Where is local government going in Latin America? A comparative perspective

Robert Andrew Nickson, University of Birmingham
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ICLD Swedish International Centre for Local Democracy

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ABSTRACT

In the light of the decentralization process now under way in Latin America, this paper seeks to address the direction of local government in the region. It proposes two Weberian ideal types of local government systems – 'managerial' and 'governmental'. Ten basic features of local government systems are then used as a template to 'situate' Latin American local government within this typology. On the basis of this comparative framework, the paper tentatively concludes that the 'managerial' type of local government is gaining ground in the region.

ACRONYMS

IGFT    Inter-governmental fiscal transfers
FPTP    First past the post
PREFACE

The mandate of The Swedish International Centre for Local Democracy (ICLD) is to contribute to poverty alleviation and to strengthen the individual’s freedom and rights by promoting local democracy. In order to fulfil this mandate, we offer capacity building programmes through our International Training Programmes, decentralized cooperation through our Municipal Exchange Programmes and, most importantly, knowledge management through our Centre of Knowledge. The Centre will document key lessons learned from our ongoing activities, initiate and fund relevant research, engage in scholarly networks, organize conferences and workshops and set up a publication series.

The paper by Andrew Nickson is the forth paper to be published in a series of papers from the workshop State of the Art of Local Governance. Challenges for the Next Decade organized by ICLD in Visby, late April 2010. Several of the leading scholars in the field of local governance/local democracy participated in the workshop. In Where Is Local Government Going in Latin America? A Comparative Perspective, Nickson critically evaluate the scale and impact of decentralization in Latin America. The paper addresses the direction of local government in the region and proposes two Weberian ideal types of local government systems – ‘managerial’ and ‘governmental’. Ten basic features of local government systems are then used as a template to situate Latin American local government within this typology. On the basis of this comparative framework, the paper tentatively concludes that the ‘managerial’ type of local government is gaining ground in the region. The paper highlights critical aspects of decentralization that are most important to be aware of while developing policies on decentralization.

Visby, Sweden, January, 2011

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INTRODUCTION

A major process of decentralization has been under way in Latin America since the mid-1980s; the reasons for this have been extensively debated (Nickson 1995; Willis, Garman & Haggard 1999; Angell, Lowden & Thorp 2001; Bland 2004; O’Neill 2005). The main features of this process, including greater formal political autonomy for and financial strengthening of local government, as well as the transfer of competencies from central government, have also been widely discussed (Peterson 1997; Fukasaku & Hausmann 1998; Perry, Javed Burki & Dillinger 1999; Campbell 2003; Montero & Samuels 2003; Melo & Rezende 2004). There is also a growing literature on the way in which formal and informal institutions constrain and mould the outcomes of these decentralization processes (Eaton 2004; Grindle 2009). By contrast, far less attention has been paid to the impact of decentralization on the changing role of local government within the overall political system of Latin America. This paper seeks to address the question, ‘Where is local government going in Latin America?’ by attempting to situate the current decentralization process within the framework of two distinct ‘ideal types’ of contemporary local government systems around the world.

Two visions of local government

Several global classifications of local government systems have been proposed that categorize national systems according to the nature of central-local relations, in particular the degree of overt political control that central government exercises over local government (Page & Goldsmith 1987; Hesse & Sharpe 1991; Humes 1991; Norton 1994). These ‘structural’ typologies were particularly relevant to Latin America during the 1970s, at a time of widespread authoritarianism, when the degree of political autonomy of local government could be measured primarily by the existence or not of a directly elected municipal executive. But in the current period of democratization, where mayors are now directly elected in all municipalities in the region, the basis for this classification has lost its explanatory power. A more relevant and policy-related comparison of local government systems in the current era of market liberalization is proposed here, namely one that is based on the core question, ‘What is the core purpose of local government?’ In answering this question, two extreme positions, or Weberian ‘ideal types’, of local government systems may be identified, and these derive from fundamental differences around the world in citizens’ understanding of the purpose of local government.

The ‘managerial’ type

The first of these is what we may call the ‘managerial’ type, according to which the primary purpose of local government is the efficient delivery of services. Under this type, local government’s competencies are clearly defined, regulated by statute and circumscribed by the application of the principle of ultra vires. To put it crudely, ‘local government’ fulfils the role of ‘local administration’. This economic rationale for local government, which derives from English utilitarian thinking, is given to it by central government, which ultimately decides the overall allocation of responsibilities between different tiers of government. Central

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1 Panama was the last country in Latin America to introduce the direct election of mayors in 1995. The mayor of Buenos Aires was directly elected for the first time in June 1996 and the mayor of Mexico City was directly elected for the first time in July 1997.
government support for the transfer of responsibility for service provision to local government is based on the assumption that productive efficiency can be improved through lower unit costs arising from the use of locally available resources in construction, maintenance and administration of public services.

Hence, embedded within this ‘managerial’ function of local government is an implied political subordination to the dictates of central government. This subordination often engenders a conflictive relationship between local and central government under which the allocation of service delivery responsibilities, always in the gift of central government, is seen as a ‘zero-sum game’. This produces a marked prevalence of confrontation rather than consensus in central-local relations. The tendency towards confrontation is reinforced by the use of a majoritarian (‘first past the post’) electoral system that, by polarizing party positions, leads central government to call into question local government when it is controlled by opposition parties, and at the local level, discourages consensus governance by political coalitions.

In pursuit of its objective of efficiency in service delivery, central government frequently imposes the territorial reorganization of local government in order to achieve economies of scale through the amalgamation of municipalities into larger administrative units. This further reduces citizen identification with local government. Partly as a consequence of this, voter turnout at local government elections tends to be low, and local voter preferences are determined primarily by national political considerations.

Given the significant transfer of service delivery responsibilities, inter-governmental fiscal transfers (IGFTs) from central to local government are sizeable, are strongly earmarked for specific purposes, and are allocated between municipalities on the basis of a transparent, needs-based formula designed to ensure minimum nationally-declared standards of provision for individual services. This has two major regulatory implications that affect central-local relations. First, it means that because local government’s share of total public expenditure is high, central government needs to exert strong control over local government expenditure in order to maintain macro-economic stability. Hence, there is strict regulation of local government powers of taxation, of the rates that it may apply on these local taxes, and over its ability to borrow. Second, as the source of most local government revenue, central government is concerned to ensure ‘value for money’ via external efficiency audits of local government expenditure carried out by the Comptroller General’s Office.

The nature of local accountability and citizen participation under this ‘managerial’ type must be viewed in the context of the overriding objective of central government to ensure efficient service delivery. Local government is held accountable to local citizens primarily for its economic performance in the delivery of local services. Broader political accountability, by contrast, is reduced by the large average population size of municipalities, by the high number of citizens per municipal councillor and by the limited transparency of the local government administrative machinery. Citizen participation is perceived in an instrumental fashion as a mechanism that may contribute to improved service delivery. Great stress is placed on the development of competition in supply, which enables citizens to exercise the ‘exit’ option through individual choice between alternative mechanisms of service delivery. By contrast, forms of participation that engage citizens collectively to exercise ‘voice’ in policy formulation and resource allocation are limited because these run the risk of interfering with centrally-defined national priorities for service provision (e.g. over inter-sector allocation and compliance with national minimum standards).

The closest approximation to this ‘ideal-type’ is the English system of local government but it is also found
in Australia, New Zealand, Japan as well as parts of northern Europe and the United States. Of relevance for Latin America is the fact that it is the type of local government preferred by the World Bank and the Inter-American Development Bank. After two decades, during which these international financial institutions had sought to bypass local government in their lending programmes to the region, in the late 1980s both institutions became strong advocates of decentralization and the institutional strengthening of local government. This volte-face was motivated primarily by ‘managerial’ considerations. First, in support of the harsh exigencies of IMF structural adjustment policies, they recognized the benefits of decentralization in contributing to overcoming the fiscal crisis of the state by tapping the enormous fiscal potential of local government. Second, they viewed local government basically as an institutional arrangement for improved service delivery, recognizing the advantages of decentralization in terms of improved productive efficiency, effectiveness and equity. Third, local government was also intended to play an instrumental role as a more efficient administrator of poverty alleviation programs during structural adjustment. It would improve upon central government’s performance by identifying target households, by coordinating centrally-funded welfare programmes, and by mobilizing community participation in social investment projects.

The ‘governmental’ type

The second of these is what we may call the ‘governmental’ type of local government. Service delivery is important, but there is a wider role for local government both as the mouthpiece of shared community interests of a locality and also in making policy choices in its name within the wider body politic ‘as a natural part of an organic whole’ (Norton 1991:22). This essentially ‘governmental’ function of local government derives from strong citizen identification with local communities (e.g. the commune in France and the comuna in Italy) that ‘possess a social reality anterior to that of the state’ (Norton 1991:23). This imbues local government with a sense of shared responsibility with central government for service delivery, in which ‘levels of government have complementary contributions to make to the general social good’ (Norton 1991:22). Underpinning this type is the concept of ‘subsidiarity’, derived from a Catholic formulation of natural law theory, under which the capacity of lower territorial tiers of government to take decisions should be exhausted before higher tiers of government become involved. In accordance with this concept, local government retains a high degree of political autonomy, often enshrined in a written constitution. This autonomy is reflected in the general competence usually granted to local government to select which services to provide. This is important ‘at least symbolically but also as a statement of local government’s wider community responsibility, if not always of wide spending functions. Potentially at least, this wide responsibility allows local government to adopt a strategic role, reinforcing its nature as government rather than only as provider of specific services’ (Batley 1991:226).

Under this type, local government exercises considerable discretion over the power of local taxation and the rates at which these taxes and charges are applied. National tax revenues are often shared between central and local government as equal partners in a common system of government rather than as a manifestation of a conflictive relationship in which central government has clear ascendancy. As a result, central-local relations are characterized by negotiation and consensus rather than confrontation. The overlapping of competencies for the provision of particular services is common and, where this occurs, the actual division of responsibilities between different tiers of government is determined on the basis of partnership in a common endeavour. Rather than that of a supervisor, the role of central government is one of an advisor
whose support may be requested by local government.

The main direction of accountability by local government under the 'governmental' type is to its own citizens rather than to central government. Local government is held accountable to citizens primarily for its political role in reflecting the collective interests of the community. Emphasis is placed on mechanisms of citizen consultation through organizations of civil society that incorporate the views of local 'actors' (such as business, women's, and neighbourhood groups) in the formal policy-making process. Mechanisms of citizen consultation such as local referendums and plebiscites are used over matters affecting the strategic direction of local government. Local accountability is strengthened by the smaller average population size of municipalities, by the low number of citizens per elected councillor and by a high level of transparency of the local government administration (e.g. local government files are normally open to the public). The marked preference for consensus instead of confrontation at the local level is derived in part from the electoral system of proportional representation that encourages government by coalition. Voter turnout at local government elections is high. Local political leaders have considerable prestige, often comparable with that of national politicians. The municipal executive head plays a key role as 'broker' within a network of public and private agencies, in which s/he is expected to display an ability to lever funds for local public and private investment.

The closest approximation to this 'ideal-type' is the system of local government found in France, Italy and Spain, as well as the Nordic countries and parts of Germany and Switzerland. Of relevance here to Latin America is the fact that the formative period of local government in the region during the period from 1880 to 1920 coincided with large-scale immigration of artisans drawn overwhelmingly from the Mediterranean countries. The political values that they brought with them exerted a strong influence on the popular perception of local government along the lines of the 'governmental' type, especially in the larger cities of the region. More recently, the Catalan municipal expert, Jordi Borja, himself a leading exponent of the 'governmental' type, has exerted a major influence on Latin American policy-makers engaged in decentralization and local government (Borja 1987; García Delgado & Borja1989).

Decentralization in Latin America

Latin America is the most urbanized region of the developing world where around 80 percent of citizens now live in cities. The region is marked by the most extreme income inequality in the world (UNDP 2010). Although the average per capita income is $5,540 (World Bank 2008), some 40 percent of the population live below the poverty line. As a result, Latin American societies are characterized by low levels of inclusiveness and weak citizenship. Despite the common heritage of Spanish and Portuguese colonialism, there is a surprisingly high degree of diversity with regard to administrative structures within the 18 nations, 350 states and regions and over 16,000 municipalities of the region. The four largest nations (Brazil, Mexico, Argentina and Venezuela) are federal while the rest are unitary. There is a long and enduring tradition of political and administrative centralization in the region that spans both federal and unitary nations and this was reinforced by a period of authoritarian military rule during the 1970s and 1980s. This legacy is
epitomized by a presidential system with strong executive powers over sub-national tiers of government.

After more than a century and a half since independence, during which local government has played a minimal role in the development process, uneasy domestic coalitions in favour of decentralization emerged during a period of democratization from the late 1980s. Three groups, with different agendas, saw decentralization as a means to advance their respective aims. Neo-liberals viewed it as part of a wider strategy for reducing the role of the state in the economy. Radical reformers saw it as a progressive measure designed to overcome the exclusionary and undemocratic social structures inherited from the period of military rule. Technocrats viewed it primarily as a means to improve the efficiency of service delivery through improved citizen voice and local accountability. In all cases except Bolivia, these pressures for decentralization originated ‘from above’ and not from sub-national bodies. The active encouragement of the Inter-American Development Bank and the World Bank provided an important external support for these domestic coalitions. As the influence of this powerful coalition in favour of decentralization was felt in the public policy-making sphere, a structural change began to emerge in central-local relations.

The strengthening of the political autonomy of local government became the central feature of the decentralization process. Prior to this there was a long-standing tradition of central government appointment of executive heads - a practice that was particularly enduring in the case of capital cities of the region. From the early 1980s these central appointments were increasingly replaced by democratically elected mayors. In 1978 only three countries (Ecuador, Colombia and Venezuela) boasted democratically elected municipal executives. By comparison, thirty years later, in 2008 all countries except Cuba had multi-party local government elections. In Colombia (1988), mayors were elected for the first time in over a century, and in Paraguay (1991) they were elected for the first time ever in the history of the country. In Peru (1981), Bolivia (1985) and Chile (1992), local government elections were held for the first time since 1968, 1950 and 1973 respectively.

Under this sequencing arrangement, political democratization at the municipal level led to a deepening of the overall decentralization process, by kick-starting subsequent fiscal and administrative strengthening of local government. In the few cases where service delivery responsibilities were devolved prior to financial and political reforms, as in Argentina, this enhanced the likelihood of ‘recentralization’ (Faletti 2005). The decentralization process has had a major impact on strengthening local government finances in the region. The unweighted average of decentralized expenditure rose from 11.6 percent of total public spending in 1980 to 18.8 percent in 2002 – 2005 (Rosales & Valencia 2007:178). However, the process has been uneven. Among the federal nations, in Mexico and Venezuela, the main thrust has been to devolve responsibilities to historically weak state governments rather than local government, while in Argentina and Brazil historically weak local governments has been accorded priority over state-level structures. Among the unitary nations, Bolivia, Chile, Colombia, Ecuador and Nicaragua have experienced considerable transfer of service delivery responsibilities and accompanying fiscal transfers. Progress has been more limited in Costa Rica, Honduras, Panama, Paraguay and Uruguay.

3 In contrast to Africa and Asia where appointed executive heads have usually been recruited from a central cadre of career-based public administrators, the criteria for the selection of appointed municipal executive heads was political patronage rather than professional competence.
Evolution of the Latin American system: alternative scenarios

Given the consolidation of the above-mentioned decentralization process, we now attempt to ‘locate’ Latin America within the characterization of local government systems based on the two ideal types – the ‘managerial’ type and the ‘governmental’ type. First, we examine the alternative scenarios that we would expect to unfold as each type expressed itself through changes in the major features of the local government system.

Evolution towards the ‘managerial’ type?

Under this scenario, a gradual transfer of service delivery responsibilities to local government would continue, especially in education, health, social housing and urban water supply. The allocation of these responsibilities would become more clearly defined and the phenomena of ‘concurrent’ (overlapping) responsibilities by different tiers of government would become less pronounced. The IGFT system would emphasise the ear-marking of fiscal transfers. The transfer of responsibilities would be accompanied by a tightening of central government control over the expanded service delivery role performed by local government. The respective central government agencies would exercise this control primarily through the monitoring of standards of performance (e.g. exam results, immunization coverage, and building standards). These central government agencies would increasingly adopt a regulatory role as they relinquished their direct operational involvement in service delivery. On the financial front, the audit function performed by the Comptroller General’s Office would shift from that of ensuring the legality of local government expenditure towards ‘value for money’ audits that monitored the efficient use of ear-marked fiscal transfers received from central government. In pursuit of greater productive efficiency in service delivery through the reaping of economies of scale, there would also be a move towards the territorial reorganization of local government. This would take the form of the amalgamation of rural municipalities with small populations and the establishment of metropolitan forms of government in large conurbations.

Evolution towards the ‘governmental’ type?

Under this scenario, the transfer of delivery responsibilities to local government for specific, clearly-defined services would be less pronounced. Instead, a partnership approach would develop in service provision between local government and a number of other ‘actors’, including central government, the private sector, and not-for-profit organizations. The IGFT system would be based increasingly on revenue-sharing agreements and transfers would not be earmarked to the same extent as under the ‘managerial’ scenario. Less emphasis would be placed on central government monitoring of local government expenditure and the function of the Comptroller-General’s Office would remain limited to that of ensuring the legality and probity of expenditure and own-revenue generation by local government. There would be minimal reorganization of the territorial dimension of local government. Instead of amalgamation into larger units, economies of scale would be achieved through the pooling of resources on a case-by-case basis and the voluntary relinquishment of particular service delivery responsibilities to a higher authority only when it was considered appropriate by local government.
Local government in Latin America: quo vadis?

We now examine ten features of the Latin American system of local government in an attempt to 'locate' it within the parameters of the alternative scenarios outlined above (Box 1). The highly centralized political system and service delivery system that characterized Latin America until recently has meant that some of these features are still 'latent', given the overall weak development of local government as an institution in the region, in comparison with many areas of the world.

Box 1

Features of Local Government systems

<table>
<thead>
<tr>
<th>Feature</th>
<th>The 'managerial' type</th>
<th>The 'governmental' type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal status</td>
<td>Creature of Parliament</td>
<td>Protected by National constitution</td>
</tr>
<tr>
<td>Average population size</td>
<td>Large</td>
<td>Small</td>
</tr>
<tr>
<td>General powers</td>
<td>Limited by statute</td>
<td>General competence</td>
</tr>
<tr>
<td>Intergovernmental fiscal transfer (IGFT) system</td>
<td>Determined by central government and limited by earmarking</td>
<td>Revenue-sharing and with considerable discretion</td>
</tr>
<tr>
<td>Financial control and audit function</td>
<td>Strict regulation &amp; 'value for money' auditing</td>
<td>Weak regulation &amp; legal/probity auditing</td>
</tr>
<tr>
<td>National monitoring of standards of service provision</td>
<td>Strict</td>
<td>Weak</td>
</tr>
<tr>
<td>Number of citizens per elected councillor</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Electoral system</td>
<td>First past the post (FPTP)</td>
<td>Proportional representation</td>
</tr>
<tr>
<td>Voter turnout</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>Citizen participation</td>
<td>Limited/restricted</td>
<td>Extensive/encouraged</td>
</tr>
</tbody>
</table>

Legal status

In this respect the Latin American system of local government would seem at first to conform more to the 'governmental' type. A definition of the municipality as a primary and autonomous unit of government within the national political system is now enshrined in the constitution of virtually every country in the region. The opening articles of the new constitutions of Colombia (1991) and Paraguay (1992) even defined the nation itself as 'decentralized' and in Brazil a new 1988 constitution for the first time recognized municipalities as constitutional bodies. Major legislation reforming local government was introduced through articles in the national constitution in Mexico (1983), Guatemala (1986) and Paraguay (1992). New municipal codes have been promulgated in ten countries: Peru (1984), Bolivia (1985), El Salvador (1986), Colombia (1986), Nicaragua (1988), Venezuela (1988), Guatemala (1988), Honduras (1990) and Chile (1992) and Paraguay (2010). These constitutions and municipal codes typically define
local government autonomy in three major ways: politically, so that it is able to elect its own authorities; administratively, so that it may operate without interference in areas under its jurisdiction; and financially, so that it has the power to levy and collect its own sources of income. In addition, several constitutions state that municipal decisions may only be challenged through the courts.

But it is necessary to distinguish between the rhetoric and the reality of municipal autonomy in the region. Latin American political culture remains highly centralized and, with the limited exception of Brazil, local government relations with central government are still characterized more by subordination than equality. Laws approved by the national congress and decrees issued by the national executive invariably have an enormous bearing on municipal activities. The municipal codes regulate the internal organization and functions of local government to a much higher degree than under the 'governmental' type. With the exception of those in a few provincias (states) in Argentina, municipalities in the region have virtually no independent legislative function and can only make regulations within the framework of state and national laws. Finally, in many countries the constitutional autonomy of local government is belied by the fact that locally-elected municipal administrations (mayors and councillors) may be suspended by a majority vote of the national congress for failure to discharge their duties.

Average population size

In this respect the Latin American system would seem at first to conform more to the 'managerial' type of local government. The national population size of municipalities ranges from 14,000 - 85,000, with a weighted average of 33,863 (Table 1).4 These figures are similar to those found in countries approximating the 'managerial' type (Australia – 29,415, Sweden – 31,300, New Zealand – 48,400 and Japan – 69,800) but are considerably higher than those found in the countries approximating to the 'governmental' type (France – 1,745, Greece – 3,500, Spain – 4,900, Italy – 7,100). However, such international comparisons are deceptive because, in every Latin American country except Costa Rica, these national averages mask enormous differences in population size between municipalities, which are extremely pronounced by international standards. Around 90 percent of all municipalities have less than 15,000 inhabitants and are essentially rural in character, while around one hundred municipalities, less than 0.1 percent of the total, have over 500,000 inhabitants.5

Rapid migration since the 1950s has swelled the populations of urban centres while at the same time contributing to the stagnation, if not absolute population decline, of the vast majority of rural municipalities. Yet nowhere have municipalities been amalgamated to accommodate this rapidly changing pattern of human settlement. Nor have municipalities been divided into size categories according to their capacity to provide different levels of service provision. Any such move in this direction would be interpreted as a flagrant violation of local government autonomy. As a result, municipalities, large and small, are treated equally by the law in terms of the range of services for which they are responsible.

Municipal sub-division has been a common phenomenon in rural areas. The historical pattern of the

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4 The only exception is Peru which had a much smaller average size because of its unique two-tier system of local government.
5 France provides the only comparable example, where more than half – some 19,428 – of the 36,682 municipalities (2010) have fewer than 500 inhabitants and 33,000 have fewer than 3,000 inhabitants.
Latin American municipality has been based on an urban centre and surrounding rural territory. In areas of expanding colonization, new urban settlements emerged within the rural hinterland of existing municipalities. They usually lacked adequate political representation and were subordinated to those political interests based in the municipal headquarters. The prime motive for ‘breaking away’ has invariably been in order to obtain better access to IGFTs. This rural fragmentation explains the significant 16 percent rise in the total number of municipalities in the region between 1994 and 2010 (Table 2). It continues in violation of regulations in virtually all national municipal codes that specify a minimum population size as a precondition for official recognition of new municipalities. The effect is to keep most Latin American municipalities well below the critical size needed in order to reap the economies of both scale and scope that would justify the trained personnel and capital investment necessary to provide adequate service provision to its citizens.

Metropolitan Governance

More than half of the population of Latin America live in fifty cities with a population of over 1m. Four of these are among the ten largest cities in the world: São Paulo (17.8m.) Mexico City (16.7m), Buenos Aires (12.6m) and Rio de Janeiro (10.6m) while three others (Bogotá, Lima and Santiago) have populations of more than 5m. Basic aspects of urban management of large cities such as land use and transport planning continue to be stymied by their territorial division into separate municipalities and, in some cases, more than one State or province. For example, in addition to the Federal District, the metropolitan area of Mexico City comprises 41 municipalities located in two different states. Buenos Aires covers the territory of the autonomous city of Buenos Aires and that of 32 municipalities in the Province of Buenos Aires. Greater Santiago takes in 52 municipalities while the São Paulo region comprises 39 municipalities.

Most large conurbations have long been formally designated as ‘metropolitan’ areas. Yet because of the perceived threat posed to municipal autonomy hardly any have a functioning metropolitan system of government enabling the integrated management of the urban territory. This absence of metropolitan government has been responsible for the lack of coordination in service provision between municipalities within large conurbations. This is especially noticeable in the case of solid waste disposal, transportation, and urban planning (Rosenbaum & Rodriguez Acosta 2008). The only exception is the Metropolitan Municipality of Lima which has a functioning metropolitan structure of government, comprising a provincial council and 42 district municipalities.7

Inter-Municipal Collaboration

Rural municipalities in the region with low-density population often lack the financial and human resources to operate a comprehensive range of services. Amalgamation, by promoting economies of scale, would make available technically-qualified municipal staff and enable the cost-effective provision of basic services such as road maintenance. Given the strong commitment to municipal autonomy in the territorial sense

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6 Throughout the region this process of municipal fragmentation has been unwittingly encouraged by the growing use of transparent formulae for the allocation of IGFTs which often include provision of a minimum amount for every municipality, irrespective of population size.

7 But even here, the port of Callao, which is an integral part of the city of Lima, has separate provincial status.
and the on-going process of municipal fragmentation, local governments in Bolivia, the southern states of Brazil and Ecuador have developed forms of inter-municipal cooperation, known as mancomunidades. These voluntary associations seek to achieve economies of scale in service delivery through the pooling of scarce resources, especially for road maintenance, tourism development and environmental protection. Following a major local government reform in Bolivia in 1994, inter-municipal associations grew rapidly and by 1999 269 municipalities, equivalent to 85 percent of the then total of 314, belonged to inter-municipal associations (Molina 2003). In Chile, the local government law allows for the creation of inter-municipal associations, of which some 70 existed in 1999 (SUBDERE 1999). These were located particularly around Santiago and had a strong emphasis on road maintenance and tourism development. However, the impact of most of these inter-municipal associations suffered from the fact that they were limited to links between municipal authorities without the involvement of the business sector and civil society (Montecinos 2003). By contrast, the well-developed tradition of inter-municipal associations in the southern states of Brazil has emphasized the participation of a wide range of stakeholders. For example, the ‘adolescents’ network of 23 municipalities set up in 1997 in the São João region of the State of São Paolo in order to combat juvenile drug addiction, involved civil society organizations, health, education and social work professionals, culture and sports bodies, as well as the state ministry of health (Prates 1998).

**General powers**

In this respect the Latin American system would seem at first to conform to the ‘governmental’ type of local government. Municipal codes usually grant local government a general competence to undertake any service in its jurisdiction that is not assigned to another level of government or that it is not expressly forbidden to undertake. This differs sharply from the restrictions of the principle of ultra vires under the ‘managerial’ type (of which Chile is a rare example in Latin America), which limit the municipal mandate to clearly specified activities.

However, behind this rhetoric of a general competence lies the all-important legal distinction between so-called discretionary and non-discretionary functions. The point at which the line is drawn between the two is ultimately determined by central government. Non-discretionary functions mandated to local government include few that central government has any interest in undertaking itself. It is these services, and these alone, that the vast majority of municipalities in Latin America actually provide. But even these are obligatory in name only, because no mechanism exists to penalize local government for their non-delivery. By contrast, discretionary functions are those basic public services that interest central government. Many of these were, in practice, absorbed by central government during the period of de-municipalization in the 1950s and 1960s (Nickson 1995). Under the current wave of decentralization, some of these very same services are now being transferred back to local government. Despite the rhetoric of a general competence, Latin American municipalities have rarely taken the initiative to expand their own

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8 These non-discretionary functions fall into four broad categories: i) elementary powers of regulation carried out on behalf of central government, such as public order, justice of the peace, and civil registration, ii) essential urban services, such as road maintenance, city lighting, street cleaning, solid waste management and basic land use zoning, iii) essential revenue-generating public services, such as slaughterhouses, cemeteries, public markets and bus terminals, and iv) basic social services, such as public hygiene, granting of commercial and industrial licenses, and weights and measures.

9 These discretionary functions fall into three broad categories: public utilities (water, sewage and electricity supply), social services (primary health care and basic education), and planning (road transport, zoning).
mandate beyond the non-discretionary services outlined in the municipal code. Furthermore, virtually all expansion of service delivery functions by local government during the current wave of decentralization resulted from the transfer of non-discretionary functions at the initiative of central government.

Inter-governmental fiscal transfer system

In this respect the Latin American system would seem to conform increasingly to the 'governmental' type of local government. Until the 1980s, IGFTs to local government were small-scale, on an ad hoc basis and hence subject to sudden variation, and were often allocated between municipalities on the arbitrary basis of clientelism. However, since then there has been a rapid increase in the level of fiscal transfers, which often takes the form of general revenue-sharing agreements, under which local government receives a stipulated share of national fiscal revenue (e.g. Bolivia (20 percent), Costa Rica (10 percent), Ecuador (15 percent) and Venezuela (20 percent) or of national public expenditure (e.g. Dominican Republic (10 percent), El Salvador (7 percent), Guatemala (10 percent), Honduras (5 percent) and Nicaragua (10 percent).

The most far-reaching examples of this new approach took place in Brazil and Colombia. In Brazil, a wide range of new revenue-sharing agreements with both federal and state government were embodied in the 1988 Constitution. Municipalities henceforth received guaranteed transfers that included stipulated shares of the proceeds from federal taxes on income, industrial production and rural property, as well as from a state value-added tax and state tax on vehicle ownership. In Colombia, the 1992 Constitution introduced a general agreement for the sharing of national fiscal revenue, with the proportion accruing to local government destined to rise, by stages, to 41 percent by 2001.

Because they were linked to major sources of national taxation, these revenue-sharing agreements greatly increased the elasticity of municipal income in relation to the overall economic growth. In sharp contrast to the volatility and obscurity of the previous transfer mechanism, their predictability and transparency also enabled municipalities to programme expenditure over the medium-term. The increased level of IGFTs functioned like a central government ‘multi-purpose’ or block grant and was not usually earmarked for specific sectoral expenditures. Consequently, municipal discretion in the allocation of its financial resources in accordance with local priorities was significantly increased. The only limitation on this discretion was the frequent requirement that a minimum share of the grant should be spent on particular services.

Although IGFTs from such tax-sharing have been allocated on a needs-based criteria rather than the previous origin-based (i.e. derivation) criteria, they have had a weak impact in reducing horizontal inequity between municipalities. This is because the transfer formulae have not incorporated an equalisation mechanism designed to ensure a standard level of service provision across all municipalities by ‘topping up’ local revenues in areas of below average fiscal capacity. Instead, transfer formulas usually include equity considerations as just one among several factors in the overall weighting. As a result, despite the increase in their scale and their greater transparency in recent years, IGFTs have reduced the enormous disparities in municipal expenditure per head.

Chile is the sole exception to this regional preference for general grants and associated municipal discretion. Here IGFTs now largely take the form of specific, earmarked grants for education and health for which municipalities must prepare separate financial accounts. These new functions were assumed during the 1980s, as local government undertook an ‘agency’ role for central government ministries. These transfers
were based on fixed sums per unit of service (capitation fees in the case of education and consultation fees in the case of health). This system of specific grants was designed to ensure that identifiable services were provided to a specified national standard and at a particular cost, an institutional arrangement that closely mirrored that found under the ‘managerial’ type of local government.

Financial control and audit

In this respect the Latin American system would seem to conform to the ‘managerial’ type of local government. Central government exercises strict financial control over local government, except in Brazil and Argentina where this function is carried out by state and provincial government respectively. Various means are used to achieve this control, including the power to withhold discretionary grants, the use of centrally-mandated municipal spending requirements, the determination of the scope of the municipal tax base, limits on municipal discretion to vary the rates of local taxes, and the approval of municipal budgets.10

The Latin American system of local government audit also seems to conform strongly to the ‘governmental’ type. In most countries financial supervision of local government is entrusted to the Comptroller General’s Office, a prestigious body steeped in the Luso-Hispanic tradition of administrative law although in some of the smaller countries of the region this function is carried out by the Ministry of the Interior or by the Ministry of Finance. The overriding audit objective is to ensure the legality and probity of municipal revenue generation and expenditure. Hence municipal performance is evaluated in terms of budgetary conformity and financial propriety. This takes the form of a posteriori audits of municipal accounts, controlling the preparation and execution of budgets, as well as the purchase and sale of municipal assets. The Comptroller General’s Office can independently investigate the finances of a municipality without requiring the invitation of the municipal auditor. This form of financial supervision is essentially regulatory rather than supportive in nature and the audit process rarely involves techniques of management accounting. Even in those countries which have seen a dramatic recent growth in IGFTs - notably Bolivia, Chile and Colombia - the Comptroller General’s Office provides little guidance on management practices, carries out no comparative analysis of municipal expenditure, and thus offers little information on managerial efficiency and effectiveness of service delivery by local government.

National monitoring of standards of service provision

In this respect the Latin American system conforms strongly to the ‘governmental’ type of local government. Despite the rapid growth in IGFTs, central government monitoring of standards of service provision by local government is still relatively rare in Latin America. During the 1990s national systems of educational assessment were introduced in a few countries. The most notable case is Chile, where assessment findings have been used as a management tool by central government for targeting supplementary fiscal transfers to educationally disadvantaged municipalities. But moves elsewhere towards national monitoring in the

10 In Honduras, the ex ante approval of the detailed schedule of tax rates and charges planned by each municipality during the coming year, known as the plan de arbitrios, is a particularly tiresome burden that is still imposed by the central government.
‘core’ services provided by local government are still largely absent. This absence reflects the fact that central governments in Latin America are not yet committed to the goal of ensuring universal standards of service provision to all their citizens for specific public services such as education, public health, housing and water urban supply. Hence IGFT systems do not incorporate a formal equalization mechanism designed to ensure a standard level of service provision in all municipalities by ‘topping up’ local revenues in areas of below average fiscal capacity. Instead, formulas usually include equity considerations as just one among several factors in the overall weighting system. As a result, despite the increase in their scale and their greater transparency in recent years, transfers have had little impact in reducing the enormous disparities in the level of service provision between municipalities.

Ratio of citizens to elected officers

In this respect the Latin American system is rather unique, but conforms more towards the ‘managerial’ type of local government. One of the most striking features of the system that sets it apart from the rest of the world is the small number of councillors, ranging from a minimum of five in most countries to a maximum of only sixty in the case of the Municipality of Buenos Aires. The limit placed on the number of councillors has led to a gross deficit in local representative democracy, especially in larger municipalities of the region where the ratio of citizens per councillor ranges from 100,000 - 500,000 (Table 3). These figures are extremely high by international standards. Both ‘managerial’ and ‘governmental’ type municipalities in other parts of the world have much lower ratios of citizens per councillor.

Electoral system

In this respect the Latin American system conforms strongly to the ‘governmental’ type of local government. Throughout the region, councillors are elected at large, under the d’Hondt system of proportional representation. The only exception is Panama, where the ‘first past the post’ (FPTP) system based on sub-municipal electoral wards is practised and in Venezuela, where a 1992 reform introduced a mixed system under which two-thirds of councillors are elected on a ward basis and the remaining one-third according to party lists. Despite a lively debate about the merits of the FPTP electoral system, notably in Colombia, there have been no further moves in this direction in the region.

Furthermore, party lists are usually closed and blocked, greatly reducing political accountability to the electorate. This has served to entrench the power of elites within political parties and encourages intraparty bickering over position on the list to take precedence over the cultivation of a strong personal relationship between candidates and the electorate. The ‘opening up’ of the party list system has been noticeably absent from the decentralization reform process in recent years. Venezuela (from 1989) and Chile (from 1992) are the exceptions, where an open and ‘non-blocked’ list, panachage, preference voting system was introduced.

11 In El Salvador, the party that wins most votes obtains all council seats and there is consequently no representa-
tion of other parties.
Voter turnout

In this respect the Latin American system would seem at first to conform more to the ‘governmental type of local government. However, although voter turnout is relatively high by international standards there is evidence of a decline in recent years. In El Salvador, local government elections are still held at the same time as elections for national office, which understandably raises the voter turnout for local elections. In Chile, Argentina and Uruguay, where voting is obligatory, the turnout remains high. This is particularly the case in Chile, where the legal requirement to vote is strictly enforced. In most other countries, where local elections are traditionally held on separate dates to national elections - usually at the mid-point of the period of presidential office - local turnout is typically well below that at national elections. In Venezuela and Colombia the timing of local government elections was delinked from that of national elections during the 1980s, but this did not have the effect of raising the turnout. In both countries, local electoral turnout is now well below that of national elections. The turnout in the smaller Central American countries averages around 50 percent but in the first ever elections for local mayors in Costa Rica in 2002, the turnout was only 25 percent. Voter turnout in Bolivia and Paraguay has displayed a declining trend since democratization began (Nickson 2009).

Citizen participation

In this respect the Latin American system would seem at first sight to conform to the ‘governmental’ type of local government. The exclusionary style of development has been a major underlying cause of social conflict in Latin America and opposition to authoritarian rule in the 1970s and 1980s was often expressed through the emergence of community organizations. The newly-established democratic governments of the region regarded citizen participation as a means of containing social tensions and strengthening the long-term prospects of democracy through dialogue and consensus-building at the municipal level. Citizen participation was also seen as a way of improving performance in service delivery by introducing greater transparency into municipal resource allocation so as to better reflect the broad interests of the population.

Central government encouraged citizen participation through revisions to local government legislation, requiring municipalities to grant official recognition to community organizations, to undertake local referendums and plebiscites, and to accept popular initiatives and recall of office-holders (Cunill 1991). In most countries mayors are now legally required to consult with citizens through periodic open meetings, cabildos abiertos. While its use remains strong in Central America (Costa Rica, Nicaragua and El Salvador), elsewhere in the region it is often a formality and little effort is made to publicize it. In Colombia, all candidates for the post of mayor are required to submit a ‘programme’. If s/he does not implement the programme, the electorate may call a vote to remove him/her from office. Legislation in Costa Rica, Ecuador, Paraguay and Venezuela also allows for referendums to revoke the mayoral mandate. In some cases the allegations of poor management and corruption necessary to trigger a referendum are vaguely defined and the mechanism has become open to abuse. In almost all countries there is encouragement for municipal authorities to officially recognize and liaise with community organizations.

Participatory budgeting, first introduced in the Municipality of Porto Alegre in 1989, has achieved worldwide interest as a novel form of citizen participation in the formulation of the municipal budget
(Abers 1998; Santos 1998; Baiocchi 2001; Souza 2001; Gret & Sintomer 2005; Schneider & Baquero 2006). By 2007 this policy had spread to more than one hundred Brazilian municipalities. It had also been transferred in a more simplified form to municipalities in most countries in the region (Chavez & Goldfrank 2004; Andersson & Van Laerhoven 2007).

Legislative reforms in Colombia and Brazil have heavily promoted citizen participation. In Colombia, the 1986 municipal reform legislation introduced the most comprehensive range of mechanisms in Latin America for promoting citizen participation in local governance. These include local planning committees, local administrative boards to monitor municipal service delivery, citizen representation on the boards of municipal companies, and out-sourcing of municipal investment projects to local communities. However, implementation has been greatly limited by the legal requirement that municipal councils must approve the associated enabling regulations. The 1988 Brazilian Constitution enshrines the plebiscite, referendum, popular tribune, popular councils, and the right to popular initiative, with the signatures of 5 percent of those on the electoral register as a requirement to trigger such actions. Elsewhere procedures exist for citizen representation on local planning bodies, which normally have a corporatist structure, such as the municipal development councils in Guatemala and Honduras. In Ecuador, citizen participation in local planning has been heavily promoted in response to the loss of trust in national political parties. This has taken the form of participation by parish councils in formulating provincial and municipal plans, over which they exercise the power of veto.

However, a considerable gulf has emerged between the rhetoric and reality of citizen participation in Latin American local government, and the real level of participation is usually no higher than that found in other regions of comparable living standards. Lack of continuity has been a notable feature of community participation initiatives. Mobilization was often built around specific demands and once these were realized, participation tended to diminish. Most examples of citizen participation appear to have taken place at the personal initiative of the mayor, whose role as facilitator had many drawbacks. It encouraged a network of individual relationships between neighbourhood leaders and the mayor, marginalizing in the process both councillors and the wider membership of community groups. These initiatives were rarely institutionalized, because existing administrative processes and forms of decision-making were not modified. A 2004 sample survey of ‘citizen monitors’ of government investment projects in five municipalities in the State of Mexico revealed that the vast majority did not understand their own role (Gaytán 2005). This supports the findings of the most comprehensive review of ‘citizen monitoring’ in the region that its impact was mediocre. The review highlighted the misplaced emphasis on quantitative factors (i.e. the number of citizen monitors) over qualitative factors (i.e. the technical knowledge of the monitors) as measure of impact (Cunill 2003). Similarly, despite the powers of calling plebiscites and referendum, these ‘voice’ mechanisms of citizen participation have rarely been used.

In the larger cities of the region, democratization also saw the introduction of new mechanisms for administrative deconcentration and citizen consultation at the sub-municipal level (Myers & Dietz 2002). Examples include the 31 sub-mayoralties within the Municipality of São Paulo from 1983, the 18 community centres within the Municipality of Montevideo from 1993, the 16 delegations within the Municipality of Mexico City and the 15 communes within the Municipality of Buenos Aires. As these new structures have become institutionalized, in some cases elected bodies have been introduced around these structures. In Mexico City, the delegation heads are directly elected and in Buenos Aires community councillors were elected for the first time in 2007.
Such mechanisms are often projected as political initiatives designed to strengthen citizen participation in local government. However, they are also motivated by managerial considerations, seeking to ensure a more effective delivery of municipal services through new deconcentrated structures. Some Brazilian municipalities, notably Fortaleza in the State of Ceará, have attempted to link intra-municipal administrative deconcentration with the creation of a ‘holistic’ multi-sector approach to service delivery, led by multi-professional teams (Prates 1998). The new elected committees at the sub-municipal level are usually limited to an advisory role, without policy-making powers, and rarely operating with their own budget. The locally elected committees in Montevideo, which have decision-making powers over budget allocation, are a rare exception (Goldfrank 2002).

Conclusion

By 2010 local government in Latin America had been considerably strengthened by comparison with two decades earlier. The achievements of the decentralization process underway since the mid-1980s have contributed to countering deeply rooted centralism in the direction of greater territorial and social inclusiveness. Political democratization at the municipal level has been the lynchpin of the process and the direct election of local authorities has now become the norm rather than the exception. In the process, this is helping to introduce programmatic politics into parties that were hitherto overwhelmingly clientelist in nature. It is also beginning to produce a new generation of national political leaders with experience of municipal management. Constitutional and other legal reforms have transferred new competences and fiscal resources to sub-national governments. IGFTs have risen considerably and sub-national governments now typically account for around one-fifth of total public expenditure, twice the share of the mid-1980s. The new competencies of the local governments translate into progressive institutional development – though uneven – where some municipalities stand out because of their capacity for initiatives and innovation, while others still cling to their traditional structures and practices.

As suggested above, the local government system in Latin America currently displays some of the features that are found in the ‘managerial’ type and others that have more in common with the ‘governmental’ type of local government. This is to be expected. Like any other local government system, Latin American local government is strongly conditioned by historical factors that are specific to its own region. Nevertheless, after decades of relative stagnation, that system is currently undergoing rapid evolution, primarily as a result of pressures from powerful external actors - namely central government and multilateral development agencies. For this reason, it is valid to hazard a guess as to which of the two ‘types’ of local government is gaining ascendancy during this period of rapid transformation.

On the face of it, Latin America local government seems to be displaying certain features that have more in common with the ‘governmental’ type. These include strong legal protection for political autonomy, a general competence, an electoral system based on proportional representation and limited financial control by central government. But as we have seen, in reality autonomy is severely limited, and the actual mandate is strongly determined by central government, both of which are key features of the ‘managerial’ type. The extremely high ratio of citizens to elected officers, the low voter turnout, limited citizen participation, and emphasis on administrative deconcentration at the sub-municipal level, are also features that have more in common with the ‘managerial’ type.
On the other hand, the recent reforms in central-local financial relations with their emphasis on revenue-sharing, a high level of discretion in the use of transfers, weak monitoring of standards of service provision, and a legality-based system of audit, are pulling Latin American local government in the direction of the 'governmental' type. Here the joker in the pack is Chile, where the introduction of an 'agency role' for local government under central government supervision, with strict ear-marking of financial transfers and national monitoring of standards of service provision, runs totally counter to the regional trend. The Chilean local government system is much more aligned with the 'managerial' type than any other national system in Latin America is with the 'governmental' type.

The 'managerial' type of local government is already making powerful inroads in Latin America, as part of the wider move towards liberalization and market-led development within the region. Its overriding focus on the service delivery role of local government may prove to have a wider appeal in a region with probably the greatest level of disparities in the provision of basic public services in the world. The long-standing and noble dream of Latin American cogniscenti to emulate the 'governmental' type in the region through 'a participatory style of local democracy' may well fade away as an increasingly pragmatic and instrumental perception of local government takes hold. This may be a price worth paying, given the urgency of the task of providing decent basic public services to the citizens of Latin America.
Table 1
Average population size of municipalities in Latin America, 2010

<table>
<thead>
<tr>
<th>Country</th>
<th>Population (mid-2009)</th>
<th>Number of municipalities (2010)</th>
<th>Average population size per municipality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>40,276</td>
<td>2,112</td>
<td>19,070</td>
</tr>
<tr>
<td>Bolivia</td>
<td>9,863</td>
<td>337</td>
<td>29,267</td>
</tr>
<tr>
<td>Brazil</td>
<td>193,734</td>
<td>5,564</td>
<td>34,819</td>
</tr>
<tr>
<td>Chile</td>
<td>16,970</td>
<td>345</td>
<td>49,188</td>
</tr>
<tr>
<td>Colombia</td>
<td>45,660</td>
<td>1,102</td>
<td>41,434</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>4,579</td>
<td>81</td>
<td>56,530</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>10,090</td>
<td>160</td>
<td>63,063</td>
</tr>
<tr>
<td>Ecuador</td>
<td>13,625</td>
<td>221</td>
<td>61,652</td>
</tr>
<tr>
<td>El Salvador</td>
<td>6,163</td>
<td>262</td>
<td>23,523</td>
</tr>
<tr>
<td>Guatemala</td>
<td>14,027</td>
<td>332</td>
<td>42,250</td>
</tr>
<tr>
<td>Honduras</td>
<td>7,466</td>
<td>298</td>
<td>25,054</td>
</tr>
<tr>
<td>Mexico</td>
<td>109,610</td>
<td>2,440</td>
<td>44,922</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>5,743</td>
<td>154</td>
<td>37,292</td>
</tr>
<tr>
<td>Panama</td>
<td>3,454</td>
<td>75</td>
<td>46,053</td>
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<tr>
<td>Paraguay</td>
<td>6,349</td>
<td>238</td>
<td>26,676</td>
</tr>
<tr>
<td>Peru</td>
<td>29,165</td>
<td>2,070</td>
<td>14,089</td>
</tr>
<tr>
<td>Uruguay</td>
<td>3,361</td>
<td>89</td>
<td>37,764</td>
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<tr>
<td>Venezuela</td>
<td>28,583</td>
<td>335</td>
<td>85,322</td>
</tr>
<tr>
<td>Latin America</td>
<td>548,718</td>
<td>16,215</td>
<td>34,840</td>
</tr>
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</table>

Number of municipalities - author’s calculations based on official data.
Table 2
Number of municipalities in Latin America, 1994 and 2010

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>1,100</td>
<td>2,112</td>
<td>92 %</td>
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<tr>
<td>Bolivia</td>
<td>296</td>
<td>337</td>
<td>14 %</td>
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<tr>
<td>Brazil</td>
<td>4,974</td>
<td>5,564</td>
<td>12 %</td>
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<td>Chile</td>
<td>334</td>
<td>345</td>
<td>3 %</td>
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<tr>
<td>Colombia</td>
<td>1,034</td>
<td>1,102</td>
<td>7 %</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>81</td>
<td>81</td>
<td>0 %</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>137</td>
<td>160</td>
<td>17 %</td>
</tr>
<tr>
<td>Ecuador</td>
<td>193</td>
<td>221</td>
<td>15 %</td>
</tr>
<tr>
<td>El Salvador</td>
<td>262</td>
<td>262</td>
<td>0 %</td>
</tr>
<tr>
<td>Guatemala</td>
<td>330</td>
<td>332</td>
<td>1 %</td>
</tr>
<tr>
<td>Honduras</td>
<td>291</td>
<td>298</td>
<td>2 %</td>
</tr>
<tr>
<td>Mexico</td>
<td>2,397</td>
<td>2,440</td>
<td>2 %</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>143</td>
<td>154</td>
<td>8 %</td>
</tr>
<tr>
<td>Panama</td>
<td>67</td>
<td>75</td>
<td>12 %</td>
</tr>
<tr>
<td>Paraguay</td>
<td>213</td>
<td>238</td>
<td>12%</td>
</tr>
<tr>
<td>Peru*</td>
<td>1,798</td>
<td>2,070</td>
<td>15 %</td>
</tr>
<tr>
<td>Uruguay**</td>
<td>19</td>
<td>89</td>
<td>468 %</td>
</tr>
<tr>
<td>Venezuela</td>
<td>282</td>
<td>335</td>
<td>19 %</td>
</tr>
<tr>
<td>Latin America</td>
<td>13,951</td>
<td>16,204</td>
<td>16 %</td>
</tr>
</tbody>
</table>

Municipalities in 2010 - author's own calculations based on official data.

* Peru is the only country with a two-tier local government system, comprising both provincial councils and district councils.
** Uruguay introduced a municipal tier of government for the first time in 2010.
Table 3
Number of citizens per councillor for largest municipality in each country of Latin America

<table>
<thead>
<tr>
<th>Country (Municipality)</th>
<th>Population</th>
<th>Number of councillors (2010)</th>
<th>Number of citizens per councillor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina (Buenos Aires)</td>
<td>3,000,000 (2009)</td>
<td>60</td>
<td>50,000</td>
</tr>
<tr>
<td>Bolivia (Santa Cruz)</td>
<td>1,528,683 (2006)</td>
<td>11</td>
<td>138,971</td>
</tr>
<tr>
<td>Brazil (São Paulo)</td>
<td>10,990,249 (2008)</td>
<td>55</td>
<td>199,823</td>
</tr>
<tr>
<td>Chile (Maipú)</td>
<td>1,000,000 (2010)</td>
<td>10</td>
<td>100,000</td>
</tr>
<tr>
<td>Colombia (Bogotá)</td>
<td>6,778,691 (2005)</td>
<td>45</td>
<td>150,638</td>
</tr>
<tr>
<td>Costa Rica (San José)</td>
<td>340,000 (2005)</td>
<td>13</td>
<td>26,154</td>
</tr>
<tr>
<td>Dominican Republic (Distrito Nacional)</td>
<td>2,987,013 (2008)</td>
<td>19</td>
<td>157,211</td>
</tr>
<tr>
<td>Ecuador (Quito)</td>
<td>2,500,000 (2009)</td>
<td>15</td>
<td>166,667</td>
</tr>
<tr>
<td>El Salvador (San Salvador)</td>
<td>316,090 (2007)</td>
<td>12</td>
<td>26,341</td>
</tr>
<tr>
<td>Guatemala (Ciudad de Guatemala)</td>
<td>1,150,452 (2007)</td>
<td>14</td>
<td>82,175</td>
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<tr>
<td>Honduras (Tegucigalpa)</td>
<td>1,250,000 (2008)</td>
<td>5</td>
<td>250,000</td>
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<tr>
<td>Mexico (Ciudad de México)</td>
<td>8,200,000 (2007)</td>
<td>17</td>
<td>482,353</td>
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<td>Nicaragua (Managua)</td>
<td>973,087 (2008)</td>
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<td>51,215</td>
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<tr>
<td>Panama (Ciudad de Panamá)</td>
<td>708,738 (2008)</td>
<td>21</td>
<td>33,749</td>
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<tr>
<td>Paraguay (Asunción)</td>
<td>518,792 (2008)</td>
<td>24</td>
<td>21,616</td>
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<tr>
<td>Peru (Lima Metropolitana)</td>
<td>7,500,000 (2009)</td>
<td>38</td>
<td>197,368</td>
</tr>
<tr>
<td>Uruguay (Montevideo)</td>
<td>1,700,000 (2010)</td>
<td>31</td>
<td>54,839</td>
</tr>
<tr>
<td>Venezuela (Libertadores)</td>
<td>2,097,350 (2008)</td>
<td>13</td>
<td>161,335</td>
</tr>
</tbody>
</table>

Source: Author’s calculations based on official data.
REFERENCES


Borja, Jordi, 1987, Descentralización del Estado: Movimiento Social y Gestión Local, Santiago: FLASCO.


Programme.

