

FUNDAMENTAL ASPECTS OF THE EVOLUTION OF
MEXICAN PUBLIC ADMINISTRATION

C o o r d i n a t o r :

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1. GENERAL ASPECTS

1.1 The understanding of Mexican public administration in only possible starting with a knowledge of the political, economic, social and cultural reality determining its evolution, as well as the juridical standardization which conditions its organization and fields of activity.

The study of public administration integrated into the social context is indispensable in the case of Mexico, especially starting from 1917, for the reason that political and juridical institutions have developed in the country with clearly distinctive characteristics, even in comparison with countries in similar conditions, and these have impressed their own traits on its public administration.

1.2 Three great politico-social movements, the Revolution of Independence, the Reform and the Revolution of 1910-1917, have defined the Mexican State:

Form of government: republican, federal and presidential, with an executive power residing in the person of the President of the Republic, on whom the federal public administration depends; a legislative body which rests, in its turn, in a Congress, divided into two chambers, and a judiciary.

Political division of the territory: this comprises twenty nine states (which in their internal government also adopt the division of authority); a Federal District and two federal territories. The basis of this territorial division and of the political and administrative organization are the municipalities, whose number exceeds two thousand three hundred.

Socioeconomic system: this is based on a concept of democracy which considers it not just a juridical structure and a form of government but a system of life founded on the constant economic, social and cultural improvement of the people's quality of life.

To this end the Constitution provides that, without hostilities or

exclusivist activities, we shall start from the understanding of our problems, from the rational and just exploitation of our resources, from the defence of our political independence and the assuring of our economic self sufficiency, as well as from the conservation and increasing of our culture, in order to contribute to easier human coexistence, with respect for the dignity of the individual and for family unity, and ensuring the general interest of society, the social function of private property and the fair distribution of wealth. Moreover the fundamental rule establishes social rights for workers and peasants. In this way a democratic, national and humanistic system is shaped.

1.3 The Federal Public Administration has grown within the politico-juridical framework, and with its foundations in the constitutional objectives, in accordance with its resources and organizational capacity. Its institutions are grouped into two types of organization, according to whether their links with the President of the Republic are direct or indirect:

The Central Administration: this is made up of bodies that collaborate directly with the President, and it exercises standard public functions, besides rendering services and constructing works; it comprises fifteen ministries, four administrative departments, two Attorneys general and the governments of the two federal territories.

The Decentralized Administration and the Administration of State Participation: this embraces the organizations that are decentralized in the strict sense, the companies in which the majority of the shares are held by the government, the companies in which a minority of the shares are held by the government, and the public trusts; this sector arises from imperative needs for technical specialization and from regional criteria, and it has its basis in constitutional provisions and in the aim of attending to public requirements, with different degrees of operational autonomy to facilitate greater opportunity and efficiency in decision and action. Under this heading are included organizations intended for the direct rendering of public services in the national interest; for the rational and just exploitation of basic resources; for the promotion of science and technology; for the consolidation of systems of social security and public housing; for carrying out other economic activities not adequately dealt with by the private sector, owing to the need for heavy investment, to the long period before anything is recovered, or to a low degree of usefulness; and for keeping open sources of work in cases where private companies are in financial difficulties.

As a complement to this number of bodies and organizations, various coordinating mechanisms have been formed: inter-ministerial ones, in which are included dependencies of the central sector; multi-dependent ones, which include decentralized institutions or public companies; and mixed ones in which, moreover, the organized social sectors or international organizations participate.

Finally, in the Federal public administration there function some administrative courts: the Fiscal Court of the Federation; the Court of Administrative Disputes of the Federal District; the Federal Court of Arbitration, for Workers in the Service of the State; the Federal Labour Council for Conciliation and Arbitration with jurisdiction throughout the republic in certain subjects, and Local Councils for Conciliation and Arbitration in the Federal District and in the two federal territories.

1.4 This brief outline of the administrative structure shows growth originating in the realities and demands of the different stages of the country. Consequently, it can be observed that while there has been a quantitative growth of public dependencies and organizations, there has not been a corresponding qualitative and balanced development of the administration as a whole.

The imbalance which is seen in the Federal Public Administration is also found in the state and municipal administration, in the same ways as in the economic, political and cultural development.

The country has suffered an unequal growth in fields of activity, productive sectors and geographical areas. This has created a situation in which, for example, agricultural activity has been subordinated to industrial and financial activity, and in which important groups and geographical areas have been neglected, occasioning a process of concentration of material and cultural benefits into small groups and only a few zones.

In the regions of marginal development the people live and work with methods that are centuries out of date, whilst in the big urban centres the advanced techniques and resources of our time are applied.

The administrative development of the country reveals similar characteristics. Organizations that work with systems, processes and operations that were introduced gradually in an empirical fashion as time passed, sometimes dating from the colony, stand side by side with institutions established with the most modern methods and supported by adequate resources; this demonstrates the presence of different "administrative periods" coexisting in a single institution, with

all their consequences periods" coexisting and inefficiency of the whole, due to the existence of a reciprocal influence between them.

On the other hand, to the process of the centralization of the economy, of the sources of work and credit and of the expectations of consumption, there has also corresponded a concentration of the political and administrative decisions, and, although to a lesser extent, of the public services, in Mexico City.

The growing number of institutions resulted, moreover, in a duplication of functions with wasted resources and the diminished effectiveness of government action.

Together with the characteristics of Mexican administrative development, the effects of general backwardness and of economic and cultural dependence, common to several countries, can be felt in the lack of financial, technological and human resources which the Public Administration needs to transform society.

1.5 The idea of improving the efficiency of public administration has been present from the time of the first legal-administrative provisions of independent Mexico, but only in the last few decades have efforts been made in this direction, and starting from 1970 administrative reform has been established as a permanent process, linked to social reality and to national aspirations.

1.6 Within the general characteristics indicated, the country has evolved continuously, especially since 1917, following the constitutional principles and objectives, and attending to the requirements of each period, with specific programmes and styles deriving from the replacement every six years, since 1934, of the principal political and administrative executives, which allows for mobility and renewal in the system.

The continuity has been possible because of political stability strengthened by a broad popular basis and by the fundamental programmes of the Constitution in force, while the renewal is guaranteed by respect to the principle of no re-election.

2. EVOLUTION FROM 1952 TO 1970

2.1 In this period there have been three presidential terms: 1952-1958, Adolfo Ruiz Cortínez; 1958-1964 Adolfo López Mateos; and 1964-1970 Gustavo Díaz Ordaz.

More than two hundred and fifty public institutions were created, counting ministries, decentralized organizations, state-participant companies and mechanisms for coordination and participation.

2.2 Between 1952 and 1958 the Law of Ministries and Departments of State passed in December 1946 was in force, in accordance with which thirteen ministries and two departments were in operation: the Ministries of the Interior, of Foreign Affairs, of Finance, of National Defence, of the Navy, of the Economy, of Agriculture and Stockbreeding, of Waters Resources, of Communications and Public Works, of Public Education, of Health and Welfare, of Labour and Social Security, of State Property and Administrative Inspection and the Departments of Agrarian Reform and of the Federal District. There also existed the Department of Military Industry. In 1958 the law (still in force) was passed which created the Ministry of the Presidency and the Department of Tourism; it divided the Ministry of Communication and Public Works into two—one of Transport and Communications and another of Public Works—and changed that of State Property into the Ministry of the National Patrimony and that of the Economy into one of Industry and Commerce, assigning them new functions.

In the cases of the decentralized administration and the administration of state participation, institutes were created to answer problems set in the different periods.

Although the aim was to make the system efficient, there was duplication, disorganization, relative autonomy and vagueness of various types, which gave rise to "ill-attended activities and a dilution of responsibility,"* because of the absence of integrated administrative policies.

In this way, the systems corresponding to an administration which mistrusted its agents were maintained: fewer decisions and of less importance continued to be centralized at the highest level; cumbersome and expensive accounting and administrative controls continued to function for matters which did not always warrant them; mechanisms, apparently of coordination, were set up which could not meet regularly and carry out a useful task, because of the number or because of the high rank of their members; they arose, in short, from deficient administrative planning.

¹ *Report on the Reform of the Mexican Public Administration Commission on Public Administration (1967)*, Ministry of the Presidency, State Office of Administrative Studies, Mexico -- 1974. p. 28.

Only starting in the Sixties did administrative growth by simple accumulation of institutions began to be questioned.

2.3 The action of public administration took in, in 1952, the different sectors of economic and social activity, if in a partial and isolated way, without integrated concepts of sectors to coordinate the work of the different public institutions that competed in each case. Many of the legal and organizational innovations of these three periods tended to achieve this integration by a trial and error approach.

2.4 Since 1952, elements have been gradually built in, which help to form, in a more advanced and modern way, the present support systems common to the whole administration:

Planning. In 1954, based on experiments of the National Development Bank in the elaboration of a programme of public investment by economic sectors, and of the Committee on Investment which had worked in the Bank of Mexico and later in the Ministry of Finance a Commission on Investment was created, assigned to the executive offices of the republic, with full powers to draw up, structure and authorize the annual and six-year plans for public investment.

The Law of Ministries that is still in force attributed to the Ministry of the Presidency the functions of the aforementioned Commission on Investment. By later provisions, an Interministerial Commission was set up, which elaborated the Plan known as Immediate Action Plan 1962-1964 and the National Development Programme 1965-1970.

Human Resources. In 1960 the Constitution was amended to confirm the rights of the workers of the State. Thus, amongst others, the maximum day's work was established, with the obligatory breaks; the minimum salary; the rights of selection and promotion on the basis of merit; the creation of schools of public administration, and the rights to form unions and to strike of the workers denominated "basic", because fixed. The "responsible" workers were treated as identical with regard to measures protecting salaries, and social security.

In 1959, the old State Office of Civil Pensions considerably increased its powers, taking charge of social services for civil servants, when it became the Institute of Social Security and Services for the Workers of the State (ISSSTE).

The "basic" workers are organized into unions, which make up the Federation of Union of the Workers in the Service of the State (FSTSE).

Conflicts between the state and its workers are settled by the

Federal Court of Conciliation and Arbitration, created in 1963; those which arise with workers for companies administered directly or by decentralized means by the federal government are settled by the Federal Council of Conciliation and Arbitration.

Financial Resources. In the period 1952-1970 various financial reforms were carried out to gather new funds for the federal exchequer.

Among others, the one which made new participations in federal taxes possible for the member-states of the Federation and facilitated the holding of coordinating agreements in the matter of a federal tax on commercial income, with the aim of fomenting economic activity in those states. In December 1964, there was established a special income tax which has been the object of later reforms.

In the matter of expenditure, changes were brought about during these years: in 1955 to the budgetary classification denominated "functional", by section and item, by group and subgroup, there was added a classification by object of expenditure, according to whether it was a question of current expense or of investment. In 1958 there was added an economic classification into double accounting, which permitted a clearer evaluation of the degree of balance obtained between income and expenditure. In 1965, the expenditure of sixteen decentralized organizations and companies with the majority of the shares held by the state was included in the annual budget.

The elaboration, execution and control of the budget, since the last century, has been the province of the Ministry of Finance.

Material Resources. Starting from 1958, the Ministry of the National Patrimony has been charged with administering state property, regulating the exploitation of natural wealth and resources keeping up to date the valuation of state property, intervening in the acquisition, transfer, use and other aspects affecting federal land property, the elaboration and handling of the general inventory of state property, and also with intervening in public purchases and control and supervision, financial and administrative, of the operation of the state-participant institutions, and those of the decentralized sector.

In 1959 a system of public purchases began to be formed to allow dependencies to buy things under their responsibility and to submit their requests to the "a posteriori" control of the new Ministry. In 1964, limits were established to this provision in the Regulation of the Organic Budgetary Law Covering the Expenses of the Federation. In 1965 the Law of Inspection of Purchases was passed, which allowed for the creation of a list of suppliers, a catalogue of articles and max-

imum prices and special requirements for imports from the public sector.

Control and Supervision. Since the 1958 Law of Ministries the functions of control and supervision correspond to the Ministry of Finance in budgetary questions, to that of the Presidency regarding investments and programmes, and to that of the National Patrimony in administrative questions.

Administrative Reform. The old Ministry of State Property and Administrative Inspection had, amongst others, the functions of coordinating administrative improvements of the dependencies and of the public sector as a whole, suggesting to the President measures tending to improve public administration, and of advising in the matter of government bodies; for 1954 it had carried out an analysis of the principal problems in the structure and functioning of the federal government.

At this stage isolated attempts at reform were made, like those in the Bank of Mexico and in the Ministries of Communications and Public Works, and National Defence, which had no repercussions in the rest of the public sector.

In 1958, the power of studying administrative reforms in the public sector as a whole passed to the Ministry of the Presidency. April 9, 1965, the Commission on Public Administration was established in the said Ministry, dedicating its two first years to the formulation of a diagnosis, published under the title of "*Report on the Reform of the Mexican Public Administration*".

From 1968 to 1970, the abovementioned Commission carried on studies and reform plans for such systems as organization and methods, purchases, warehouses and landed property of the public sector, for the juridical bases which control the action of the Federal Government and other administrative actions common to all the public institutions.

Aware of the inconveniences of carrying out these tasks starting from a central unit, the Commission recommended that each dependency or organization should have a permanent internal unit for technical assessment, which would conventionally be called "Organization and Methods", and which would deal with the analysis and proposal of measures for administrative rationalization, as well as advising the executives on internal improvements in each dependency. The units of this type which were established, for the lack of a legal instrument to guarantee their action as advisers of each chief, and of full support at the highest level, in the majority of cases dedicated themselves only to the study of less important and generally isolated measures.

Moreover, their activity was not always linked to the programming mechanisms, for which reason some of them devoted themselves to the search of "efficiency for efficiency's sake".

There was an attempt to link the programmed objectives with administrative reforms by sector-coordinating mechanisms, but only in the agricultural sector were there results of any importance.

2.5 The structure and the principal operational procedures of the different ministries and departments have been determined, in a full and occasionally diffuse way, by the legal and administrative rules which have been established in the passing of time, without any pruning, selection, updating or codification of the latter being made. This in some cases gives rise to serious administrative difficulties.

There have not always been internal regulations in all the dependencies and when there were any they were obsolete or suffered from a grave defect: embracing everything.

They set themselves up as an organization manual for ministry and department, for some principal posts in the dependencies (minister, deputy minister, chief executive, some heads); as a set of regulations for general working condition, and so forth.

2.6 Some dependencies achieved an empirical adaptation of the administrative apparatus to the work programmes, thanks to the experience and common sense of some civil servants without preventing the duplication of functions, the lack of communication systems and other deficiencies.

The aforementioned report of the Commission on Public Administration concludes in this respect that:

a) There exist situations of duplication (competing functions) which should be revised in every case (with the participation or the ministries or departments which present them) to establish the convenience or inconvenience of the said duplication, and the appropriate systems of coordination and responsibility.

b) An excessive number of exclusive functions present themselves (matters which are attributed in a general way to a dependency, either because the law requires it, or because they are not explicitly attributed to another dependency). This provokes a vagueness which gives rise to ill-understood activities and a dilution of responsibility.

c) The functions that activities like statistics, the census, inventories, surveys, compiling etc., entail, fundamental in planning acti-

vities, are found to be spread through the various dependencies without efficient coordinating systems or common criteria for ease in obtaining information. The problem increases for the reason that various decentralized organizations, state-participant companies, commissions etc., develop activities of the same nature.

d) The function in the field of building, rebuilding and conservation of works are scattered, and there are no general rules for operation. There is a much need for a set system for the competitions to contract for public works as there is for unitary systems for the elaboration of plans for contracting.

e) As regard the functions relating to the possession, administration and supervision of state property, they fall within different dependencies, although the greatest share corresponds to the Ministry of the National Patrimony; they lack common rules and systems and suitable proceedings for coordination and control. The lack of a register and a complete inventory of real estate hinders the due administration and control, with consequent losses for the nation. On another front, much property is not adequately exploited, or does not have the economic or social use required and which could be given to it. Regarding private property, similar situations prevail, particularly in storing and control.

On the other hand, the Commission on Public Administration also discovered that not all the functions specified by the Law of Ministries and Departments are fulfilled, that some are only partially completed, and that the ministries carry out other function not specified in this law, for which reason competitions and duplications have been created even more complex than those included in the law itself.

2.7 Each ministry and department has established hierarchical levels; however, on this point there does not exist any common approads regarding the principle of authority.

2.8 The same phenomenon observed with regard to the public sector as a whole was reproduced at the microadministrative level; every time it was necessary to face new problems, new units were created which, like the ones that already existed, exhibited a disproportionate rate of growth.

The tendency to delegate, decentralize and deconcentrate without an awareness of the whole favoured, amongst other factors, an accelerated growth in bureaucracy that was not always justified.

2.9 The systems of administrative support have also been developing in a disorganized fashion. While some sections continued to be anchored to their traditional mechanisms, others began to introduce the most up-to-date administrative methods and techniques.

2.10 From what has been said it can be inferred that the evolution of the public sector up to 1970 shows a disorganized institutional growth, with greater emphasis on the short term solution of problems that arose, than on the prevention of setting up long-term efforts.

From this derives the existence of competitive situations between institutions, resulting in technical unbalances and inequities of resources necessary for fulfilling their objectives, disparities which it is not uncommon to find also within a single institution.

The existence of duplicated and disorganized functions — even, occasionally, contradictory — caused some of them to be neglected for certain periods of time, or carried out deficiently, with the consequent dilution of responsibilities.

There was not the same strain in efforts in all the sectors of economic and social activity, so that an imbalanced development of sectors was produced. Nor was it possible, owing to the lack of a vision of the whole, to harmonize the development in the different regions of the country.

The main administrative support systems also appear to be different stages of development and integration.

In the same way, differences in salaries, wages, benefits and working conditions appear within the public sector and between the latter and the rest of the labor market.

The traditional style of management continued to condition the public task, with a rigid centralization of decisions, overwhelming the higher levels with routine and unnecessary work, with a consequent lack of participation and responsibility from the civil servants.

3. PRESENT SITUACION

3.1 Since the beginning of the present term of government, presided over by Luis Echeverría, in December 1970, the problems of the country in the different orders have been restated, which demanded, concomitantly, the strengthening and adaptation of public administration.

Foundations have been laid for the reorientation of economic development with a view to sharing out its benefits in a fuller fashion;

measures have been adopted to broaden the channels of political participation and to strengthen the participation of the different sectors of society in the decisions which affect them; the decentralization of the economy is being promoted; a process of deconcentration of federal public administration is under way, tending to distribute decision-taking bodies in the states of the republic or in the regions, in accordance with the technical characteristics of each dependency; and there are being established committees for the promotion of the integral development of the federative bodies in which the state and federal authorities participate, as well as committees representing the various social activities in which, amongst other functions, the priorities for federal investment in each body are put forward.

3.2 The administrative reform has been integrated with the basic transformations tending to give impetus to the economic, political and social development of the country.

3.2 The efforts towards administrative reform have been linked with the goals and programmes of the dependencies of the public sector, for which reason the heads of each institution have been given the responsibility of bringing about internal reforms, through bodies and mechanisms of administrative analysis. For this purpose, Units of Programming and those of Organization and Methods were created; furthermore, Internal Commissions on Administration have been established, as mechanisms of participation made up by the different heads of each dependency or organization, presided over directly by their minister or chief, to plan and execute the reforms necessary for the better performance of their objectives and programmes, as well as increasing the efficiency of the body and contributing to that of the public sector as a whole.

For its part, the Ministry of the Presidency makes the aims compatible, coordinates the efforts of each dependency towards reform and establishes the common systems and rules referring to two or more institutions.

The Foundations for the Programme of Administrative Reform of the Federal Government, 1971-76, established a frame of reference and eleven specific programmes.

The framework refers to the background, objectives and methodology, and the programmes comprise the integration of the bodies and mechanisms of the reform system itself; the global revision of government activity with regional and sector approaches, and the most im-

portant systems of administrative support common to the public sector: programming; budgeting; information and statistics; organization and methods; legal bases; human resources; material resources; automatic data processing or informatics and administrative and accounting controls.

3.3 The programming units were created with the aim of integrating them as peripheral units, into a system fully participating in public programming. Parallel to the formal planning system, there had been functioning a system of coordination of development strategy between the principal economic factors in the country, which, in June 1971, was formalized into a National Tripartite Commission, made up of government, labor and capital representatives.

By a Resolution of the President of the Republic, of 29th May of the current year, a mechanism was established for the programming of federal investments by each federative body, which will favour collaboration between the the federal public sector and the federative bodies through committees promoting socioeconomic development, with the aim of scaling federal republic investment to accord with the real and enormous shortages, through the direct knowldege of popular demand, and systematically considering the opinion of local authorities and concerting the programmes of the various federative bodies in the national programming.

3.4 With regard to the administration of human resources, the catalogue of posts in the administration was simplified in 1972, reducing to sixteen the thirty-three categories that operated in the past and, starting from 1973, there has started a mechanism coordinating government action in the administration of its employees: The Commission on Human Resources in the Public Sector. Also, the criteria of the different dependencies have been made compatible, as regards the controlling of the salary — scale, and of the general working conditions.

In the question of training civil servants, in 1971 the National Centre for Administrative Training was created, in the Institute of Social Security and Services for the Workers of the State, to impart courses to the basic personnel, in coordination with the training centres of the dependencies themselves. Since 1970 scholarship and fellowship programmes have been promoted for the training of high-level technical and professional personnel, in collaboration with foreign governments and with the national institutions of higher education.

In 1974 the National Programme for Administrative Training

began to function, coordinated by the Ministry of the Presidency, for "responsible" officials, in collaboration with the Institute of Public Administration.

3.5 In the administration of financial resources, the Ministry of Finance coordinates its activities with the governments of the member-states for purposes of tax-collection.

In 1973, the number of decentralized and state-participant institutions subject to budget control rose to twenty-five, and these correspond to more than eighty per cent of the resources of the sector. In the present year, the budget was classified by sectors of economic and social activity.

Twenty years ago the budget of expenditure was less than ten thousand million pesos; at present it is more than two hundred and thirty thousand million pesos.

3.6 In 1972, the new Law of Inspection of Purchases was passed, which provided that the federative bodies shall elaborate annually budgets and programmes of purchases and means for the consolidation of the same; they shall also bring about the restriction of imports; the standardization of articles in constant use; the revision of the systems for purchases and warehouses of the public institutions, and the establishment of Committees on Acquisitions in each one of them.

3.7 Concerning the systems of control and supervision, starting from January 1972, technical inspection was initiated with a view to raising the level of efficiency of all the public companies.

Relative to the control of public works, checkups on the works are being carried out, on a sampling basis, allowing considerable economies.

The setting-up of a Coordinating Commission, for the Control of Public Expenditure, as well as a Committee of Chief Executives, has allowed the outlining, at present, of the fundamental conditions of a coherent system of specific controls, which will give homogeneity to the whole public sector and will serve, at the same time, to improve each dependency administratively and financially.

3.8 A basic aspect of the programme of administrative reform promoted by the present Government is that which pertains to the administrative deconcentration of federal public action, which is being proposed to counteract the excessive centralization of authority in the heads of the various public institutions, and the concentration of the

decisions, of the official proceedings and of the services in the capital of the Republic.

Significant steps have been taken to this effect on the initiative of President Echeverría. In the first place, Articles 26 and 28 of the Law of Ministries and Departments were reformed, with the aim of fixing clearly the delegation of powers from the heads to subordinate officials, and to clarify the obligation of each dependency to have a set of internal regulations in which the powers of the head and his subordinates shall be established, besides having to draw up administrative manuals for its better operation.

Later on, a Presidential Resolution of 5th April, 1973, provided that the Ministries and Departments, decentralized organizations and State-participant companies should proceed to delegate the powers of the heads to subordinate officials as well as to officials who work in the interior of the republic, for a more rapid decisions making. The resolution also provides that unitary criteria shall be applied in the establishing of federal administrative units in the national territory, for which the Ministry of the Presidency was given the function of coordinating these measures.

Another important aspect of the economic and administrative deconcentration, being executed by the Federal Government, rests in the aim of carrying government action to the regions where grave problems of underdevelopment are found. To this end, participating and promoting organizations have been created, such as the National Commission for Arid Zones and the Coordinating Commission for the Integral Development of the Peninsula of Lower California, among others. Moreover, there has been investment in the establishment of mixed enterprises for the rational and just exploitation of natural resources in various federative bodies.

4. PROSPECTS

4.1 The evolution of Mexican public administration allows the observation of an uninterrupted process of growth linked to that of the country, extremely sensitive to its political, juridical, economic and cultural characteristics.

To unequal national development, in the economic and regional spheres, there has corresponded an administrative imbalance, characterized by the varying degree of resources and organizational capacity that public administration disposes of in each sector of activity,

in each sector of activity, in each area within a single sector, in the different institutions and even in the internal units in each one of them. This situation means that in the same space and time there coexist forms of administration equivalent to different historical periods.

4.2 The present political decisions aim to lead the country up to the present historical moment and prepare it for the future. To this purpose actions are being undertaken which are overcoming the general imbalance, as for example, amongst others, the fostering and decentralization of the economy; greater collaboration of the federal government with the federative bodies for the development of the potentialities of their inhabitants and of their resources; a fuller stimulus to agrarian reform and to scientific and technological development; improvement of the tax system; renovation of the educational system, and an increase in the channels for democratic participation and expression.

These measures rest on others, typically administrative with the expectation not only that public administration will resolve its own disparities and improve its work systems, but that it will also be capable of acting as an effective instrument in the solution of social and regional disparities, to be in this way an effective instrument in the transformation that the present moment and the future of the country requires.

4.3 In keeping with these efforts in the internal structure, and with complete understanding of the international situation which conditions the life of nations, President Echeverría has put forward indispensable principles for overcoming the domination which is imposed from the centres of world hegemony, and for obtaining just and convenient conditions in commerce, in credit and in cooperation to promote a new international distribution of products and goods, preserving the right of all peoples to organize and govern themselves, and to conserve their national characteristics, through the practice of non-intervention in the affairs of other countries.

This is the aim of his idea, the Charter of the Economic Duties and Rights of States, tending to establish rules and mechanisms which will assure the economic independence of countries in the face of the action of the international economic powers.

Amongst the principles which make up this plan we find some which are the product of Mexico's long experience in the defence of its sovereignty and which are found in the General Constitution of the

Republic: the right to dispose freely of natural resources; unrestricted regard for the right of each country to adopt the economic structure which suits it and to impose on private property restrictions dictated by the public interest; the renunciation of the use of economic instruments and pressures to reduce the political sovereignty of states; the subordination of foreign capital to the laws of the country in which it is invested; the explicit prohibition of transnational corporation to interfere in a country's internal affairs; the abolition of commercial practices which discriminate against the exports of non-industrialized countries; economic advantages proportional to the levels of development; agreements guaranteeing the stability and the fair price of basic products; the full and adequate transmission of technological and scientific advances, at lower cost and with greater speed to the backward countries, and greater long-term resources and a low rate of interest without strings attached for financing development.

4.4 It is on this concerted effort in internal and external affairs that the Mexican government and its public administration base the complete fulfilment of their constitutional objectives, through the consolidation of conditions which will permit the full enjoyment of liberties in material and cultural wealth, and which will give equality to individuals in the national sphere, as well as to countries in the international community.