

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

Introduction

“FEMICA is a demonstration of the maturity of the regional municipal movement, that has decided to reivindicate the rights of almost 30 million Central Americans to a Government at their service in response to incapable centralism”

The Federation of Municipalities of the Central American Isthmus FEMICA was born on September 1991 crowning an effort of over 15 years. It was created as an instrument to promote the interests of municipalities in Central America, to struggle for the strengthening of municipal corporations and for a new political order characterized by the decentralization of power, government functions and the management of public resources. But above all FEMICA was created to fight for the citizen, for almost 30 million men, women and children who live in over 1,500 municipalities in Central America; to fight for their rights of old, assigned in their constitutions, in worldwide declarations and in the charters of international organizations. But also for their new rights, the right to receive public services in accordance to their self-improvement as individuals and as communities, the right to a transparent and honest management of public resources and especially the right to participate actively in decisions that concern the citizens and communities.

The Federation was founded as a result of converging circumstances to breathe life to a new political order.

In the first place the founding of FEMICA is an expression of changes of all over the world, changes which very slightly change the life of people, the countries and humanity as a whole; those changes modify everything, including the nature of states, the range of its action and the outline of its legal and institutional system, aspects which are being revised everywhere. A new order arises where citizens have access to information and actively participate in making decisions concerning their most immediate matters.

The Federation of Municipalities of the Central American Isthmus is also the result of the rigorous Central American process lived during the last decade that led to the union

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

and renovation of the Central American region to face the challenges of a rapidly changing world.

Finally, FEMICA is a demonstration of the maturity of the regional municipal movement, that has decided to reinvigorate the rights of almost 30 million Central Americans to a Government at its service in response to incapable centralism; failure explicitly recognized in structural adjustment programs of government reform are being carried out in the region.

A transforming world

“The rapid changes that characterize the last years of the twentieth century pose challenges to all nations and offer new opportunities for many of them”

The rapid changes that characterize the last years of the twentieth century pose challenges to all countries and offer new opportunities for many of them and can be right moment for the achievement of old longings and the hopes for all mankind.

Thinkers and analysts alike make a big effort to foresee the way the changes produced by science and technology will affect people as individuals and civil society. For the time being, many of the beliefs that prevailed for years are being questioned by the skepticism of those who thought to have the judgment to prevent the probable evolution of events.

The last years have given mankind the opportunity to witness the obsolete forms of organization and production, which were until then example of development. New forms of information, communications and cooperation arise; but especially the participation. This is true for research, production and also for government.

In this new world, the world of globalization, countries will improve due to their competitiveness.

They should be efficient in the management of their resources, scarcer than ever, and this efficiency will be conditioned by the ability of the population to promote and combine economic, material and human resources in the resolution of common

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

problems. In this emerging world, the ability of all countries will be important to preserve the matters in which the feasibility and perhaps the survival of the nations and mankind depend. The idea of development now evokes sustainability. The ability of each society to achieve its goals requires, as never before, that their objectives express the common will and that they harmonize with the objectives that the world shares. Only in this way the certainty of the citizens, the civil society and the government will participate in the necessary efforts to achieve those objectives.

The changes have also brought the necessary tools so that the options of the community will be discussed with the best information possible and their choices are the result of the involvement of all their members in the process. The joint action is actually very important. The Central American local governments have begun to move forward to this new form of doing and thinking about politics, they are prepared to assume new and more responsibilities and to promote a new political system. They strengthen the national associations and see FEMICA as the instrument in charge of a new contemporary vision in Central America.

The new world vision has a strong influence in Central America and impels new change to achieve common goals, to combine efforts in the construction of benefits for the Central American people and to contribute to the achievement of goals that the world proposes today.

Central America united to face the future

“The region has come from isolation to integration. Today, Central America sets common goals and undertakes necessary efforts to achieve them.”

Few periods in Central American history have been as prolific as the last ten years. For Central Americans, these have been very important years, compared, in other countries, to the fall of the Berlin wall and the totalitarian system or the Jewish-Palestinian dialogue.

FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN ISTHMUS (FEMICA) IDEOLOGY 1994

Less than ten years ago the Central American region was in turmoil. In addition to the difficult internal situation in some countries, there were confronting situations between individual countries. The military conflagration destroyed the initial economic and social achievements and also threatened the stability in the isthmus.

In the last ten years, Central America has achieved significant advances going from war to a peaceful dialogue. There are still efforts being made to leave behind the armed conflict as a means to resolve differences and to transfer the disagreements to political confrontations. The region has passed from a period of isolation to integration. Today, Central America has common goals and assumes the necessary efforts for their achievement. These have been years of important transitions, which allow one to anticipate the third millennium with optimism.

The anguish and the commitment of Central Americans to overcome the adversity and achieve better living conditions have been recognized and supported by the international community. Latin American assistance was significant in the most difficult times and demonstrated its concern for the region. Colombia, Mexico and Venezuela have played a positive role to overcome our problems and expressed Latin American solidarity. The United States of America collaborated in the political solution of the crises and have supported, actively, the reconciliation and the national reconstruction processes. Europe has established cooperative systems at the highest level and has helped to set the basis for the achievement of common causes and supports the efforts to achieve them. The Nobel Peace Prize has been granted twice as an incentive to the work Central Americans have long carried out towards peace, development and progress.

The renovated spirit born from the major crises in the history of the region is fruitful. Central Americanism is no longer a purpose of the elite, and takes roots among the people and sets new challenges. Central America today has new common causes.

Our economic cause

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

“Today with some of the mayor conflicts overcome and more stability, Central American countries have made efforts to undertake the road towards economic growth and development.”

On economic matters, the will of the isthmus is unified to overcome the consequences of the adversity that for over ten years affected the economies of the region. To the changes occurred in the international economy since the beginning of the decade of the seventies, local political and military matters were added, which contributed to weakening economic structures. The crises of hydrocarbons, the lower prices of the main export products, the decrease in the purchasing power, the external debt, the fall of the common market, financial weakness, inflation, political instability and war are among the responsible factors for the deterioration of living conditions in Central American countries.

Today, with some of the main conflicts overcome and more stability, Central American countries have made efforts to undertake the road towards economic growth and development. Central America wants to strengthen its productive structure, to activate its regional commerce and works to attain the unity which will permit it to overcome the challenges of an international economy which favors competition and free trade, and at the same time substantially subsidizes some sectors and practices organized protectionism of big groups.

Our social cause

“The community and international organizations share their concern over the government and Central American political forces for the social problems”

Two decades of economic difficulties, political crises and war have overwhelmed Central America. Today, the isthmus has great deficiencies in its social system as a result of historical factors magnified by the accelerated demographic growth and the little attention dedicated to the social matters during the last twenty years.

FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN ISTHMUS (FEMICA) IDEOLOGY 1994

The insufficient educational rates, the low indicators on health and nutrition, the lack of attention to the growing needs of children, youngsters and women and the accelerated growth of poverty, raise a strong challenge to the economic policies implemented in the countries of the region. The community and international organizations share the concern of the government and the Central American political forces on the social problems.

Plans and programs for social development are gradually being implemented to overcome the existing deficiencies in these areas. Goals are proposed in the area and plans are designed to solve serious existing problems, to eliminate the obstacles for the development of urgent social problems.

Our political cause

“The community urges greater transparency in the management of public resources, as citizens aim for more participation. All the answers should create a government that will serve its citizens in a new political order with more participation and democracy”.

Together, the growing demands, economic development and the challenges of the social situation, Central American countries dedicate important efforts to adequate political institutions to the more complex demands of society.

One of the fundamental causes of political instability and war was the inability of institutions to unify the interests of the different sectors and to adequately process and respond to the demands of its communities. The governance crises, an important aspect of the turmoil of the last years, should be overcome.

In Central America, as in other parts of the world, it is necessary to reorganize political and institutional design, due to the fact that the political structure is being questioned and the legitimacy of government is a controversial matter. Citizens ask for the keeping of commitments and for the removal of the officials who does not comply with

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

principles of ethics, politics and legality included in the social contract. Now, more than ever, political parties are searching for a new identity.

The community urges greater transparency in the management of public resources, as citizens' vie for more participation. All the answers should include a government to serve the citizen in a new political order with more participation and democracy.

In Central America there is a general consent on the need to establish and to strengthen the conditions of cohabitation and to create and extend the spaces for participation. It is discussed and being worked on the intensity of democracy to overcome the historical conflicts and to guarantee the force of the principles, rights and institutions, which guarantee the development under liberty with justice and solidarity.

Central America is actively working to overcome the crises of its political and institutional patterns. A new impulse emerges for the distribution of power, for the strengthening of local organizations, for the government's decentralization and for the increasing participation of citizens. It is maybe among the local officials and in the municipalities where more ethics exist on the need to renew the political institutional system, as reflected in declarations and in congresses. The constitution of the Federation of Municipalities of the Central American Isthmus, an instrument for the municipalities of the region to defend the rights of millions of men and women who participate in the reconciliation, in the national construction and in the promotion of development, is witness of these affairs.

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

The citizens, as the only receivers of the government's action

“Mankind awaits with hope the beginning of a new age of more participative democracy”

One of the outstanding signs of the times is the augmentation of citizen participation. In the past, with some exceptions, a small group always took control over knowledge, wealth and the government in an asymmetrical way. Today, mankind sees with hope a more participative democracy.

It seems that the age of the serious rights is over and the age of the citizen's rights is beginning. If it is not this way, it is difficult to explain the government's attitude towards its citizens. It is difficult to explain the government's attitude before men and women who claim for their rights. It is difficult to explain the voting achievements in countries that never practiced their before. If a new age in specific rights arrives how to explain the renewed interest in referendum and other instruments of popular consultation. How do we explain the expression of public opinion in politics? How do we explain today that theft, to satisfy hunger, is no longer a sin; how to explain the new symbiosis between the polls and the government's action?

The Federation of Municipalities of the Central American Isthmus knows that municipalities are its reason of existence, and the strengthening of municipalities is their main purpose, the government's decentralization is its main goal; but FEMICA understands that the municipal corporation is an institution and decentralization is a process that takes time. Its main purpose is the citizens of Central America and their rights to build the road towards progress and welfare.

It might seem useless to dedicate a new effort for the Central American citizens in a government, which proclaims to represent all and promotes its accomplishments. But the truth is that such government and its institutions initiated several decades ago, a road that leads them to a governance crisis. The political difficulties, which the Central American nations have experienced, are basically, governability problems, more or less.

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

People are unsatisfied with the institutions, which have not carried out their functions and whose irregular actions leave important groups partially or totally at the margin of its range of action.

The roots of the Central American political-institutional crises

“In Central America, to the paradigm of political development of the controlling state, a centralized tradition was added, which supposed the slow weakening of local institutions”

In Central America as in the rest of Latin America, the political model imposed in the developed countries was adopted since the decade of the nineteen thirties and strongly after the Second World War. Such model stated the usefulness of a controlling state interfering in the organization of all society activities and proclaimed that the state action was able to assure development with equity.

In Central America, to the paradigm of political development of the interfering state, a centralized tradition was added, which supposed the slow weakening of local institutions. The responsibilities that local governments had successfully negotiated slowly returned to the central government. Then, after the fifties, the government organization initiated an unprecedented process of growth and differentiation. Then national organizations appear than in their desire to take advantage of the scarce human resources, to benefit from the economies of scale to answer to the growing requirements of regional and national integration and to have exclusive access to international loans, emerge as actors in the effort of development and finish destroying weak local administrations.

Several years later, with the model implemented and matured, it receives the influence of the national planning model, which meant its exaltation. In some countries the top stage of government, born after the war, arrives with the government as an enterprise, developed in the decade of the seventies.

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

Nevertheless, the model of the centralized state, its obsolescence is clearly noticed. Centralization carries a deficient management of resources, which are scarce; it diminishes the efficiency of state action, and it makes the government the private domain of the bureaucracy and political leaders.

Efficiency in the use of the resources, one of the arguments that none strongly supported the implementation of the new state model, went into crises two decades ago.

The young government, centralized and interventionist, prematurely halted in legal regulations and controls, made the advantages of the economies of scale disappear. Together with the institutional growth and structural differences, which took place within the government, the privileges for the public bureaucracy began to grow, reducing the availability of resources for development. Politicians and the military plundered the government with their privileges and corruption in the construction of an economic basis, which sustained their recently acquired role. To the wearing away of the government's economy, which diminished the lending of resources, we can add the accelerated growth of population, which increased the demand for services and infrastructure.

In brief, the controls and regulations as well as the greed of the bureaucracy, politicians and the military in all the Central American territory reduced efficiency in the use of its resources, which are relatively scarce every day.

To the growing inefficiency in the use of the government resources we can also add the growing inefficiency of the state's action. The government does not satisfy social needs that grow faster than the public slowness and whose satisfaction would require that the resources lead away for groups, which benefit from government funds in one way or the other.

A considerable reduction in the efficiency of the public action is caused by the centralist state design. The centralization of state action also meant the centralization of opportunities and services in urban areas and its concentration in the larger metropolitan

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

areas, which constitute the capital cities. Maybe it is only within the largest cities where state action is efficient. In general, we can confirm that rural population has less access to education, health, housing, drinking water, electricity, communications and other utilities than urban population. The acquisition of obligations, resources and authority of the local organizations by the centralized institutions has become into a concentration of state action that denies its effectiveness as an instrument in the promotion of general welfare.

The ineffectiveness of government and the inefficient use of the rather scarce public resources are elements, which have contributed to the growth of marginality. The permanent migration of the inhabitants from the geographic zones where the state action is weak and their subsequent settlement in built-up urban areas integrating the “informal economy”, are part of the non-desired fruits of the crises of the centralized state.

But, besides reinforcing social marginality and the informal economy, centralism, as a principle in the organization of the state action, created the rejection. The concept of representation was taken to its limit. The decisions in the priorities of each nation and the corresponding assignment of resources were, and perhaps still are, an exclusive matter of the political society, where bureaucrats, technocrats, politicians and the military decide the future of society as a whole. Other organized groups try to protect their interests, but the great majority of citizens have no participation in government, nor any influence in the negotiation of the public resources.

In conclusion, the growing inefficiency in managing public resources, the lack of effectiveness in state action to attend to the growing needs of the population and the rejection of the majority of the citizens from participating in the decision making on public affairs, including their local affairs, are among the main causes of the political-institutional crises in Central America. Some other elements also influence the changes in the community and the need expressed by the same society of revising their relations with the government.

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

Decentralization, a coherent answer

“Decentralization processes take place in many countries, which today form the developing world. Central America is no exception.”

The Federation of Municipalities of the Central American Isthmus, aware of the crises in efficiency, effectiveness and rejection, which characterize the Central American countries, joined to the government reasoning and the public administration investigators and important political sectors expressed several years ago. FEMICA, as well as they, has pointed out that decentralization is one of the basic organization principles, which could bring an answer to the societies' governing crises and to the problems of the governments' organizations. The mayors, the municipal associations and the national institutions in support of the local governments have also indicated, emphasizing the potential offered by decentralization to overcome the problems in the government organizations of the region.

The centralized state is no longer capable of measuring up to the needs and requirements of communities. In the same way as forty years ago, new ideas on the organization of society and government institutions are produced all over the world. This new statement includes the need to renew the relations between the government and the community, where the fundamental statement is to strengthen the democratic process by means of increasing the participation of citizens. Regarding the inadequate answer offered by the central government to the more complex requirements of individuals and civil societies, the political and administrative decentralization of the government appears as a coherent answer.

The decentralization processes are taking place in many countries, which today form the developing world. Central America is no exception. Important steps have been made in the region towards decentralization and the debate on the necessary Government is a priority in all agendas.

Basically, the Federation of Municipalities of the Central American Isthmus foresees the processes of government decentralization as transformations, which include changes

FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN ISTHMUS (FEMICA) IDEOLOGY 1994

in functions and responsibilities, and the redistribution of power from the central government and its' national organizations to the local organizations ruled by popular elected officials, being these, municipalities, provinces, regions, metropolitan associations or any other territorial organization characterized by governmental and administrative autonomy.

The transfer of functions is accompanied by a change in the use of the government resources; the local government determines the use of a large percentage of public funds, the disposition of which is subject to a process of agreement among other public and private organizations. Thus improving the clearness in the assignment process of resources and allows a new concept of responsibility from government's officials.

Citizens and civil societies' complement the control of government institutions, which constitutes a real opposition to the bureaucracy's behavior and to the political management of the area. Finally, but important to mention, the government's decentralization and the strengthening of local institutions, proposes a balanced development of regions by distributing the resources, which were previously centralized and concentrated in larger cities. Several decentralization processes consider systems through which the more advanced areas propitiate the improvement of traditionally unattended areas.

To the Federation of Municipalities of the Central American Isthmus, this process should be done gradually in a double sense, in regards to decentralization, it is a slow transmission of functions and resources in a way to assure the successful transformation from a central government towards a participating and decentralized government; and also in regards to the decentralization process, it should be done taking into account the uneven capacity of local institutions to take on these new roles and functions to be developed in accordance with the social need of having efficient and competent institutions.

Decentralization, with everything it involves, such as democracy, participation, citizens' control and balanced development, holds the attention of politicians, administrators and

FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN ISTHMUS (FEMICA) IDEOLOGY 1994

investigators. FEMICA, with the cooperating agencies and international organizations, promotes the search for formulas in Central America that, considering each country's peculiarities, give convincing answers to the governments' deficiencies and promote the will of the citizens and civil society to actively participate in the solving of common problems.

Although it is true that stability is still temporary, the analysis of some experiences shows uneven results concerning the improvement of efficiency. Being aware that the conclusions are still provisional, studies conducted in some countries, whose main occupation has been the analysis of worldwide experiences, comparing centralized management versus local management, do not show significant advances in the rendering of locally administrated sources, which were previously managed by national institutions. Other studies have shown that the analysis of specific experiences where the increase in quality of its services and the rendering of resources show remarkable increases. The Federation of Municipalities of the Central American Isthmus actively promotes these evaluations, and in the case of successful experiences, uses its results in a new horizontal cooperation process.

In the promotion of the convenience of decentralization of government, FEMICA insists that the citizen's participation in local government can help in the efficient management of its resources. This means more awareness in the application and also more productivity, as some experiences show. The improvements that can be obtained from efficiency should be accompanied by others proceeding from the citizens' control exercised before a government, which informs and practices referendums in their taking of decisions. Additionally, FEMICA outlines the contribution that a decentralized government can bring to the efficiency of government action in offering a quantity and better quality service in the area and reverting the immigration propitiated by centralism.

In the matter of efficiency of government's action, information is scarce, which might be a consequence of the innovative debate on this matter or due to some difficulties in the analysis of government's efficiency presents. Based in the experience of the

FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN ISTHMUS (FEMICA) IDEOLOGY 1994

municipalities of Central America, FEMICA points out that a local government with authority, resources and organizations enforces its presence and assists the demands and requirement of the citizens with lesser intermediaries. Besides it is also true that the proximity of the executors and providers involves the community and brings a convenient solution to local problems and permits to multiply its participation.

The decentralization option is enforced by the Federation of Municipalities of the Central American Isthmus, considering the contribution that can bring to the crisis of governability, which affects or threatens the countries in the region. Central America is urging the governments founded in a more abundant consensus and of programs developed to legitimate governments more.

The decentralization is a political process that appears as an action in favor of the participation to strengthen and intensify democracy and as a necessary matter from a representative to a participating way, more adequate to the existing requirements of Central American society.

At last, citizen participation is better and more direct in the areas managed by a local government. The municipality, the last link of the state in the area, frequently agrees its actions with the community organization, an organized expression of the population. The local government agreement with the community, an experience broadly repeated in Central American municipalities, implies a lot to the legitimacy of the government and the acceptance of its limitations.

The slow incorporation of the citizens in the debate in their problems and possible actions over needs and priorities is a fact in Central America, although it has been slightly used. The existence of useful people with information and education to the participation can enrich the social dynamic as well as the advanced collective communication media that can contribute to the citizens and organized groups' communication. Social sciences can supply the instruments to measure the public opinion that, together to telecommunications and the computer systems, offer a wide variety of possibilities never existing before and whose potential has not been evaluated.

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

In any event, the citizen's participation is a real possibility, which can and should enrich the taking of decisions over matters that pertain to the whole community.

Social performers on political reform

“The federation has worked constantly with local political authorities, improving the theoretical and critical instruments of mayors and aldermen providing them with assessment elements for a debate in which they should participate”.

Political reform and the government's reform in Central America have caused a strong debate. What is under discussion is not only the range of government's action, but its nature and organization. Organized social forces act in the ample range from a regulating system, which is not considered any more an intervention, which under the renewed principle of subsidiary of government's action, rebel from its liberal origin.

The more organized sectors express their preferences between a centralized design and another one that organizes some of the public functions by means of a variety of autonomous entities.

The political, economic and social forces that benefited from the centralization process for over four decades, strongly resist to any new project that proposes a distribution of power, the end of the monopoly over the decision-making on public expenses and condemns the obsolescence of the central government.

Within political parties, the debate has implications on many ideas and problems. The monopoly of political power held by these parties during several decades constitutes the weight that prevents clearly facing the problem of the government's reform. It is not chance that in some cases, such reform only includes the privatization of companies and public services or the reduction of bureaucracy and deliberately omits any program inclined to the decentralization of government's action.

However, at the same time, within political parties and ruling groups another reason is expressed, aware of the nature of the political crises of society and their own ideological and programmatic problems that sees decentralization as a reliable statement. Interests

FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN ISTHMUS (FEMICA) IDEOLOGY 1994

in local government are also expressed in the political parties. The Federation has worked with local political authorities in a constant and strong way, improving the theoretical and critical instruments of the mayors and aldermen providing them with assessment tools for a debate in which they should participate. This local political authority is willing to leave its task as a messenger of the community demands and the government must meet the role of managing the concerns and local resources and has reached, in the last few years, a strong negotiation capacity. The balance of forces varies in the different countries of the region and also in the parties inside each country. However the legal and political changes of local governments allows them to distinguish the increasing form of the decentralization ideas and from the ones, which state the need to strengthen the local institutions. The Federation of Municipalities of the Central American Isthmus actively works with political forces.

Convinced of the importance of bringing these groups together to work and incorporate them into the debate over the government's reform, FEMICA sponsors the knowledge, the reflection and the position taking on a matter that, sooner or later, will attract the attention of parties and politicians.

In these tasks, an important support has been obtained from the Central American president's summit, from the Central American parliament, from international organizations, from cooperation agencies of friendly governments and from non-governmental organizations, which work on the improvement of local government.

The work of FEMICA with political parties also promotes a more responsible attitude from them towards local governments. In general, the process to select candidates for mayors and aldermen corresponds to political parties. The crisis of centralism and the takeover by local institutions demands that parties not use the local administration as a loot to share among its politicians and understand that in the centralized system the local political officials should be selected for their capacity and responsibility towards citizens.

FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN ISTHMUS (FEMICA) IDEOLOGY 1994

The Federation has led and guided actions towards the national congresses. It is there where the power of decision is concentrated and has been particularly important in defining the implementation of projects, and is where important decisions over the future of the government should be taken.

The attitude of government bureaucracy towards decentralization is determined by the history of this group that grew in quantity and in quality under the government's expansion after the war and whose position was strengthened by the creation of specialized and non-focused organizations. The government bureaucracy comprises a social group whose privileges were built under advantageous situations without opposition due to the politician's inability to confront the actions of the bureaucracy while society had no mechanisms to exercise control over the use of public resources.

The decision-making was left in the hands of the organized bureaucracy and in the weakened political elites that, in many occasions, had interests in common. In consequence, the government bureaucracy is strongly conservative in regards to political institutional design and is suspicious of any proposal that might change its status quo.

It is convenient to point out that the bureaucracy of the autonomous institutions has not developed its own principles and, more than confirming its interests or defending the community ones, seeks to incorporate itself to the central government bureaucracy and the non-focused organizations.

Among the economic agents, it is the privately owned enterprises that are in favor of the government's reform, the decentralization processes and the strengthening of local institutions. Although it is true that under the centralized government this group developed a large growth linked to large government's projects, the private enterprises have favored the decentralization process. Private contractors seem to understand that a large economic capacity from local governments could also mean new opportunities for their local enterprises. Among the benefits of decentralization, it is the purpose to reverse the unbalance produced by the centralized government in the regions and within

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

this matter, the private contractors are willing to participate in the process by using new mechanisms such as the concessions of public works or the contracting of their services. The private sector is in support of the process of improvement of the government and at the same time tries to obtain a redefinition of the government's role.

The citizens, which until now have been at the margin on the assignment of resources processes, want to execute a stronger control over the management of their interests and to have a larger influence on the answers the government's gives to their requirements. Nevertheless, there are demands for more efficient services that are for a more able and more participative government. There is not a strong awareness in society for the demand of decentralization; not even of the benefits derived from the approach to government's structures in charge of executing and taking decisions.

FEMICA has considered, within its activities, the role that organized citizens can play in the debate over the nature and structure of the government. The Federation has involved the media and opinion makers in an effort to provide citizens with more judgment elements. The participation of local governments in the controversy originated from the lack of basic infrastructure and deficient rendering of services is another element that can contribute to the active support of organized citizens to decentralization of the government.

In brief, the struggle for the decentralization is still taking place, especially within the political elites. There, among the uncertainty caused by the crisis of political parties, a traditional class holding to the scheme developed for decades and has the support of the government's bureaucracy. Facing this group there is a group of young politicians that have lesser support from the local bureaucracy, from a less enthusiastic and less involved private enterprise and social groups that are not organized around a project. This sector, a driving force for the strengthening of local institutions, supports the decentralization process and understands that stability and the development of society is closely related to the promotion of general consent.

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

The obstacles to overcome

“Frequently, the decentralization process is obstructed in its standardization by constitutional rank principles”

The construction of the centralized government, created long before its peak, obstructed its way to rectification. A large part of its difficulties derived from its juridical-institutional ruling design. Many of these problems come from the insufficient funds of the municipalities for over many years and rebounds in their deficient management abilities. Finally, the perception of the centralized government scheme constitutes strong obstacles to the transformation of the political-institutional model of the Central American countries.

Frequently, the decentralization process is obstructed in its standardization by constitutional principles. Normally, the development of constitutional rules into laws and regulations, are against the autonomy of the institutions, in general and particularly, to municipalities. The many regulations restrain, in different ways, the local governments comprising them to other controls and institutions that include convenient and appropriate considerations over their work.

In this field the role of FEMICA includes making a diagnosis on the nature of the regions local governments and to discuss with the municipalities of each country, their priorities in matters related with the improvement of their municipalities. FEMICA has worked with the institutions in charge of making important decisions for the community, especially with the members of the executive and legislative powers.

Other difficulties result from insufficient resources. Before 1987, Central American municipalities had been their management of public expenses systematically, not only, due to the gradually falling income but also to the financial pressure strongly applied over the central government contributions sources. It is not considered in this matter, the system's delay over the real-state taxes whose funds belong generally to municipalities.

FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN ISTHMUS (FEMICA) IDEOLOGY 1994

One of the more outstanding results of the centralized practices is the local government limitation to manage their local matters and also the restrictions for the execution of projects and programs. However, the modernization of some local administrations and their constant work let us recognize that the limitations of the past are over and the high potential offered by the local governments as an instrument of state action.

The perception and the practices of the centralized government obstruct decentralization process. In the first place we must quote the “providing government” culture, derived from “paternalism”. The citizen expects the government to have solutions and does not take part nor solves its own problems. Another consequence of “paternalism”, which characterizes the welfare and centralized government are the negotiations related with it. On one side, the “clientelism” becomes a form of exercising power with an intermediate agent who controls the public resources.

On another side, the “cacicazgo”, the power held by intermediate agents over the communities that offers the officials power, social status in exchange to the benefits administered by means of “clientelism”. Both relations represent a false political action and are elements that obstruct the growth of a participative culture.

And last, the specialized operation of government organizations has also contributed to the creation of a strong confidence towards from central government, instead of the local government. This confidence tends to perpetuate the centralized government and constitutes an obstacle in the struggle to provide Central American societies with more efficient governments, to manage its resources, more effectiveness in the fulfillment of its operations and to promote a balanced and reasonable national development.

***The strategy of the Federation of Municipalities of the Central American Isthmus
“The strategy has the fundamental purpose of participative actively in the debate on
the government’s reform that is taking place in Central America.”***

FEMICA works actively in the promotion of the decentralization of government and the strengthening of municipalities. With that purpose the Federation collaborates with mayors, aldermen, and associations of local governments in defining and developing a

**FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN
ISTHMUS (FEMICA) IDEOLOGY
1994**

strategy for their objectives but remains flexible to the changes and the differences among the countries of the region.

The actions of FEMICA and of the national local government associations are carried out under several principles; **First**, the receiver and the reason of existence of government is the citizen, who has the right to expand its social area and to receive public services to encourage its accomplishment as an individual and as a group; **Second**, citizens have the right to participate in the process of taking decisions in affairs affecting its daily life; **Third**, local democratic and participating governments represent, together with other officials, the population within its territory; **Fourth**, municipalities should have more participation in their decisions and the management of the development of its communities; **Fifth**, this participation is acquired by the government's decentralization, which implies the transfer of operations, functions and resources from national government to local governments; **Sixth**, the government process of decentralization should gradually develop taking into account the needs, capacity and development of municipalities and; **Seventh**, that the development and legitimacy of the local government is closely related to the responsibility of political officers before the community and such responsibility is better assured by the direct election of those officers.

The strategic action has the fundamental purpose to participating actively in the debate of the government's reform, that is taking place in Central America. The purpose of this participation is to outline the weaknesses of centralized government and advantages of the decentralized government.

Other objectives of the strategy of the Federation of Municipalities of the Central American Isthmus include changing the attitudes and positions of political parties on the government's structure and municipalities. The Federation proposes to gather the support of those who have political power, for the government, for parliaments, for local administrations and for government decentralization process. Among the objectives of the Federation we can also outline the spreading of public opinion, in Central America, on the advantages and the potential of the decentralized government

FEDERATION OF MUNICIPALITIES OF THE CENTRAL AMERICAN ISTHMUS (FEMICA) IDEOLOGY 1994

established for the strengthening of local institutions. FEMICA promotes, together with the National Associations and municipalities, the revision of the supporting municipal institutions, related to the municipal strengthening processes and the government's decentralization that are being undertaken in several countries of the region.

The main action element of FEMICA for the achievement of its objectives is the strengthening of the Central American municipal movement.

This strengthening is based in the reflection and the decision on common problems as well as in the cooperation among the Region's municipal corporations and associations with the same problems or that have advanced in the construction of a political-institutional model more involved with the citizens.

The Federation has actively worked in renovating the National Local Government Associations of the Isthmus. FEMICA absolutely recognizes the autonomy of the national associations and their unquestionable primacy in determining its strategies in the promotion of the municipal strengthening and decentralizing ideas. It is in this way that the history and common circumstances of Central American countries have also marked the particularities in each one of them. But today, within the changes that strike the world, the common objective is for a democratic and participatory government to serve the human being.