed 23 Marzo 2009]. Available from: <http://www.2001.com.ve/@Pol%C3%ADtica/Pol%C3%ADtica1.asp?tp=7>

Valentine, G. 1997, "*Tell Me About...: Using Interviews as a Research*" in *Methods in Human Geography. A Guide For Students Doing a Research Project*, ed. Robin Flowerdew & David Martin, Prentice Hall, Harlow, England, pp. 110-126.

Velásquez, F. 2004, "*Colombia: De Regreso a un Esquema Centralista?*", *Cuadernos Descentralistas*, no. 12, pp. 9-24.

Veltmeyer, H. 1997, "*Decentralization as the Institutional Basis for Community-Based Participatory Development: The Latin American Experience*", *Canadian Journal of Development Studies*, vol. 18, no. 2, pp. 303-325.

Venezolana de Televisión 20-04-2007, "*Chávez: Consejos Comunales, Célula Fundamental de la Democracia Revolucionaria y Verdadera*" [Homepage of Aporrea.org], [Online]. [Accessed 12 Mayo 2010] Available: <http://www.aporrea.org/poderpopular/n93602.html>.

- Venezolana de Televisión 21-07-2009, "*Presidente Chávez: la Comuna tiene Que Ser la Base Territorial del Socialismo*". [online]. [Accessed]. Available from: <http://www.vtv.gov.ve/noticias-nacionales/21164>.
- Venezolana de Televisión VTV, 2008, *Chávez Llamó al Pueblo a Movilización Permanente Contra Fascismo de la Derecha* [Homepage of Ministerio del Poder Popular Para la Información y la Comunicación], [Online]. [Date accessed 29 Junio 2010] Available: <http://www.vtv.gov.ve/noticias-nacionales/11986>.
- Venezuelan Information Office, 2007, "*Venezuela's 2007 Enabling Law*" [Accessed 6 Mayo 2010] Available: <http://www.veninfo.org/downloads/Leyhabilitante2007.htm>.
- Vengroff, Richard & Bem Salem, Hatem 1992, "*Assessing the Impact of Decentralization on Governance: a Comparative Methodological Approach and Application to Tunisia*", *Public Administration & Development*, vol. 12, no. 5, pp. 473-492.
- Vera Alan, D., "*En Trifulca Terminó Acto de Estudiantes en la Plaza Bolívar*" [Homepage of El Carabobeño], [Online]. [Date Accessed 20 Diciembre 2008] Available: [www.el-carabobeno.com](http://www.el-carabobeno.com).
- Vilas, C.M. 1997, "*La Reforma del Estado Como Cuestión Política*", *Revista Política y Cultura*, vol. 8, pp. 147-185.
- Villalobos, A. 03-10-2008, "*Ley Orgánica para la Ordenación del Territorio Gobernadores y alcaldes elegidos el 23N serán figuras decorativas*", Valencia. [online]. [Accessed 28 Junio 2010]. Available from: [http://www.el-carabobeno.com/p\\_pag\\_hnot.aspx?art=a031008b08&id=t031008-b08](http://www.el-carabobeno.com/p_pag_hnot.aspx?art=a031008b08&id=t031008-b08)
- Waissbluth, M., Leyton, C. & Inostroza, J. febrero 2007, "*La Descentralización en Chile 1990-2005: Asignatura Pendiente*", *Reforma y Democracia*, no. 37, pp. 223-242.
- Walker, D. 1991, "*Decentralization: Recent Trends and Prospects from a Comparative Governmental Perspective*", *International Review of Administrative Sciences*, vol. 57, pp. 113-129.
- Wampler, B. 2007, "*Can Participatory Institutions Promote Pluralism? Mobilizing Low-Income Citizens in Brazil*", *Studies in Comparative International Development*, vol. 41, no. 4, pp. 57-78.
- Welsch, F.J. & Carrasquero, J. , 2000, "*Perceptions of state reform in Latin America*", *International Social Science Journal*, vol. 52, no. 163, pp. 31-38.
- Wiles, Rose; Crow, Graham; Heath, Sue & Charles, Vikki; 2008, "*The Management of Confidentiality and Anonymity in Social Research*", *International Journal of Social Research Methodology*, vol. 11, no, 5, pp. 417-428

- Williamson, J. (eds) 1990, "*Latin American Adjustment: How Much Has Happened?*", Institute for International Economics, Washington D.C.
- Williamson, J. 1999, "*What Should the Bank Think about the Washington Consensus?*", Institute for International Economics, Washington.
- Willis, E., Garman, C. & Haggard, S. 1999, "*The Politics of Decentralization in Latin America*", *Latin American Research Review*, vol. 34, no. 1.
- Winchester, H. 2000, "*Qualitative Research and Its Place in Human Geography*" in *Qualitative Research Methods in Human Geography*, ed. Ian Hay, Oxford University Press, Victoria, Australia, pp. 3-18.
- Wolman, H. 1990, "*Decentralization: What It Is and Why We Should Care*" in *Decentralization, Local Governments, and the Markets. Towards a Post-Welfare Agenda*, ed. Robert Bennett, Clarendon Press, Oxford, pp. 29-42.
- World Bank, 1985, "*Structural Adjustment Lending. An Evaluation of Program Design*", the World Bank, Washington, D.C.
- World Bank, 1988a, "*The World Bank's Lending for Adjustment. An Interim Report*", the World Bank, Washington, D.C.
- World Bank, 1988b, "*Adjustment Lending: An Evaluation of Ten Years of Experience*", the World Bank, Washington, D.C.
- World Bank, 1989, "*Sub-Saharan Africa: From Crisis to Sustainable Growth. A Long Term Perspective Study*", the World Bank, Washington, D.C.
- World Bank, 1992, "*Governance and Development*", the World Bank, Washington, D.C.
- World Bank, 1996, "*Governance and Development*", the World Bank, Washington, D.C.
- Yerguin, D. & Stalislaw, J. 2008, "*The Commanding Heights*". [Online]. [Accessed 21 May 2008]. Available: <http://www.neoliberalismo.com/dependencia.htm>
- Yoyotte, Y. 07-10-2008, "*Ley de Ordenación Territorial no resta competencia a gobernadores y alcaldes*". [Online]. [Accessed 11 Noviembre 2009] Available: [http://www.asambleanacional.gob.ve/index.php?option=com\\_content&task=view&id=20235&Itemid=27](http://www.asambleanacional.gob.ve/index.php?option=com_content&task=view&id=20235&Itemid=27).
- Zerpa, F. 14 Febrero 2010, "*Chávez Instó a Superar el Esquema Asistencialista y Pasar a lo Político*", Caracas. [Online]. [Accessed 14 Febrero 2010]. Available from: <http://impresodigital.el-nacional.com/ediciones/2010/02/14/default.asp?N=1&l=0&cfg=1&iu=1>
- Zucker, L. 1983, "*Organizations as Institutions*" in *Research in the Sociology of Organizations. A Research Manual*, ed. Samuel B. Bacharach, Jai Press Inc., London, pp. 1-47.