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## Survey of the Issues

Local Government: Links with Human Rights

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### DECENTRALISATION, DEVELOPMENT AND HUMAN RIGHTS: SOME PRECEDENTS FROM THE CHILEAN EXPERIENCE

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## INTRODUCTION

1. Over the last decades, Chilean history has shown an increasing relevance of some issues and concepts that have influenced the behaviour of the State, political organizations, academic centres, mass media and the different focal points of social initiatives that articulate various sectors of Chilean national life.
2. In this context, the issues of decentralization and human rights have been an integral part of these concerns. The former has taken a secondary place and, in many occasions, has been related or subordinated to other more traditional issues, such as state reductions or territorial economic development programs. The latter, which has emerged with unusual strength since 1973, has become a permanent part of the national political agenda; yet, this has been so, mainly in reference to problems of repression and their consequences during Pinochet's government. However, as we will see further on, if under the latter, other rights are entailed, such as the right to participate in the political-electoral process; access to certain health benefits; education, housing, and social security; to employment and minimum wages; undoubtedly, these rights in Chile have been exercised widely for many decades. It is well known that following the *coup d'état*, many of these rights were drastically eliminated or their realization was no longer guaranteed by the State or by any social agreement; their enforcement only depended on the will of the market.
3. Decentralization is an area of concern of the State, governments and the population in general that timidly initiated towards the 1950s. Over the two following decades it is institutionalized by the state, and becomes one of the policies of the Pinochet military government, gaining further citizen's recognition with the arrival of Aylwin's, Frei's and Lagos's democratic governments. Even though the different initiatives have generated relevant changes in the political and administrative order, these are still undeveloped promises in the economic, social and territorial field. This paralyzed process must ultimately, and despite its limitations, lead changes in the areas of democratization, economic growth, cultural development, globalization and scientific-technological advances, with which the country must face challenges posed in the XXI century.
4. The concern for social, economic, and political rights has been the general tendency that characterized popular demands in Chile for most of the XX century. In fact, different circumstances -such as the expansion and crisis of the mining economy; a premature urbanization process; the building of a State that recognized the emergence and consolidation of new social groups through its policies, as the urban proletariat linked with the development of import substitution industrialization; and the action of progressive political parties and popular organizations – are all factors responsible for state institutionalization and social policies that not only aimed at alleviating poverty but also attempted to develop increasing participation of different sectors in national political processes.
5. However, the concept of human rights as such, only erupted with the *coup d'état* and the violent rupture of the Chilean democratic system in 1973. The cruel repression generated by the military dictatorship led to conditions virtually unknown in national history. Given the serious, extensive, and systematic violations of people's rights, social and political organizations were the subject of persecution. As a matter of fact, military institutions flagrantly created bodies to wipe out opponents of the military regime, receiving implicit and explicit support by right wing political sectors approving of these actions.

6. These repressive actions were as extraordinary as was the creation, development and consolidation of a number of initiatives and bodies that took over the essential task of defending and promoting human rights in Chile. Even though a simple view would place the impact of this process only in relation to the repressive dimension of human rights or to the Pinochet period, there are many elements that allow us to conclude that the creation of NGOs to address these issues is of greater scope.
7. It is true that since 1990, only an ever reduced number of individuals and institutions continued their focused work on human rights. Some of these lines included: increasing support towards the truth reports, legal assistance and representation before the courts, the systematization of experiences and precedents, the incorporation of these issues in educational curricula, the input of people who were exonerated from their jobs during the military regime, and, among others, support for the legal, workforce, familial reinsertion of exiled individuals.
8. However, many institutions or their staff experienced a two- fold transition as they passed from a dictatorship to a democratic government, and from the defence of individual, civil, and political rights to the defence of social and economic rights. Hence, work done in the field of human rights has constituted itself as an unsuspected source of individual and collective skills, that then fed other institutions and NGOs, high educational centres, political parties and, particularly providing the new democratic administration with important technical teams. It is interesting to note that many people participating in or involved with other thematic movements, such as the field of women, ethnic groups or advocates of decentralization, argue that, beyond their specific actions, their advocacy is simply inserted in the human rights field, no more, no less.
9. Nonetheless, in Chile, as well as in other countries, although the issues of decentralization and human rights are related in practice, and due to a range of theoretical reasons, they have not constituted the focus of specific analysis.
10. The hypothesis is that the realization of human rights –including economic, social, cultural, political and other rights- implies the recognition of peculiar local realities faced by certain social groups and individuals, which demands that the responsiveness of the State, responsible for the public good, is flexible, localized and fully participative; in other words, it requires decentralized public action.
11. This is a first attempt, at least for the author, to explicitly link both issues; therefore, its development will identify only superficially those who seem to be the most relevant ones. In this respect, the author recognizes the omission of other dimensions, and for the limited precedents that will be included.

#### **HUMAN RIGHTS OR THE EMERGENCE OF A NEW APPROACH TO INDIVIDUAL AND COLLECTIVE RIGHTS**

12. The phenomenon of the emergence of a number of human rights institutions was a common characteristic of every country that, over the last decades, has suffered from dictatorial experiences in Latin America and other continents. The Chilean case, as others, is not only marked by the complexities of its genesis, its peculiar characteristics, its relationship with the human rights movement, and its capacity to diversify its areas of performance, but also by its

relative success in permeating different social and political sectors, and in asserting certain extremely transcendental concepts and premises within the democratic agenda.

13. An expert in the field highlighted that: “The work of human rights NGOs is particularly transcendental in the Chilean case. They distinguish themselves in Latin America due to their rapid reorganization after the 1973 *coup d'état*, the extent of their programs and activities, its dimensions and public relevance. During the first years of the military regime, the claims for human rights violations committed by State officials were an important part of opposing political actions, within and outside the country. The relevance gained by human rights issues naturally highlighted the prestige acquired by NGOs in their opposition to the military regime.”<sup>2</sup>
14. In fact, the genesis and work of NGOs and other actors of the human rights movement—particularly the church and organizations representing families of repressed victims — have acquired great importance, beyond the issue of mere repression.
15. In the first place, human rights NGOs, under the agis of their dramatic justification, , enabled the further expansion of many other areas of activity. After the creation of early initiatives and human rights NGOs, other organizations appeared under their support to alleviate problems of famine and unemployment faced not only by the people directly affected by the repression but also by those who suffered from the early effects of neo-liberal policies being recently implemented. A third foundational wave, also related to the first one, is the emergence of small research centres—focused on the economy, employment and trade unions, rural development, social problems and so forth— composed of academics marginalized by state-run universities. Fourthly, new institutions emerged to support the reorganization of the social sphere—promoting community based organizations, neighbourhood groups, trade unions, women’s movements, and youth and ethnic groups. Other institutions appeared in the mid 1980s focused on the environment, and towards the end of the military government, others advocated for civic education and political rights.
16. Secondly, other closely related dimensions began to be incorporated under the concept of human rights. Governmental repression and economic policies generated an acute problem of physical survival for thousands of people that, given their real or alleged linkage with outlawed political parties, could not resort to the mechanisms traditionally used by the State to address these sorts of situations. Consequently, the concern of human rights organizations widened, from the effects of physical repression— murders, disappearance, torture or arrest — to problems in education, health, food, income, and employment, among others. That is to say, in practice, it became difficult to distinguish even artificially the simple repressive dimension of the military government from the effects produced on thousands of persons in other areas. Without being a widely accepted category, this makes it reasonable to incorporate the political, social, economic, cultural and most recently, environmental nature of other rights into the concept of human rights.
17. The extent of its programs and activities, its dimension and public relevance contributed to the process of political reflection and renewal taking place in the political democratic context—center and left wing parties -. In effect, as an important part of political opposition action,

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<sup>2</sup> Frühling, Hugo: “Organismos no Gubernamentales de Derechos Humanos en el paso del Autoritarismo a la Democracia en Chile”, in Taller de Cooperación al Desarrollo “**Una Puerta que se abre: Los organismos no gubernamentales en la cooperación al desarrollo**”, page 139, Santiago de Chile, Spring 1988.

within and outside the country, human rights performance and its expansive nature, made party organizations susceptible to new issues, sensitivities, and over all, to a more strict understanding of development. The intrinsic linkage between these issues (repression as a factor that clarifies the validity of diverse individual and collective rights) also contributed to this. Likewise, the moral legitimacy of the major authorities advocated to human rights, that implicitly asserted that the restitution of country normality implied or should imply a new appreciation and revision of the concepts of democracy, economy, citizens' rights, respect for diversity, culture, etc.

18. Fourth, it is interesting to note that many NGOs, –created under diverse forms: cooperatives or associations of professionals, corporations, advisory organizations, etc.-, given their reduced size (10 to 30 persons), began to relate their work to the local arena in which they were inserted –rural sectors, valleys, urban sites, neighbourhoods, communes or province -. Although many of these NGOs had a specific thematic focus–such as fostering social organization, cultural development, or micro-enterprises promotion, etc.-, their work already depicted a concern for the promotion of development processes that would be perceived as part of an integral response to the needs and rights of individuals and groups with which they had a relationship.
19. It is worth repeating that many of the actors working in these NGOs that developed their early experiences in human rights activities along with the acquisition of administrative skills–organization of teams, execution of projects –and new methodological practices of social work, also incorporated a new concept as regards the rights of the people. In fact many persons who in urban centres, and specifically in certain regions, have addressed the issue of democracy in the area of decentralization –regional political and sectoral authorities, academics, and others – had links to NGOs and, in particular, to human rights programs.

## THE HISTORICAL CONTEXT

### **Increasing Social Involvement/Inclusion and Consolidation/Reinforcement of Territorial Inequalities**

20. The Chilean State assumed, at an early stage, a major role in the promotion of economic growth, industrialization and social development.<sup>3</sup> Thus, since 1920 and until the *coup d' état*, in September 1973, Chilean society went on demanding that each and every government foster public policies aimed at reducing inequalities generated by economic growth and its resulting transformations. This process, in its final stages, translated on the one hand, into a reinforcement of the capacity of social organizations to exert political pressure, particularly by the proletarian section in urban centres, and on the other, into a state apparatus structured over a complex range of institutions characterized by large size, rigid operations and extremely centralized decision making processes.
21. Likewise, towards the early 1970's some things were becoming evident: problems of efficiency, low quality of services and the difficulties and inflexibility of the State to meet the requirements of a heterogeneous population with specific demands. Public policies benefited preferentially high-class socio-occupational sectors, those more capable to exert pressure, and they

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<sup>3</sup> Vega, Pedro : Modelos de Desarrollo y Política Social. In **Revista Estudios Sociales** N° 104/Trimestre 2/2000. Corporación de Promoción Universitaria, Santiago. The author distinguishes three models of social policies: first, charity until 1925; then, universality until 1973; and, finally, the focalization policy, in force until today.

undervalued other groups that also faced inequalities (women, youth, the elderly, ethnic and religious minorities).<sup>4</sup>

22. Apart from the increasing social and political difficulties faced by the country towards the end of 1960's, there already existed a concern for the anomalous process of territorial development. In fact, Chile was one of the first countries in Latin America to initiate a concern for territorial abnormalities in the process of development. This was dramatically reflected in a strong concentration of population and of social, economic, and political activities in a limited territory, mainly the capital area, and in extremely unequal levels of development –social, economic, cultural and others– throughout the country.
23. Since the 50's some activities, though unsystematic, were timidly initiated to solve some of the problems generated by the phenomenon referred to in Chile as "centralism". For geopolitical reasons, the provinces in the extreme North and South were granted some tax and tariff benefits in order to accelerate economic and demographic growth. In others, affected by economic and social problems, or natural disasters, Development Corporations were created to lead into processes of productive growth.
24. In 1965, under the influence of the Alliance for Progress (Alianza Para el Progreso), and during the development-focused social Christian influenced government, the Office of National Planning, ODEPLAN, was created and under it, the Direction of Regional Planning. Inspired by Development Poles Theory of Perroux, regional and national development programs and studies were elaborated, and a policy of sensitization was initiated within the remainder of the public apparatus.
25. Such efforts, with slight modifications, continued until 1973; however, the outcomes were not so significant as to alter the vicious cycle of territorial development in the country. Thus, the tendencies towards concentration of population and of economic, social, cultural, and political activities intensified. This was so, mainly due to the fact that the regional issue was only considered relevant by certain technical leaders at the local level, rather than by the citizenship in general or by political organizations, which conducted their actions in terms of broad ideological lines: the conservative right, progressive secular or Christian center or the socialist left.

### **Economic Liberalism and Political Authoritarianism: The Model of Development post 73**

26. The arrival of the military government was followed by the introduction of policies that led to a drastic rupture of the model of development followed by the country during previous decades. The changes followed a clearly predetermined sequence: first, the economic foundations were transformed, reducing the intervention of the State in the economy and assigning the private sector the role of primary agent of development. Then, there was an attempt to recreate social structures, eradicating what was considered to be an excessive political ideological orientation. Finally, there was a search for a new political system, changing the modalities of representation and of citizens' expression through major relevance assigned to trade unions and functional and territorial organizations, and reducing the role of political parties.

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<sup>4</sup> Serrano, Claudia: "Estado, Mujer y Política Social en Chile", in **Políticas Sociales, Mujeres y Gobierno Local**, by Raczynski D., and Serrano, Claudia (editors), Cieplan, 1992, Santiago, Chile.

27. Hence, since 1973 public policies, particularly in the social area, have become the means to correct costs resulting from the invisible operative hand of the market. In this way, the opening of a stage in which social policy is increasingly focused on the poorest sectors of society, offers a set of direct and individual benefits. In this context, as we will see, municipalities are gaining increasing importance, since they are the ones to measure and select who will be the potential beneficiaries of the resources granted by national public bodies.
28. This approach, came fully into force within a national context affected by an economic crisis and adjustment policies that generated a reduction of public and social expenditure (which went from 25% of GDP in 1971 to 14% in 1981)<sup>5</sup>. High unemployment rates also deteriorated the purchasing power of various sectors, which led to a significant increase in poverty.
29. Thus, in that period, social policies had a dual value. On the one hand, this was reflected in a significant reduction of social public functions and budget assigned to them, particularly in the field of health, education, and housing. On the other hand, new authorities paid much attention to the institutionalization of social policies, which resulted in a complete restructuring of such policies: accountable bodies, criteria, instruments, among other.
30. In this general line, the regional and local dimensions, rather than a means to an end, became instrumental objectives that served the overall purpose of re-establishing the economy, society and the State.<sup>6</sup>
31. The major steps taken during this period were:
32. The historical political and administrative division of provinces, departments, communes, and local offices was declared obsolete, imposing a more suitable structure to face new challenges posed by the national development. Thus, 13 regions, 51 provinces and more than 300 communes were created. Regional public service headquarters and ministries were set up, and provincial governors and mayors were appointed as the highest political and administrative authorities. Naturally, the highest posts were occupied by military strongmen.
33. The National Fund for Regional Development (FNDR) was established, intended to compensate for the imbalance between regions in the field of development through the funding of social facilities investments based on projects managed, for the first time in Chilean history, by regional authorities.
34. The mechanisms for tax and tariff support were strengthened to assist the most alienated regions, mainly Tarapacá (North) and Magallanes (South), which reinforced their benefits through their establishment as duty free zones and free trade ports.
35. Structural strengthening of local administrations was achieved. After having been subjected to the political control of the Ministry of the Interior since 1973, it was in the early 80's that a profound municipal reform was carried out, implementing a new organic law that extended considerably its administrative competence and capacities (especially at the personnel level). The municipalities assumed exclusive responsibilities consistent with other bodies operating in all areas of local development. A Municipal Tax Act was enacted, that radically changed the

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<sup>5</sup> Arellano, José Pablo: **Políticas Sociales y Desarrollo. Chile 1924-1984**, Cieplan, Santiago.

<sup>6</sup> Abalos, José, Lira, Luis: "Desarrollo Regional, Liberalismo Económico y Autoritarismo Político, Chile 1973-1984", **Revista Pensamiento Iberoamericano N°10**, 1986, Madrid.

situation of these entities recognizing important incomes as municipal property, which in the past were administered at the central level: property tax, license taxes for production and service activities, car licenses, among others. As a result, the budget of Chilean municipalities was automatically multiplied 25 fold. Moreover, the Common Municipal Fund (Fondo Común Municipal) was created as a mechanism to reallocate the resources from rich municipalities to poorer ones.

36. The management of services as regards primary health care and primary and secondary education was transferred to municipalities' administration, which included the ownership of facilities and resources to meet the operative costs of this system. Health officials and professors were hired on contractual basis by each municipality; generating diverse conditions from one another. The municipal management of primary health care and primary and secondary education had a weakening effect on trade unions that grouped them together at the national level. However, the cancellation of allowances for years of services of officials and professionals, and the proposal of adequate budgetary transfers to municipalities helped to reduce reluctance to these moves.
37. Along with the municipal management of education, the initiation of an alternative process enabled individual businessmen –on the basis of a monthly financial provision per student and according to educational facility type – to assist the State in this task.
38. To guide social participation, statutory boards were established at the local (CODECOS) and the regional level (COREDES), (comprising representatives of the Armed Forces, the business sector, universities, social organizations), intended to support the work of (municipal) mayors and (regional) governors.
39. Regional universities were created as a result of the merging of the headquarters that the State-run Universities of Chile and State Technology University had outside Santiago, arguing that they had to solve the problems posed by their own communities and territories.

## **THE RESTORATION OF SOCIAL, ECONOMIC, AND POLITICAL RIGHTS: IMPORTANT ACHIEVEMENTS AND GREAT FRUSTRATIONS**

### **The Payment of Social Debt<sup>7</sup>**

40. At the end of the military government, the Chilean society had accumulated an appalling social debt that would inevitably strain the goals of governability and the moderate political transition aspired to by the new administration, with legitimate demands posed by social organizations.
41. Guided by the leitmotif of growth with equality, beginning in the 1990s, the different democratic governments have initiated a notable move towards policies aimed at the realization of social, economic, and political rights. "In the social field, the State has played an active role against the neutrality predicated by neo-liberals. Today, it has acquired more resources to develop an active social policy; more resources resulting from global economic growth; more resources because of an increase in social expenditure as part of public

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<sup>7</sup> At the close of the Military Government it was common to speak of "social debt" in reference to a set of rights that were suspended by the military regime, particularly to the poorest sectors, public servants, including municipalities, retirees, and other social sectors.

expenditure; more resources due to the assignment of traditionally non-social expenditure towards the social; more resources resulting from an increasing efficiency in resource management, and, what is qualitatively more significant, more resources due to community participation in social activism”.<sup>8</sup>

42. Five pillars have supported this policy during the 90's. First, equality of opportunities; i.e., that investment, mainly in the fields of health and education, is aimed at individual involvement in similar conditions and that the resulting differences are only due to personal performances. Second, the promotion of micro-enterprise and individual capacity building to generate more opportunities of effective employment insertion. Third, the improvement of standards of living, reflecting further efficiency, opportunities, access and adequacy of public services. Fourth, to complement the focus of sectors with actors and individuals, mainly reflected in the creation of institutions and programs focused on vulnerable and priority groups. Fifth, and lastly, the need for assistance policies, centred on the most disadvantaged groups.
43. Along with the expansion of social expenditure, great changes were carried out as regards to public institutionalization focused on social concerns, at the central as well as the regional level. Along with assigning ministerial authority to the pre-existing Office of National Planning (MIDEPLAN), many specialized services were created to address particular social groups. One such service was the appearance of the FOSIS (Solidarity and Social Investment Fund), SERNAM (National Women's Service), INJ (National Youth Institute), CONADI (National Commission for Indigenous Development), FONADI (National Fund for the Disabled).
44. These efforts for institutional strengthening and diversification, beyond the expansion of public expenditure as a response to social debt accumulated during the military period, sought to address extreme poverty situations, and at the same time, lead with the different forms of discrimination, disadvantage, and vulnerability of social groups, whose exclusion, are not exclusively due to economic reasons.<sup>9</sup>
45. The programmatic contents can be outlined under the following items:<sup>10</sup>
46. Institutional changes and new social services encouraged new sector policies and guidelines. At the onset of the Second Concertation Government and as part of the National Program for Overcoming Poverty, there were 14 ministries and 19 national public services enforcing 125 social priority programs. The Social Intersectoral Committee assumed responsibility at the national level, and at the intermediate level, were the Regional Social Committees, while the Special Commune Program was launched to address more complex territorial issues.
47. More than two thirds of the programs carried out in 1997 were new and showed different characteristics than ones developed in the early 1990s. For example, they move from a criterion of universality towards a more specific social focalization of targeted beneficiaries; there is also a move towards the development of programs with further territorial focalization. These are programs that strive to achieve greater integration, consequently, they seek to

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<sup>8</sup> Ministerio de Planificación y Cooperación: “**Balance de Seis Años de Políticas Sociales 1990/1996**”, p. 12, Santiago, 1996, Chile.

<sup>9</sup> Hardy, Clarisa: **La Reforma Social Pendiente**, p.41, Las Ediciones de Chile 21, Santiago, 1997, Chile.

<sup>10</sup> Precedents reformulated based on analysis by Hardy, Clarisa: **op.cit.**

\*FOSIS (solidarity and social investment fund), SERNAM (women national service), INJ (national youth institute), CONADI (national commission for indigenous development), FONADI (national disabled fund).

combine actions in the field of health and education or education with employment training activities; it is also intended that their executors be municipalities, non governmental institutions, social organizations or private companies. Additionally, the programs have attempted to be innovative in their design and subject to periodic evaluations.

48. In their conception, social policies have attempted to address two important objectives: that its execution is consistent with the process of decentralization; i.e., it implies a strengthening of the role of municipalities and regional governments; and that they encourage and deepen social participation in the local and intermediate level in ways to influence all of public management.<sup>11</sup>

### **Decentralization under Democratic Governments**

49. During the first democratic government - President Aylwin's administration- the issue of decentralization was far from been a programmatic priority, in practice the structure of the military regime was adopted and, along with the proposal of some adjustments, the most transcendental objective was to democratize the appointment of municipal authorities. However, the political game generated conditions that deepened the process, which translated into the consolidation of the role played by the municipalities in local development, and the creation of Regional Governments at the constitutional level.
50. The major decentralizing decisions and actions taken by the democratic governments, between 1990 y 1999, were the following:<sup>12</sup>
51. Communal administrations were politically strengthened through the democratic election of mayors and councillors. The municipal tax act, , was amended to increase resources received by these institutions and the redistributive nature of the Municipal Common Fund was highlighted; thus, consolidating their support to the poorest municipalities. Municipal staff was enlarged and professionalized, and different programs were launched to strengthen technical and professional skills.
52. Likewise, at the local level, some adjustments were introduced in the system of health and education management, restoring the staff as public servants rather than as municipal staff (statutes for the education and municipal health staff). Their incomes were raised and the transfer of resources to the municipalities was also increased to reduce the deficit increasingly generated by the management of these services. Additionally, more effective mechanisms of resource distribution were introduced, along with a greater emphasis on the supervision and support to improve this management.
53. Regional governments were established which, similarly to municipalities, are recognized as decentralized public institutions with expertise in the different areas of development, with their own property and budget. These Governments are composed of a Regional Council, which has

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<sup>11</sup> Bosier, Sergio y Silva, Verónica: *Descentralización de Políticas Sociales y Descentralización Territorial: Puntos de Intersección para Investigación y Acción*. Document 89/3, **ILPES-CEPAL**. This brief essay presents an interesting counterargument between social policies, decentralization, and planning of regional development.

<sup>12</sup> Abalos, José A.: *Descentralización en Chile 1973-1999, Motivaciones, Decisiones y Acciones*”, in **Línea de Referencia: el Proceso de Descentralización en Argentina, Brasil, Bolivia, Chile y Perú**. CONAM-GTZ, August 2000, Ecuador.

its constituents appointed, indirectly, by mayors and town councils assembled by provinces; its president and executive director shares his/her task with the Regional Mayor and direct representative of the national President.

54. A system of regional financing was also established which, based on central transfers, assigns self administered resources to the Regional Government (FNDR) and it also enables its participation in modalities of joint management of investments with central ministries and municipalities. Having started with 10% of national public investment of resources in 1990, at the end of the decade Regional Governments theoretically participated in more than 40% of the total public investment in the country (schools, hospitals, rural roads, sanitary programs, among others).
55. Similarly, national public bodies initiated the decentralization of some decision-making and resources in their territorial teams, thus, seeking better coordination with Regional Governments and municipalities in the execution of development policies and programs. Furthermore, other actions were encouraged to assist the process: collaboration between universities and regional governments is fostered for the funding of projects; conciliating instances are created between private-business and the public sector to increase local productive development; national public services created dozens of competitive funds and investment programs aimed at meeting the specific needs posed by territorial and socio-economic diversity.<sup>13</sup>

#### **OVERCOMING POVERTY: REAL ADVANCES AND NEW INEQUALITIES**

56. The arrival of the democratic government in 1990 and the ones following it, indisputably fed the hope for the restoration of many deficiencies and rights infringed by the dictatorship, recognizing at the same time, the emerging demands related to the evolution of social and political contemporary thought.
57. The new approach to the concept of human rights, including political, social, cultural and other rights, offers a right basis to attempt an evaluation of this process. Firstly, some precedents on changes of social indicators will be presented here to explore their potential role in the process of decentralization.

#### **Advances in the Quantitative Reduction of Poverty**

58. Poverty, measured against a set of indicators, has been remarkably reduced since 1990. It reached 38% of homes in 1987, decreased to 34.5% in 1990, to 27.8% in 1992, to 23.2% in 1994, 19.7% in 1996 and 18% in 1998. In a similar period, homes in indigent situations lowered from about 13.5% to 5%.<sup>14</sup>

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<sup>13</sup> Espinoza, José; Marcel, Mario : **Descentralización Fiscal : el Caso de Chile**. Serie Política Fiscal N°57, abril 1994, Proyecto Regional de Descentralización Fiscal CEPAL-GTZ. Here we will present precedents and a detailed analysis on the issue.

<sup>14</sup> The preliminary figures of the survey Casen 2000 stated that between 1998 and 2000, the provision for people living under poverty conditions decreased from 21.7 to 20.6 per cent (e.i., towards November 2000 there were about 3,080,000 persons under poverty conditions), from which 5.7 per cent (850,000 of persons) lived under conditions of indigence. In the year 2000 the percentage of poor population was higher in the rural sector (23.8 per cent of the rural population) than in urban centers (20.1 per cent of the urban population). As to what

Over the last decade, the economic growth and state run social plans have achieved a reduction of poverty levels by half compared with the levels of 1987. The studies carried out at the end of the 90' s stated that there was at least five million poor people in the country, i.e., persons living under the so called poverty line, that, as it is widely known, means a minimum family income that scarcely meets the needs for survival. From the twelve and a half million of Chilean people residing in the country, five million were in a very rigorous situation. The economic growth sustained during the last ten years, plus the social policies applied, such as the fixation and increase of the minimum income over the increase of prices, have decreased to three million and a half people today living under this condition, certainly measured against the same indicator used twelve years ago.<sup>15</sup>

59. In this field, Chile emerged in the 90' s as the country with the best performance in Latin America and it reduced the gap with other countries that have historically had a scarce portion of the population living under poverty conditions. During that decade, social expenditure expanded increasingly to 75% between 1990 and 1997, equivalent to two thirds of public expenditure and to 14.1% of GDP. This is reflected in various social dimensions, such as education –literacy, absenteeism-rates , educational provision – and in health –life expectancy, mother and child health care and nutritional levels -.
60. “This means that Chile has sustainably increased its Human Development during the last decade. Between 1990 and 1998, Chile has reduced 22% of the gap that distanced it from the target proposed internationally as regards full human development. These achievements place our country in first place with respect to other Latin-American countries, which adds that this country is in South America the one that presents the best evolution of the decade.”<sup>16</sup>

### **Advances that Hide Important Territorial Inequalities**

61. The Report on Human Development states that in the interregional system different degrees of advancement have been observed. Among other conclusions it is stated that:
- There is an inequality reflected among Chilean regions and communes. Thus, the regions of Tarapacá, Antofagasta and Magallanes appear to be the beneficiaries, all with mining economies, besides the capital, Santiago; as those with more forest and agricultural activities seem to be far behind.
  - The advances assume different profiles, since in some cases they are justified by health improvements, and in others, as regards education, and to a lesser extent, by economic inputs.
  - There is not a direct relation between the achievements of regional economies and the advances in human development, and that the latter are far more homogeneous than the evolution of economic achievements.
  - The absence of homogeneous regional developments, as the data about each of them hides important territorial inequalities behind the achievements of the human development.

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happened in the decade, the population living under poverty conditions decreased from 38.6 in 1990 to 20.6 per cent in 2000 and as regards indigence fell from 12.9 to 5.7, which means that more than one 1,800,000 persons were no longer poor in that period.

<sup>15</sup> Fundación Nacional Para la Superación de la Pobreza: **Propuestas para la Futura Política Social.**, page 6, Santiago 1999, Chile.

<sup>16</sup> UNDP: **Desarrollo Humano en las Comunas en Chile**, page 10, UNDP-MIDEPLAN, Santiago, 2000, Chile. The Index of Human Development considers variables in health, education, and income.

- The communal ranking reinforces the high concentration of opportunities in the Metropolitan Region.
- The communes with higher rural rates consistently show lesser levels of achievement in human development.

### The Subsistence and Emergence of other Forms of Inequality

62. Another expert also concludes that these advances occur in a society still marked by strong inequalities. “After a decade of continuing growth and State achievements in the partial compensation for inequalities in labour incomes with inputs in social subsidies and investments, distributive inequalities resulted in offensive monetary differences of income of Chilean families”.
63. Unequal access to health care, education, employment, justice, general standard of living, segregate the population socially and territorially, and where the elements of rurality, age, as well as women conditions, are aggravating elements, they express the lack of equal opportunities for all citizens.
64. Inequalities, uncertainty, labour and social risk, keep the poor detached from the non-poor population beyond their differences of income, in which the flexibility and access to labour legislation, collective negotiation, and to social security are experienced in multiple ways, with effects and outcomes that result in new forms of segmentation.”<sup>17</sup>
65. For example, in the rural sector some contradictory evolutions are perceived: comparing 1990 and 1996, the rural population living in poverty saw a notorious improvement of basic housing services; availability of electric power increased from 55.9 to 67.5%; drinking water within the site or house from 35.8 to 51.5%; appropriate and acceptable building materials from 50.8 to 60.5%, and sanitary waste water disposal increased from 7.9 to 9.0%. However, the average per capita income in rural homes fell 4.5% between 1992 and 1996.<sup>18</sup> This reveals, in part, that towards 1996 rural population suffered from extremely higher poverty levels than urban populations. In fact, that year 30.6% of the rural population was poor and, of these, 9.4% were indigents, while in urban areas the percentages were 21.8 and 5.0%, respectively.
66. In the case of Chile, an important variable that explains the level of development and standard of living of the population is the extent to which their territories are integrated or isolated—in productive, social, cultural terms, etc.— from the circuits of national development, determined by economy dynamic as well as by state action. In 1994 a study on internal borders, carried out by the Ministry of National Defense, stated that 30% of the national territory was graded according to different levels of backwardness. Another study, now from the Ministry of the Interior, showed that towards 1999, only 27.1% of the communes in the country experienced a

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<sup>17</sup> Hardy, Clarisa: op. cit. page 8.

<sup>18</sup> **PRORURAL** : Formulación de Propuestas para una Política de Mediano y Largo Plazo en Materia de Superación de la Pobreza Rural en Chile. Working Paper N°8, June 1999. In the case of basic services indicators, the improvement of these indexes have been similar as regards poor rural population and non poor population in rural areas.

situation of high integration, 40% just partial, 24.5% was relatively isolated, and 8.3% was critically isolated.<sup>19</sup>

67. Once again, the results of this study show what is already known: that rural communities, especially the ones situated in isolated territories, mainly in the furthest removed regions and provinces, with indigenous population have the worst poverty indicators, along with high emigration rates, particularly of young people or population with high educational levels.

### Some Conclusions

68. During the 1990-1999 period, despite the early effects of the crisis in Asia, the performance of macroeconomic variables in Chile showed outstanding indexes in the Latin-American context and the emerging economies: due to an increase of GDP per capita, inflation and unemployment rates, expansion of exports, levels of external investment, among other variables.
69. This economic growth facilitated the increase of public expenditure and the implementation of a wide social policy with considerable resources and a diversification of instruments— institutions, programs, etc.-. The doubling of per capita product was correlative to the reduction, almost to half of the population living under poverty conditions.
70. Beside the reduction of poverty and indigence levels, the country experienced a remarkable extension of the quality and provision of social services in the field of housing, health, education, age groups, etc. This makes it an outstanding case in the improvement of the UN Human Development indexes derived from an integrated analysis of diverse social and economic variables all over the world.
71. However, there are different dimensions of this process that makes it very complex to draw simple conclusions.
72. First, there are sectors that argue that a significant part of the country social improvement derives from the direct effect of economic growth rather than from the validity of the social policies implemented. That is to say that the increase of employment rates and the improvement of salary incomes are majorly responsible for these advances. Yet, the efficiency, effectiveness, and focalization of social programs implemented are also challenged. It is also said that some of the social policies affect the natural flow of the market, as well as economic growth and, finally, the poorest sectors themselves. For this reason the use of the market tool is emphasized, as well as the private sector in the execution of such policies. Naturally, such observations mainly derive from sectors that oppose the Concertation Governments.

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<sup>19</sup> Ministry of the Interior : **Integración de Territorios Aislados: Diagnostico y Propuesta**. Subsecretary of Regional and Administrative Development (Subsecretaría de Desarrollo Regional y Administrativo), 1999. The study considered five criteria: physical (environment aggression, commune-capital distance, regional and accessibility); administrative-institutional (presence of services, communal administrative hierarchy and municipal staff); demographic (inter census growth, size of the population and intracommunal primacy Index); socio-cultural (Index of unfulfilled basic needs, level of school performance in eighth grade, general mortality rate and percentage of indigenous population); economic-budgetary (dependence of the Common Municipal Fund and isolation of markets).

However, the results of the Index of Human Development states that there is no direct relationship between economic achievements and the ones of this Index<sup>20</sup>

73. Second, the criticism originated in different political and academic fields, including the ones that are close to the concertation government itself, is that the easiest way was taken towards poverty reduction and exclusion. It was added that the existing challenge is much more complex, as it is related to what has been called “sectors of extreme poverty”, i.e., social groups that, due to their acute social and economic conditions, are not able to integrate themselves into the programs delivered by the public sector. To address these sectors or circles that reproduce poverty very different approaches and instruments are required with respect to the ones adopted thus far.
74. A third criticism states that it is the model of development itself that generates social strife, either due to productive–technological or territorial- exclusion, bad distribution of incomes–generating a dual society that expresses itself by organizing urban ghettos – or due to other forms of exclusion–the youth, the elderly, ethnic minorities, etc.-. Consequently, social policies are only directed to provisionally or partially solve the problems posed by the regular flow of the economy. The example given is that it is difficult to build a more egalitarian society from public education programs, if we recognize that state expenditure per student is equivalent to a seventh of the investment in private education.

#### **EVASIVE SOCIAL PARTICIPATION?**

75. The active mobilization of the Chilean people in the 80’s, reflected in the increasing democratization of every form of social organization – organizations of workers, neighbours, students, women, professional and university colleges, artists, and culture – and its involvement in the political arena –through great manifestations of protest and strikes- was determinant in ending the military dictatorship.

#### **The Weakness of Social Organization in Chile**

76. According to a UNDP report<sup>21</sup>, at the beginning of the year 2001, there were in Chile more than 83,386 organizations of social participative nature and, in theory, a considerable number of individuals who belong to and actively participate in their activities. As regards the issues focused on by these organizations, a relative balance is observed:
  - The economic organizations encompass 21.7% and comprise trade unions and their federations in the private sector as well as public officials, professional and technical colleges, corporative unions, entities for the defence of consumers;

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<sup>20</sup> After the official submission of preliminary data of the CASEN survey 2000, a large debate has ensued, due to that the objective data indicate that only until 1994-95, important advances in the reduction of poverty were achieved, and that in subsequent years, despite that the economy maintained a growth rate of 7% annually, poverty was reduced at a much slower pace. This has taken public authorities responsible for this issue to decide that they “must revise social policies and also their relationship with other policies, especially economic ones”. Minister of Planning, in *El Mercurio*, p. D 2, Sunday July 8, 2001

<sup>21</sup> United Nations Development Program: **Human Development in Chile 2000, More Society to Govern the Future (Mas Sociedad para Gobernar el Futuro)**. UNDP, Santiago, 2000.

- Health housing, and education represent 20.4 % and among them groups of parents and tutors stand out, housing and related committees, self support entities or health assistance groups;
  - Community groups represent 20.1% in total and include neighbourhood organizations, paving committees, citizens' safety groups, local development, firemen;
  - Those advocated to entertainment, cultural events, use of spare time and artistic and cultural expression represent 17.9% and the include sport clubs, cultural corporations and centres, artistic groups, etc.
  - Those defined by age and groups of women represent 12% and include women, elderly adults, youth and children.
  - Finally, indigenous organizations represent 22%.
77. To promote social participation, since 1990, besides the strengthening of municipalities and the creation of Regional Governments, many initiatives were fostered such as the establishment of programs and funds given through contests to support sectoral or territorial associations, of small productive agents and consumers according to age, ethnicity, among others.
78. However, after a decade of democratic management, we conclude that social participation is not satisfactory; the people and their organizations, with wishes and demands<sup>22</sup>, are scarcely involved in the processes of development.
79. In part, this is due to the weaknesses of association at the grass roots level<sup>23</sup>. Among its weak points it is recognized that:
- There are regional differences in associative density as well as in the thematic profile assumed by social organizations.
  - The wide and diverse associative world is primarily directed to its own members' benefit, i.e., it addresses problems that affect them directly and, to a lesser extent, considers the issues that concern Chilean society in general.
  - Association, particularly of neighbours, focuses on immediate problems or in fields of close experience, where one finds a more direct impact on the development of these issues.
  - There is an important dynamic that affects the association. Some organizations live through decades, others change and some disappear.
  - Association is marked by its constituents' socio-economic homogeneity (socio-economic barriers are not broken).
  - There is a recent trend towards informalization, although it is recognized that today it is easier to regularize the performance of these initiatives.

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<sup>22</sup> The results of the survey conducted by UNDP of the Chilean population on future aspirations of the country, shows in first place, a more egalitarian country 34.7%; followed by the respect for traditional values 19.1%; Third, respect for the environment 15.3%; a more integrated country with the world 10.6%; a more optimist country 9.5%; a more supportive country 8.5%.

<sup>23</sup> While many of the social organizations and movements of the 80' s have virtually disappeared or significantly reduced their relevance—movement of women, residents, trade unions, professional colleges, among others- the situation of ethnic organizations escapes from this analysis. Here, a new active movement has been constituted to vindicate the culture and the land that, through a wide range of actions –some of them with force such as property and roads - has surpassed the participative proposals set by the government and has succeeded in transforming the situation of the Mapuche people in recurrent issues of national concern.

- The challenge for a wider and more effective horizontal and vertical articulation persists: there are difficulties to achieve cooperation and coordination.

### **Governing with the people: from Formal Efforts to Real Outcomes**

80. Although some laws on community organizations and guidelines had been passed to stimulate the relationship between public services and their beneficiaries, the efforts of national public bodies is considered insufficient to involve the citizens and their organizations in the design, execution, co funding, evaluation, and reformulation of the actions aimed at benefiting them or their interests.
81. Citing an expert, “The modalities of participation are still weak in the design, execution, and evaluation of social programs and investments, which reinforces the dominant perception that comes to identify, restrictively, the participation in social policies with co-funding; thus, assimilating the behaviour of the public services beneficiaries, and, at the same time, considering the role of a citizen and the role of a consumer as interchangeable.”<sup>24</sup>
82. Hence, the logic of the consumer or client of social programs has prevailed in practice with a summoning discourse rather than one of the citizen who, associated with others, holds a dialogue with public servants about his/her rights and duties.
83. Among the characteristics and weaknesses faced by the relationship public services –social organizations are the following:
  - Public services lack or do not use land cadastres, studies and other precedents as regards the existing grass root organizational scheme in Chile..
  - Association is a valuable skill existing in Chile; yet, it is not sufficiently valued by the authorities or by political organizations and civil society itself. Grass Roots Organizations demand a wider and more explicit recognition from the State and from society as regards their daily input.
  - Social organizations hold an ambivalent relationship to the State and to municipalities. On the one hand, the latter are accused of burocratizing basic initiatives, but it is also recognized that they support social organization through training activities and project funding.
  - The archipelagic fragmentation of the state offer, obstructs the fluid participation of social organizations and citizens: there is multiplicity of windows and proceedings; superposition in the offer of benefits, subsidies and other offers; diversity of consultative councils and a deficient capacity for resolution; there are strong requirements for participation in due time, travelling and costs, etc.

### **REGIONAL GOVERNMENTS AND MUNICIPALITIES: THEIR ROLE IN THE REALIZATION OF HUMAN RIGHTS**

84. The return of democracy meant the consolidation of communal administrations and the creation of regional governments through which the need for decentralizing the most relevant

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<sup>24</sup> Hardy, Clarisa: op.cit. pages 29 and 30.

aspects of public management is materialized, local development is fostered, and this would lead to a concrete process of social participation and community appropriation of new structures and issues of concern.

85. The National Fund for Regional Development (FNDR), is the only body directly dependent on Regional Governments; it is distributed at the national level based on a criteria of inter-territorial compensation. It has financed projects that, as many studies of evaluation have shown, meant a concrete response to problems of deficit in social facilities with great impact on the standard of living of the beneficiary sectors, mainly of rural and poor communities.<sup>25 26 27</sup>
86. Apart from the FNDR, Regional Governments have increased their participation in the allocation of resources of sectoral programs (agreement on planning region/ministries, and other co-managed programs), which have intensified their influence in decision-making from 10% of total public investment in 1990 to 44% in 2000.<sup>28</sup> Representatives of different provinces that make up each region participate in Regional Governments, which raises guarantees of social and political decisions, and in theory, ensures a better coordination of the actions taken at the regional level with municipalities and ones taken at the central level.
87. In the case of municipalities, the most relevant social issues are manifest in budgetary expansion of transferred services (primary health care, basic and intermediate education), in the expansion of budgets and in an increasing participation in the operation of programs and the funds at the regional and central level.
88. This is how between 1991 and 1998, municipalities have increased 112% of their own income, and the transfer of the central government to education and health has increased 86%, and 70%, respectively.<sup>29</sup>
89. In the field of investment, apart from their own resources, about 70% of projects executed by Regional Governments are either of municipal origin or their impact is definitively local—construction, enlargement, equipment or repairs of schools, posts, sporting facilities, communities, etc.-. Besides, in addition, municipalities also get – through either competing for funds, joint actions or other modalities – considerable resources mobilized by public bodies at the central level. That is to say, they contribute to partially order the fragmented offering of social, economic programs and infrastructure constructed by national institutions.

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<sup>25</sup> Abalos José A., Martelli, Giorgio: **“Descentralización, Gestión Regional de Inversiones y el FNDR, Antecedentes y Propuestas”**, Report to the Interamerican Bank of Development, December, 1999.

<sup>26</sup> Ministry of the Interior: **“Evaluación Expost FNDR 1990-1994”**. Subsecretary of Regional and Administrative Development, 1997.

<sup>27</sup> Ministry of the Interior : Biannual Report, National Fund of Regional Development (Informe Bianual Fondo Nacional de Desarrollo Regional), 1997 – 1998, **Subsecretaría de Desarrollo Regional y Administrativo**, 1999.

<sup>28</sup> The resources of Regional Governments are directed to investments and equipment in education and culture, transport, health, energy, economic promotion, drinking water, and sewers. The resources co-managed with central ministries are directed to: sanitary improvement of health in neighborhood, community projects, sporting facilities, urban pavement, metropolitan health offices, drinking water in rural areas, alternative roads, etc.

<sup>29</sup> Caro, Carlos, Tomic, Lucía and Fuentes Ricardo: Finanzas Subnacionales, Documento Interno, División de Política, **Subsecretaría de Desarrollo Regional y Administrativo**, May 2000. The document presents a detailed analysis of municipal finances during the period 1991-1998, including some extents on the regional finances.

90. However, municipalities and Regional Governments have centred their actions in the social arena and, save some exceptions, such as the creation of certain industrial neighbourhoods, they have not constituted themselves as proponents of economic development initiatives. The offer of the State as regards production facilities, employment training, support to small and medium enterprises and others, is kept under the control of national bodies.
91. The objective to increase the involvement of the community in political processes shows some advances that, though formal, shall be mentioned. The democratization of municipalities implies that in 341 municipalities, over 2000 local residents have become local authorities and decide on programs and policies, especially of social nature, of doubtless relevance. Municipal show a vast turnout and generate great social expectation. Good local managers –mayors or town governors - have become political referents with great social and political legitimacy and, in some cases, they have come to be important national figures. There are 244 council members at the regional level. Likewise, the mass media report regularly on regional and local management. <sup>30</sup>
92. However, some difficulties are observed. For example, the new instances of decision-making – regional and municipal- have led to the exclusion of social diversity present in the National Parliament. The number of women, youth, indigenous, and other groups is extremely low in municipal and regional councils.
93. At the regional level, as for example, the head of the Regional Government is at the same time Mayor (representative of the President in the territory), he/she continues to be appointed from the capital; there exist cases in which such persons had a poor relationship and/or knowledge of the regions they governed. As for the population, it is not directly involved in the appointment of the Regional Council, despite many presidential declarations, -since 1998- that announce a reform for them to be directly elected by the population.
94. At the municipal level – the closest to the community – there are scarce successful experiences of social involvement in local activities. In most cases, the Communal Economic and Social Council -CESCOS- <sup>31</sup>, does not work, nor has the Neighbourhood Development Fund - FONDEVE- been granted resources meant to be managed by community organizations.
95. At the provincial level, the law consecrated the Economic and Social Councils -CESPROS- <sup>32</sup>; yet, also have not worked effectively, despite the fact that they were meant to congregate representatives from the main sectors of each province.

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<sup>30</sup> An interesting phenomenon, in this field, is the emergence of some entities that advocate the decentralization. In some cases they are related to more formal political and administrative instances, such as the case of the *Asociación Chilena de Municipalidades* and the *Asociación de Consejeros Regionales*, which actively and continually lobby to reinforce the political, administrative, and financial role of the regional and the local level. Others constitute pluralist expressions from the civil society, such as the national council for the regionalization and decentralization of Chile (Consejo Nacional para la Regionalización y Descentralización de Chile) - CONAREDE- and the movement "Los Federales : Regionalistas en Acción", apart from other movements, corporations, and initiatives originated in various regions of the country.

<sup>31</sup> CESCO is a consultative body of municipal authorities and it is constituted by representatives of the main sectors of local life (businessmen, neighbors, sporting, cultural, youth organizations, etc.).

<sup>32</sup> To support the action of each provincial Governor with objectives similar to the ones of the municipal CESCO.

96. At the local as well as the regional level, there are no effective instances of control over the performance of authorities: annual reports and management actions are simply routine and the community cannot question the authorities' actions or lack thereof. This is also related to the lack of governmental programs or local management.
97. Plebiscites and consultations of citizenship to know its opinion or decide in specific matters are also inexistent instruments in practice, although some mayors have resorted to them to collect citizen opinion about certain matters.
98. In the performance of other powers, there are also some weaknesses. For example, the Parliament has no regional offices that could enable the direct participation of the community for suggesting the passage of bills, to have a voice about draft bills or know the laws that have been passed. Nor, apart from elections, are there formal instances for the community to hold a dialogue with senators or congressmen.

### **GENERAL CONCLUSIONS FOR A NEW BEGINNING**

99. There are various difficulties in judging the role that the regional and local instances have played in the execution of social policies, poverty reduction, elimination of areas of discriminatory practices, and the promotion of citizens' participation.
100. Firstly, in the debate of each issue and sub issue there are actors of very different types: some very centralized, others more deconcentrated, regional and municipal governments, etc., which makes drawing conclusions on the real impact of the work of each of them, very difficult.
101. Likewise, there are clear differences between the thematic areas of development. For example, municipalities can widely interfere in the focalization of social subsidies; on the other hand, regional governments are essential actors in guiding the creation of social facilities; in turn, central bodies manage programs for productive promotion. This results in the creation in many areas of alliances and coordination, or dispute and parallelisms.<sup>33</sup>
102. Third, regional governments and municipalities represent very heterogeneous worlds; as regards territorial, socio-cultural, and economic realities, problems and potentialities, as well as the political and administrative capacity of these institutions. There are very rich municipalities while other are extremely poor; however, a strict evaluation on local management quality would probably show surprises. There are also differences as regards the opportunities of local or regional community involvement in development activities. Finally, the processes of economic growth themselves, originators of development poles and depressed zones, make it difficult to see the changes achieved in the social field.
103. Fourth, the transfer of tasks and resources managed at the central level to new regional or local instances would compel the elaboration of a complex compared analysis, from the theoretical perspective as well as from the practical one. Some of the questions that would guide such study are:

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<sup>33</sup> The evaluations of Social Funds and Programs, jointly carried out by the Parliament and the Ministry of Finance, show successful cases as well as failure of center-region-commune synergy.

- Has primary health care improved under municipal management compared with the time when it depended on the Ministry?
- Did the Ministry Board of Education build better schools and provide better equipments than what Regional Governments do today?
- Has the expansion of electric power into rural areas, fishing coasters, and projects of community concern in which municipalities and regional governments participate, had economic and social outcomes better than the ones directly executed by central bodies?
- Has the interference of municipalities in social policies been an effective input for poverty reduction and elimination of different forms of discrimination or, alternatively, has it made the management more complex, delaying the execution of actions?
- Which structural or circumstantial reasons explain that political decentralization has not attracted the citizens' interest in participating in the management of their own development? Which other factors have been involved?

104. In the case of Chile, just as in other cases, there are sectors that strongly favour decentralization while other oppose it; each are likely to illustrate their options with a number of cases that support their views. However, there are many elements that enable an optimistic view:

105. Decentralization is nowadays emerging as one of the major issues to which the different national sectors have committed to foster, as it is extremely complex to ignore or oppose it. Beyond the future course of priorities, political, administrative or financial decentralization it is very likely that new reforms are approved to reinforce the responsibilities of municipalities and, mainly, of regional governments.

106. Closely related to the above-mentioned, along with presidential processes, the electoral processes that generate greater citizens' commitment are the processes of renewal of local authorities –mayors and local councils; from this derives in part the concern for regional authorities to be directly elected by the citizens.

107. The negative effects of globalization –local economic depression- should stimulate greater citizens' concern in the control of social policies for compensation, such as the municipalization of employment programs or the curricular contents in new educational programs.

108. Finally, some day the long period of social atomization that hindered most of the social population will come to an end. This is explained through the destruction of ancient collective referents such as political or trade union organizations, the irruption of consumerism and of individual practices. New issues –such as citizens' security in their neighbourhoods, environmental quality, ethnic or cultural identity, or social restoration with respect to economic-territorial crisis, or the right to education, among others – seem to announce the coming of a new historical period.