



Regional Polarization & FEDERALISM

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SIGNOS VITALES
EL PULSO DE MÉXICO

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Although the 1917 Mexican Constitution establishes in its 40th article that Mexico is a federal state, this was a mere formality through most of the XX century since the formal and informal political attributions were centralized, mainly in the republican presidency. With a set of progressive democratic reforms, the subnational states began to focus more on attributions and started to work as a territorial counterweight of the federal executive.

Current Mexican federalism modified governmental relationships at different government levels. While in the past, state and municipal governments behaved as mere agents to the central powers, notably the executive, as of the amendments of 1983, which consolidated the municipalities legal status by specifying attributions and financing sources, new attributions were generated, and resources were allocated to the subnational governments. Today, the states and municipalities are clearly distinct levels, with their resources and attributions.

In this manner, they stopped being subordinated to the federal political apparatus, becoming actors with their own political agendas, powers with a significant independence range, and active counterweights capable of dynamically flowing into the joint political system.

With the allocation process, the Mexican political system began facing new challenges, especially in jurisdictional matters. The federalism built with the long democratization process seems not to have been designed deliberately but due to the political regime changes in the country and diverse political junctures. Among the two emerged conflicts in the new federalist stage, public policy responsibility distribution and resource apportionment have been exacerbated during the current administration by being exposed by the SARS-CoV-2 virus pandemic.

In the last 20 years, tensions in the different government levels have marked the Mexican political system. Because, unlike most of the world's federations, the Mexican one has been characterized by lacking clear jurisdiction as much in the constitutional level as the legal one. However, it has been during López Obrador's presidency were two of the governmental groups have consolidated and have acted in the federal government: on one side the Asociación de Gobernadores de Acción Nacional (National Action Governor Association), created August 30th, 2019 (López, 2019), and on the other hand, the Alianza Federalista (Federalist Alliance) created on June 10th, 2019 by ten governors as a response to what they considered lack of cooperation on by the federation in public safety topics and everything related to the fight against the pandemic (Infobae, 2020).

THE 10 GOVERNORS OF THE FEDERALIST ALLIANCE



The Federalist Alliance created on June 10th, 2019 by ten governors responds to the lack of cooperation on by the federation in public safety topics and everything related to the fight against the pandemic.

Both groups have entered a political conflict with the president of the republic. They have demanded, among other things: a new fiscal pact so that the entities have enough money to cover their responsibilities, an immediate support program for the economy and household income due to the pandemic economic pretensions, as well as for the vaccine distribution to be done through the 32 state governments (Gobierno de Jalisco [Jalisco's Government], 2020). as a first response, the president disqualified these governors by branding their demands as politicking (ImpactoMX, 2020). The tensions elevated to a point where the members of the Alianza federalism forewent being part of CONAGO (the National Governor's Conference for its acronym in Spanish) (Animal Político, 2020) and threatened to break the federal pact (El Universal, 2020). To face the governor's requests, the president opted to ignore them and reassured that the federal government does not owe anything to the states, that there is no more money, and that they can break the federal pact.

IN THE JURISDICTION FIELD AND PUBLIC POLICY, this confrontation occurs due to the twenty areas in public policy stated in the Magna Carta, six have regulations shared by the state, local, and federal fields and in several instances are not precise or are contradicting. These are the public safety, environment, urban planning, housing, and what concerns cleansing, transportation, treatment, and final residue disposal policy cases. Likewise, judicial policy, anything related to safe water, drainage, sewage, treatment, and residual water allocation are shared tasks by the federation and the federal entities. On the other hand, public transportation is handled by the states and municipalities.

TABLE 1. JURISDICTION DISTRIBUTION OF THE MEXICAN GOVERNMENT LEVELS

POLITICAL AREA	RESPONSIBLE OF CONTROL			PROVISION OF SERVICES RESPONSIBLE		
	FEDERAL	STATE	MUNICIPALITY	FEDERAL	ESTATAL	MUNICIPALITY
DEFENSE	X			X		
FOREIGN POLICY	X			X		
MIGRATION POLICY	X			X		
INTERNATIONAL TRADE	X			X		
TRADE REGULATIONS	X			N.A.		
MONETARY POLICY	X			X		
JUSTICE	X	X		X	X	
EDUCATION	X			X	X	X
HEALTH	X			X	X	X
PUBLIC SAFETY	X	X	X	X	X	X
ENVIRONMENTAL POLICIES	X	X	X	X	X	X
URBAN PLANNING	X	X	X	X	X	X
SOCIAL POLICIES	X	X	X	X	X	X
HOUSING POLICIES	X	X	X	X	X	X
SAFE WATERS, DRAINAGE, SEWER, TREATMENT, AND RESIDUAL WATER ALLOCATION	X	X			X	X
CLEANSING, TRANSPORTATION, TREATMENT, AND FINAL RESIDUE DISPOSAL	X	X	X			X
STREETS, PARKS, GARDENS, AND EQUIPMENT. MARKETS, SUPPLY CENTERS, GRAVEYARDS, AND SLAUGHTERHOUSES.			X			X
PUBLIC LIGHTING			X			X
PUBLIC TRANSPORTATION		X	X			X

Source: In-house elaboration with data from Laura Flamand, 2010.

During the XXI century, this jurisdictional mess was addressed through several negotiations, conveyances, and reconcilements. However, the correlation of the current forces in an unclear and asymmetric federal system made these routes abandoned and unused. Since the 1997 Congress formation, Mexico had not experienced a unified government. Hence, the 2018 election gave rise to a new phase characterized by the absence of legislative counterweight towards the Mexican president, who has effected a systematic endeavor to weaken institutional counterweights, like the Judicial Power, the autonomous constitutional bodies, and of course, the state governments. These feuds acquired quite relevant media attention, probably because it was the only way the governors found to make believable their requests and threats.

ABOUT PUBLIC SAFETY, the criteria to deploy the National Guard has not been explained by the federation, which, as we know, replaced a set of tasks previously handled by state and municipal police and the extinct federal police. During the first year of rule, this administration deployed the greatest number of elements, in absolute terms, in Mexico State (8,579), Michoacán (4,362), Oaxaca (4,323), Veracruz (4,198), and Jalisco (3,848). By analyzing the deployment according to population, the most supported states by the National Guard are Quintana Roo, Colima, Zacatecas, and Oaxaca. However, the higher homicide rate per 100 thousand inhabitants is found in Colima, Baja California, Chihuahua, Guanajuato, and Morelos.

TABLE 2. STATES WITH THE HIGHEST HOMICIDE RATE PER 100 THOUSAND INHABITANTS

	COLIMA	81.5
	BAJA CALIFORNIA	78.8
	GUANAJUATO	74.7
	CHIHUAHUA	70.0
	ZACATECAS	65.8

Source: SESNSP (Executive Secretariat of Mexico's National System for Public Security for its acronym in Spanish), January 2021.

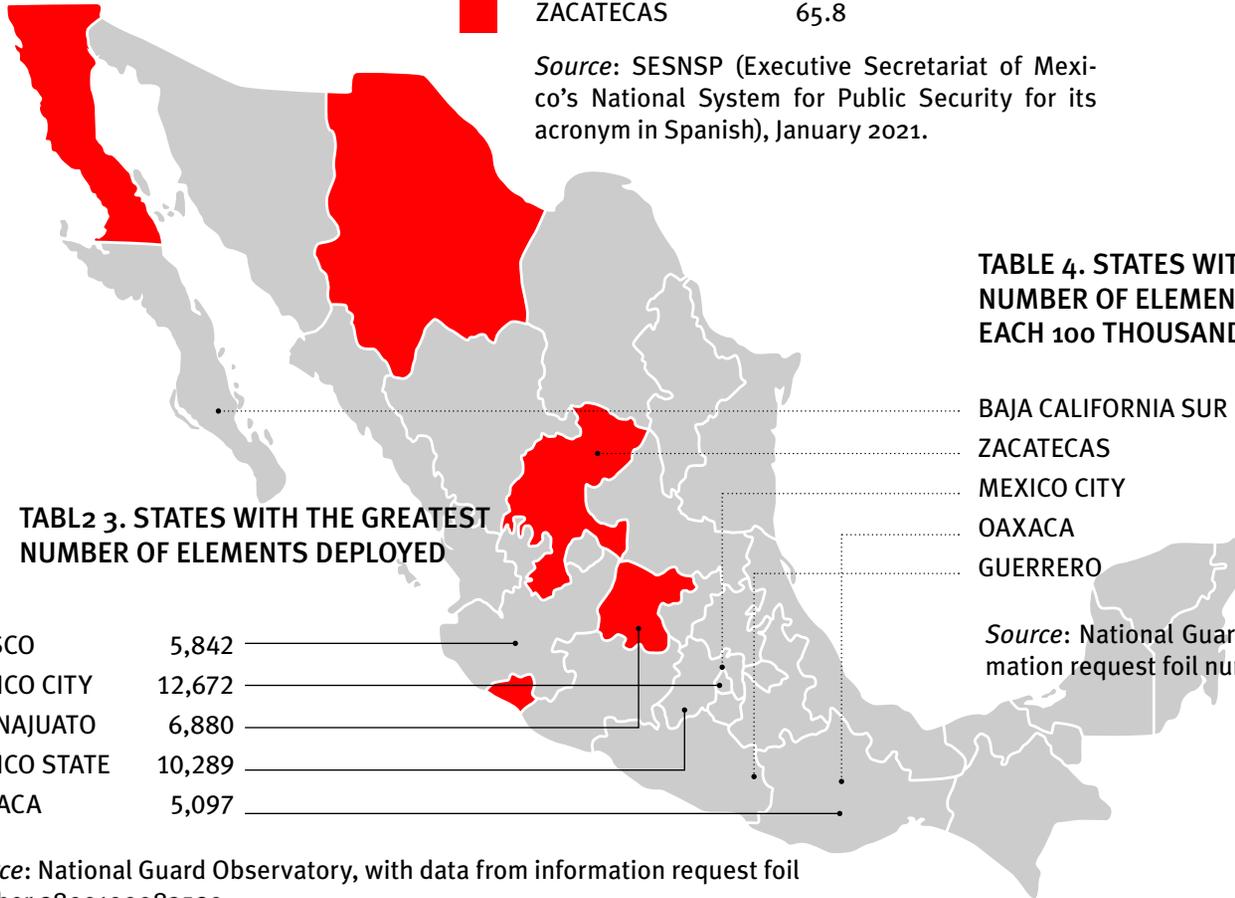


TABLE 3. STATES WITH THE GREATEST NUMBER OF ELEMENTS DEPLOYED

	JALISCO	5,842
	MEXICO CITY	12,672
	GUANAJUATO	6,880
	MEXICO STATE	10,289
	OAXACA	5,097

Source: National Guard Observatory, with data from information request foil number 2800100083520

TABLE 4. STATES WITH THE GREATEST NUMBER OF ELEMENTS DEPLOYED FOR EACH 100 THOUSAND INHABITANTS

	BAJA CALIFORNIA SUR	1.22
	ZACATECAS	1.30
	MEXICO CITY	1.45
	OAXACA	1.23
	GUERRERO	1.17

 / 100 THOUSAND

Source: National Guard Observatory, with data from information request foil number 2800100083520

ON FISCAL GROUNDS, the governors requested for the central government not to decrease amounts transferred by the federation since, in their words, governments are operating day by day. Between 2020 and 2021, the subnational Mexican governments have experienced a 5.5% reduction in real terms, which is the widest federalized spending reduction in the last eight years. Between 2013 and 2021, a 7% real reduction was observed. Just through participations, the municipal and state governments went from getting 919 thousand million pesos in 2019, to 921 thousand million pesos in 2020, and 869 thousand million pesos in 2021, which represents a 5.7% real reduction between the last and the year before last. Likewise, on the contribution route, the amounts have experienced decreases, while in 2019, the amount on this rubric was 735 thousand million pesos, in 2020 was 735 thousand million. The real reduction between 2020 and 2021 was 0.3%, which is elucidated, in part, by the federal government’s decision not to use the subnational governments as intermediaries and in part for the decrease in 200 collections.

TABLE 5. REAL STATE AND MUNICIPALITY BUDGETARY VARIATION 2019-2021

BRANCH	2019	2020	% VAR 20-19	2021	% VAR 21-20
BRANCH 23: ECONOMIC AND PAYROLL PROVISIONS	112,996,657,654	127,352,829,506	12.7%	120,296,357,089	-5.5%
BRANCH 28: PARTICIPATIONS TO FEDERAL ENTITIES AND MUNICIPALITIES	919,817,447,799	921,609,834,565	0.2%	869,434,557,199	-5.7%
BRANCH 33: FEDERAL CONTRIBUTIONS TO FEDERAL ENTITIES AND MUNICIPALITIES.	735,758,572,815	735,928,329,159	0.0%	733,971,719,047	-0.3%
TOTAL	1,768,572,678,268	1,784,890,993,230	4.3%	1,723,702,633,335	-3.8%

Source: In-house elaboration with data from the Federation Expenditure Budget 2019, 2020 y 2021.

ON THE PARTICIPATION ROUTE, all Mexican entities suffered cutbacks. The states with higher reductions between 2020 and 2021 were Nayarit (10%), Quintana Roo (9%), Mexico City (9%), and Sinaloa (9%). Pertaining to contributions, eleven entities suffered an increase compared to last year (Tamaulipas, Zacatecas, Aguascalientes, Puebla, Colima, Quintana Roo, Durango, Campeche, Yucatán, Baja California and San Luis Potosí). In 2021, the states with higher federalized expenditure dependency were Chiapas, Oaxaca, Tabasco, and Guerrero since, from that route, they receive 96.3%, 95.7%, 94.7, and 94.5% from all their income, respectively. By contrast, the states with the minor dependency of those transfers are Quintana Roo, Mexico City, and Nuevo León, whose own incomes comprise 28%, 25.6%, and 25.2% of their income.

Among the disappeared, municipality-operated funds, FORTASEG (Security Strengthening Program for its acronym in Spanish) is highlighted. It was a money pouch equivalent to 4 thousand million pesos dedicated to fortifying municipal cops that now have been transferred to the National Guard. This move again reveals the centralized trend of the federal government opting to nationalize security tasks instead of strengthening subnational corporations found in dismal conditions so far. Likewise, the Hydraulic Program held one of the highest cutbacks since entities will receive 20% fewer resources in real terms.

A THIRD COMPONENT of the discussion pertains to the pandemic battle. The federation is responsible for health policy design. In extraordinary sanitary contingency times, the foremost authority is the General Health Council, whose general dispositions are compulsory in the whole country. Despite this, on May 29th, 2020, seven governors conveyed they would apply their strategies to come

TABLE 6. CONTRIBUTION AND PARTICIPATION VARIATION ASSIGNED TO FEDERAL ENTITIES, 2020-2021

STATE	PARTICIPATION VARIATION	CONTRIBUTION VARIATION	STATE	PARTICIPATION VARIATION	CONTRIBUTION VARIATION
AGUASCALIENTES	-7	+3	MORELOS	-8	-1
BAJA CALIFORNIA	-6	+1	NAYARIT	-10	0
BAJA CALIFORNIA SUR	-8	-5	NUEVO LEON	-7	-4
CAMPECHE	-7	+2	OAXACA	-7	-1
CHIAPAS	-5	-1	PUEBLA	-7	+3
CHIHUAHUA	-6	-4	QUERETARO	-8	-2
MEXICO CITY	-9	-2	QUINTANA ROO	-9	+2
COAHUILA	-7	-3	SAN LUIS POTOSI	-6	+1
COLIMA	-8	+2	SINALOA	-9	0
DURANGO	-7	+2	SONORA	-8	-3
MEXICO STATE	-5	-3	TABASCO	-5	-8
GUANAJUATO	-7	-4	TAMAULIPAS	-6	+7
GUERRERO	-5	-1	TLAXCALA	-3	-2
HIDALGO	-6	-2	VERACRUZ	-6	0
JALISCO	-6	-2	YUCATAN	-6	+1
MICHOACAN	-5	-2	ZACATECAS	-8	+7

Source: In-house elaboration with data from Expenditure Budget of the Federation, 2020-2021.

out of the COVID-19 emergency. This schism created a public debate on the jurisdiction of each government order in health matters.

Albeit, the General Health Law on article 134th empowers the federal government and the federative entities to carry epidemiological surveillance for the prevention and control of a catalog of transmissible diseases. Furthermore, articles 402nd and 103rd of said law establish that either the Secretariat of Health

or the state governments are competent to order or execute security measures, among which confinement decree, quarantine, and forced vaccination are found. Article 13th defines that it corresponds exclusively to the federal executive to exert extraordinary action pertaining to general health. Hence, the federal government has the faculty to entrust the federal, state, and municipal authorities and assistants, technicians, and professionals on health disciplines, the performance of activities, estimated needed, and obtain private participation.¹



Image: Use of compulsory masks in some states. Photo: José Luis González / Reuters at https://mexico.as.com/mexico/2020/04/24/actualidad/1587681261_969729.html

¹ 184th Article of the General Health Law.

Despite this, several governors did not strictly align to the normative framework. Likewise, the president stated he would not take part in a litigious process with local mandataries, just that every entity would be free to take the measures they considered appropriate. For instance, the issued agreement by the Secretariat of Health on March 31st, 2020 (DOF [Official Journal of the Federation for its acronym in Spanish]) requires mask use and domiciliary reclusion as needed but voluntary measures. However, several governors established compulsory use of masks as a mandatory measure and contemplated punishments for non-compliance. Albeit mask usage seems to be the most sensible measure to decrease spread, it is also true that the dissonance in the actions amongst each other exposes, again, one of the many jurisdiction problems of Mexican Federalism.



Image: “Alfredo del Mazo is the only who wears a mask in the Morning Conference” on May 12th, 2020. Photo: screen shot from the conference in Infobae at <https://tinyurl.com/e35x7xv5>

As expected, despite the federal authorities' negative to boost the use of masks, international evidence ended up imposing itself. Mexican society has lost more in this confrontation since contradictions inside the federal government and between the federal and state government can confuse society regarding the optimal measures to follow and the valid normative for each territorial boundary.

ONE OF THE LATEST TENSIONS was on actors authorized to buy vaccines. Although the Alianza Federalista members requested the president for the governors and the private initiative to have access to purchase COVID-19 vaccines, AMLO insisted, rightly so, that only the federal government was entitled to perform said purchases. On account of none of the vaccines passing the third trial phase, hence, only the federal government, who requested a sanitary urgency special permit to Cofepris (Federal Commission for the Protection against Sanitary Risks for its acronym in Spanish), could buy the vaccine. However, due to logistic problems and the enormous tension generated, on January 22nd, 2021,



Image: Reception of first vaccines arriving at Mexico City Airport in *El Heraldo* at <https://tinyurl.com/4d-h5tf9r>

the president stated that he instructed the secretary of health to do whatever was needed so that local governments and the private initiative could acquire the vaccines (Forbes, 2021). So far, that instruction has not received an echo.

In conclusion, it was observed that the conflicts in different levels of the government are a by-product of lack of clarity and ambiguity on the jurisdiction of each government order, as well as the quite relevant control instruments the federal government has, especially on the safety and budgetary lane. Besides, it was observed that many of the Mexican federalism tensions have resolved on the law's fringes and some occasions, even blatantly breaching it. The governors and the president have faced their hostilities, not necessarily in the most adequate ways. Instead of opting for institutional strengthening to channel the different government levels, discretionary ways are preferred, unclear, and on many occasions arbitrary to temporarily reconcile everyone's attributions. Although undesirable, this fight outcome could have enormous cost for the country.

The governors and the president have faced their hostilities, not necessarily in the most adequate ways.



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