

MOVING FORWARD: THE DEMOCRATIZATION OF SOCIAL POLICY IN JALISCO

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ABSTRACT: In this study we analyze whether social policy in Jalisco leans towards assistance or development, and if the actions for development promote Civil Society Organizations (CSOs). The study hypothesis is that social policy in Jalisco can be democratized by improving the CSO's participation to solve public problems. We discuss the importance of civil society towards the democratization of the State's activities, and we make a historical review to learn about the trends of social policy assistance and development in Jalisco. Also, we analyze the State's social policy qualities, including institutions, programs and the legal and fiscal framework to promote CSOs. Our conclusions present Chihuahua's social co-responsibility model as an example of intersectoral cooperation for development.

Keywords: *social policy, social development, social assistance, civil society, Jalisco*

INTRODUCTION

For this case study our hypothesis is that social policy in Jalisco can be democratized by improving the participation of civil society organizations. Our case study applied to social policy in Jalisco is sustained by the following reasoning:

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- a. The shift from assistance to social development implies considering the beneficiaries as accomplished citizens, responsible agents and involved in the solution of public problems that affect them, particularly poverty.
- b. Civil associations are an important element to shift from assistance to development, and thus democratize social policy. CSO's existence implies that society can organize to solve public problems from a citizen's perspective.
- c. A historical overview can provide a glimpse of the trends in social policy in Jalisco in terms of assistance and development.
- d. The legal-fiscal framework and the institutions responsible for social policy in Jalisco should identify the difference between assistance and development, and seek to democratize social policy by promoting organizations.
- e. Finally, by presenting and proposing, the case of Fideicomiso Fondo Social del Empresariado Chihuahuense (FOSECH)¹ is presented as a local success case regarding the inter-sectoral promotion of organizations that can serve as an example to advance a more democratic agenda.

DEMOCRACY FROM CIVIL SOCIETY

One of the uppermost ideals of democracy is citizen participation. A state is democratic when its citizens, in addition to being recognized as equals, have the capacity to influence public issues. Individuals can do so individually or through civil groups, thanks to the guarantees of the modern State. Organized and institutionalized civil participation comes under the name of civil society and is made up of groups as diverse as their interests.

The government, the democratic representation and institutionalization of power relations in the State, regulates, drives, frames and directs the issues which are within its capacity and legal function, safeguards collective sovereignty and citizen's rights, but, given the system's complexity from which it emerges and exists –human life– it cannot go beyond its capacities, even administratively, and thus democracy gives way to organized civil society.

Civil society represents the economic interests and philosophy of the private sector which, through organizations and institutions, conveys customs and values, ways of life and ideals through associations such as churches, parties, unions, associations, collectives or movements. By social capital, we refer precisely to the public good that citizens have acquired by belonging to

¹ FOSECH is a trust fund where businesses in Chihuahua give an overhead.

and participating in CSOs, which are of public interest made up of private individuals.²

In this order of ideas, public actions of common interest and shared responsibility become *corporatized* when they are carried out by private parties (public works, mines, banks, schools, hospitals, nursing homes, etc.). The incorporation of civil society into public goods does not always imply privatization, but rather the corporate specialization of the good or service provided. In the best scenario, it democratizes public goods, provided that the State protects, promotes and establishes parameters for access to public goods and safeguarding their *transparency*. The government promotes public goods in three ways; 1) provides them directly, 2) contracts or encourages their provision from civil society or, 3) subsidises and regulates civil society so that the service is provided in an adequate manner.

For Norberto Bobbio, civil society is something more than the economic or business sector; it is defined as the gathering of people associated by the common recognition of law and a set of common interests.³ For this reason, Lester Salomón refers to organized civil society without profit intentions as the *third sector*, because they are not the government (first sector), nor are they comparable to companies (second sector). Other theories support the same term, but in view of the interest to provide public services for the benefit of third parties. Here we refer to *third sector* those that do not have commercial or enrichment purposes; that are characterized by being autonomous, self-managing and participative.⁴

An example of the importance of CSOs is that in developed countries such as Germany, France, Belgium, the Netherlands and Ireland, the government provides more than 50%—and often more than 70%—of public revenues to the nonprofit sector. This highlights that public action involves partnership and collaboration among all three sectors, and is a path to a stronger governance.

We now move forward to describe the route followed by Jalisco's social assistance which has been an activity predominantly in the government's hands until the emergence of CSOs.

2 Aguilar Valenzuela, R. (2006). *Las organizaciones de la sociedad civil en México: Su evolución y principales retos*. Ph.D. thesis in Social Sciences, Universidad Iberoamericana, pp. 110-115.

3 Bobbio, N. (1994). *El futuro de la democracia*, Mexico, FCE, 1994, p. 33.

4 Salamon, L. (2001). *Perfil del sector no lucrativo en México*, Mexico, The Johns Hopkins University, Institute for Policy Studies, Center for Civil Society Studies and Centro Mexicano para la Filantropía, p. 6.

JALISCO'S WELFARE AND SOCIAL ASSISTANCE BACKGROUND⁵

Past History

San Juan de Dios founded in 1557, was Guadalajara's first hospital, in charge of the Juaninos and exclusively for Spaniards. In 1558, under the sponsorship of the Cabildo Eclesiastico, Hospital de San Miguel de Nueva Galicia was founded. These antecedents are isolated and poorly articulated efforts in the provision of health care services in the region we know today as Jalisco.

It was not until Fray Antonio Alcalde, appointed on January 16, 1788, when the activities –today known as high impact– of social policy began. He founded parish dining halls, hospitals and promoted the foundation of the University of Guadalajara. The Church was in charge of charity, so it is not correct to attribute these interventions to *civil society*. The actions preceded the Church-State separation of the Juarista reform, and were the product of a cooperation driven by religious interests.

Recent History

In the 20th century, before the promulgation of the 1917 Constitution, the Magna Carta governed the guarantees of citizenship, which did not include the basic “rights” of subsistence, so that social assistance was not among the urgent interests of the State. There was, however, attention to the disinherited of fortune, to the needy and destitute. The main activities were carried out in Hospicio Cabañas, the Civil Hospital and the Polytechnic School. The government contributed with hospital or kitchen equipment, acquisition of supplies and food for the institutionalized works, generally in charge of private individuals.

After the promulgation of Jalisco's Constitution (1824), the first efforts were the foundation of *Casa Amiga de la Obrera* and the Lottery of Jalisco for the Public Beneficence in 1933. The former to care for the children of working mothers and the latter functioned as a fundraising measure to continue supporting schools, hospitals and dining halls. The enormous investment that Jalisco made in the Civil Hospital's infrastructure to offer specialized services in urology, dermatology among others is noteworthy.

In 1942, the Department of Social Assistance (first government assistance institution) was founded, promoted by then governor Silvano Barba. This meant the public recognition of poverty as a social problem that should be institutionally addressed by the state. This institution only lasted four years, was

⁵ Piedra Ascencio, R. I. (2019). Asistencia y política social en el estado de Jalisco: un estudio desde el discurso y los programas, Mexico, *Intersticios Sociales* 20, Colegio de Jalisco, pp. 261-286.

suppressed and its functions were integrated to Jalisco's General Secretariat, in its place the Patronato de Asistencia Social was created in 1946. This patronage collected contributions from the Central de Autotransportes, an underground public parking, the Independencia Gas Station, the Agua Azul Casino, boxing tickets and bullfights to be given to the Hospice and the Hospital.

In 1953, governor Agustín Yáñez created the Children's Assistance Commission. We can highlight two actions developed by the Commission: breakfasts for students (*Desayunos Escolares*) and baby bottles for mal-nourished infants (*Biberones para lactantes desnutridos*). These were the first social programs in the state with labels and some kind of "rules of operation", but without planning analytical tools or results. These programs were important because they were not related to direct institutionalized care, they were itinerant government programs that solved problems that public opinion considered urgent, and Social Work as a profession was promoted at the University of Guadalajara.

By 1959, the Patronage directed its assistance efforts to support housing, via multi-family buildings and created the program *Popular Housing and Humanization of Neighborhoods* (*Habitación popular y humanización de los vecindarios*). The initiative was so innovative that it reached the federal congress and the Inter-American Congresses when they focused with housing issues.

Jalisco's Institute of Social Assistance (IJAS)

Public and private assistance eventually found a place in IJAS; founded in 1960 and operated until 2019 (59 years). During this period, IJAS provided support to civil society, implemented its own programs and integrated or operated those of the federal government. The Institute was overwhelmed in its technical, administrative and budgetary capacities and had to make adjustments and cuts to its programs.

At the beginning of the 21st century, the New Public Management and transparency and accountability mechanisms strengthened the institutionalization of public social programs, established tools to measure the impact of interventions with logic frameworks, indicator matrices, operating rules and budget allocation by results. These changes were largely achieved thanks to the application of the General Law for Social Development (LGDS) of 2004, which was implemented in Jalisco.

Although Jalisco has never ranked first in reducing poverty and inequality, its commitment to a coherent and transparent public administration has been one of its strengths in the design and implementation of social policy, although this

is a generalized achievement of the state and is not specific to the commitment to social development, nor to its links with organized civil society.

IJAS disappeared in 2019 predominantly due to two factors, an administrative failure and a new political party in office. What started as a measure to collect taxes turned into a hindrance. IJAS was in charge of operating four state car deposits as a financing strategy, however citizens litigated against the agency when they received their vehicles incomplete or could not receive them because they “disappeared”. IJAS was responsible of the deposits and attributed its problems to a lack of budget to properly operate them. Facing lawsuits and economic compensations IJAS reached a debt of 129 million pesos at the time of its disappearance, whose promoter was governor Enrique Alfaro of Movimiento Ciudadano, elected just a year before.⁶

JALISCO’S SOCIAL POLICY

Legislation and Social Policy Organizations in Jalisco

On September 19, 2019, through Social Assistance Code of Jalisco (CAS, in Spanish) the Social Development Law of Jalisco (LDS, in Spanish) –published in 2004– was amended. These legal bodies present confusion in two ways: one due to its terminology and ideology and two the way it which there are implemented.

They define similar terms differently (Table 1). They intermingle and use development and assistance interchangeably to articulate a common policy.

TABLE 1

LDS	CAS
<p>Social Development: Is the process through which people’s capacities are expanded to freely choose and develop their life projects, allowing each person to extend his or her potential within the framework of equal social opportunities for all. People are conceived as actors of development; the exercise of their freedoms implies active participation in the improvement of their quality of life as individuals and their social group, in a full exercise of their will.</p>	<p>Social Assistance: the set of actions aimed to modify and improve the circumstances that prevent people from an integral development, includes physical, mental and social protection of those who are vulnerable, unprotected or with a physical or mental disadvantage, until they achieve a full and productive. Social assistance includes promotion, prevention, protection and rehabilitation actions.</p>

Source: Author’s elaboration.

6 Toral, J. (2020). *Por tardanza del IJAS y Fiscalía, pide CEDHJ cubrir el costo del corralón y vehículos subastados*, Líder 919.

Current federal and state legislation distinguishes between assistance and development. Assistance is aimed at vulnerable or historically disadvantaged groups that need urgent attention to ensure the coverage of basic and subsistence services. Development refers to actions to promote citizen participation, prioritize human rights, promote culture and research, and encourage organized civil society's actions.

This terminology confusion has an impact on how agencies work and materialize the state's social policy. CAS replaced IJAS with the Secretariat of the Social Assistance System (SSAS, in Spanish). IJAS disappearance was not a surprise, but neither was it planned, nor the result of a necessary adjustment after an insightful analysis of social policy. It was rather an urgent and necessary measure due to the entity's administrative detriment. In a certain manner CAS was merely a confusing administrative act through which the state executive assumed as its own an out of date social policy.

According to articles 4 and 14 of the amended LDS, executive actions relating to social development are the responsibility of SSAS; thus, social development is compared with assistance, and the state assumes as the sole entity the urgent needs of vulnerable sectors, reducing actions aimed to improve social cohesion and foster citizen participation. This type of criteria is usually common in states where the poverty condition (moderate or extreme) reaches or exceeds the national average of 43.9% of the population in 2020. However, Jalisco is in 21st place regarding all 32 states, with 31.4% of the population living in poverty, so its actions should be focused towards development, although, without neglecting the needs of vulnerable sectors. This change can be justified as an urgent measure due to a 3.6% increase with respect to 2018. Although CAS does not explain it in this way.⁷

Another executive branch confusion is found in the other organisms. In addition to SSAS, the LDS incorporates Jalisco's Social Development Council and the Social Development Commission. In CAS it is similar to the Social Assistance Council and the Subsidies Allocation Technical Committee (Table 2).

7 CONEVAL (2021). *Medición Multidimensional de pobreza en Jalisco*, in: https://www.coneval.org.mx/coordinacion/entidades/PublishingImages/Pobreza_2020/Cuadro_1_Jalisco.JPG

TABLE 2. PARTICIPANTS WITHIN THE DIFFERENT ENTITIES.

LDS Council	CAS Council	LDS Committee	Subsidies Allocation Technical Committee (CAS)
SSAS Chairperson	Chairperson	SSAS Chairperson	SSAS Chairperson
Two representatives of civic and welfare NGO's	SSAS Chairperson	13 secretariats	Interior government secretariat
Two entrepreneurs	Representative of the Notaries Bar Association	Three municipal presidents	Secretariat of Treasury
Two academic representatives	Child Assistance Representative		Comptroller's Office
Two trade union representatives	Social Welfare Representative		Two representatives of civic and welfare NGO's
	Educational Care Representative		Academic representative
	Gerontological care representative		
	Rehabilitation and Special Education Representative		
	Medical Services Representative		
	Corporate representative		
	Health representative		
	Social club representative		
	Two people with social background		
9 people	14 people	17 people	7 people

Source: Author's elaboration.

CAS does not explain any of this legal dissonance and a further hindrance is that LDS promotes setting up Regional Social Development Councils –that do not have a geographic delimitation–. These councils include a secretariat representative and seven citizen councilors who shall promote social policy.

Programs and actions in Jalisco's Social Policy

Beyond legislation and institutions, social policy is materialized in programs and actions considerably coherent with the national social policy. In Jalisco only 16 of the 125 municipalities are on the Social Wellness Secretariat's national list of Priority Attention of Rural Zones (Table 3). Twelve because of crime, two due to their indigenous status with a very high marginalization and social gap, and two because of their high marginalization.⁸

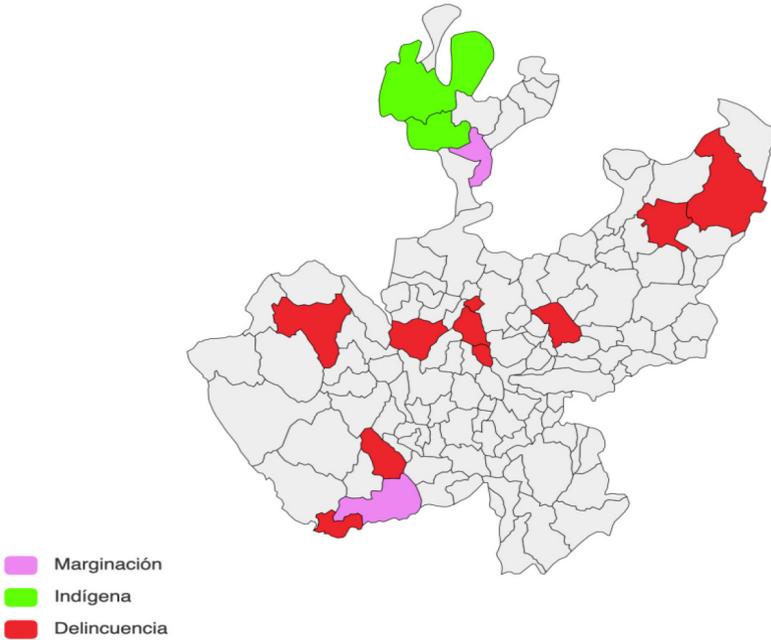
TABLE 3. LOCAL GOVERNMENTS IN THE PRIORITY ATTENTION OF RURAL ZONES

Municipality	Marginalization 2020	Social gap 2020	Extreme poverty (population %)	Crime	Indigenous presence
Acatlan de Juárez	Very Low	Very Low	2.23	High	Dispersed
Ameca	Very Low	Very Low	3.24	High	Dispersed
El Arenal	Very Low	Very Low	1.33	High	Dispersed
Autlan de Navarro	Very Low	Very Low	4.32	High	Dispersed
Bolaños	Very High	Very High	33.51	Low	Indigenous Municipality
Cihuatlán	Very Low	Very Low	6.31	High	Dispersed
Cuautitlán de García Barragán	High	Medium	21.63	Low	Dispersed
Chimaltitán	High	Medium	19.42	Low	Dispersed
Encarnación de Díaz	Very Low	Very Low	3.52	High	Dispersed
Lagos de Moreno	Very Low	Very Low	3.07	High	Dispersed
Santa María del Oro	High	Medium	20.28	Low	No indigenous population
Mascota	Very Low	Very Low	2.61	High	Dispersed
Mezquitic	Very High	Very High	54.29	Low	Indigenous Municipality
San Juan de los Lagos	Very Low	Very Low	3.40	High	Dispersed
Tala	Very Low	Very Low	2.58	High	Dispersed
Zapotlanejo	Very Low	Very Low	4.19	High	Dispersed

Source: DOF, Declaratoria de las Zonas de Atención Prioritaria Rurales para 2022.

⁸ DOF (2021). 2022 Priority Attention of Rural Zones. November 29, 2022. Number 5636711.

MAP 1.



Source: Author's elaboration.

Jalisco's Family Integral Development System is another institution responsible of implementing the federal social policy. In Jalisco it focuses in: 1) care for homeless, 2) administration of specialized therapy centers, 3) administration of funeral homes, 4) job training centers and 5) the shelter "Leonidas K. Demus".

For its part, SSAS has 11 development or social assistance programs (Table 4).^{9, 10}

9 Government of Jalisco (2022). *Sistema de Monitoreo de Programas Públicos*, at: <https://programas.app.jalisco.gob.mx/programas/sistemaDeProgramasPublicos>.

10 Secretaría del Sistema de Asistencia Social del Estado de Jalisco (2021), Informe Final Anual de Programas Sociales y Acciones de Gobierno 2020.

TABLE 4. DEVELOPMENT OR SOCIAL ASSISTANCE PROGRAMS

	Program	Human Right	Budget
1	CSO's grants	Social cohesion and community life	\$40,000,000
2	Jalisco Incluyente	Health	\$25,804,400
3	Jalisco por la Nutrición	Adequate food and nutrition	\$62,001,000
4	Jalisco te Reconoce (elderly support)	Health	\$157,574,000
5	Mujeres Líderes de Hogar (Women Household Leaders)	Adequate food and nutrition	\$83,344,000
6	Jalisco, revive tu Hogar (Housing support)	Housing	\$100,000,000
7	Mi Pasaje Estudiantes (Bus aid for students)	Access to mobility	\$156,477,000
8	Mi Pasaje Adultos Mayores (Bus aid for elderly)	Access to mobility	\$144,758,000
9	Mi Pasaje Personas con Discapacidad (Bus aid people with disabilities)	Access to mobility	\$816,000,000
10	Mi Pasaje Mujer (bus aid for women)	Access to mobility	\$90,000,000
11	Recrea, educación para la vida (School supplies –backpack, uniform and shoes–).	Education	\$5,000,000

Source: Author's elaboration.

Of these programs, only CSO grants includes a monitoring processes and an Subsidies Allocation Technical Committee. The other programs function in accordance with the established criteria (rules of operation) and are delivered directly by the agency through a list of beneficiaries. In some states, to democratize the delivery of this subsidies are made through reviewers summoned by public applications, who must apply multi-sector and multi-representative criteria, since some programs include a vulnerable or historically discriminated population (indigenous, disabled, LGBT, etc). However, Jalisco's social programs do not operate this way.

With regards to social policy evaluation, Jalisco is classified as an entity with high progress in monitoring and evaluation regarding the implementation of public policies, ranking number one at the national level. However, with regard to the programs that make up the state's social policy, there are no mechanisms to interrelate the impact of the programs, which not only depend on SSAS but also on other agencies belonging to the three government levels.

According to Carlos Moreno (2021):

...the analysis of social policy in Jalisco shows that its formulation has a weak internal logical consistency and that it is a highly atomized, with too many programs and actions focused on very particularized interests. This occurs in the state that for several years has been a national leader in the formulation, monitoring and evaluation of programs, so we could assume that policy making in states with lower levels of institutionalization is even less articulated.¹¹

The weak internal logic mentioned by Carlos Moreno is due to the fact that in some programs the definition of the problem is not directly related to their intervention or it is not clear what impact the program achieves by reducing the vulnerability conditions (e.g., the cultural support program for children). Regarding the programs' scattering, it refers to the fact that out of 256 social interventions, 53 (46% of all the state's social policy) target population groups with only one intervention (e.g. elderly teachers residing in rural municipalities, CSOs that help people with disabilities, or basic education schools in the metropolitan area of Guadalajara) and beneficiaries center to the particular interests of those who designed the program. On the other hand, of 108 social interventions, 41 target identical population groups and are therefore complementary to each other, but do not achieve *comprehensiveness* because they are not implemented by the same agency, and even those implemented by the same agency do not have the capacity to report the interrelated impact.

As far as Jalisco's social policy is concerned, we can conclude that the state's social interventions intermingle development and assistance; but they tend predominantly towards assistance, granting direct aid for families in vulnerable situations, transportation and housing subsidies, or municipal infrastructure support. Developing better initiatives would mean promoting programs, projects and actions related to human rights, encourage citizen participation or strategies for the professionalization of the provision of assistance services.

We now evaluate how progress has been made in the promotion of CSOs in Jalisco as an effort to involve and professionalize associations in the provision of assistance services.

11 Moreno Jaimes, C. (2021). *Formulación fragmentada de políticas en México: el diseño de programas sociales en un caso subnacional*, Mexico, ITESO, Gestión y Análisis de Políticas Públicas, no. 27, pp. 131-145.

CSO'S AND JALISCO'S DEVELOPMENT LAW

The Federal Development Law discussed in 2000, summoned more than 400 organizations to participate (during a period of three months) in its debate. Among the main promoters were Centro Mexicano para la Filantropía (CEMEFI), Convergencia de Organismos Civiles (Convergencia), Foro de Apoyo Mutuos (FAM) and Fundación «Miguel Alemán», all had promoted since 1993, along with partisan initiatives and regional forums, debates on the content of the proposed bill.¹²

In December 2000, the Final Report: *Conclusions and Proposals of the dialogue between civil society organizations and the transition team in the social and political areas of the government of President Vicente Fox Quesada* was made public. This led to a commitment to establish a link between the federal executive and CSOs, thus the establishment of the Citizens' Alliance Presidential Coordination, abolished in 2002 and its functions were assumed by the Ministry of the Interior and the Ministry of Social Development.

In 2004, the Federal Law regarding NGO's Promotion of Activities was published. The state law was published in 2014. Its purpose is to promote and regulate civil society organizations, and organizations are required to have a distinctive registration number (CLUNI), and submit an annual report where they present statistical data on their activities, funding received (public and private) and their social impact.

This federal law conceives civil society as a channel to participate in public life, recognizes that democracy does not end with an electoral process, and organized civil society participates in defining social problems, and in the design, follow-up and evaluation of public policies. The law seeks to incorporate the voices of civil society in federal and state agencies to address problems of public interest according to their activities.

2019 data from the Information System of CSOs Federal Registry indicates there were 42,269 organizations in Mexico, and according to CEMEFI's 2021 registry counted 46,403. Of which, 1,914 (4.12% of the national total) work in Jalisco, and 1,659 have a CLUNI. These organizations directly or indirectly address one or more of the deficiencies established in the multidimensional poverty measurement (Table 5).¹³

12 Aguilar Valenzuela, R. (2006), *Op. cit.*, pp. 148-163.

13 Centro Mexicano de Filantropía (2021). *Compendio Estadístico del Sector No Lucrativo 2021*, Mexico, p. 24.

TABLE 5. NUMBER OF CSO ACCORDING TO THEIR FOCUS

Education	Nutrition	Health	Social security	Housing	Basic services
783	527	712	1,197	249	

Source: CEMEFI, Compendio Estadístico del Sector No Lucrativo 2021.

Jalisco’s Development Law establishes a Committee for the Promotion and Participation of Civil Society Organizations with the involvement of the Secretary of the Social Assistance System, the Citizen Participation Commission, Jalisco’s Supreme Court of Justice, the Electoral Institute, a metropolitan area municipal president, five representatives of CSOs from the metropolitan area and five from the rest of the state, three academics and a state secretary. The Committee has public influence in matters related to CSOs and their activities in Jalisco, which is an advance in the democratization of the state’s social policies.

STATE TAX POLICY FOR SOCIAL DEVELOPMENT

In some cases, the state allocates public budgets to develop non-governmental organizations, such as universities, labor unions and political parties. Each of these allocations is justified by historical reasons: the promotion of science and research, workers’ rights protection or the promotion of a fair electoral competition. These diverse contributions are a step to consolidate democratic societies, but require clear and transparent regulatory provisions in terms of allocation and exercise. The fiscal regulation of resources allocation varies according to the nature of the organizations, in some cases it is allocated directly as in the case for universities or for political parties through regulatory bodies such as INE and local electoral entities (OPLES, in Spanish). These organizations are financed by mixed funds, including contributions from individuals, but given the significant public interest of their activities and the perception of public resources, these organizations are subject to transparency obligations and periodic reporting of results.

In relation to CSOs, the National Institute for Social Development (INDESOL, in Spanish), was the legacy for the current administration regarding the national efforts to advance in the promotion regarding development activities and social assistance carried out by persons, CLUNI registry was established and activities and impact statistics started to be generated. In December 2021, president Andres Manual Lopez Obrador canceled INDESOL,

its attributions were delegated to the Wellness Secretariat, and a major setback in the democratization of Mexico's social policy.

The Ministry of Finance and Public Credit (SHCP, in Spanish) allows non-profit institutions to receive public funds, and defines them as a group formed mainly by charities, trusts and civil associations that provide services free of charge to the community, or with selling prices lower than or equal to their production costs. Also CSOs may apply to the Tax Administration Service for authorization to receive tax deductible donations deductible. At sub-national levels the provisions vary according to each state's law and one can find trusts, public programs, special tax collection measures or tax waivers.

Jalisco has a history to raise funds for welfare purposes, such as the creation of Jalisco's Lottery for Public Welfare and the distribution of income from bullfights to charitable institutions (predominantly state-run). These strategies reflect the public's awareness of the need to contribute to assistance or development institutions.

The only way in which CSOs can have access to the public budget in Jalisco is through the state's CSO Support Program run by SSAS –or others if a municipality offers any–, which in 2020 had four modes: 1) Co-investment in intervention projects run by CSOs; 2) Co-financing: Promotion of special projects covering a percentage of the cost according to the Committee's criteria; 3) Contingent for CSOs affected by natural or social contingencies; and 4) Training: strengthening and development of CSOs through grants, courses or workshops. Those who receive resources in any of the modalities are subject to the transparency criteria established in the rules of operation.

In addition to direct monetary support for non-profit institutions that promote social assistance registered in the state –the registry has a cost– the only tax exemption in Jalisco is payroll tax, and the only tax incentive to encourage donations is the national policy and is limited to 7% of the donor's earnings.

Jalisco is one of the states with the least incursion into tax exemptions for non-profit organizations. Other states integrate into their social policy tax exemption from payments regarding vehicle ownership or license plates, transfer of assets, and procedures related to the public registry and notarized documents. At the federal level and in several states, tax provisions related to the third sector have been deeply debated because the legislation wants to avoid that the business-private sector uses these incentives as a reason to change regime and evade taxes.

Despite the difficulties involved, it is necessary to establish a comprehensive policy, including the fiscal aspect, since the establishment of tax collection measures and remissions in favor of CSOs can mean progress regarding

development policies, contribute to transform the notion of the population as subordinates and evolving into one that sees them as citizens, and reduce the patronage use of the government's public programs.

SHARED SOCIAL RESPONSIBILITY MODEL

There are few administrations that have ventured into inter-sectoral social assistance models that, through the coordination of laws and favorable fiscal measures promote the activities of organizations. We highlight Chihuahua's business community shared social responsibility program as a distinctive case in Latin America.

FOSECH and FECHAC¹⁴

At the request of the business sector, since 1991 Chihuahua's Secretariat of Finance collects a surcharge from businesses corresponding to 10% of the payroll tax (which in Chihuahua is 3%). This revenue is pledged to Chihuahua Businessmen's Social Trust Fund (FOSECH, in Spanish), an entity with no organizational or operational structure comprised of a committee of four representatives of the state's executive branch, five congressmen, two municipal presidents and 20 businessmen elected by business organizations. This fund is to be used by *Fundación del Empresariado Chihuahuense, AC* (FECHAC, in Spanish), a second-tier association operated by specialists and technicians that analyze projects of small associations and government agencies. The Foundation guides them, refine them and present them every two months to the Trust Fund committee for approval.

Implementation Attempt in Jalisco

The intent in 2000 to establish a similar model in Jalisco, began with meetings between a group of Jalisco's businessmen and FECHAC to guide the implementation of the shared social responsibility model. As result the *Fundación del Empresariado Jalisciense, AC*,—a second-tier foundation financed with contributions from the business community— was created. Currently, the foundation is focused in implementing a program to reduce addiction among workers in the state's business sector.

Although a fruitful effort, it did not have adequate support from Jalisco's government, as it did not involve the Secretariat of Finance, nor did it have a trust fund or included public officials into its decision making committees.

¹⁴ González, R. (2015). *Modelo de Responsabilidad Social Compartida (Shared Social Responsibility Model)*, Mexico, Fundación del Empresariado Chihuahuense, AC.

This underscores how inter-sectoral social policy efforts must be collaborative, nourished by the shared visions and actions of the public, business and civil society sectors to remedy the problems that afflict vulnerable sectors.

CONCLUSION

Jalisco's population has a patent philanthropic orientation, however its history and the state's current social policy tends to provide or focus more on assistance. The theoretical framework of Jalisco's Social Development Law published in 2004, its actions focus on social development and human rights promotion. On the contrary the 2019 Social Assistance Code of 2019 is awkward; a hurried, uneven, incoherent code and a setback in the social policy of Jalisco. It emerged to solve the situation of IJAS and does not propose any transformation of social action in the state. Thus a review of its relevance and scope is necessary.

Fortunately, there are advances regarding the promotion of Civil Society Organizations within the state, even though there are other forms of cooperation that can be implemented, such as the creation of inter-sectoral committees to design, evaluate, assess or allocate resources for public programs, or a social trust similar to Chihuahua's Entrepreneurship (FOSECH).

If Jalisco seeks to advance in a social policy reform to reverse the increase in its poverty rate experienced in recent years, it must consider incorporating in its legislation the participation of citizens, and the second and third sectors regarding the operation of public programs. Inter-sectoral cooperation in social policy improves citizen participation by democratizing development, improves the commitment of the business sector, provides accountability of its resources, promotes the professionalization of CSOs and reduces the costs of direct investments by the state's social assistance.

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