

SOCIAL AUDIT MECHANISMS IN MEXICO

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Introduction

“Social auditing” refers to a set of *citizen participation mechanisms to promote public accountability*. The idea is to involve citizens in public decision-making, and a range of large-scale Mexican social programs have promoted these reforms since 1991. Specifically, the participation processes try to involve program beneficiaries, and citizens in general, in the monitoring and oversight of government programs and public works, to make sure they follow the rules and regulations—and thus inhibit corruption.

Clearly, if those programs or projects—which are funded with everyone’s tax money—are not transparent, or do not provide access to information, they are impossible to monitor. In order for social auditing to function, both information and social organization are essential.

Mexican laws passed in recent years protect the right to social auditing, also known as community oversight. Among the most noteworthy are the General Law for Social Development and the Law to Promote Organizations in Civil Society, and federal and state laws on access to public information are even more significant.

Social auditing originated in Mexico in 1991 as part of the National Solidarity Program (Programa Nacional de Solidaridad or Pronasol in Spanish) and its basic mechanisms have been maintained throughout the last three presidential terms, including Vicente Fox Quesada’s, which ended in 2006. At this point, there are social auditing initiatives throughout the country, including in welfare programs like “Oportunidades” and “Temporary Employment” in institutions like Mexico’s Social Security Institute (IMSS in Spanish), and in the majority of public works projects underway in municipalities with federal investment funds.

There are three main kinds of mechanisms for participation that fall under the category of social auditing: 1) “citizen attention” systems (which address complaint reports); 2) oversight committees; and 3) citizen participation in public-private councils (some advisory, others with powers). Some examples of the ways people exercise the right to social accountability are through “*quejanet*” and “*locatel*” (a web-based system for tracing

payments made to government offices and banks in Mexico City); through complaint/suggestion boxes; through neighborhood committees that monitor public works projects; the local oversight volunteers in the Oportunidades or Procampo programs; and the Advisory Councils for Social Development and the Council of the National Commission for the Development of Indigenous Peoples.^{1 2}

In a normative sense, social auditing contributes to democratization in at least three ways: it improves the performance of public programs; it helps in the fight against corruption; and it broadens the repertoire of ways in which citizens exercise their rights. However, in order to propose strategies that can allow community oversight to make these potential contributions, we need to know how it is working now—its achievements and its limitations—as discussed below.

Achievements

In recent years, there have been four main achievements in this area, which have permitted a greater number of citizens to monitor government projects.

1. More and Better Information

Compared with the quality and quantity of information about government programs and projects available a decade ago, the situation today is notably better. There is better access to basic information about services and public works. It is possible, for instance, to find out total costs, basic operations and a list of services offered by institutions and programs. This can be done through electronic information requests, and also by way of government agencies' information disclosure requirements under Article 7 of the Federal Law for Transparency and Access to Information (LFTAIPG in Spanish).

Other types of public information that are now accessible, and are useful for monitoring social welfare programs (like Oportunidades) include the enrollment lists of active beneficiaries, and the rules of operation that programs must follow—which are now published and distributed. Furthermore, there are now efforts to *translate* those rules into accessible citizens' manuals, to allow beneficiaries themselves to understand how those programs are supposed to work.

¹ Editor's note: The "Quejanet" system offers an electronic interface to report complaints, denunciations and suggestions to the federal government.

² Editor's note: PROCAMPO is a direct crop payment program for farming which came about in an effort to compensate producers following Mexico's opening to imports.

2. Legal Protection

The right to citizen participation in the process of accountability (protected in multiple articles of our Constitution) is now legally bolstered by new laws, regulations and guidelines.

The General Laws for Social Development and for Strengthening Organizations in Civil Society have specific articles, for instance, that recognize, promote and protect community oversight. Other institutions, like the Ministry of Public Administration, have also developed internal regulations and guidelines that are important steps toward encouraging citizen participation.

3. Institutional Innovation

Community oversight mechanisms have created an important space for institutional innovation. They have included new systems to receive and follow up on complaints or suggestions, the use of the telephone and internet, and the establishment of ombudsman and citizen participation offices within agencies.

Together with these “citizen attention” initiatives, newly-created institutions also include citizen monitoring, citizen handbooks, participation of non-profits in open bidding for government contracts, as well as third-party oversight of government contracting. There are also good governance awards for local governments, which have increasingly recognized transparency and citizen oversight.

Also, in addition to the institutional innovation that is occurring within government agencies, new State-society partnerships are being developed, including the matching fund projects of the National Institute of Social Development (Indesol in Spanish), which have opened new terrain for organizations in civil society to develop community oversight mechanisms for programs and public works.

4. State and Municipal Interest

A fourth sign of achievement is that transparency and oversight have also been taken up at the state and municipal level, in a context of greater decentralization of public resources.

Every state in the country now has offices responsible for recruiting and training citizens to use community oversight techniques. Every year there are more regulations for citizen participation or for transparency that include oversight and control mechanisms.

Limitations

However, these important achievements face very serious limitations that undermine their effectiveness in monitoring government activities. These limitations can be grouped into four categories:

1. Access to Information

Transparency has generated some perverse practices, as some institutions fear releasing information. For example, the minutes of the regional technical councils of the Oportunidades program were declared “confidential”.

Another limitation involves restrictions on key information. Citizens do not have access to financial information associated with trust funds, for example, which blend government and private money, and are used strategically in public works. This limits citizens’ ability to trace the use of public resources.

Yet another area where key information is hard for citizens to get (and thus to exercise control over) is at the state and municipal level, regardless of whether the original resources came from federal, state, or local budgets.

2. Problems of Scale

There are serious problems of scale: small issues can be addressed with oversight mechanisms, but big ones cannot. For example, the State of Mexico has thousands of local citizen oversight committees, but has an ex-governor (Arturo Montiel) who has been accused of corruption.

In this sense, many of the practices are limited to the “clients” of a given program or project—like projects financed by federal investment funds (Ramo 033) or the breakfast program of the Family Development Department (DIF in Spanish).

Finally, although some actions promote collaboration between State and civil society associations, this is limited to the process of service provision or public works. They do

not seem to have any real capacity to create intermediate level organizations that would transcend these local level activities by adding, for instance, broader representative organizations at regional levels.

3. Few Teeth

A third limitation has to do with impact: so far, oversight has only been able to activate “horizontal” accountability mechanisms, and has not re-shaped internal structures of agencies. State and municipal oversight agencies, in particular, have very little capacity to investigate and sanction suspected irregularities.

With very few exceptions (like the citizen committees of the Government of the Federal District) the only route of action available to these groups is to register a complaint or make charges with the corresponding agency.

4. Weak Citizenry

Perhaps the limitation that is most difficult to overcome is the kind of citizenry that we have constructed, which often makes the implementation of these institutional designs counterproductive.

Concretely, official oversight groups focus on atomized activities, they are easy to co-opt through corporatism and clientelism, in addition to the usual obstacles to participation: limited availability of time, lack of prior knowledge of the topic and motivation—all of which makes these oversight institutions less attractive to issue-based public interest groups.

Perspectives

The following are several possible ways to overcome the weaknesses of social audit mechanisms, while strengthening their advantages:

1. Improve access to state and municipal information:
 - Reconcile state and federal laws on transparency and access to information.
 - Establish incentives to encourage the most transparent municipalities—for example, awarding them more funds for public works through Budget Line 033.
 - Apply access to information rules to trust funds and other “opaque” entities.

2. Promote associations:
 - Intermediate organizations need to be developed (networks, regional and state collectives) to monitor and oversee public works and services.
3. Strengthen the oversight agencies:
 - These departments should go beyond just running training programs and receiving complaints; they should include offices to follow up on and actually address those complaints.
 - Priority should be given to complaints and accusations registered by committees and associations.
4. Training and incentives for citizens who participate in monitoring and control activities:
 - People need technical training in order to take on monitoring projects.
 - People need a better understanding of the way that government works as well as the way that oversight works.
 - Connections with local and state media should also be improved, in order to publicize the results of community oversight work.

Conclusions and Recommendations

1. Community oversight has a lot of potential as a vehicle for citizens to exercise their right to information. After 15 years, the concept is fairly well known throughout society and is grounded in law. The institutional innovation associated with it is an indicator of its importance and potential.
2. However, its limitations are also important: a sector of the government is reluctant to share information; state laws and municipal regulations are uneven, there is little capacity to activate formal oversight mechanisms, as well as atomization of individual citizens.
3. The recommendations proposed here are oriented toward necessary legal changes, as well as toward the implementation of an incentive system, but most importantly, to enhance the effectiveness of these mechanisms, so that they will yield results.
4. Unless social auditing becomes more effective and able to produce greater results, citizen participation in community oversight runs the risk of being purely decorative. Instead of inhibiting and punishing irregular activities, it could end up being yet another ceremonial endeavor, a photograph of the community posing with those in power rather than an effective system to check government power.