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Public goods, liberalism, political system and strategic public management in Mexico

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Abstract. *Public goods have two fundamental characteristics: they are offered to the whole community and no one can be excluded from their benefit. When the subject of public goods is discussed, the schools of thought that deal with state intervention in the economy always come to the fore: neoclassical and Keynesian. According to prominent theorists, the theory, conception, thought and ideology of economic and monetary neoliberalism was transferred to the political sphere, through the school of public choice. The Mexican political system can be considered as a regime in transition towards democracy, since it presents unquestionable elements of modern democratic systems, but it also shows traits of inoperability, such as corruption, scarce accountability and, lately, a deficient administration of justice by the judiciary. In accordance with the rule of law, the analysis of the Political Constitution represents the most important part of the political system to be studied. Efficiency in public management has been located in the exercise of budgets and in the actions of recording public accounting. The main objective of results-based management is to change the organizational culture of the managerial model, which should replace bureaucratic administration, emphasizing results instead of processes and procedures.*

Keywords: *constitutions; global public goods; liberalism; neoliberalism; political doctrines; political systems; strategic planning.*

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Общественные блага, либерализм, политическая система и стратегическое государственное управление в Мексике

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Аннотация. *Общественные блага обладают двумя фундаментальными характеристиками: они предлагаются всему сообществу, и никто не может быть лишен их выгоды. Когда речь заходит об общественных благах, на первый план всегда выдвигаются школы, занимающиеся вмешательством государства в экономику: неоклассическая и кейнсианская. По мнению видных теоретиков, теория, концепция, мысль и идеология экономического и монетарного неолиберализма были перенесены в политическую сферу через школу общественного выбора. Мексиканскую политическую систему можно рассматривать как режим, находящийся на пути к демократии, поскольку в ней присутствуют несомненные элементы современных*

демократических систем, но она также демонстрирует черты неработоспособности, такие как коррупция, недостаточная подотчетность и, в последнее время, несовершенное отправление правосудия со стороны судебная власть. В соответствии с верховенством права анализ Политической конституции представляет собой наиболее важную часть политической системы, подлежащую изучению. Эффективность государственного управления заключалась в исполнении бюджетов и в действиях по ведению государственного бухгалтерского учета. Основная цель управления, ориентированного на результат, состоит в том, чтобы изменить организационную культуру управленческой модели, которая должна заменить бюрократическое администрирование, делая акцент на результатах, а не на процессах и процедурах.

Ключевые слова: *конституции; глобальные общественные блага; либерализм; неолиберализм; политические доктрины; политические системы; стратегическое планирование.*

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Introduction

In the first section of this paper I analyze the concept of public goods from an economic and political point of view, as well as the main authors who have addressed this issue. Generally in these topics, the controversy or debate that has been generated around the activity of the State within the economy always comes to light, where the two currents or schools of economic-political thought stand out: the neo-Keynesian and the neoliberal.

In the second section I deal with the political system, where I will consider issues such as the concept and the components that make up the State, in order to try to define how the Mexican political system is formed in terms of the form of government it presents.

In the third section I define economic liberalism and how it became a political issue over time, as well as analyze the elements and characteristics of the neoclassical or neoliberal current, which came to life and became fundamentally important in the 1970s, when Prime Minister Margaret Thatcher came to power in Great Britain and President Ronald Reagan in the United States of America. I also consider the importance of the political Constitution in the vision of the rule of law. In the fourth part I deal with aspects concerning strategic public administration, highlighting the stages and elements that distinguish it, I also touch on aspects of management and administrative control, where I will emphasize issues of modern public management or new management. In another section I deal with administrative control in public management.

1. Public and private goods

It is considered that the topic of public goods concerns microeconomic theory, which is taught in advanced courses of that subject and is called welfare economics, this study corresponds to the neoclassical school with its marginal analysis tool. The subject of public finance also deals with the issue of public goods, hence Paul Samuelson and James Buchanan are considered some of its main exponents.

When talking about public goods, the schools or currents of thought that deal with state intervention in the economy always come to light, where I place two main schools: the neoclassical or neoliberal school (which is the one that writes and analyzes most on the subject of public goods) and the Keynesian school.

Pérez Partida (2015, p. 78) points out that one of the main debates in the social sciences, specifically in economics and politics, has focused on the role or intervention that the State should have in the economic sphere, as a result two main approaches have emerged: the classical approach and that of welfare economics.

In economics, a good is considered to be that whose consumption generates utility or benefit to individuals. We basically distinguish between two types of goods: public and private. For the common or public good to exist, there must be no discrimination or restriction whatsoever, even if it could be exhausted. The common good is subject to public interest and is opposed to the private good or private interest.

I took the liberty of preparing a table presenting the main characteristics of economic goods.

W. Parsons (2007; cited by Raposo et al, 2017: 4): "A public good is a good or service that is for everyone. Pure public goods are those manufactured by the state and not the market."

- Legal Concept: that which belongs to or is provided by the State or any public sector agency. In political economy, public domain is understood as the set of goods and rights of public ownership, destined for public use.
- Its use belongs to all the inhabitants of the nation, such as streets, squares, bridges and roads, the adjacent sea and its beaches. They are also called national or meritorious property.
- Main characteristics: non-rivalry and non-exclusion.
- Public goods by definition are shared, so the cost of their production and distribution cannot be covered by private individuals.

W. Parsons (Idem): "Pure private goods are those that are consumed by choice and only those who pay for them have access to their consumption".

- All individuals are able to possess some goods, through private means to satisfy some need, such as clothing, food or transportation.
- To take advantage of a private good requires paying the cost of that good.
- A private good is a particular type of economic good with these properties: 1) The consumer prevents or reduces the availability of consumption for others (principle of rivalry); and 2) It is possible to prevent consumers with some criteria, usually the payment for the good (principle of exclusivity).
- An example of rivalry is when an individual eats a cake and there is no cake left for anyone else, reducing the availability to others.

Public goods (elements according to Ballbe and taken up by Marienoff (Gordillo, 2017:355)	•Subjective: Who is the owner. •Objective: What are the assets. •Normative: By virtue of which norms they are incorporated. •Teleological: For what purpose the assets are intended.
Public goods (characteristics)	•Non-rivalry. The good is not diminished by the fact that it is consumed by a greater number of people. •Non-exclusion. They are goods for all and no one is excluded. •Non-divisible. It cannot be divided for its use or enjoyment

Fig.
Рис.

Salinas F. & Navarro B. (2015, cited by Raposo et al, 2017, p. 4) express: "Public goods are those that the market alone is unable to provide, but that are fundamental in society and that, therefore, the State must intervene to ensure that they are adequately provided".

Benegas Lynch (1998, p. 629 external: "It is said that a public good is one that produces effects on those who have not participated in the transaction. That is, those that produce effects for third parties or externalities that are susceptible to internalization".

The first ideas of public goods in economics come from Knut Wicksell who in 1896 published Studies in the Theory of Public Finance, applying the principles of marginal analysis to progressive taxes and public goods.

Silva Ruiz (2012, cited by Raposo et al, 2017, p. 3) states that authors such as Lindahl and Richard Musgrave are among the first to address the issue of public goods. In this regard Villalobos López (2020, p. 7) expresses:

> *"For Musgrave the market assumed varying degrees of inefficiency in the allocation of resources, which arose in parallel to the satisfaction of private needs, depending on the severity of these it was desirable and feasible a corrective activity by the State, from these market failures are born concepts such as monopoly, externalities and public goods (Tacuba (b), 2016, p. 118).*

Paul Samuelson was the one who systematized since 1954 the idea of collective consumption goods or public goods and their consequent externalities, explaining the problems of efficient allocation and equitable distribution of resources, as a precursor of the welfare state. It should be recalled that the concepts of externalities were first proposed by Alfred Marshall and Arthur C. Pigou.

In 1920 Arthur Pigou wrote his work Welfare Economics, where he proposed that the State should improve the living conditions of citizens through legislative or regulatory actions, recognizing that markets are not perfect and frequently present failures, for this he expanded the concept of externality of A. Marshall, recognizing two types of them: negative externalities and positive externalities, the first should be corrected through taxes and the second encouraged through subsidies (Altvater, 1992, cited by Vergara & Motta, 2016, p. 42).

P. Samuelson and R. Musgrave point out that private goods should be produced within the market, with the exception of goods that cannot be supplied because of their low pro-portion (economy of scale) or because of their exclusionary condition, which leads to the fact that it is not profitable for them to be produced and paid for. In this regard Isabel Raposo et al (2017, p. 4) point out:

> *"This theory is part of the prevailing thought that dominated the discourse of economics on efficiency and distributive justice, based on the Pare-to principle... In opposition to this current, it was K. Arrow who questioned the idea of imposing the logic of welfare maximization, opposing collective choice procedures to efficiency.*

The non-rivalry condition that prevails in public goods means that a good can be consumed by one user and at the same time could be consumed by another user. The condition of non-excludability implies that even if an individual does not want to pay for that good, it does not mean that he cannot enjoy it. When public goods have both characteristics: non-excludability and non-rivalry, they are called 'pure', while if they have only one of them, they are called 'impure'.

The argument of the neoclassical school goes in this direction: if public goods were not produced by the State, the market in the manifestation of multiple participants could under-produce such goods, since the quantity produced is necessarily different from what the people would have chosen, if the government had not interfered.

Ronald H. Coase is another of the authors who made progress on the subject of the externalities proposed by Pigou, where, as in all neoclassical or marginalist theories, he considers that the role of the State should be much more passive and the market should promote development, generating the concepts of the social cost problem and the so-called property rights, where he points out that externalities are produced by the difference between the social cost and the private cost, which will be remedied to the extent that the rights and duties of each party are perfectly defined (Vergara & Motta, 2016, p. 42).

Recalling that in the classical school are the founders of political economy or economic theory, as is the case of the famous Englishmen Adam Smith and David Ricardo, also called the fathers of economics. The neoclassical or marginalist school includes Alfred Marshal, Leon Walras, W. Jevons, Carl Menger, Wilfredo Pareto, Irving Fisher, among others.

The main difference between private goods and public goods is that the former provide benefits directly to the individuals who consume them, while public goods are offered to the whole community and no one can be excluded from their benefits. I bring up what Marcus Olson (1965: 15; quoted by Benegas, 1998, p. 63) expressed on the subject: "A state is, above all, an organization that provides public goods to its members, the citizens".

To conclude this section, González Valadez (2009, p. 13) points out that to speak of private initiative is necessarily to speak of the market and its involvement in social life, adding that the decisions made by private and public entities affect the common good, so that only the equivalence and equal counterbalance of both economic sectors can bring social benefit.

2. Mexican political system

Gómez Díaz (2015: 31) presents us with six definitions of political system given by David Easton, Jean W. Lapierre, Gabriel Almond, Karl Deutsch, Maurice Duverger and Samuel P. Huntington. Of these authors, I choose Duverger's definition, which states: "Political system is the entity in which political actors converge. Political institutions are, in turn, the integral parts of a political subsystem, which is what is called the political regime".

The political system analyzes the interdependence of the set of decision-making in the governmental sphere. The form of government or government regime is a way of exercising different types of power and a government structure is the way in which this power is organized. For Serra Rojas (2009, 101; cited by Bandala, 2012, 12) "Politics studies the activity in all its aspects and links them to the political activity of a nation".

The most important elements to understand and study the political system are five: 1) State, 2) Government, 3) Sovereignty, 4) Power and 5) Authority.

The State can be defined as a group of individuals living in a limited territory, which has a governing body that makes public decisions in a sovereign manner. The fundamental elements of the State are: population, territory and government.

From Bandala Fonseca (2012, 14-16) I take these concepts about the governmental entity:

- Government: "From the organic point of view, it entails the set of authorities of the State, including not only the administrative but also the legislative and judicial authorities formally considered" (Ignacio Burgoa, 2007, p. 207).
- Sovereignty: "The problem of sovereignty is thus essentially linked to the problem of possible relations between two normative orders" (Hans Kelsen).
- Authority: "It is equivalent to power, authority or activity susceptible of being imposed on something else, and refers to the State, as the political organization of human society...in a word, power is the empire emanating from sovereignty" (Ignacio Burgoa, 2007, p. 62-63).
- Power: "Power is one of the most important concepts in the analysis of politics because it defines, among other things, the distribution of resources for the achievement of the interests or objectives of individuals and social groups, the distribution of public offices..." (Hans Kelsen).

Recalling that Max Weber defines power as the possibility of imposing one's own will on the will of others. The study of the state, together with power, constitute the central objects in the disciplinary field of political science. For Hans Kelsen (1988, pp. 215-216; cited by Gómez, 2015, p. 37) the State can be personified as the national legal order, as opposed to the international one, adding: "The State as a legal person is the personification of that community or the national legal order that constitutes it".

From the work of Gómez Díaz (2015, pp. 38-39) he took two concepts of recognized Mexican authors on his conception of the State:

> *...a sovereign political organization, of a human society established in a determined territory, with independence and self-determination, with organs of government and administration that pursue certain ends through concrete activities (Acosta Romero, 1988, p. 60).*
> *...The State is a part of human society, established on a legally organized territory, under the form of an independent government that proposes the realization of those ends, which are determined in accordance with its historical conditions (Serra Rojas, 1985, p. 215).*

The forms of the State are the structure or outline of its political organization, the most widespread typology in our time divides them into unitary or federal States, while the typical forms of government are two: parliamentary or presidential. The utilitarian State is made up of a central power, without autonomy for the parts or regions that compose it, being the only one that regulates the entire organization and coordinates all public bodies. The federal State is made up of various entities, which retain their autonomy with a certain degree of political decentralization, but which are united for the purposes of national representation, where there is coexistence between different spheres of government, as well as organs of power: federal, state and municipal.

In turn, the states can be classified according to the preponderance of the relationship between the branches of government: presidential or parliamentary. In the presidential system there is a preponderance of the executive over the legislative power, while in the parliamentary system there is a preponderance of the legislative power, in many cases the executive power emanates from the parliament. Examples of parliamentary regimes include England and Germany, while presidential regimes include Mexico and France (Gómez, 2015, pp. 43-44).

An additional way of classifying the form of the States is given according to the legitimacy of the holder of the State, and two cases can be given: monarchy or republic. The monarchy is the succession of the incumbent by inheritance, while in the republic the incumbent will be renewed periodically, according to the terms established in the respective Constitution. The term of office in the monarchy ends with the death of the sovereign or his abdication in favor of his heir, while the term of office in the republic ends in the period established in its Constitution. In this respect, Gómez Díaz (2015, p. 48) expresses:

> *In an attempt to classify the Mexican political regime, we place it in the group of transitional democracies according to Juan Linz's approach. Although we can find undoubted features of modern democratic systems, there are still serious deficiencies in terms of accountability, corruption, defense of human rights and some other aspects that undermine the democratic perception of the system.*

The U.S. political system is a presidential system, with important limitations due to the specific weight that Congress has in the overall functioning, regardless of the fact that it is a federal republic, where the head of state is the president (Gómez, 2015, p. 45). In the United States the powers are divided into executive, legislative and judicial, where the president is elected for a four-year term with the possibility of reelection a second time.

The U.S. political system, like Mexico, is a presidential federal system also divided into two legislative chambers, but the great difference that I locate is the great independence that the U.S. Congress has with respect to presidential decisions.

Article 39 of the Constitución Política de los Estados Unidos Mexicanos (CPEUM) – Political Constitution of the United Mexican States- establishes that the Supreme Power of the Federation is divided for its exercise into Legislative, Executive and Judicial, where two or more powers may not be combined in a single person or corporation. Article 40 of the CPEUM states that it is the will of the Mexican people to constitute a representative, democratic and federal Republic, composed of free and sovereign States, united in a Federation.

France has a semi-presidential political system, with a president (head of state) and a prime minister (head of government). Its form of government is unitary and democratic, where the president is elected and independent of the legislature, who serves a five-year term. France, unlike Mexico, is not a federal but a unitary system and is bicameral (Senate and representatives).

Spain has a political system of constitutional monarchy, with a regime of parliamentary democracy, where the head of state and general captain of the armies is the monarch. Argentina has a republican political system, democratic and presidential, where the head of state is the president. Its form of government is representative, republican and federal, with three branches: executive, legislative and judicial, where the president holds office for four years and has a bicameral structure (senators and deputies).

From my point of view, among the United States, France, Spain and Argentina, the latter is the most similar to the political form and organization of the Mexican State.

3. Liberalism, political neoliberalism and the Constitution

I define liberalism as the doctrine whose fundamental aspect is the defense of freedom and individual initiatives, as counterbalances to the power of the State in the political and economic fields. In my point of view, liberalism sought to put an end to mercantilism in its early origins and its main objective was that individuals and civil society should be the ones to make the fundamental decisions of nations, seeking to put a brake on the State, so that it becomes the servant of the citizenry.

John Locke is considered in the seventeenth century, as the promoter of liberal philosophy and private property, where the term 'classical liberalism' was coined, as a distinction of future currents. Guerrero Orozco (2010; cited by Garza & Barredo, 2017, pp. 87-88) recognizes John Stuart Mill as one of the most prominent classical authors in the liberal perspective of economics and public administration, where the supporters of the Austrian school Ludwin von Mises and Friedrich Hayek already stand out as neoclassical or neoliberal in the decade of the twenties of the last century.

Vásquez Medina (1986, pp. 16-45) shows that in the economic programs emanating from independent Mexico after 1821, the clash between classical (liberal) and mercantilist currents was already felt in the country. The liberal free enterprise worshippers led by the English school of economics and its great economists: Adam Smith, David Ricardo and Jeremy Bentham, with their Mexican followers such as Luis Mora and Lucas Alaman. The mercantilists were grouped around the ideas that the author calls the North American school, such

as Gottfried Leibniz, Jean Colbert, Friedrich List, Henry Carey and Alexander Hamilton, as well as their Mexican followers Lorenzo de Zavala and Francisco García Salinas.

The principles that F. Hayek employed in his economic analysis, would be transferred sometime later to the political part, among them the precept that individuals should satisfy their aspirations, where citizens are conceived as 'users' who require quality services, in the logic of utilitarian or marginalist economics (Garza & Barredo, 2017, pp. 88).

Formally, the term neoliberalism is coined during the Lippmann Colloquium in Paris in 1938, by von Mises and Hayek, around two foundational ideas (Escalante, 2019, pp. 131; cited by Calva, 2019, pp. 612):

- The price mechanism as the only efficient form of organization of the economy and the only one compatible with individual freedom.
- The priority of economic freedom over political freedom, which differentiated them from classical economists.

Thus, neoliberalism was born as a school or current of economic thought first and then moved into the political sphere, opposed to communism and fascism, as well as Keynesianism and any other theory of state intervention in economic activity.

In 1947 Friedich Hayek would lead the meeting of Mont Pélerin, Switzerland, introducing the ideological aspect in the neoliberal movement, Escalente Gonzalbo (2019, p. 96; cited by Calva, 2019, p. 612) makes see that they would express on that occasion: "We must recruit and train an army of freedom fighters, and work to form and guide public opinion".

The center of the neoliberal movement would move to the United States, specifically to the University of Chicago, headed by F. Hayek and Milton Friedman. While the golden age of capitalism lasted, neoliberalism was not very popular worldwide, and the ideas of the Keynesian and neo-Keynesian schools or currents predominated. It was not until the mid-seventies, when the world oil crisis and the phenomenon of stagnation with inflation (stagflation) appeared, that neoliberals began to make their presence felt.

In the construction of neoliberalism that was implemented since the end of the seventies of the last century, F. Hayek and M. Friedman would reach their maximum popularity during the mandate of Prime Minister Margaret Thatcher (called the Iron Lady) of the United Kingdom in 1979 and with the arrival to power of Ronald Reagan to the presidency of the United States in 1981.

In the vision of René Villareal (1984, p. 460) the conception of the theory, thought and ideology of monetary and economic neoliberalism was transferred to the political field, through the conceptions of the school of 'public choice', showing that this current is served and based on three aspects: 1) In the political with the movement of public choice; 2) In the social with the theory of human capital; and 3) In the legal with the movement of property rights. In this respect Henri Lepage (1979, p. 25; quoted by Villareal, 1984, p. 461) would express on the subject:

> *"The Public Choice School is a scientific movement whose origins, like those of human capital or property rights theory, go back to the efforts made in the 1950s to extend the applications of market economic methodology to the field of non-market choices.*

The theory of rational choice assumes that individual decisions constitute a basis that manages to explain a social phenomenon, a concept also called methodological individualism, with which individual phenomena and their interactions are explanatory of the relations between economic and social sectors, José Romero (2020, p. 18) would point out in this regard:

> *"The construction of methodological individualism, proposed by Carl Menger, founder of the Austrian school, is combined with decision makers, who optimize their individual welfare based on the available information. This simplification does not consider many other elements that influence the individual from the collective, for example, that preferences have a social origin. See Arrow (1994).*

The main elements of political liberalism are: 1) Human beings possess inalienable rights, which are Locke's 'natural rights': life, liberty and private property; 2) The governed must consent to rule, so political authority must be subject to majority consensus; and 3) The rule of law, which must guarantee equality before the law for all citizens.

For liberalism, freedom is the fundamental axis of political activity, such as freedom of thought, expression, worship and association. Thus, liberalism places individual rights and liberties above collective rights and liberties, giving rise to private property being considered as the fundamental precept of liberalism, which must be guaranteed by

law. In reference to the elements of the rule of law, the primary or supreme commandment of law plays a fundamental role: it's political Constitution. In this regard Yamila Juri (2022, p. 21) expresses:

> *While the political theory that accompanies the formation of the modern State since Bodin, places sovereign power at the apex of its construction, the theory of the rule of law and modern constitutionalism subordinate political power to law, or rather, to the Constitution, and assign to the latter the role of foundation of legitimacy of power itself: they found, therefore, power in law.*

Although the study of the political system is not limited to the political Constitution alone, it does represent the most important and basic part of its analysis. In the rule of law, every modern Constitution establishes the bases or principles to regulate the action of the State, these being: 1) Principle of distribution: unlimited freedom of the individual and limited power of the State so as not to invade it; 2) Principle of organization: power of the State is divided and circumscribed in competencies; 3) The fundamental rights or freedom are contained in the division of powers (legislative, executive and judicial).

The Political Constitution of the United Mexican States (CPEUM) is structured in three main sections: 1) Human rights, which were formerly known as guarantees or citizen rights; 2) Formal structure of the government; and 3) Procedures and requirements to modify the Constitution itself. Chapter I of Title One of the CPEUM deals with "Human rights and their guarantees", which covers Articles 1 to 29, in what were formerly called individual guarantees, which is ultimately the defense of the philosophical current or doctrine of political liberalism.

In the vision of liberalism, the citizenry must find in the public administration a protective, but not paternalistic power, a power that "takes care of the citizen from birth to death". The State must guarantee that citizenship and individual life are governed by the principle of equality, seeking to eradicate privileges, violations and possible discretionary applications in favor of a few.

The State in the liberal mode claims that private life (human rights) must be the axis of a modern society, where citizen life (citizen rights) stands out, for which it will have to implement public policies that favor the existence of the market economy (in essence the axis of liberalism). The State should have the least activity in economic matters, according to the vision of liberalism, placing the basic concepts of this school in the market and economic competition.

The political life of liberalism is materialized with the achievement of manifestation of citizenship against the State: elections. They must reflect the means to organize and alternate power and with the mobilization of society, democracy and the enjoyment of political freedoms are strengthened. The vision of political liberalism is that citizenship is characterized by demanding not only services from the State, but also specific benefits, where citizens behave as clients, users and beneficiaries (resembling a political market, in correspondence with the economic one).

Since the markets for goods and services are so imperfect, the State has to assume social welfare functions. The market as a concept cannot offer services in health, food, education and housing at low cost and without having to 'sacrifice' its profits, which is why the liberal school (in modern times known as neoliberal) allows the State to provide these satisfiers.

To conclude this part, in the vision of Garza Montemayor & Barredo Ibañez (2017, p. 90) the concepts governance and new public management are considered as a neoliberal vision of the role that the State should assume, where it would seek to employ and adapt the methods of the business world to public administration, where additionally governance dispenses with historical analysis.

4. Strategic public administration and administrative control

Sánchez González (2009, p. 64) states: "...public administration is a social science, independent, autonomous and in full development. It is an applied science, a political science and a science of the State".

The new theories of public administration should emphasize results rather than processes and procedures. For Figueroa Reyes (2008: 2, cited by Delhumeau et al, 2013, p. 91): "...contemporary theories of public administration emphasize the advantages of promoting an organizational culture of results-oriented public management, in contrast to a traditionalist orientation emphasizes procedures and management processes".

The application of strategic management allows us to carry out studies with systematic, rational and logical approaches to select the set of thoughtful actions that will enable us to achieve a specific goal or objective.

De Pinho Oliveira (2007, quoted by Lana, 2008, p. 3) points out among the benefits of strategic

management the following: a) increasingly flexible and sustainable management models; b) facilitated identification of the capabilities of the companies' professionals; c) consolidation of the corporate action stance aimed at the needs and expectations of the market; d) improvement in the companies' levels of motivation, commitment, productivity and quality; e) increase in the companies' scope of action and results.

For Rogelio Lana (2008, p. 3) "Strategic Management is a continuous and inter-active process used in the maintenance of the organization as a whole integrated with its environment".

Strategies are considered to be the path to be followed to reach a goal, based on the resources, time and efforts available. The validity of strategies is related to the organization's objectives. Samuel Certo et al (2005, p. 11; quoted by Lana, 2008, p. 8) states on this subject: "Strategy is defined as a course of action to ensure that the organization achieves its objectives. To formulate strategies is, then, to project and select strategies that lead to the realization of organizational objectives".

Before proceeding further in strategic management, I will present some elements or concepts that should not be lost as a point of reference for the process of the planning stage in general and which will help us to understand strategic management, namely: purposes, premises, objectives, policies, programs and procedures. Each of these elements has its own purpose and characteristics that guide the manager in making decisions.

Purposes are the necessary ends that a company must pursue, which constitute the basis for formulating a strategic plan and are essential because they provide the guidelines for its design. The premises are based on a reasoning that is to be used for the logical establishment of a conclusion. The types of premises are internal (within the organization) or external (environmental factors affecting the organization).

The objectives represent the results that the organization expects to obtain and are considered goals to be achieved. The characteristics of objectives are that they must be quantitative, temporary, real and achievable. Policies are guidelines for action that help us make decisions in everyday situations for the company. Policies facilitate the delegation of self-responsibility, as well as motivate and stimulate personnel, avoid wasting time and indicate to personnel how to act in their common operations.

Programs are quantifications that are carried out at different times in order to achieve an objective. There are two types of programs: tactical and operative, the former must be addressed or carried out by the top management of the organizations, while the latter must be carried out by the middle management.

Procedures are the chronological order and sequences of activities to be followed in a constant or repetitive work. With the procedures it is possible to define times and actions to follow to achieve a process, which are important to promote efficiency and specialization, allow us to delimit responsibilities, avoid duplication and determine the way in which activities should be executed. Estela Molteni (2020, p. 12) determines that methods are part of procedures, pointing out that: "Münch and García state that procedures determine the order in which activities should be carried out, while methods indicate the way in which they should be performed".

Strategic planning is considered as the determination of basic long-term goals and objectives in a company, together with the adoption and distribution of actions to achieve the purposes. The strategic planning process is divided into two phases:

- Formulating strategies: where the mission and vision must be defined, as well as diagnosing the internal and external environments of the organization, seeking to establish long-term objectives and defining strategies to achieve them.
- Implement the strategies: here the annual objectives are defined and policies and processes are designed. In this phase it is important to involve the personnel in order to create an organizational culture that helps to achieve the company's general objective.

The mission consists of defining the raison d'être of the organization, establishing its philosophy, values and main organizational objectives, as well as the social need it wishes to satisfy. An indispensable guide for writing the mission of any organization is to answer three questions: What does the organization do, how does it do it, and why does it do it? In answering the last question, it is important to formulate an aspect of social welfare to which the organization can contribute, as this would highlight a more human mission, as opposed to one that only seeks profits or benefits for its members.

The vision refers to the statement of the main objective or goal of the organization. The vision should clarify the company's long-term direction

and show its strategic intent. The philosophy of the organization is the set of beliefs or values to which a company or organization is committed, highlighting institutional values such as punctuality, respect, tolerance and teamwork. Values are considered important for an organization because they determine its behavior in the environment, which means the respect it should have for consumers, the environment and society in general.

Certo et al (2005, cited by Lana, 2008, p. 4) derive from Fernandez and Berton, Oliveira, Tavares and Wright, Krol and Palmer, the five stages of the strategic management process model, which are: 1) Analysis of the internal and external environments; 2) Establishment of the organizational guideline; 3) Strategy formulation; 4) Strategy implementation; 5) Strategic Control.

Speaking of modern public management, since the 1990s, theoretical studies have shown the various approaches to the study of public administration, such as public policy, public management and public administration as heirs to public management, including what is known as new public management or new public administration.

Enrique Cabrero introduces the subject and the expression public management in 1991 in the nation, highlighting his studies that revolved around businessmen and public managers of what is known as the parastatal sector of the Mexican State, followed by Uvalle Berrones who addresses the theory of the State and public administration in 1992, years later Cabrero conducts research that is linked to municipal issues and resource management at the local level (Sanchez, 2009, p. 61).

In 2002, Sánchez González deals with public management, where he makes a theoretical development that is accompanied by definitions and experiences in Anglo-Saxon countries, analyzing governance as a new theoretical element of public administration.

Two years later, Omar Guerrero delves into the scope and limits of public management in the contemporary and global environment, where he also addresses the new public management. Subsequently, authors such as Aguilar Villanueva & Martínez Vilchis address the issues of public management and new public management.

Garza & Barredo (2017, p. 93) point out that Uvalle focuses his attention on public space, adding in this regard:

> “ *On the other hand, it is also important to highlight that Uvalle (2003) considers that the State should be the main guarantor of human rights, civic freedoms and general welfare, in comparison with authors with neoliberal orientation who express that the State should limit its role to being a procedural entity.*

The application of management by results consists in changing the organizational culture of the public sector, regarding this issue Villalobos López (2020, p. 11) states:

The objective of management by results is to consider a process of change in the organizational culture of the public sector that leads to the substitution of the bureaucratic administration model for a managerial one. In the former, the emphasis is on processes and procedures and in the latter on results.

The control system according to the UN (1969, p. 431; cited by Béjar & Orrico, 2013, p. 25) allows: "to measure and examine the results obtained in the period, to evaluate them and to decide the necessary corrective measures". Internal control has been seen as a suitable mechanism to support the efforts of public entities with the objective of guaranteeing constitutional principles and proper accountability (Gamboa et al, 2016, p. 487).

In general, it is considered that there are three types of control: legislative, judicial and administrative, where this work is exclusively interested in the latter and especially in internal control. Administrative control is that deposited in the executive branch, which may be exercised by the head of the executive branch or by the specialized administrative agencies and units determined by law.

Article 37 of the Organic Law of the Federal Public Administration indicates the functions entrusted to the Ministry of Public Function, where in the first paragraph it states that it must organize and coordinate the internal control systems and the evaluation of government management and its results.

The elements of administrative control are four: subject, object, form and purpose (Lanz, 1987, p. 471; cited by Béjar & Orrico, 2013, pp. 26-27).

The active subject is the controlling authority, which in the first instance in Mexico is Ministry of Public Function. While the passive subject is the centralized or parastatal public entity being analyzed, as well as the senior public officials or employees working in those entities.

Three types of object are recognized: legality, timeliness and management. The purpose of the control of legality or regularity is to verify that the act has been carried out in strict compliance with

the principle of applicable regulations. Timeliness control consists of the synchronization between the action and the circumstances of time, mode and place in relation to program compliance.

Management control "aims to review the congruence of the results of administrative action with the programs and purposes...it allows an examination of the effectiveness of acts and operations" (Vázquez, 1996, 16; cited by Béjar & Orrico, 2013, p. 27).

The purpose of administrative control is to ensure a balanced, effective and honest performance of public entities and the officials assigned to them, so that they can adequately fulfill their functions.

If we want to achieve truly effective management of control systems, we must have elements of accounting and operational analysis. The analysis based on cost accounting can allow us to achieve this objective, for which we require: 1) Grouping of functions by departments or units with similar functions in order to reach the fundamental objective; 2) Differentiate the departments or cost centers that support the fundamental activity.

In the exercise of internal control, the principles of equality, morality, efficiency, economy, celerity, impartiality, publicity and valuation of environmental costs should be contemplated; where recent advances in economic and administrative sciences should be taken into account, incorporating innovative elements for management and public management (Gamboa et al, 2016, p. 487, 492).

Two terms are often confused with effectiveness and efficiency. In this regard, I bring up the difference posed by Escudero Blué (2020, p. 26; cited by Villalobos, 2020, p. 13):

> “ *Efficiency is related to the optimal use of an entity's resources to achieve a previously planned objective or purpose, meaning that an activity is efficient if its cost is lower. Effectiveness, on the other hand, focuses on the degree of fulfillment of the objective or purpose proposed by an entity, and is thus considered to have been effective if and only if the expected purpose was achieved.*

In order to evaluate the effectiveness and efficiency of public decision making, it is necessary to establish control mechanisms, where accountability and transparency become the neural point of public administration. The conclusion drawn by Delhumeau et al (2013, p. 98) is that control mechanisms in public management generate information that allows evaluating the level of effectiveness and efficiency in decision-making and its scope.

Efficiency in public management has traditionally been placed in the exercise of budgets and the accounting of financial acts. The measurement of performance involves the application of control mechanisms in accounting to monitor the degree of compliance with the goals of a public institution, which will seek to measure the effectiveness and efficiency of administrative management.

In addition to using financial accounting records, analytical accounting and budgeting, it is nowadays necessary to have management indicators, which for Prado & García (2004, p. 2) consist of being:

> “ *...understood as variables that will try to technically represent the actions of the different administrations and the effects caused by them, evaluated in terms of economy, efficiency and effectiveness... Management indicators have been developed in the field of administration to facilitate decision making and accountability, both in the superior or political bodies and before third parties interested in public resources, providing it at the same time with transparency.*

The authors of reference define the concepts of economy, efficiency and effectiveness as follows: 1) Economy: the acquisition of factors in adequate quantity and time to produce a specified quality, always at the lowest cost; 2) Efficiency: the use of the minimum amount of resources employed in the production or development of the appropriate quantity and quality in a given time, where one can speak of economic and global effectiveness; and 3) Effectiveness: harmony between the expected expectations and the reality achieved, regardless of the means used.

The compliance with legal norms can guarantee the effective fulfillment of the actions of the public administration, where the so-called budgetary control plays a fundamental role, which should be linked to the approval of the Public Account by the Federal Superior Audit Office, with which the most effective control would be passing to the legislative power, thus eliminating the possibility that members of the federal executive could help each other.

Many federal, state and municipal development plans have failed very often because the elaboration of such plans is their main objective, ending

the process for many authorities with the publication of the plan, as required by the corresponding planning law, but the development plan becomes only a decorative object when it is kept in a bookcase and is not monitored or evaluated on an ongoing basis.

In this sense, Chávez Alzaga (2007, 2; quoted by Delhumeau et al, 2013, p. 92) states that:

> *...planning and its execution are the first stage of a long process where the perhaps most complex fa-se is linked to the measurement and evaluation of the operation. Unfortunately, it is in this stage where many entities fail and/or give up by showing a conformist attitude.*

I must refer to the National Planning Law of 1983, which in its Article 20 indicated that the participation and consultation of diverse social groups should be carried out with the purpose of allowing the population to express their opinions for the elaboration, updating and execution of the plan and the programs that were legally required.

In this regard, Gómez Collado (1983, p. 65; quoted by Delhumeau et al, 2013, p. 93) points out that the National System of Democratic Planning sought to modify the technocratic conception with which plans were made, seeking that those planners would not impose their will and that popular participation would guide the decisions of those in charge of the elaboration of the plans. These objectives were not fully met in the vast majority of governmental plans at the federal, state and municipal levels.

Conclusions

While private goods provide enjoyment or benefit directly to the individuals who consume them, public goods are offered to the whole community and no one can be excluded from their benefit. Economically, for the neoclassical or neoliberal school of thought, the State must be first and foremost an organization that must provide public goods to citizens. When talking about public goods, the schools or currents of thought that deal with the intervention of the State in the economy always come up, where I place two main ones: the neoclassical and the Keynesian.

The Mexican political system can be classified as a regime in transition towards de-democracy, finding undoubted elements or features of modern democratic systems, but also deficiencies that undermine the democratic perception, as is the case of corruption, poor accountability and especially the deficient administration of justice by the judiciary. The Mexican political system is similar and similar to that of Argentina, both in the political form and in the organization of the State.

I define liberalism as the doctrine whose fundamental aspect is the defense of individual freedom and initiative, as a counterweight to the power of the State in the political and economic fields. Liberalism seeks to reduce the power of the State, promoting free trade and market freedom. According to prominent theorists, the theory, conception, thought and ideology of economic and monetary neoliberalism was transferred to the political sphere, through the school of public choice.

The theory of the rule of law subordinates political power to the law itself, which is framed within constitutionalism, assigning to it the fundamental role of legitimacy of power, and although the study of the political system is not limited to the political Constitution alone, it does represent the most important and basic part of its analysis.

Efficiency in public management has traditionally been located in the exercise of pre-budgeting and in the recording actions of public accounting. The main objective of results-based management today is to change the organizational culture of the public sector to a managerial model, where the focus on processes and procedures is replaced by a focus on prioritizing results. In public decision making it is necessary to establish control mechanisms, so that accountability and transparency become an essential part of public administration.

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