



# OTT Consulting

[www.onthinktanks.org/ott-consulting](http://www.onthinktanks.org/ott-consulting)

## ANNEX 5

### RETROSPECTIVE ANALYSIS HEWLETT FOUNDATION SUPPORT IN MEXICO

16 February 2021

#### Contents

1. Executive summary.....	1
2. INTRODUCTION.....	3
2.1 THE HEWLETT FOUNDATION AND THE MEXICAN CONTEXT .....	4
3. THE ARRIVAL OF THE HEWLETT FOUNDATION.....	8
4. THE INFLUENCE OF THE INTERNATIONAL FOUNDATIONS ON THE MEXICAN CONTEXT .....	8
5. THE HEWLETT FOUNDATION IN NUMBERS .....	10
6. USLAR AND THE MEXICO CITY OFFICE (1997–2004).....	14
6.1 INTRODUCTION TO THE MEXICAN AND CIVIL SOCIETY CONTEXT .....	15
6.2 THE USLAR PROGRAM .....	16
7. ENVIRONMENT PROGRAM: HEWLETT’S COMPLEMENTARY BUT CONTINUOUS PROGRAM (1997–2015).....	21
8. THE GLOBAL DEVELOPMENT PROGRAM: CHANGES IN TRANSPARENCY AND CIVIL SOCIETY ORGANIZATIONS (2004–2010) .....	23
8.1 INTRODUCTION TO THE MEXICAN CONTEXT.....	23
8.2 THE GLOBAL DEVELOPMENT PROGRAM .....	24
9. MEXICO BEYOND TRANSPARENCY: THE GLOBAL DEVELOPMENT AND POPULATION PROGRAM (2010–2019) .....	31
9.1 OPENING THE ACCOUNTABILITY, PARTICIPATION AND GOVERNANCE CHAPTER (2010–2014).....	34
10. MEXICO IN THE FACE OF DEMOCRATIC POPULISM .....	40
11. THE COVID-19 CRISIS: A TRIGGER FOR THE MEXICAN CRISIS .....	41

## 1. Executive summary

1. At the end of the twentieth century, Mexico entered a period of profound institutional change. The democratization and modernization of the country were made possible for the first time partly due to the rise of a number of Mexican civil society organizations (CSOs). [p. 4]
2. This change was only possible with financing from national and international donors, the latter of which included the Hewlett Foundation. [p. 5]
3. The Hewlett Foundation began its work focused on Mexico in 1997, a particularly critical year for the country. It was the first time that the historically powerless opposition won a majority in the Mexican Congress against the hegemonic party, Institutional Revolutionary Party (PRI). This political event was the prelude to the presidential win, three years later, by the main opposition party, National Action Party (PAN), in 2000. [p. 8]
4. Tracing the influence that international foundations have had on the Mexican political landscape is complex. Causality should not be confused with coincidence; the advancements and successes in public policy can't be explained solely by the prevalence of CSOs. [p. 9]
5. The US–Latin American Relations (USLAR) program created new spaces for collaboration between universities on both sides of the border and within the foundation, particularly between USLAR and the Environment Program, fostering a valuable exchange of ideas that would impact later work and achievements on the enabling environment and fiscal reform work. [p. 15]
6. In 2001, the highest level of funds and economic resources were granted within the program. That year also saw William Hewlett's death, the first Hewlett Foundation staff working in Mexico, and the terrorist attacks of 11 September. [p. 20]
7. The Environment Program awarded grants to protect people and places threatened by global warming, by addressing climate change and expanding the use of clean energy. [p. 21]
8. The Clean Transportation Initiative, implemented from 2004 to 2014, aimed to increase the amount of clean air and improve Mexican public health. This project successfully created Bus Rapid Transit systems and contributed to the improvement of cycling infrastructure. [p. 23]
9. When the Global Development Program arrived to Mexico, conditions were just right for its transparency and access to public information agendas. The “democratic bonus” and the new Ley de Transparencia y Acceso a la Información Pública (Transparency and Access to Public Information Law) allowed CSOs to demand greater access to public information and increased government transparency. [p. 23]
10. In 2004, the foundation began gathering its grantees at the Transparency Breakfasts, cultivating a new platform for the exchange of information and good practices throughout the community. [p. 28]
11. In 2006, the PAN party won the presidency again and Felipe Calderón became president. The new president did not have the strong democratic legitimacy of his predecessor, Vicente Fox. [p. 24]
12. At the time, the Mexican legal and fiscal framework was a barrier to the establishment of relationships and agreements among non-profit organizations and potential donors. The

---

## OTT Consulting

- foundation saw an opportunity to build a reform agenda that tackled these obstacles and created the Enabling Environment for Philanthropy Strategy in Mexico. [p. 27]
13. The rule of law component of the Global Development Program (GDP) in Mexico focused in the support of institutions like Centro de Investigación y Docencia Económica (CIDE) and Centro de Investigación para el Desarrollo (CIDAC). The foundations supported CIDE with its legal curriculum reform and public interest legal clinic. The Hewlett Foundation also offered support for this organization along with CIDAC (and some others) for the public policy research agenda, that –among other things– allowed the production of the film *Presunto Culpable* [p. 28]
  14. In 2011, the Global Development Program and the Population Program were merged into the Global Development and Population Program (GD&P). The GD&P began to include organizations that worked closely with local communities and promoted citizen participation through a gender-equality perspective. [p. 37]
  15. The concerns of international foundations, along with those of citizens, evolved from wanting greater rights of access to information to the use of information for accountability purposes. [p. 32]
  16. In 2012, the PRI party won the presidential elections and Enrique Peña Nieto became president. Social discontent was used by the government to announce a series of structural reforms. Violence and insecurity increased to historic levels. Even though the foundation worked in the Rule of Law Agenda from 2004 to 2010 focused on changing legal education and judicial reform, the rule of law in Mexico became a critical issue due to the high levels of impunity, shifting many organizations' focus of attention toward security and justice issues. [p. 32]
  17. The Hewlett Foundation closed its office in Mexico in 2014. Although this was the best decision for the foundation, many grantees expressed that they felt significantly estranged from the foundation following this move. [p. 36]
  18. In 2015, the *Ley de Transparencia y Acceso a la Información Pública* (Transparency and Access to Public Information Law) was reformed and the The National Institute for Transparency, Access to Information and Personal Data Protection (INAI) was created. In the same year, the Hewlett Foundation readjusted its transparency, participation, and accountability (TPA) strategy toward the use of public information to improve public service provision. [p. 34]
  19. In 2018, Mexican elections were won by the *Movimiento de Regeneración Nacional* party (Morena). The party achieved both the presidency and the majority of seats in both chambers of congress. [p. 40]
  20. One of the most troubling aspects of the federal government's actions was the hostility of President López Obrador toward civil society, posing a menace to the latter's achievements. The president has also undermined the democratic checks and balances of the republic and many autonomous bodies have been captured by the state. [p. 42]
  21. Mexican civil society has also been affected by COVID-19. Many of the internal funding resources available to civil society organizations have diminished. CSOs have also faced unprecedented difficulties in continuing with their projects, as the lockdown forced many of them to switch to online working. [p. 44]

---

## OTT Consulting

22. During his campaign for presidency López Obrador promised that he would not raise taxes and has kept that promise for more than two years. In the face of the current unemployment and fiscal crisis, taxes have increased only for those products included in the IEPS<sup>1</sup>, and for those that were not regulated before (like digital platforms). But regular taxes like IVA<sup>2</sup> and ISR<sup>3</sup> have not seen a rise. [P. 41]
23. These crises could incite a regression in many areas where agendas such as accountability, citizen participation, and governance had already advanced. [p. 42]

## 2. Introduction

At the beginning of 2020, the Hewlett Foundation asked On Think Tanks to develop a retrospective evaluation and analysis of the foundation's grantmaking in Mexico from 1997 to 2019. This document delivers said analysis to expand the knowledge of the foundation about the influence of its programs and strategies in Mexican civil society.

The document analyzes the different programs<sup>4</sup> implemented by the Hewlett Foundation in Mexico since 1997. Each section gives a brief introduction to the economic and historical context of Mexico and its civil society organizations (CSOs) during the period in question. Next, the section gives a detailed description, and an analysis of the financing of different grantees. The retrospective political and economic analyses show the influence that the Hewlett Foundation has had, and the tight link between the foundation's history and the growth of Mexican civil society.

Eleven sections summarize the story of the foundation in Mexico. The first section focuses on the Mexican political, social, and economic context and the transformations that resulted in the strengthening of civil society in Mexico before (and during the early years of) the arrival of the foundation to the country. After this brief introduction, a timeline synthesizes the major events that occurred in Mexico and in the foundation from 1997 to 2020. The third section looks at the Mexican context when the Hewlett Foundation arrived on the scene. Section four explores the role of international foundations as catalysts for social change and points out that the contribution of the Hewlett Foundation to the Mexican political and social climate should be analyzed under the premise that the country's changes have been multicausal.

The fifth section of the retrospective provides a quantitative analysis of all the grants awarded by the foundation in Mexico. In sections six to nine, the four different programs of the foundation in Mexico are explained through both a political economy analysis and a quantitative analysis of the grants awarded during each period, with an emphasis on the internal changes to the foundation and its strategies. The last two sections describe the current Mexican context, narrating the effects and implications of the recently elected populist government, the closing of civil spaces, and the COVID-19 pandemic on the Mexican CSOs.

---

<sup>1</sup> Special Tax on Production and Services, it is paid for the production and sale or importation of alcohol, beer, gasoline, and tobacco.

<sup>2</sup> Value Added Tax, corresponds to a 16% rate that is covered at the time of acquiring a good or service.

<sup>3</sup> Income Tax, direct tax that is applied to the income obtained that increases the patrimony of a taxpayer, individuals and companies are obliged to pay this tax.

<sup>4</sup> The Hewlett Foundation granted funding to organizations in Mexico through four different programs: the US–Latin American Relations program; Environment Program; Global Development Program; and Global Development and Population Program.

---

## OTT Consulting

Information was obtained from more than 60 interviews with program officers (POs), directors, consultants, external informants, and grantees. The analysis also drew on documents shared by the foundation, such as strategy reports and internal memoranda. Finally, the information obtained was complemented with a literature review on the political and social events that occurred during the period in question. An analysis was also made based on the grantee's portfolio and the grants awarded<sup>5</sup> to them.

### 2.1 The Hewlett Foundation and the Mexican context

Mexico entered a period of profound institutional changes at the end of the twentieth century. The democratization and modernization of the country were possible, in part, due to the rise and full involvement of Mexican CSOs. The evolution and proliferation of these organizations resulted from a series of significant events in the country. Some of these events include the weak and late response of the government after the 1985 earthquake, the first defeats of the authoritarian ruling Institutional Revolutionary Party<sup>6</sup> (PRI in Spanish) in the same decade, the protests against the fraudulent presidential win of Carlos Salinas de Gortari<sup>7</sup> in 1988, the mass mobilizations calling for a cease of hostilities between the Mexican government and the EZLN<sup>8</sup> in 1994, the dramatic increase of NGOs, and especially the creation of the Federal Electoral Institute (IFE in Spanish). The latter of these, according to Abotes (2018) meant, "... the exhaustion of the old political regime based on the hegemony of the PRI ... and revealed the clear decision to create a new one based on requirements demanded by ever more active citizens". (Abotes, A. *El Colegio de México*, 2018, p. 301, translated from original)<sup>9</sup>.

Mexico's transformations are the result of a set of factors, among which the contribution of different social actors stands out. These actors have been the protagonists of change in the country through the financing of various groups and organizations in civil society. One of the Hewlett Foundation's contributions to Mexico's transformation (in many agendas) has been through these social actors, whose will for change can be broadly explained by the funding provided by the foundation.

During the 1990s and early 2000s a set of critical factors influenced the Hewlett Foundation to consider moving its focus to Mexico, some of them were NAFTA (1994), the proposition 187 in California that aimed to deny undocumented immigrants social services, medical services and public education (1994) and the friendly relationship that the newly elected Presidents of Mexico and the US had in 2001 (prior to the 9/11 attacks), Mexico was the first official state visit hosted by the Bush administration and was expected to be a primary focus of US foreign policy.

---

<sup>5</sup> The Hewlett Foundation awards grants by commitment rather than disbursement. As such, the analysis is based on the amounts and grants *awarded* each year.

<sup>6</sup> The Party of the Institutional Revolution (PRI) maintained hegemonic control within the government of Mexico for almost 70 years. During the early eighties it lost a governorship for the first time; in 1997 it lost its majority in the Senate and, in the year 2000, Mexico elected for the first time a president who did not come from this party.

<sup>7</sup> During the 1988 federal elections, the PRI faced for the first time a real threat in the form of two strong presidential candidates from the opposition: Cuauhtémoc Cárdenas and Manuel J. Clouthier. During the vote counting, the system collapsed, leading to suspicion, irritation, and anger in the ranks of opposition parties, as well as in civil society, and culminating in protests against voter fraud.

<sup>8</sup> Zapatista Army of National Liberation.

<sup>9</sup> Abotes, A. (2018). *Historia Mínima de México*. El Colegio de México. P 301.

---

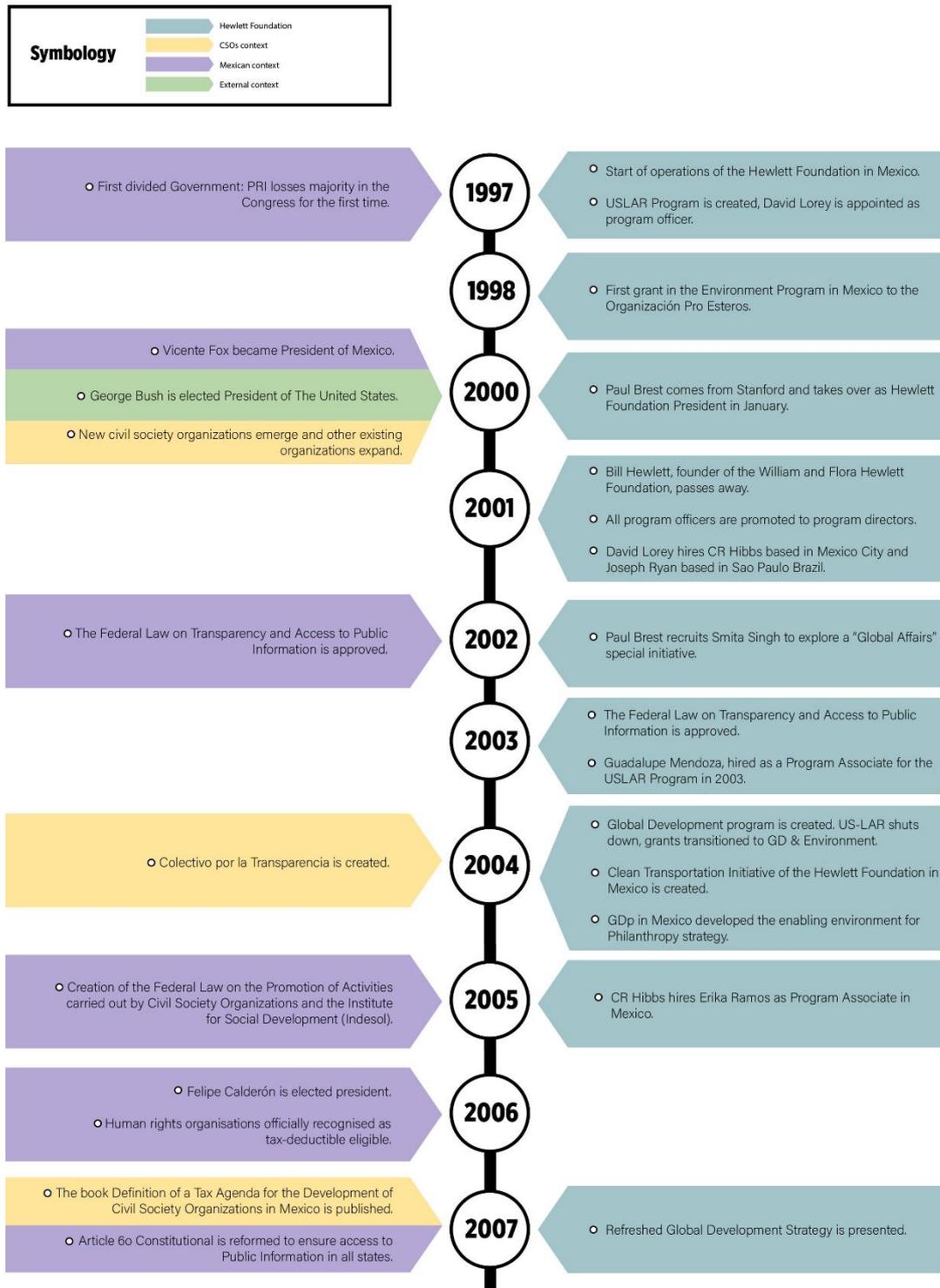
## OTT Consulting

The purpose of this retrospective analysis is to account for the main changes that have taken place in the country over the last quarter century, as well as to develop a critical and constructive view of the role that the Hewlett Foundation has played in Mexico during this time. The Hewlett Foundation has been present in Mexico from 1997 to this day, but for analytical purposes, this study will only take into consideration the period to the year 2019. Throughout this period, many changes have happened as a result of the effort of various civic organizations. This work seeks to identify the Hewlett Foundation's main contributions to political, social, and institutional change in Mexico through its funding of these civil society organizations.

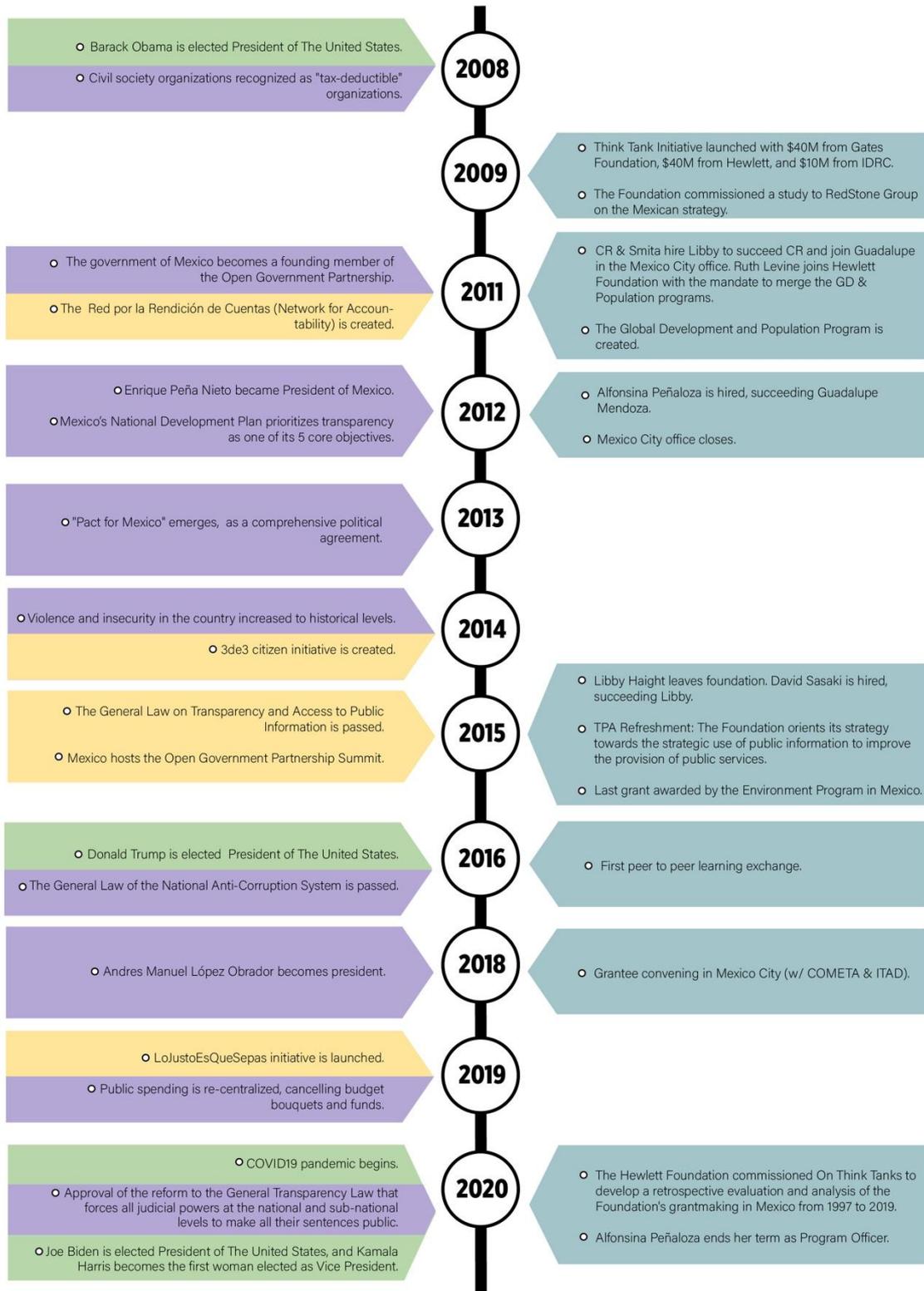
Some of Mexico's major transformations can only be explained through the participation of CSOs. An important part of this transformation came from the bottom-up, from the CSOs to the Mexican state; a change that was only possible with the financing provided by national and international agents. As an international donor, the Hewlett Foundation provided resources to Mexican organizations, particularly those that conducted applied research and generated empirical evidence for public policies.

2.2 Timeline: The Hewlett Foundation and the Mexican context

Figure 1. Timeline 1997–2020



# OTT Consulting



### **3. The arrival of the Hewlett Foundation**

The Hewlett Foundation began its work focused on Mexico in 1997, a particularly critical year for the country. It was the first time that the historically powerless opposition won the majority in the Mexican Congress against the hegemonic party, PRI. This political event was the prelude to the eventual presidential win, three years later, by the main opposition party, PAN, in 2000. It was during this period in Mexican history that many demands and changes were formulated and developed, including transparency and accountability. In the United States, the 187 proposition and the recently created NAFTA drove the foundation's interest to Mexico.

This political zeitgeist gave momentum to previously unheard-of levels of citizen participation. During these years CSOs like the Instituto para la Competitividad (IMCO) and Transparencia Mexicana (TM) were created, and others like Centro de Investigación para el Desarrollo (CIDAC) were expanded.

President Ernesto Zedillo's administration opened up to the Mexican CSOs by establishing dialogues and collaborations facilitating the opportunity to influence federal public policies and agendas. There was an emphasis on strengthening CSOs by establishing funds and promotion for citizen participation. A few examples of these efforts took place in the ecological and electoral agendas, such as the collaboration between the government and CSOs creating the first policy of self-management for protected natural areas. In addition, the electoral reform of 1996 not only allowed truly competitive elections at the national level but also permitted the mass participation of the common citizen in the electoral process by admitting autonomous management and citizen councils (Serrano, 2015).

By the end of the twentieth century, a prosperous climate for the development of vigorous and active CSOs had been created. Public demonstrations stopped being the traditional way to influence government decisions. Now, citizens took part in other participative methods, like intervention in public policy and voting (Serrano, 2015). Nevertheless, it wouldn't be until the transfer of power in 2000 that the presence of CSOs would become really relevant in the national sphere by establishing the country's public agenda. At the same time, a major shift in the Hewlett Foundation in Mexico happened, with the transfer of political power, the Hewlett Foundation hired first staff on the ground and shifted the center of gravity of grantmaking to Mexico-based institutions, broadening from the university-based grantees of USLAR to civic-minded CSO's actively engaged in newly available democratic spaces.

### **4. The influence of the international foundations on the Mexican context**

The influence of the national political context on the agendas of international foundations with a presence in the country is neither mechanical nor immediate. The evolution of the foundations' agendas, logically, begins with priorities set outside the Mexican context but slowly starts adapting to the domestic priorities of the country. This process of harmonizing the principles governing international foundations with local priorities is neither simple nor expeditious.

---

## OTT Consulting

To merge national needs with the international foundations' principles, multiple channels have to be created, such as opening offices across the country and collaborating directly with local CSOs and public institutions. This constant interaction allowed international foundations to begin a gradual adjustment of their priorities to the Mexican agenda. This adaptation process took place in all the international foundations with presence in the country<sup>10</sup>. Each to a different degree, the foundations began responding and shaping their agendas to the proposals of domestic actors, particularly CSOs. The decision to open a Hewlett Foundation office in the country (in 2001) was a decisive choice that allowed proximity to Mexican needs and contexts.

It is even more complicated to trace the influence that international foundations have had on the Mexican political landscape. Even though the presence of international foundations in the country is well documented, their effect on policies and public life is hard to point out due to the non-linear and indirect nature of their relationships. Decisions taken at the national level respond to several inputs, among them the persuasive power and prevalence of civil society organizations. However, these are not necessarily determinant in the actions of the government. The engagement of CSOs in the creation of policies has increased over time, but it is still hard to measure the influence that they've had in public decisions. The nature of public decisions and the formulation of public policies is so complicated that a detailed causal analysis would be needed to delimit the contribution of international foundations to the Mexican political climate.

This discussion evidences the importance of being careful with attempting to pinpoint the influence of internationally funded civil organizations on the public agenda. Causality should not be confused with coincidence – the advancements and successes in public policy can't be explained solely by the prevalence of CSOs. There is a possibility that the positive changes were down to mere chance. Also, in many cases, actors from outside the CSO sphere – like the media, academia, and even political leadership from opposition parties – are responsible for promoting important civil agendas. Many of the social and political changes in Mexico were caused by the convergence between the priorities of state and non-state actors, the coincidence between different agents, and fortuitous windows of opportunity.

In this context the Hewlett Foundation was able to identify and leverage those opportunities, bringing actors together in new ways, via organizational support and convenings. When the Hewlett Foundation came to Mexico, it arrived with a different approach to philanthropy and grantmaking than other funders who had long been in the country. Many of those funders also had long-standing programs and commitments, that did not allow them to give as much budget flexibility as the foundation did.

It is fundamental to highlight the complexity of ascribing the advancements and achievements to a single agent in particular, even if the agent is or was responsible for the creation of the idea that made the positive change possible. This multiple-cause argument for the Mexican change is the cornerstone to creating an unbiased retrospective analysis. In this sense, the contribution of the

---

<sup>10</sup> At this moment in time the Hewlett Foundation was new to Mexico but the Ford, MacArthur and Kellogg Foundations had many decades working on the ground, with offices and full staffs in Mexico.

## OTT Consulting

Hewlett Foundation to the Mexican political and social climate should be analyzed under the premise that the country's changes have been multicausal.

### 5. The Hewlett Foundation in numbers

The Hewlett Foundation has awarded a total of 352 grants to 84 different organizations in Mexico, with a budget greater than 110 million dollars granted from 1997 to 2020. Through these grants the foundation has supported civil, academic, and governmental organizations for more than 20 years (1997–2020) encouraging social change through funding, organizational development support, and the creation of communities of practice. The following figures show the evolution of the Hewlett Foundation's grantmaking in Mexico, describing, through graphs and numbers, its story since 1997.

**Figure 2. Organizations & amounts awarded**

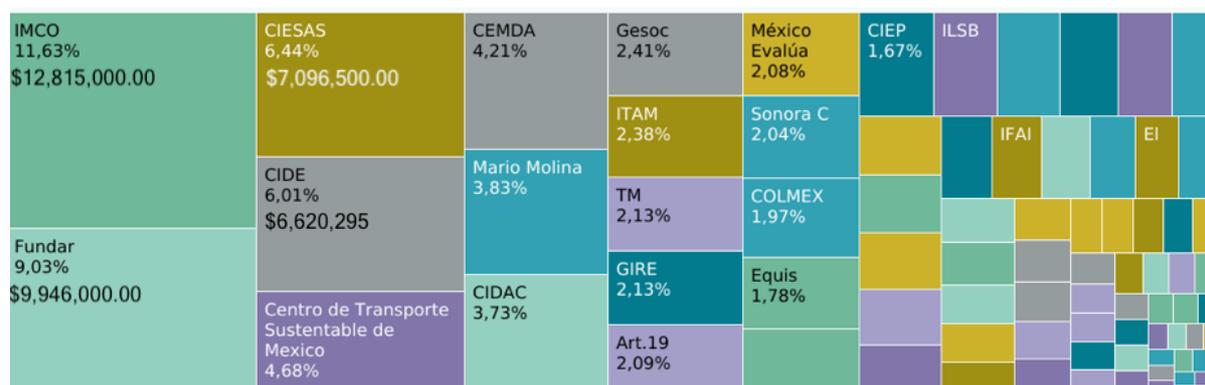


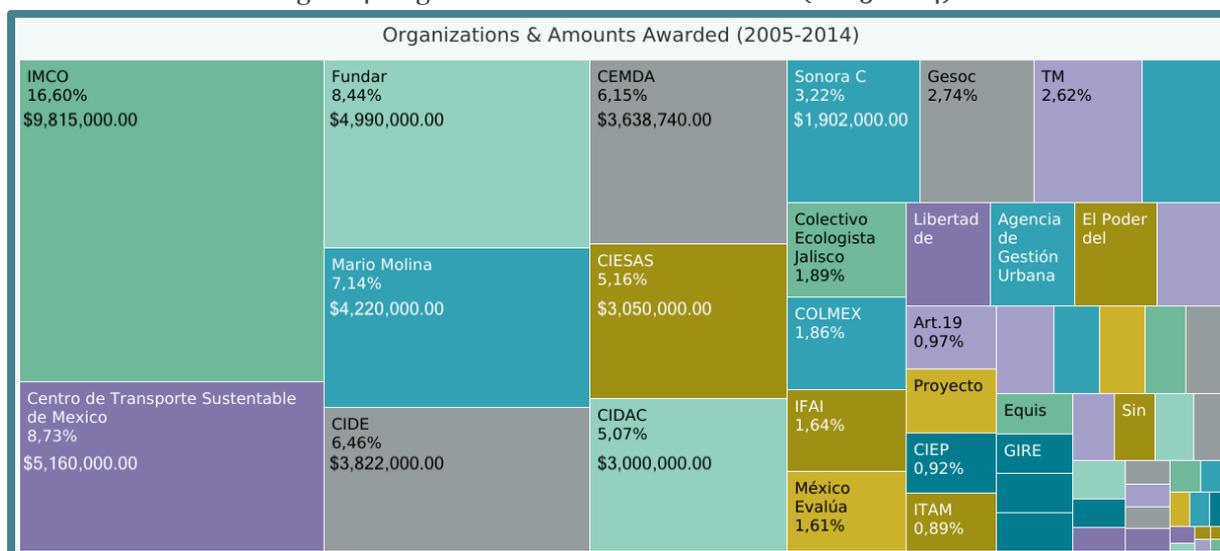
Figure 2 shows a mosaic of all the Hewlett grantees in Mexico, the size of each square corresponding to the size of the budget awarded to each of them. The total amount awarded by the foundation to Mexican organizations from 1997 to 2019 is US\$110,167,073. IMCO received the highest percentage (11.63%) of the total financial support (US\$11,167,073) and is followed by another think tank, Fundar, which received 9.03% of this total budget, then Centro de Investigaciones y Estudios Superiores en Antropología Social (CIESAS), an academic organization that was awarded 6.44% of the total amount granted in Mexico. These organizations were part of the Global Development and the Global Development and Population Programs. However, organizations from the Environment Program also stand out, such as the Centro de Transporte Sustentable de México (4.68%), the Centro Mexicano de Derecho Ambiental (CEMDA) (4.21%) and the Mario Molina Center (3.83%).

## OTT Consulting

Figure 3. Organizations & amounts awarded (2015-2019)



Figure 4. Organizations & amounts awarded (2005-2014)

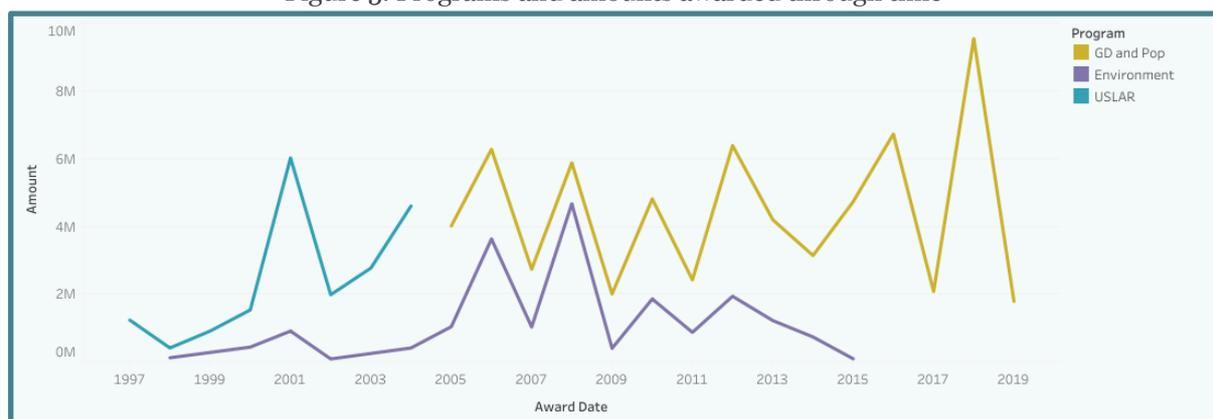


Figures 3 and 4 show how the support to certain organizations changed over time, in Figure 4 the organization that got the biggest percentage of financial support (2005-2014) was IMCO, followed by Centro de Transporte Sustentable de México, this may have to do with the Think Tanks Initiative (see pages 27 and 28) and the implementation of the foundation’s Development Program in Mexico. Another interesting change is the growth of support to feminist organizations like EQUIS Justicia para las Mujeres (EQUIS), Instituto de Liderazgo Simone de Beauvoir (ILSB) and Grupo de Información en Reproducción Elegida (GIRE), these three organizations represent a very small percentage of the amounts awarded in Figure 4 (2005-2014), only 1.04%, but in Figure 3 (2015-2019) the percentage of the support granted to them (regarding the total amount awarded during

## OTT Consulting

that period) goes up to 15.75%. The total amount awarded during the period of 2005-2014 (Figure 4) is US\$59,134,253.00 and US\$24,937,570.00 during the period of 2015-2019.

Figure 5. Programs and amounts awarded through time



The Hewlett Foundation has had four different programs running in Mexico: the US–Latin America Relations Program (1997–2004), the Environment Program (1997–2015), the Global Development Program (2004–2010) and the Global Development and Population Program (2010–present). Figure 3 shows the evolution of funding through these programs from 1997 to 2019. The highest year of funding for the USLAR program was 2001; for the Environment Program, 2008; for the GDP, 2006; and for the GD&P, 2018.

Figure 6. Transparency, Participation and Accountability Strategy national grant allocation (2015-2020)



Figure 6 shows how the total budget (US\$59,260,818.00) of the Global Development and Population Program’s TPA Strategy was allocated along the countries it supported from 2015 to 2020. According to Figure 6, Mexico received more than 50% of the amounts granted

## OTT Consulting

(US\$31,235,818.00) by this strategy. Senegal is the country that follows Mexico with 11.97% of the total amount granted. Even though the Strategy supported 10 countries, the sum of the grants allocated in Senegal, Kenya, Uganda, India, South Africa, Ghana, Burkina Faso, Nigeria and Pakistan represents less than 50% of the total budget.

Figure 7. Program, type of support and amounts granted

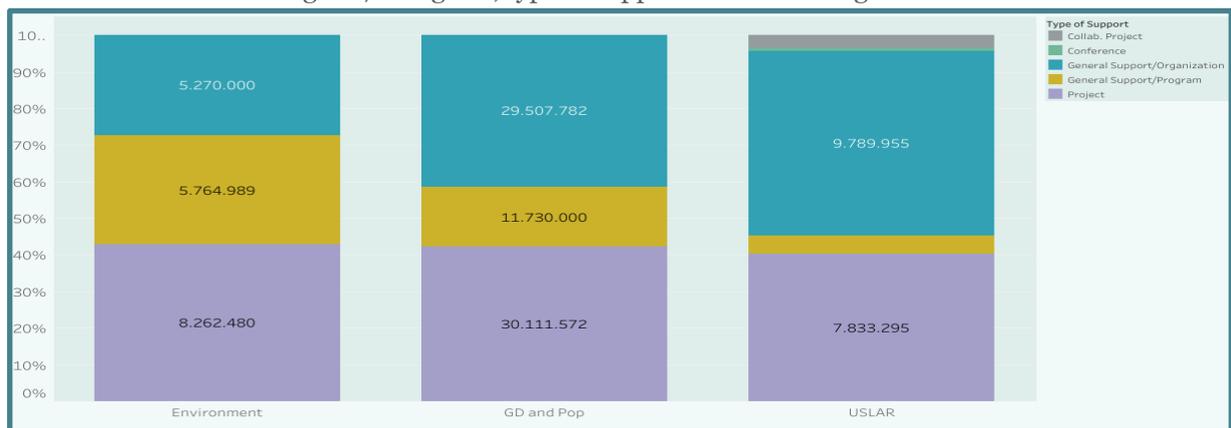


Figure 8. Type of support and amounts granted

Type of Support	% Of the total amount	Amount
Collab. Project	0,64%	700.000
Conference	0,11%	125.000
General Support/O..	40,50%	44.567.737
General Support/P..	16,77%	18.454.989
Project	41,99%	46.207.347

As shown in Figures 7 and 8, the foundation awarded five different types of grants in Mexico: Collaborative Project, Conference, General Operating Support, Program Support, and Project<sup>11</sup>. The most grants were awarded in the Project category (41.99%), followed by General Operating Support (40.50%). These two grant types make up for more than 80% of the total funds awarded. On another note, the Environment Program, the GDP, and the GD&P received the most awards within the Project category, while the USLAR program received the most General Operating Support.

Figure 9 shows how these grants evolved over time. “Collaboration” and “Conference” grants were only awarded during the early years of the foundation in Mexico, from 1998 to 2002 and 2000 to 2002 respectively. Program Support began in 2003, during the last year of the USLAR program, and continues to this day. The General Operating Support type of grant began in 1997 and was last granted in 2017. The Project grant has been awarded throughout the history of the foundation in Mexico.

<sup>11</sup> The Collaborative Project and Conference grants were only awarded once during the US Latin America Relations Program

OTT Consulting

Figure 9. Type of support through time

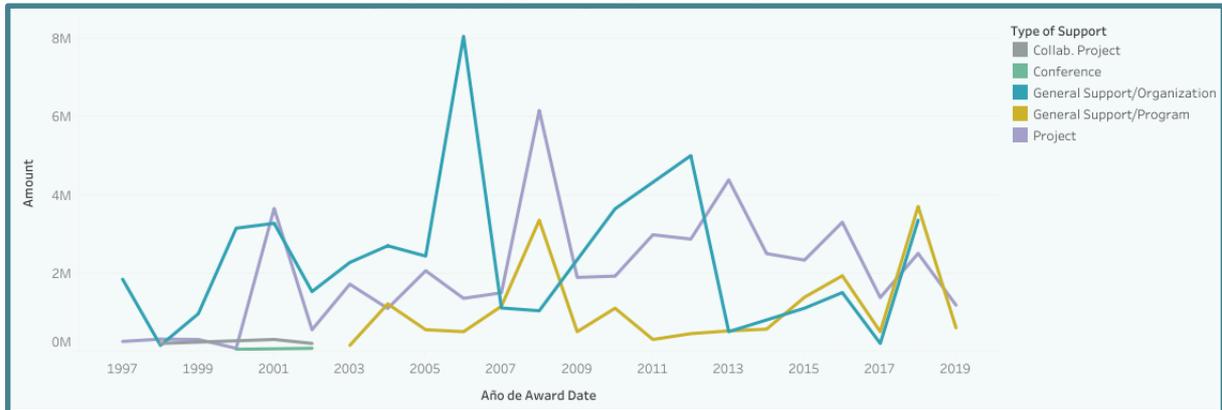


Figure 10. Location of grantees and total amounts granted

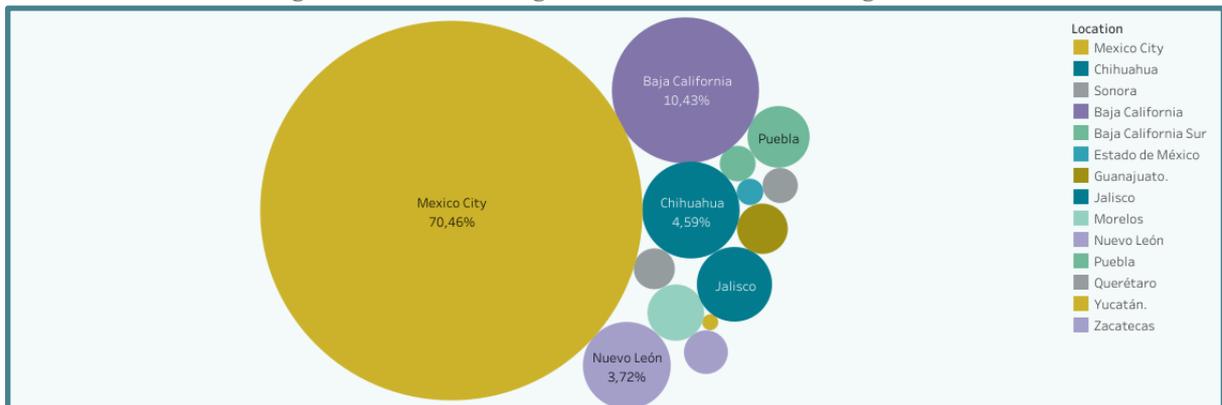


Figure 10 shows the location of the grantees and the size of grants awarded to them through all the programs. Most of the funds (70.46%) were awarded to organizations based in Mexico City, followed by the states of Baja California (10.43%), Chihuahua (4.59%), and Nuevo León (3.72%). The other ten states received only 10% of the total amounts awarded by the foundation in Mexico. This shows an explicit trend toward the centralization of funding; however, it can be explained by the high number of CSOs that are located in Mexico City.

## 6. USLAR and the Mexico City office (1997–2004)

The initial academic and bilateral projects of the Hewlett Foundation in Mexico answered to international rather than national priorities. The USLAR program was intended to create emergent communities in Latin America interested in bilateral relations with the United States and issues related to US-Mexican migration. In the Mexican case, USLAR prioritized programs with academic institutions such as the Centro de Investigación y Docencia Económica (CIDE) and the Instituto Tecnológico Autónomo de México (ITAM), two institutions with the highest level of internationalization and close relationships with the US and many countries in Latin America.

---

## OTT Consulting

In a practical sense, these academic programs did not have the explicit purpose of directly impacting public policy. Their influence was felt more in a boom of international exchange programs, and the development of bilateral programs that incentivized interagency collaboration, previously unknown in Mexico. The opportunities created were not only taken by the academics for whom the programs were initially designed, but also by many agents in the CSO field. The new spaces were especially occupied by Mexican think tanks that were close to the academic hubs, such as Centro de Investigación para el Desarrollo (CIDAC).

The USLAR program effectively built the necessary knowledge and collaborative connections and opened cooperation networks between the academic and the civil society fields in Mexico. A good example of this synergy took place between CIDE, Stanford University, and the Diego Portales University. With the backing of the Hewlett Foundation, the collaboration between these institutions allowed CIDE to formulate and instruct an innovative program for a new generation of Mexican lawyers. The objective was to protect the democratic transition that was taking place and to safeguard the new institutions created. The program reformed the teaching of the law by redirecting education toward a multidisciplinary approach and the adoption of case studies for pedagogical purposes. The innovative CIDE Law School program permeated the legal education system in Mexico and Latin America, and developed a multidisciplinary approach to access to justice.

Over more than five years of the USLAR program in Mexico, one indirect by-product was a truly important input to the country's political and social change: the creation of new spaces for collaboration between universities on both sides of the border. This fostered a greater exchange of ideas that would eventually be implemented in the Mexican agendas of accountability and the rule of law. Many of the links consolidated over twenty years ago between Mexican and US universities and think tanks continue to this day, showing the strong bilateral relationship forged by the USLAR program.

### **6.1 Introduction to the Mexican and civil society context**

On 1 July 2000, the opposition party, PAN, won the presidential elections in Mexico. President Vicente Fox, since his election campaign, had promised a transparent and open public agenda; an issue that had been held by several social agents. Fox appropriated this demand due to the leadership and participation of certain prominent figures in the campaign who would later become part of his government.

In 2001, the Hewlett Foundation hired its first program staff person based in Mexico. During the second year of Fox's administration, the legislative proposal for the Federal Access to Public Information and Transparency Law was developed, enacted in 2003. At the same time, the IFAI (Federal Institute for Access to Information) was created to guarantee the constitutional right to information.

The Mexican government wasn't the sole agent to show commitment toward transparency, considering that many CSOs were key players in guaranteeing that the right of access to

---

## OTT Consulting

information could be properly implemented. The Oaxaca Group, for example, was a coalition of intellectuals, academics, and activists that had been very vocal about expanding the right of access to information to a broader audience. In a short period of time, Mexico had become internationally noted in the area of information openness, as a result of avant-garde legislation and a strong governmental body to implement it. The Hewlett Foundation played an important role in this process, not only by financing the main CSOs and university-based experts committed to public information access (such as Fundar, CIDE, Transparencia Mexicana, Article 19 or IFAI, even if the latter was a public institution), but also by promoting the Colectivo por la Transparencia, a coalition of CSOs that took part in the design, implementation, evaluation, and monitoring of the national access-to-public-information system.

### **6.2 The USLAR program**

The approach of American policymakers in Latin America was transformed with the end of the Cold War. They recognized the need to expand their viewpoint beyond traditional security and bilateral relations toward one that could encompass growing trends such as migration, economic liberalization, democratization, commerce, and regionalism. Within these conditions, the Hewlett Foundation approved the creation of the USLAR program in 1996, the North American Free Trade Agreement (NAFTA) and California's Prop 187 were key drivers for its creation.

The program was intended to transition toward the financing of public policy research projects. By noticing the significant need for a collaborative research effort, American and Latin American institutions fostered links among themselves. A year after its creation, in 1997, the USLAR program evolved into an invitation-based program that dedicated resources to research and advocacy of central themes for Latin American development. Furthermore, it sought to strengthen the relationship between the United States and Latin American countries. Consequently, the program was able to define itself as a strong academic research initiative:

“The grantee institutions benefited by the program include public and private universities, promising academic institutions with innovative programs centered in Latin America, non-university public policy research centers, and NGOs.” (Hewlett Foundation, 1996, p. 4)

In its early years the Hewlett Foundation through the USLAR Program was the principal funder of immigration studies. This was the biggest share of the portfolio for the early years. Cross-border issues and collaboration between universities came later and was driven by collaboration with the Environment Program that also arrived to Mexico in 1997.

The main USLAR program strategies were:

1. Commit funds for the professional research of regional long-term projects. These projects needed to have a direct political importance, rather than speculative policy studies.
2. Fund programs that looked for the active participation of policymakers, opinion leaders, and the representatives of interested agents.

## OTT Consulting

3. Promote programs designed to strengthen institutional development of the grantee organizations with the collaboration of as many multidisciplinary personnel as possible.
4. Give preference to projects that actively collaborated with other associated institutions.

Moreover, grant allocation was focused on four thematic fields:

1. Free trade and comparative economics.
2. Poverty and social policy.
3. Democratization and rule of law.
4. Hemispheric and cross-border environmental issues.

The USLAR program delivered its commitment to finance research and academic institutions specializing in public policy. The program granted a total of US\$19,408,250.00. Among the program's main grantees were CIDE, ITAM, CIDAC, the Centro Interdisciplinario de Biodiversidad y Medio Ambiente, the Fundación México-Estados Unidos para la Ciencia, and the Colegio de México (COLMEX). These institutions received the highest percentage of the financing, totaling 42.38% of the funds granted from 1997 to 2004 by the program.

Figure 11. Total amounts granted during the USLAR program to organizations



Figure 11 shows the different organizations that the USLAR program financed. All the universities supported by the program are elite higher education institutions; the top public and private universities in the country. As discussed further below, although the highest percentage of grants awarded was to universities located in Mexico City, representative grants were also given to other universities across the country, such as the Universidad de Guadalajara (3.86%), the Universidad de las Américas de Puebla (UDLAP) (4.12%), and the Universidad Autónoma de Baja California Sur (UABCS) (2.83%).

Figure 12. Total amounts granted during the USLAR program to universities

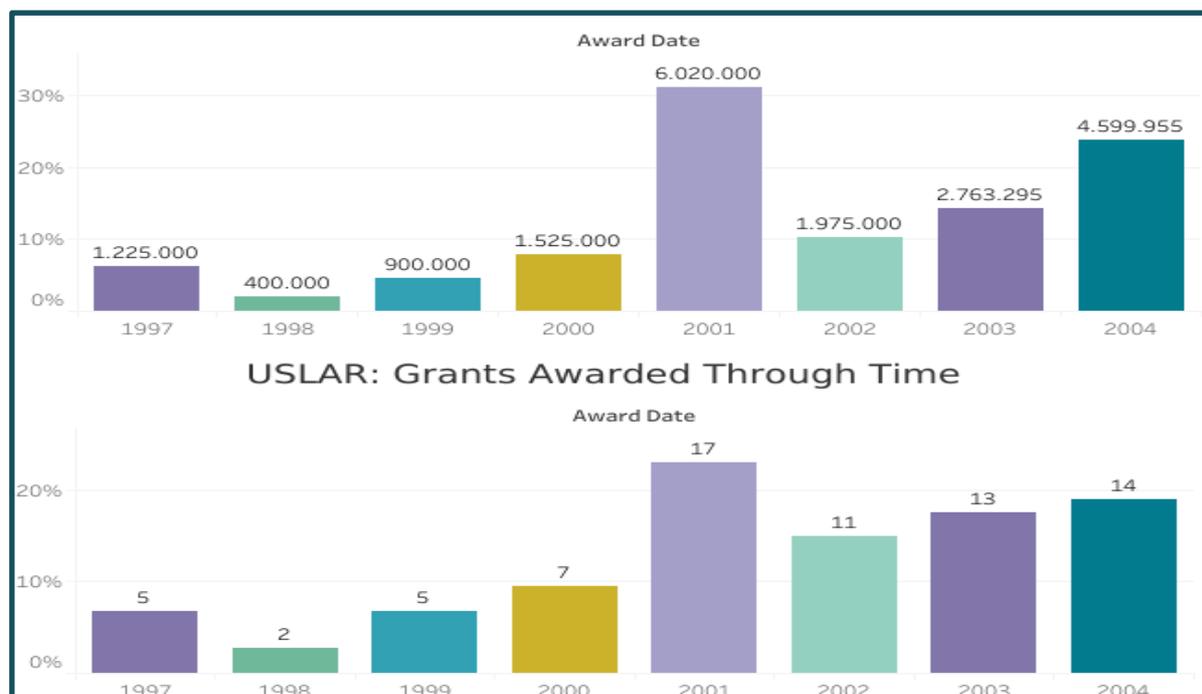


Despite the program not having a specific policy of diversity and inclusion in its strategies, Hewlett made the effort to benefit top-tier universities and their programs regardless of their geographic location. Nevertheless, 59.32% of the funding dedicated to universities was given exclusively to universities in Mexico City. The remaining 40.68% was spread between universities in six states: 10.76% to the Instituto Tecnológico y de Estudios Superiores de Monterrey, 8.07% to the Universidad de Guadalajara, 8.61% to the Universidad de las Américas de Puebla, 5.92% to the Universidad Autónoma de Baja California Sur, 4.09% to the Universidad Autónoma de Zacatecas, and 3.23% to the Universidad Autónoma de Ciudad Juárez. This confirms the USLAR program’s centrist bias toward the financing of certain universities, but this can be explained by the degree of institutional consolidation of the capita’s universities, and by the pre-existing international (inter-institutional) relations that these had with foreign universities.

The USLAR program guidelines are clear that financing can only be given to institutions through invitation by the Hewlett Foundation; the reason behind this strategy is to award grants only to promising and high-quality institutions. This approach has the potential to exclude noteworthy institutions without tight interpersonal connections with the Hewlett Foundation. Despite this exclusive approach, the foundation did seek to expand funding to lesser-known institutions by providing “initial funds” with a maximum duration of two years. This enabled the inclusion of new grantees that fitted the profile for the USLAR program.

## OTT Consulting

Table 1. USLAR program over time



As the USLAR program matured, it started financing projects with themes such as environmental issues, democratic governance, migration studies, economic research, and judicial reforms studies. The financing of the different priorities also evolved. Table 1 illustrates the evolution of the Hewlett Foundation's grantmaking in the scope of the USLAR program. The first graph shows the annual financial amount awarded by the program (expressed as a percentage of the total financial amount awarded). The second presents the *number* of grants (expressed as a percentage of the total number of grants) awarded during the program.

These graphs show a strong relationship between the number of grants awarded and the amount granted in any given year. This could be because the quantities of the resources awarded in each grant were quite similar. Table 1 also shows a significant increase in the grants awarded from 1997 to 2001, an exception in 1998, a deep fall in 2002 and a renewed and constant growth from 2002 to 2004.<sup>12</sup>

A change in the profile of the organizations benefited by the USLAR program can also be observed. In 1997, the total grants given were solely to universities (among them CIDE, COLMEX, and ITAM). It was not until 1999 that other organizations integrated into the program, such as Pronatura Noroeste, Proyecto Fronterizo de Educación Ambiental, and, in the year 2000, the Fundación México-Estados Unidos para la Ciencia. The following year, the first year Hewlett had staff on the ground in Mexico, the portfolio increased from six organizations to thirteen, with

<sup>12</sup> The arrival of Paul Brest to the Board of the Hewlett Foundation in 2000 could have been an important factor in the increase and subsequent decrease of funds from 2000 to 2002.

---

## OTT Consulting

institutions like CIDAC and CIESAS receiving their first grants. In 2002 the number of benefited organizations dropped to nine, but it rose to twelve in 2004. In this last year the portfolio of organizations showed a clear improvement in diversity since the beginning of the program. However, the biggest change in the portfolio was from US-based organizations to Mexico-based organizations.

In 2001 the highest level of funds and economic resources were handed out by the program, representing 31% of the total given resources and around 23% of the grants. The year also saw two other significant events: the death of William Hewlett (founder of the William and Flora Hewlett Foundation), and the hiring of Hewlett's first staff member based in Mexico. From 2001-2002 there were significant tie-offs to US-based USLAR grantees as the program focused on building a Mexico-based portfolio (tie-offs during this period included the migration-related and Mexican area studies centers at Harvard, the University of Chicago, UT Austin, and the UCSD Center for Mexican Studies, among others).

Bill Hewlett's death led to a large disbursement of funds that increased the economic resources available for the foundation and its programs. With the new financial input, the foundation restructured the management of its programs. The program officers (POs) of the seven programs under the Hewlett Foundation became program directors, creating the opportunity to hire more personnel to manage and oversee the funds. Strict term limits for program staff were also implemented at this time. In the USLAR program, the restructuring saw the promotion of David Lorey (PO since 1997) to program director, and the arrival of Joe Ryan and CR Hibbs as POs. Joe Ryan would work on the environmental agenda from Sao Paolo, and CR Hibbs would work on the rule of law agenda from Mexico City. For the first time in its history, the Hewlett Foundation had a staff person based in Mexico.

From the viewpoint of the organizations working for the Hewlett Foundation during this period, Hewlett staff presence in Mexico meant the strengthening of their relationship with the Hewlett Foundation and an opportunity for the foundation to understand the Mexican context.

It's impossible to separate the outcomes that these two events had on the Hewlett Foundation and the funding of the USLAR program. Yet, following these events, grants and funding increased dramatically every year. Table 1 shows how the percentage of grants and funds increased from below 10% to almost 30% in 2001 and remained above 10% for the rest of the period.

The third event of 2001, unrelated to the actions of the Hewlett Foundation but with a profound effect on the US–Mexico relationship, was the terrorist attacks that took place on 11 September (9/11). The attacks rearranged the conception of security and inter-state relationships in the United States. For the Hewlett Foundation, the magnitude of the attacks and the international reconfiguration meant the creation of new strategies and the closure of other chapters within the foundation.

In 2002, the board discussed how the priorities of the foundation should be reshaped after 9/11, and Paul Brest (director of the Hewlett Foundation at the time) hired Smita Singh to explore the

---

## OTT Consulting

“Global Affairs” initiative (also known as the “Americans in the World” initiative). The initiative’s goal was to promote a debate in the United States about the nation’s role in the global sphere. The following year, it evolved into the creation of a new program that would face the latest challenges of global development. The newly created Global Development Program aimed to set the conditions for economic growth and to generate prosperity for all countries, especially developing ones. At the same time, the Hewlett Foundation decided that the work done by the USLAR program (beyond the Air Quality and Bus Rapid Transit initiatives) should focus on Mexico because it already had the experience and the staff in the country. The USLAR program grants that were not tied off, transitioned to the Global Development Program, taking into consideration the needs and priorities for the development of Mexico.

Technically, the USLAR program made its last grant in 2004, though in practice, the program began transitioning to a new strategy and to the Global Development Program in 2003. David Lorey finished his term in 2004, but spent his last year in Menlo Park as a fellow with the Performing Arts Program. CR Hibbs became the managing director of the Mexico City office when she joined the Global Development Program. Guadalupe Mendoza, hired as a program associate in 2003, became a program officer in the Global Development Program and Joe Ryan became the managing director of Latin America when he joined the Environment Program.

During 2003-2005, CR Hibbs, Guadalupe Mendoza, and Program Associate Erika Ramos incubated Hewlett Mexico operations out of the Ford Foundation office in Mexico City.

In 2005, The Hewlett Foundation office was established and by then, housed staff for both Global Development and the Environment Programs. For the Global Development managing director, there was a great deal of strategic and budget autonomy from Menlo Park, though fluid communication.

### **7. Environment Program: Hewlett’s complementary but continuous program (1997–2015)**

The Environment Program awarded grants to protect people and places threatened by global warming, to address global climate change and expanding the use of clean energy. This program has received 17.53% of the financing allocated by the Hewlett Foundation in Mexico, a total of US\$19,297,469.00. Although the size of its funding has been smaller compared with other programs, the program was implemented in Mexico for more than fifteen years and its work can still be easily identified on the streets of some Mexican cities.

—  
OTT Consulting

Figure 13. Environment Program: Total amounts granted to organizations (1997–2015)



The Environment Program provided grants from 1997 to 2015, as the program in Mexico ended in 2015. The first grant made by the Environment Program in Mexico was in 1998, a project grant to the Organización Pro Esteros to create an inventory of the coastal wetlands in the northeast of Baja California. Until 2004, Environment Program’s portfolio centered on organizations working to preserve the natural environment of the northeast part of the country and awarded mostly general operating support grants.

Figure 14. Environment Program: Total amounts granted to organizations (1998–2004)



The Hewlett Foundation started supporting two of the program’s most significant organizations, the Mario Molina Center for Strategic Studies of Energy and Environment and Centro de Transporte Sustentable, in 2005 and 2006 respectively. The latter received the highest percentage of financing (26.74%) in the program. At the same time, it formulated an ambitious project, the Clean Transportation Initiative strategy. The strategy, implemented from 2004 to 2014, aimed to

---

## OTT Consulting

increase clean air levels and improve Mexican public health. During this time, the Hewlett Foundation delivered nearly US\$22.1 million in funding to twenty-four grantees, creating around seventy projects across the country.<sup>13</sup>

The main objectives of the Clean Transportation Initiative included: a) increasing the use of clean cars and fuels, b) reducing the use of private vehicles, and c) promoting alternative transportation. Among the grantees that received the most funding under the initiative were the Centro de Transporte Sustentable de México, the Mario Molina Center for Strategic Studies of Energy, and the Institute for Transportation and Development Policies. In 2015, after the Hewlett Foundation received an impact report on the initiative, the project succeeded in creating Bus Rapid Transit systems, with five bus lines in Mexico City, one line in Guadalajara, and one line in Monterrey. The initiative also contributed to the improvement of cycling infrastructure and public bicycle services. In Mexico City, the number of bicycle stations was increased from 84 to 444, and in Guadalajara from 86 to 116. These achievements were both thanks to direct involvement and support from the Clean Transportation Initiative.

The last grant made by the Environment Program in Mexico was in 2015 to the Centro de Colaboración Cívica to maintain its sustainable development program. After more than 15 years of work, the program in Mexico closed to focus on environmental efforts in other parts of the world, especially in India and China.

## 8. The Global Development Program: Changes in transparency and civil society organizations (2004–2010)

When the Global Development Program began in Mexico, conditions were just right for its transparency and access to public information agendas. The “democratic bonus” and the new Ley de Transparencia y Acceso a la Información Pública (Transparency and Access to Public Information Law) allowed CSOs to demand greater access to public information and better government transparency.

### 8.1 Introduction to the Mexican context

Many changes that were held back during the authoritarian regime intensified after the victory of Vicente Fox in 2000. Mexico not only began transforming on the inside, but it also started opening up to the international sphere. However, the first opposition president in the modern history of Mexico wasted its so-called *democratic bonus*. Although there were successful changes in some public agendas, like transparency and access to public information, other reforms failed, including the dismantling of the authoritarian regime. For example, the democratization of the syndicates and reformation of the party system (crucial to improving the accountability of their public funding) were unsuccessful. Both practices allowed the PRI party to maintain itself as a strong opposition for two presidential periods and regain power in 2012. Vicente Fox also failed to create a profound political reform to consolidate the country’s democratic transition.

---

<sup>13</sup> Barrios & Echániz (2015). Impact Assessment of the Increase Clean Transportation Initiative of the Hewlett Foundation in Mexico. p.5

---

## OTT Consulting

Even with these shortcomings, the government administration under Vicente Fox saw key alterations in Mexico. One of the most crucial was the decentralization of the country. The Mexican federative states, organized through the CONAGO (a conference where local governors gather for discussion, initially created by the PRI party to generate a power to rival the president), became increasingly relevant in the public sphere. The decentralization of public spending and the political plurality of the sub-national governments boosted Mexican federalism. However, the new checks and balances soon constrained the action margin of the president. The impasse worsened in the 2003 legislative election, when the PAN party lost its majority in the Mexican Congress and became a divided government. Congress vetoed many legal initiatives proposed by President Fox, effectively paralyzing the political landscape until the end of the presidential term.

In 2006, the PAN party won the presidency again after a close and controversial election. The new president, Felipe Calderón, did not have the strong democratic legitimacy of his predecessor Fox. This forced the president to expand the democratic changes that would guarantee the governability of the country and, subsequently, his administration. Although the initial motto of Calderón's government was "clean hands", it soon took on a security-oriented focus when the fight against organized crime and drug trafficking led to the militarization of the country. The change of national objective increased the government's legitimacy and provided the answer to a genuine rule-of-law problem.

In its aim for legitimacy, the Calderón administration also allied itself with civil society organizations during this time. It was also a period in which international cooperation from and within Mexico increased significantly, resulting in a greater presence of international organizations and foundations in the country. For example, Mexico's financial contribution to the United Nations, as well as the presence of UN agencies such as UNDP in the country, expanded Mexican presence during this time. This period also coincided with the opening of Hewlett's Mexico office in 2001, and the expansion of international agency projects in the territory that involved the participation of many civic organizations. At the same time, the Calderón administration modified the regulatory and institutional framework to promote the participation and financing of civil society organizations, creating the Federal Law for the Promotion of Activities Carried out by Civil Society Organizations, and the Institute for Social Development.

### **8.2 The Global Development Program**

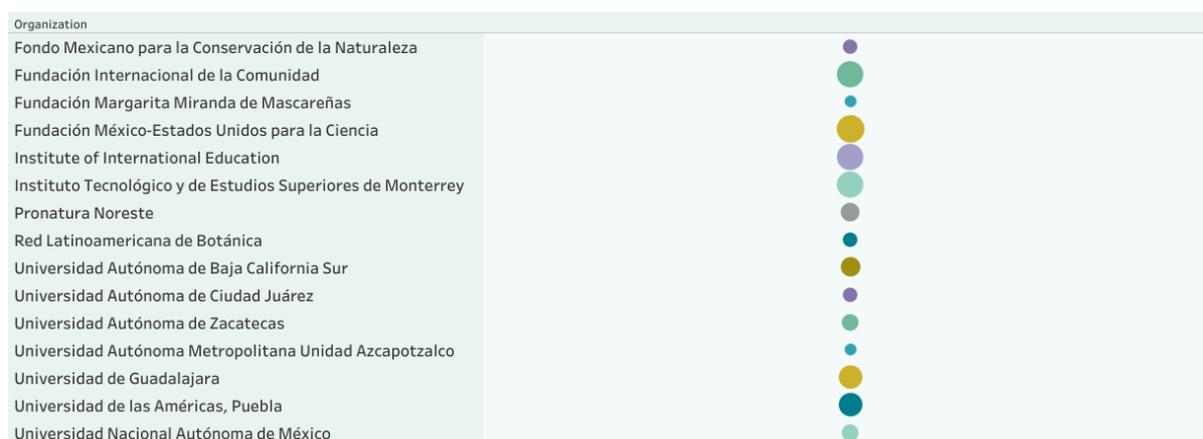
In 2003, the Hewlett Foundation approved the creation of the Global Development Program (GDP). The majority of the grants that fell under the USLAR program (except for those falling under the environmental agenda, which moved to the Environment Program) transferred to the newly created GDP, in practice starting in 2003 (though officially USLAR ended as a program in 2004). With CR Hibbs and Guadalupe Mendoza working in the Mexico City office, the program faced two challenges: closing a significant portion of the USLAR program portfolio, and exploring new opportunities to apply the new Mexico strategy developed under the programmatic umbrella of the GDP.

Some of the grantees that exited the Hewlett Foundation's Mexican portfolio after the closing of the USLAR program, were the Tecnológico de Monterrey, the Universidad de Guadalajara, the

## OTT Consulting

Universidad de las Américas de Puebla, and some research organizations like the Fundación México-Estados Unidos para la Ciencia. Table 2 shows the grantees that exited the Mexican portfolio after the closing of the USLAR program, the size of the figures shown in colors next to the name of the organizations represent the relative size of funding provided to each of them.

Table 2. Grantees that exited the Mexican portfolio after the closing of the USLAR program, and relative size of funding provided



The main objective of the GDP is to create the right conditions for economic growth. Two goals were set to carry out this objective:

*Goal 1: Increase the amounts and effectiveness of global and local development funds.*

This goal covers work to promote aid effectiveness, diaspora and in-country philanthropy, and transparency and accountability in the public expenditure of funds.

*Goal 2: Reduce the barriers to trade in agriculture that disadvantage development country producers.* This goal covered work on reforming multilateral trade rules to give producers in developing countries access to open markets. This component was discontinued in 2010.<sup>14</sup>

The GD-Mex strategy aligned squarely with GD-Global Goal 1, expressed in Mexico through the transparency and accountability portfolio, and on the work to improve the enabling environment for philanthropy and civil society.

GD-Global Goal 2 did not apply to the work in Mexico. However, the GD-Mex team continued its long-time work on the rule of law and judicial reform, which were considered a priority in Mexico and a long-time area of interest for the foundation.

<sup>14</sup> Mendoza, G. (2012) The William and Flora Hewlett Foundation Transition Memorandum: History of the Global Development and Population Program Grantmaking in Mexico, p. 2.

---

## OTT Consulting

In summary, GD-Mex had three principal areas of focus during this period: 1) transparency and accountability (T/A), the heart of the portfolio; 2) judicial reform; and 3) improving the enabling environment for domestic philanthropy. When the Think Tanks Initiative was approved, additional resources flowed to GD-Mex to support think tanks via grantees such as IMCO and CIDAC.

### **1. Transparency and accountability**

The goal of the T/A work in Mexico was to test, strengthen, and support implementation of Mexico's new federal access to information law, the Ley Federal de Acceso a la Información Pública, which at the time was one of the strongest laws in the world guaranteeing citizens' rights to access public information.

The foundation did this by creating a T/A community of practice and provided grants to projects by public, academic, and civil organizations for the coordination of events on government transparency, the generation of programs to extend the use of access to public information, the training of journalists to use access to public information, and accountability projects across the country and at different levels of government. It also financed initiatives that sought to use access to public information to conduct public budget accountability within environmental, immigration, and public subsidy agendas. For example, T/A grantees COLMEX, La Unión Campesina Democrática (UCD), and Environmental Working Group (EWG) used the new access to information law to expose corruption in the use of public subsidies meant for Mexico's poorest farmers and helped clean up the program and improve delivery of subsidies to the intended recipients.

The foundation also funded organizations that guaranteed (and promoted) access to public information, and that produced technical recommendations to extend the national rights to sub-national entities.

A grant to the IFAI supported the "Comunidades" Program which demonstrated how ordinary citizens could benefit in concrete ways from exercising their new rights to public information. For example, very poor women used the new law to get access to healthcare benefits. Prisoners unable to afford legal counsel accessed their records proving they had served their sentences and were eligible for release, thus gaining their physical freedom.

Several of the program's T/A grantees in Mexico (IMCO, Fundar, CIDAC, Transparencia Mexicana, México Evalúa, and Sonora Ciudadana) addressed a general worry among academics, legislators, and CSO leaders about the lack of rigorous independent research centers and think tanks specialized in the generation of public policy data. This data was key to expanding citizens' rights to access information in Mexico, improving institutional mechanisms for making the laws work in practice, and using the Mexico experience as part of the global advocacy campaign for Open Government.

## 2. Rule of law and judicial reform

The rule of law component of the GDP on Mexico focused in the support of institutions like CIDE and CIDAC. The foundation supported CIDE with its legal curriculum reform and public interest legal clinic. The Hewlett Foundation also offered support for this organization along with CIDAC (and some others) for the public policy research agenda, that –among other things– allowed the production of the film *Presunto Culpable* that narrates in a critical way the fight of a young man against Mexico’s flawed criminal and judicial system. This documentary film helped build public understanding, support and momentum for the judicial reform in Mexico.

## 3. Improving the enabling environment for philanthropy and civil society

Returning to lessons learned in 2000-2001, from the failed USLAR, the Environment Program partnered with new Mexican community foundations in order to re-grant Hewlett funds to reach small, Mexican environmental NGOs working at the local level on the Mexican side of the US–Mexico border. This strategy had already been successfully applied in Hawaii by the Environment Program, and the foundation decided to try it in Mexico too. However, after the grants had been made, the Mexican community foundation grantees learned they were restricted by Mexican tax and regulatory authorities and unable to make charitable donations to environmental non-profits

As a result, The GD-Mex team realized that the Mexican legal framework was a barrier to the establishment of relationships and agreements among non-profit organizations and potential domestic donors. In response, it developed a strategy to build a reform agenda that promoted local philanthropy and removed obstacles for non-profit organizations, while creating incentives to develop the civil society sector. Under this initiative, funding was awarded to organizations such as ITAM and the International Center for Non-Profit Law (ICNL) to provide technical analysis on legal limitations in the behavior of philanthropists and civil society organizations in Mexico.

This strategy is an example of the Hewlett Foundation responding to an unexpected opportunity that emerged through its grantmaking in Mexico. Throughout its development, the foundation provided technical assistance, and generated and disseminated data-based evidence and international comparative information on best and worst practices for fostering a healthy non-profit sector.

One of the results of the aforementioned strategy was the publication of the book *Definición de una agenda fiscal para el desarrollo de las Organizaciones de la Sociedad Civil en México* (Definition of a fiscal agenda for the development of civil society organizations in Mexico) in 2007, the same year that the sixth Mexican Constitutional Article was reformed in favor of guaranteeing access to public information in all states. This book, published by ITAM, Incide Social, CEMEFI, and ICNL, laid out the much-needed guidelines to building a dialogue between Mexican authorities and CSOs, and became a roadmap for the reform of tax matters concerning philanthropy and civil society in Mexico. As a result of the work carried out by these organizations with the support of the Hewlett Foundation and in collaboration with Mexican philanthropists and accountants, in 2008 civil society organizations were recognized for the first time as “tax-deductible” entities.

---

## OTT Consulting

As the Enabling Environment for Philanthropy in Mexico strategy was developing, the Global Development Program presented a new strategic plan to the Hewlett board in 2007. For this plan, the foundation commissioned a study by the Redstone Strategy Group that incorporated an exploration of the grantmaking during the first years of the program. The new strategy extended its mission to *enhance the conditions for equitable growth in the developing world to improve economic opportunities and well-being for poor people around the world*, and defined people living on less than two dollars per day as its target population. Again, the work in Mexico aligned with the global GDP T/A strategy but did not include all of the GD-Global strategic components, and continued to allow some margin of flexibility for the team to be responsive to local issues.

In 2009, the GDP worked once again with the Redstone Strategy Group in Mexico to refresh its T/A portfolio, which included developing strategies to secure efficient public spending at the sub-national level in Mexico. GD-Mex staff worked with Redstone to revise the theory of change for the T/A component, which was composed of four elements: transparency, accountability, strengthening the enabling environment, and improving services for the poor. The objective of this sub-strategy was to use transparency to strive for greater accountability of public resources allocated to services, especially those destined for the poorest people.

According to the report prepared by the Redstone Strategy Group, these four sub-components needed to be addressed simultaneously, since their objectives complement and overlap each other. However, it is possible to emphasize one of these components when responding to specific contexts and areas of opportunity. Consequently, in its beginnings, the GDP focused on allocating grants to organizations that worked on the transparency agenda, such as Fundar, Transparencia Mexicana, and the Instituto Federal de Acceso a la Información Pública. As of 2008, having secured the assurance of the right to access public information in all states, the program gave greater attention to the accountability component, allotting grants to organizations such as CIDE, Fundar, Sonora Ciudadana, COLMEX and EWG for projects and research concerning access to public information and accountability of the budget and public spending.

The 2009 Redstone strategy refresh for Mexico recommended, among other things, that the foundation focus on work at the sub-national level. The program focused on funding national organizations working at the state level (or with peer organizations working on this sphere), looking for new approaches to expand accountability work toward the sub-national stage. The support to IMCO's sub-national indexes came from this mandate, as did the support to the organization Sonora Ciudadana (based in Sonora state) and GESOC's research in the state of Chiapas.

The Redstone report identified Hewlett Foundation support for the construction of an ecosystem of organizations working in alliance over the transparency and accountability agenda as a significant contribution of the foundation's T/A work in Mexico. In 2004, the Hewlett Foundation in Mexico decided to start gathering its grantees in the renowned Transparency Breakfasts cultivating a new platform for the exchange of information and good practices throughout the community, and across the country. The community of practice around the T/A agenda that was

## OTT Consulting

built from these breakfasts has been one of the most essential impacts that the Hewlett Foundation has had on Mexican civil society.

In the interviews carried out for the retrospective analysis, grantees expressed that the Transparency Breakfasts were extremely useful to get to know other organizations working on the same issues. These events created connections, supported innovations, and established collaborations that culminated in important projects like the Colectivo por la Transparencia. They also allowed smaller and local organizations, like Sonora Ciudadana, to join an active community and gain independence from state and private influence.

The Colectivo por la Transparencia, supported by the foundation, played a critical role in the consolidation of an access to public information agenda in Mexico for almost a decade. It was involved from the initial federal law proposal up until the establishment of public information state institutes, as well as with the creation of the transparency units across all levels of government in the country.

Figure 15. Global Development Program: Total amounts granted



Figure 15 showcases the distribution of Hewlett Foundation funding throughout the GDP in Mexico, with a total of USD\$27,069,293 being awarded between 2003 and 2010. There is a significant change in the funding pattern compared to the USLAR and Environment programs (Figures 11 and 13 respectively). In the latter, the organizations that received the highest percentage of grants were civil society organizations and research centers running projects for the protection of the environment and mitigation of climate change, whereas in the USLAR program the organizations that stand out are universities and first-tier research centers. For the GDP, independent research centers and think tanks were prioritized, based on their status as centers of thought,<sup>15</sup> as well as their developed agendas alluding to the issues of transparency and accountability. The grantees that received the highest percentages of funding through the GDP in

<sup>15</sup> It is important to mention that during this period (GDP) the Hewlett Foundation allocated significant amounts of funding to IMCO, Fundar, and CIDAC through the Think Tanks Initiative. The foundation allocated \$100 million for this initiative from the GDP budget. Although these organizations in Mexico were initially funded, ultimately it was decided that Mexico would not participate in the initiative. The Gates Foundation was also part of this funding.

## OTT Consulting

Mexico were IMCO (24.38%), Fundar (10.60%), CIDE (9.69%), CIDAC (9.60%), and COLMEX (4.06%).

Figure 16. Global Development Program: Amounts awarded through time

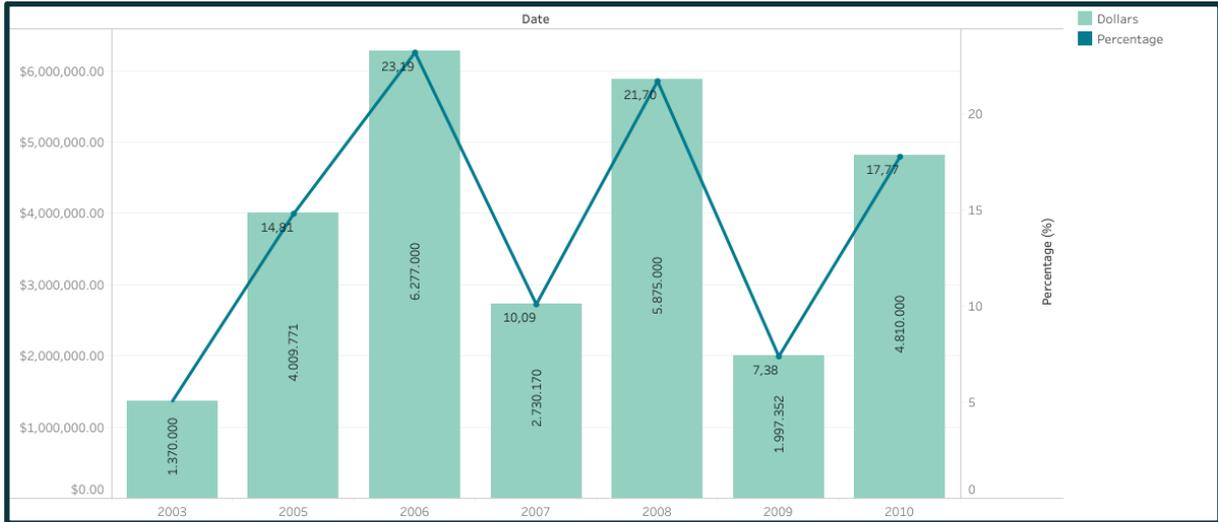
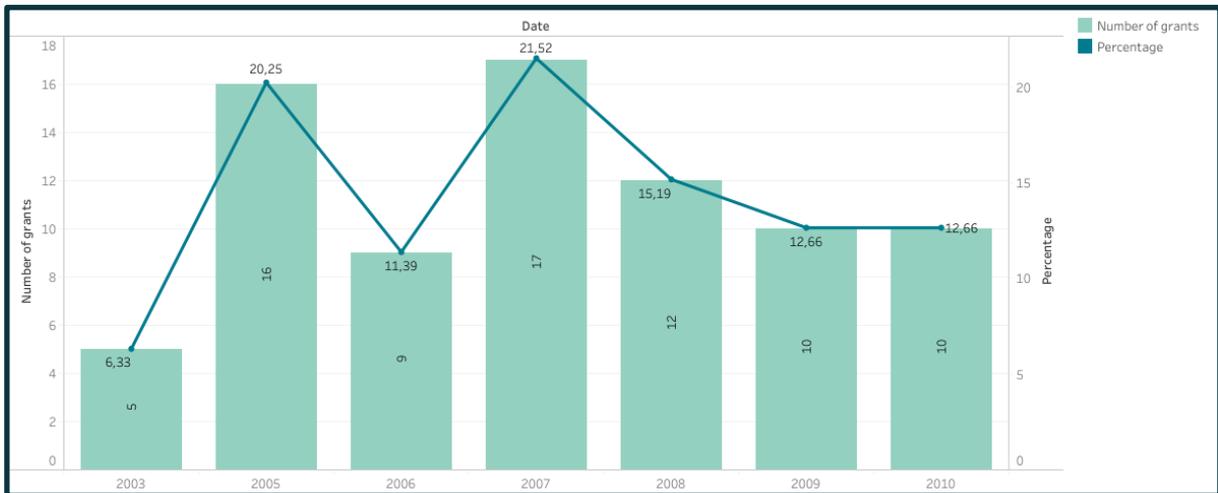


Figure 17. Global Development Program: Grants awarded through time



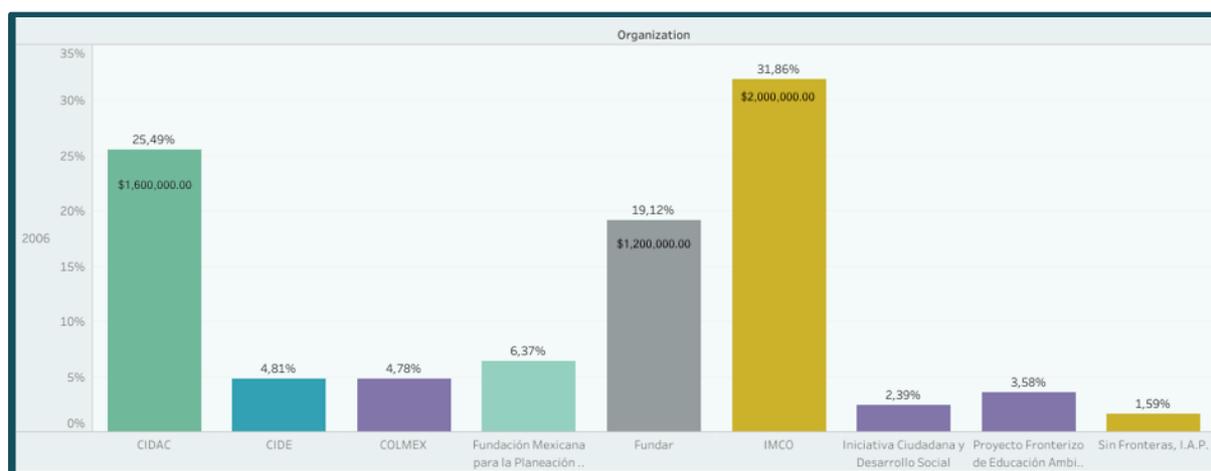
The allocation of grants within the GDP evolved, as did its strategies and thematic agendas. Figures 16 and 17 show the financing delivered throughout the program and the percentage of grants awarded during the same period.<sup>16</sup> The charts show that in 2006 the GDP granted the highest amount of funding to its grantees, while significantly reducing the number of grants awarded. A reverse phenomenon occurred the following year: the program awarded the highest percentage of

<sup>16</sup> The figures do not show the year 2004 because no funding was recorded during this year.

## OTT Consulting

grants, but scaled down the amount awarded by more than half compared to the previous year. The lowest year for both the number of grants (5) and the amount awarded (5.06%) was 2003, the year in which the program was launched and the transition from USLAR began.

Figure 18. Global Development Program: Amounts awarded to organizations in 2006



Between 2005 and 2006 financing increased significantly, from US\$4,009,771.00 to US\$6,227,000.00 (see Figure 16). This could be due to the grants awarded to three of the largest organizations supported by the program: CIDAC, Fundar, and IMCO shown in Figure 18. These grants were awarded through the Think Tanks Initiative. During this period, CIDE also received funding for a research project on public safety and the rule of law, at the same time that the national public security crisis was worsening and Felipe Calderón assumed the Mexican presidency.

The steep decline in financing from 2008 to 2009, seen in Figure 16, could be due to the global financial crisis of 2008, which had budgetary implications for the foundation and its programs. Correspondingly, the crisis had a profound domestic impact in Mexico, reflected in budget cuts that limited government funding for civil society organizations.

## 9. Mexico beyond transparency: The Global Development and Population Program (2010–2019)

The apogee of the transparency agenda was achieved with the constitutionalizing of the right to access information in 2007. Thenceforth, a number of civil society organizations reoriented their actions toward a broader agenda of accountability and citizen participation. The Hewlett Foundation also responded to this shift in priorities, by funding larger-scale projects working to exercise this fundamental right to access information among marginalized sectors of the population. One of the initiatives that answered to this change was the Red por la Rendición de

---

## OTT Consulting

Cuentas<sup>17</sup>, which emerged in 2011 within CIDE, an academic institution financed by the Hewlett Foundation since its inception.

In the international sphere, the Mexican government was a founding member of the Open Government Partnership in 2011. Although the first actions toward an open government were made at the end of the Calderón administration, most were implemented during the next presidential term in 2012. Under the new president, Enrique Peña Nieto, the Open Government Technical Office was created to incorporate citizen participation in co-creation processes.

The concern of international foundations, along with citizens organizations, wasn't exclusively the amplification of the right of access to information, but also the use of information for accountability. This transition in the transparency approach triggered a significant number of proposals on citizen demand for accountability and improved results from the public sector. Concurrently, new citizens' organizations such as México Evalúa, Controla Tu Gobierno, and Gestión Social y Cooperación emerged, and began to receive funding from Hewlett to generate empirical evidence based on access to public information. Unlike the organizations that specialized in transparency or focused solely on the right to information, the new generation of CSOs leaned toward the use of (rather than simply securing access to) public information for influence. This ultimately allowed for progress in the agendas of accountability, citizen participation, and an open government in Mexico.

With regard to the political context, after two six-year terms with the PAN political party in power, a social climate of disenchantment paved the way to the PRI party's triumph in the 2012 elections. Enrique Peña Nieto assumed the presidency and achieved a Senate and House majority, changing the course of the country. The social discontent was used by President Peña Nieto to announce a series of structural reforms that previous presidents had failed to approve. These fiscal, financial, energy, educational, and political reforms were approved with the support of a coalition named Pacto por México, which was composed by the main political parties of the country. During the first half of his presidential term, Peña Nieto attained significant constitutional, legal, and institutional changes, which also had an impact on the agendas of international foundations and civil society organizations in the country.

However, the disappearance of the Ayotzinapa students<sup>18</sup> and a series of corruption scandals (involving the president himself) caused the government's approval ratings to plunge. In 2014, the citizens' initiative known as 3 de 3 – which required popularly elected candidates to make public tax, patrimonial, and conflict of interest declarations – achieved recognition in public opinion. This proposal was initially promoted by IMCO and Transparencia Mexicana and was later endorsed by numerous organizations, managing to gather almost one million signatures in order for it to become constitutional. For the 2015 midterm elections, a significant number of candidates made their declarations public. A year later, in 2016, the citizens' proposal was legislated, making it

---

<sup>17</sup> For more information see the case study on the Colectivo por la Transparencia & Red por la Rendición de Cuentas.

<sup>18</sup> On September 2014, 43 students from the Ayotzinapa Rural Teachers' College were abducted and disappeared on their way to an annual protest to commemorate the 1968 Tlatelolco massacre. Mexican authorities are suspected to be the authors of this crime.

---

## OTT Consulting

legally binding on all federal public officials, and becoming one of the most notable triumphs of civil society.

In addition to the corruption problem, violence and insecurity in the country increased to historic levels. The absence of a rule of law became a critical issue due to the high levels of impunity. The social decomposition that was being witnessed had an impact on the agendas of civil society, shifting the focus of many organizations toward security and justice issues. Organizations such as Fundar or EQUIS Justicia received funding from the Hewlett Foundation to address this expanding agenda.

This political and social state of decay led to a series of new constitutional reforms conducive to responding to citizen demands for greater accountability. In 2015, the Ley General de Transparencia y Acceso a la Información Pública (Transparency and Access to Public Information Law) was approved, increasing the number of entities bound by the law. In that same year, the IFAI became the Instituto Nacional de Acceso de Transparencia, Acceso a la Información Pública y Protección de Datos Personales (INAI), an autonomous constitutional body with greater legal attributions and with national scope, becoming the highest authority regarding access to public information throughout the country.

This second wave of reforms regarding the right of access to public information couldn't be explained without the first generation of reforms a decade prior. In both phases, the role played by civil society organizations, collectives, and networks was decisive, many of which received funding from the Hewlett Foundation throughout the entire period from 2003, when the first access to information law was passed, until the constitutionalizing of the guarantor body in 2015. The fact that the Mexican case became an international benchmark for transparency is due, to some extent, to the influence of the Hewlett Foundation's transparency, participation, and accountability (TPA) strategy and the involvement of its grantee CSOs in the country's reforms.

In 2011, the Mexican government signed the Open Government Partnership in New York, becoming one of the co-founding members of this global initiative. A few years later, in 2015, Mexico hosted the open government summit and was co-chair of the international alliance. The governmental opening had advanced steadily with the participation of civil organizations in the technical secretariat. However, the severe problem of corruption still required profound reforms within the country. The renewed interest on transparency and the national corruption problems led to the passing of the Ley General del Sistema Nacional Anticorrupción, introducing an institutional framework made up of numerous public institutions and the full incorporation of civil society in the control of corruption.

State anti-corruption laws were passed in all states, resulting in 32 state anti-corruption systems, most of which remain incomplete, captured, or marginalized. Moreover, despite the inclusion of civil society into the country's citizen participation committees, it has not been possible to effectively influence an authentic agenda to control corruption in Mexico. It appears therefore that the exercising of the Mexican National Anti-corruption System has been complex and sporadic, and remains to be fully integrated to date.

---

## OTT Consulting

In 2015, the Hewlett Foundation readjusted its TPA strategy toward the strategic use of public information to improve the provision of public services, promoting governance as an institutional arrangement between authorities and citizens. Furthermore, it introduced more effective methods for the achievement of greater citizen involvement. This adjustment was made based on the premise that the conventional use of public information doesn't automatically improve people's quality of life, nor is it necessarily inclusive of all social groups. Therefore, the strategy seeks to democratize both access and usage of transparency as a device toward meeting social demands. The use of public information, such as the court rulings that EQUIS Justicia promotes for broader access of women to justice, is an example of this new approach to transparency. Notably, EQUIS Justicia takes part in *Lo Justo es Que Sepas*, a group of civil and feminist organizations that have succeeded in making the publishing of court rulings mandatory.

### **9.1 Opening the accountability, participation and governance chapter (2010–2014)**

In 2010, CR Hibbs termed out of GD-Mex but stayed another year at the foundation as Senior Advisor to Paul Brest, working from the Mexico office. Ruth Levine was hired with the mission to merge the Global Development Program and the Population Program, resulting in the Global Development and Population Program.

The foundation's office in Mexico had its own strategy of transparency and accountability,<sup>19</sup> as well as its own budget (about 5% of the total annual budget of the Global Development Program). The fact that Mexico was the only country with its own office and budget, led to a growing disconnect between the program's work in Mexico and in the rest of the countries.

The decision to unify these two programs came by reason of the increasing gap between the efforts of the Global Development Program in Mexico and the work being done elsewhere. The program in Mexico was very independent; its strategy was deeply nourished by the Mexican context (the Redstone Strategy 2009) and could only be applied in that country. The relationship between the grantees of the Hewlett Foundation and the program officials also varied within and outside of the country: the physical proximity of the grantees in Mexico allowed the co-creation and co-development of projects and strategies with their program officials, whereas the role of program officials in other territories was governed by a non-intervention policy.

The Hewlett Foundation board requested that the entire Global Development and Population Programme be aligned according to its goals and objectives, and this was achieved in 2011. This alignment disposed of the autonomous budget and strategies unique to Mexico, and integrated the Mexican program with the global strategies. Parallel to these changes, Libby Haight became a program officer in 2011 (after CR Hibbs left), and in 2012 Alfonsina Peñaloza assumed this position to succeed Guadalupe Mendoza.

There is a pattern in the selection of program officers in Mexico. When the USLAR program was still active, the two POs were foreigners, educated in North American academia and philanthropy.

---

<sup>19</sup> Articulated with Redstone Strategy Group in 2009

---

## OTT Consulting

On the eve of transition to the Global Development Program, Mexican Guadalupe Mendoza was hired and worked alongside CR Hibbs. The next transition repeated the pattern by assembling a team comprising a Mexican PO (Peñaloza) who was aware of the civil society context in the country and a foreign PO (Haight) familiar with US philanthropy.

While the Hewlett Foundation reorganized the Global Development Program to fuse with the Population Program, in Mexico, clearer indications were emerging regarding the impact that the transparency and accountability agenda was having on the actions of the government, civil society, and citizens. In 2012, for the first time, the National Development Plan, proposed by President Enrique Peña Nieto, prioritized transparency as one of the five pillars of his administration:

“To promote and guarantee the transparency, accountability, access to public information and the protection of private information in all the areas of the government.”

Furthermore, in 2011, CIDE received the first grant for the development of the Red por la Rendición de Cuentas (Red), a network that brought together and oriented different CSOs, academia, public institutions, and the media toward the accountability agenda. The purpose of the RRC was to generate the optimal conditions for the consolidation of opinions and demands, which were necessary for the design of an accountability policy.

This network began as a research project in CIDE, but thanks to connections brokered by the Hewlett Foundation through social gatherings (the Transparency Breakfasts) it was possible to congregate related organizations and eventually build a major research project. In a certain way, the RRC continued the legacy of the Colectivo por la Transparencia, by focusing on the improvement of legal frameworks for transparency and access to public information, as well as the effective performance of the bodies that guarantee transparency.

The RRC became aware of the evolution of the transparency agenda that took place in Mexico. By virtue of the work of CSOs, governmental authorities, and international foundations, governmental compliance was achieved for the access to public information, particularly with the approval of the Ley Federal de Transparencia y Acceso a la Información Pública (Federal Law on Transparency and Access to Information), the creation of the IFAI in 2002, and the 2007 constitutional reform to guarantee access to public information in all states.

After this accomplishment, an important moment of deliberation emerged between the Mexican CSOs, academia, and international organizations working in Mexico on what would be the next step in the transparency agenda. The parties agreed that the goal would be to tackle the accountability agenda, concluding that transparency was not an end but rather a means to achieve certain objectives, whether these be the strengthening of democratic institutions, access to justice, or the improvement of government services. In 2013, RRC pushed through a constitutional reform on transparency and access to information, which was enacted in 2014.

---

## OTT Consulting

As well as being led by CIDE, the RRC was soon joined by many other grantees of the Hewlett Foundation, such as Artículo 19, Transparencia Mexicana, Fundar, GESOC, México Evalúa, IFAI/INAI, C Ciudadano, and Colegio de México, among others. To this day it continues its work toward perfecting the regulatory frameworks in relation to transparency and access to information, as well as improving the performance of bodies in charge of guaranteeing the right to transparency.

The year 2014 was a period of major change for the Hewlett Foundation, the CSOs and Mexico. As reports of the enforced disappearance of the forty-three Ayotzinapa students hit the news, a constitutional reform was introduced in the transparency agenda, a group of CSOs created the 3de3 proposal, and the Hewlett Foundation closed its office in Mexico.

The decision to close the Mexico office was connected to the wider context at the Hewlett Foundation. Its closure did not mean the end of the foundation's work in the country, however, simply the end of the physical facilities and the transfer of the POs to the headquarters in Menlo Park. The office closure actually created important trade-offs for the administration of staff and resources within the program: with its closure, the POs in Mexico could dedicate more attention to allocating grants in other regions of the world, while disseminating the lessons learned from the Mexican context to the global arena. In addition, there was a budget increase with the change to the transparency and accountability strategy.

The removal of the Mexican office's exclusive budget effectively ended grants to certain organizations,<sup>20</sup> as the funds could not be justified by the new objectives of the global transparency and accountability strategies. The Mexico program did not have an exclusive strategy, portfolio, or budget, therefore a physical office in Mexico was unnecessary. Other reasons for the closure were the physical proximity of Menlo Park and Mexico City (a four-hour flight), the operative costs of running a second office, and the creation of a different work environment from that of the central offices.

Although this decision was in the best interest of the Hewlett Foundation, for the grantees it meant an estrangement from the foundation that would have a noticeable impact in their work methodology and project planning. The departure to Menlo Park dwindled the capacity of the POs to identify strategic windows of opportunity. The close collaboration between Hewlett Foundation funding and social situational knowledge of Mexican CSOs could no longer exist. The relationship shifted into a more traditional "funder–recipient" mode.

The creation of the office in Mexico and the specific strategies for the country allowed the configuration of a community of practice in the transparency and accountability agenda. By 2011, this community had grown and matured to become an organization independent from the Hewlett Foundation, with its own standalone networks, priorities, and shared stories.

The 3de3 proposal emerged in these circumstances, first promoted by Transparencia Mexicana in 2014, by IMCO in 2015 and, eventually, by more than 70 CSOs. In 2014, Transparencia Mexicana

---

<sup>20</sup> In 2011, the support given to ITAM (1997–2008), COLMEX (1997–2010), and the Proyecto Fronterizo de Educación Ambiental (1999–2009) ceased to be renewed.

---

## OTT Consulting

urged popularly elected candidates to publish their 3de3, which had a huge impact in the elections of 2015 as every candidate complied. In 2016, with the collection of 600,000 signatures and a coalition of the PAN and Democratic Revolution Party (PRD) political parties, the 3de3 proposal became constitutional.

The following year, the program began collaborating with COMETA to evaluate the highlights of the 12-year-old Transparency Breakfasts. It seemed as if the breakfasts had begun to gradually lose their purpose, since the goal to create a community had been accomplished. Even though the gatherings were highly appreciated by the grantees, their structure, content, and approach had stopped being relevant for the country's circumstances. Therefore, a new peer-to-peer learning exchange strategy was created, gathering Mexican CSOs to discuss and share common themes and experiences. Staff of the organizations working in the area of the chosen theme were invited to the events. For example, if the theme was "communication and publicity", the attendees were people working on that subject in their respective organizations. These new gatherings were successful and continue to be celebrated. They have even scaled, with two international meetings in 2018 with the topic "gender, transparency, and accountability", and another in 2019 with the theme "public participation and closing of the civic space".

### **9.2 Opening spaces for diversity, equity, and inclusion (2013–2019)**

Parallel to the aforementioned affairs from the second decade of the 2000s, the Global Development and Population Program began to include new organizations among its grantees. These new organizations worked closely with local communities, bringing closer the tools of transparency and accountability to promote citizen participation through a gender-equality perspective.

In 2013, the Hewlett Foundation delivered its first grant to EQUIS Justicia para las Mujeres, a feminist organization that has worked since 2011 to transform institutions, laws, and public policies to improve access to justice for all women. Using transparency as their main tool, and forming partnerships with other CSOs, the organization tries to strengthen citizen auditing.

The Hewlett Foundation delivered two more grants of this type in the following years: first, to the Grupo de Información de Reproducción Elegida (GIRE) in 2014, and then to the Instituto de Liderazgo Simone de Beauvoir (ILSB) in 2015. The funds assigned to GIRE were used to strengthen a transparency and accountability project for women's reproductive rights, and the funds assigned to ILSB were focused on a project that used transparency and accountability to improve public health for indigenous women.

In 2019, thanks to funding by the Hewlett Foundation, EQUIS Justicia consolidated their work in transparency and accountability, following a broader effort to demand a more receptive justice system for the women in Mexico. The Lo Justo Es Que Sepas collective, a collaboration with EQUIS Justicia, México Evalúa, Artículo 19, Fundar, Controla Tu Gobierno, and many other organizations, presented a proposal to the Mexican Senate that sought to guarantee the transparency of court rulings to improve access to justice and fight against corruption and impunity. The legislative

—

## OTT Consulting

proposal eliminated the ambiguous concept of “public interest” from the Ley General de Transparencia, which shielded judges and juries from many Mexican sub-national governments from having to publish sentences and resolutions.

In 2020, the modification proposed by Lo Justo Es Que Sepas to the Ley General de Transparencia y Acceso a la Información Pública was approved. The new law now enforces the publication of all court rulings in the country. The Hewlett Foundation supported this collective, using a TPA perspective to bring greater access to justice to the most vulnerable populations. The reform to the general transparency law will contribute to reducing opacity in the justice system as well as facilitating future analysis of judicial sentences.

Figure 19. Global Development and Population Program (2011-2019) total amounts granted



Figure 16 shows the percentage and amounts received by the grantees through the Global Development & Population Program in Mexico (2011-2019). The total amount granted to this program in the country is of US\$40,985,061.00. In comparison to the percentages granted to the Global Development Program portfolio, the participation of EQUIS Justicia para las Mujeres (4.79%), ILSB (3.79%), and GIRE (2.50%) stand out. In addition, although they are not visible in the figure, new organizations that create participation spaces for citizens to get involved in the provision of public services are included, such as Controla Tu Gobierno (1.62%). However, the organizations that receive the most financing continue to be Fundar (16.29%), IMCO (14.49%), CIESAS (13.61%), Artículo 19 (5.63%), and CIDE (5.51%).

## OTT Consulting

Table 3. Global Development and Population Program amounts and grants awarded over time

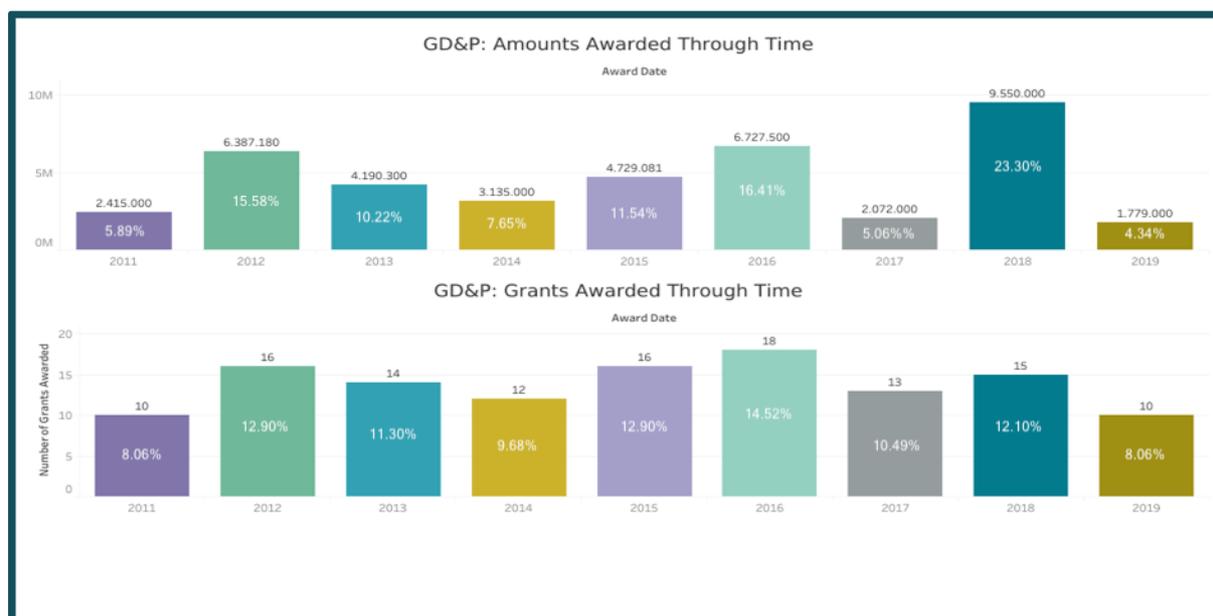


Table 3 illustrates what happened to the Global Development and Population Program in Mexico while undergoing a period of changes. The upper graph shows the financial amounts awarded over time (2011-2019), and the lower one shows the number of grants awarded. Both graphs show similar patterns.

In 2011, the year that the Global Development Program and the Population Program were merged, both the lowest percentage of funds was granted (5.89%), and the smallest percentage of grants allocated (8.06%; equal with 2019).

The grants and financing increased in 2012, only to significantly decrease in 2014, the year in which the Mexican office closed. This drop could be attributed to the transition to a new program. Conversely, between 2015 and 2016, both graphs show a considerable increase, reaching levels ranging from 11% to 16% of the total awarded funds and grants. In 2016, the number of grants allocated peaked, which could be due to the three funds assigned to CIESAS and Artículo 19 that year.

The year that received the highest percentage of the total funds granted to Mexico during the program (23.3%) was 2018, a period in which the first grantee convening was held in Mexico City, organized by COMETA and ITAD. In this year two important multi-year grants were assigned: to Fundar for the general support of the organization, and to IMCO for the development of budget transparency and public expenditure indicators.

## 10. Mexico in the face of democratic populism

The 2018 Mexican elections were notably won by the Movimiento de Regeneración Nacional (Morena)<sup>21</sup> party, under the moral and political leadership of Andrés Manuel López Obrador. The sweeping triumph of López Obrador's party not only achieved the presidency but also the majority of seats in both chambers of the Congress. Therefore, the president gained undeniable democratic legitimacy, allowing him room to maneuver that no president has had in decades.

Despite the negative outcomes of the economic and public health crisis (resulting from COVID-19) and López Obrador's subsequent controversial public policy decisions, the president's approval rating remains one of the highest worldwide according to international polls such as Mitofsky<sup>22</sup> and Oraculus.<sup>23</sup> He maintains popular support in the social causes that led him to the presidency, such as the fight against corruption. The seemingly unconditional support from the majority of Mexicans has allowed him, for example, not to support the National Anti-corruption System, which remains scattered. Instead, his vision on the fight against corruption has been centered on other entities loyal to his leadership.

One of the most troubling aspects of the federal government's actions is the hostility of President López Obrador toward civil society. He has severely criticized various citizen organizations with groundless accusations and threats of tax audits, which poses a menace to civil society achievements. Among the organizations under presidential siege, there are several that have been financed by the Hewlett Foundation. The president has also displayed animosity to the media, despite calling himself a defender of freedom of expression; he has attacked numerous newspapers and programs directly by calling out his political adversaries.

President López Obrador has also undermined the democratic checks and balances of the Republic, particularly the autonomous constitutional bodies, through political and budgetary pressure. For instance, he criticized the performance of the Instituto Nacional Electoral by questioning its authority to organize free elections and even denouncing it for having covered up the alleged fraud of the 2006 presidential election. He has been critical of the INAI for compelling different government agencies to disclose sensitive information related to the federal government. He also appointed the president of the Comisión Nacional de Derechos Humanos through a controversial and unlawful process, weakening the defense and protection of the fundamental rights of Mexicans. Additionally, he has impaired the Supreme Court of Justice of the Nation through the appointment of ministers who supported his agenda. This asymmetry of power of public authorities and the absence of checks and balances against the executive branch have endangered the welfare of Mexican democracy.

In addition to the political and budgetary onslaught against different autonomous bodies, there has been an attempt to confine the citizen presence in these instances, which had been a historic achievement of civil society. To a great extent, the autonomy of these bodies resides in the citizen

---

<sup>21</sup> Morena is a recently created political party, founded in October of 2011 by Andrés Manuel López Obrador. In the 2018 elections it formed an electoral alliance named Juntos Haremos Historia with the Partido del Trabajo (PT) and Partido Encuentro Social (PES).

<sup>22</sup> <http://www.consulta.mx/index.php/encuestas-e-investigaciones/evaluacion-de-gobierno/item/1428-aprobamlo21>

<sup>23</sup> <https://oraculus.mx/aprobacion-presidencial/>.

---

## OTT Consulting

composition of their directive and governing bodies. Therefore, by preventing citizen profiles from being designated, these institutions have been captured by the government, rendering their counterweight function nil.

Likewise, the president has re-centralized public spending, annulling branches and budget funds and disappearing trusts, which has caused fiscal and political friction with a third of the country's governors. This group of dissatisfied governors has left the Conferencia Nacional de Gobernadores (CONAGO), the local government's entity of representation before the federal government, and instead formed a new alliance named the Alianza Federativa. This demands fiscal federalism that guarantees more equitable treatment toward the states of the country, raising the need for a national tax convention that revises the Mexican fiscal pact. The plunge in tax collection and the reorientation of public spending to finance López Obrador's priority public works foretells a greater conflict among tiers of government in Mexico.

The Mexican fiscal arrangement has been deteriorated for decades, but the COVID-19 crisis has revealed its weakness. Mexico holds the lowest tax revenues of all OECD members, making it impossible to effectively face the current crisis and promote state-driven development.

During his campaign for presidency López Obrador promised that he would not raise taxes and has kept that promise for more than two years. In the face of the current unemployment and fiscal crisis, taxes have increased only for those products included in IEPS<sup>24</sup>, and for those that were not regulated before (like digital platforms). But regular taxes like IVA<sup>25</sup> and ISR<sup>26</sup> have not seen a rise. Some specialists foretell that these measures are not enough and public debt should be acquired, however other specialists point out that the percentage of tax collection increased in 2020 in comparison with 2019, and this could be a good sign for taxes revenue.

### **11. The COVID-19 crisis: A trigger for the Mexican crisis**

The COVID-19 crisis has been a catalyst for other political, fiscal, economic, and social crises. The health crisis, which has caused more than 200,000 deaths in Mexico, showed up the country's battered health system, which had already been in a critical situation for years due to a shortage of medicines, lack of access to health services, corruption, and the uncertain transition from Seguro Popular, a health reform passed in 2003, to the Instituto Nacional de Salud y Bienestar (National Institute of Health and Welfare). The lockdown caused an unheard-of economic recession, only comparable with the economic crisis of the post-revolution era a century ago. The president's unwillingness to acquire public debt, despite having credit facilities from international financial organizations, in addition to his refusal to rescue or subsidize companies, caused a drop in the gross domestic product that was previously higher than average for the countries of Latin America, as well as the loss of more than a million jobs during 2020. In terms of the social impact, it is

---

<sup>24</sup> Special Tax on Production and Services, it is paid for the production and sale or importation of alcohol, beer, gasoline, and tobacco.

<sup>25</sup> Value Added Tax, corresponds to a 16% rate that is covered at the time of acquiring a good or service.

<sup>26</sup> Income Tax, direct tax that is applied to the income obtained that increases the patrimony of a taxpayer, individuals and companies are obliged to pay this tax.

---

## OTT Consulting

projected that the population in poverty will increase by 11 million people according to estimates by the Consejo Nacional para la Evaluación de la Política Social (National Council for the Evaluation of Social Policy). In addition, the social gap shows accelerated growth.

The pandemic has not only resulted in an economic and social setback for millions of Mexicans, but also a democratic regression in many dimensions of the country's public life. Spaces previously conquered and occupied by civil society have undergone attacks by the president, his party, or his political allies that have called into question essential citizenship processes for the democratic consolidation of the country. Many of the CSOs that contributed to the democratization of the country have been under direct vilification from the public authorities. Some of these organizations, funded by the Hewlett Foundation and other international entities, have been called into question for receiving foreign funds and allegedly acting in accordance with foreign interests.

Mexican civil society has also been affected by COVID-19. Many of the internal funding resources available to civil society organizations have diminished<sup>27</sup>. Additionally, CSOs have faced unprecedented difficulties in continuing with their projects, as the lockdown forced many of them to switch to online working modalities that make it difficult to influence the political agenda. Moreover, civil society organizations don't always have reserve funds, consolidated institutional capacities, or stable sources of financing to face a situation such as COVID-19. This crisis could create a vacuum in the face of public power, inciting a regression in many of the areas where agendas such as accountability, citizen participation, and governance had already advanced.

The national environment for civil society is going through one of its worst moments, only tantamount to the time of the old regime when there was a scarce number of citizen organizations. In November 2020, the Chamber of Deputies passed an initiative to restrict the figure of authorized donee, a fiscal modality that allows tax deductions to donors (companies) when they donate to civil society organizations. This reform constitutes a regression for the development of civil society, since it hinders its financing and restricts its expansion. It inhibits the development of organized civil society as a counterweight or a critique of public power in Mexico.

Even though Mexico has been shattered by COVID-19, autonomous institutions are being threatened—along with civil society organizations and its agendas— and millions of Mexicans are at risk of falling into poverty, AMLO's<sup>28</sup> popularity remains high and this could be explained through a set of political and social factors. First, it seems like the federal government is doing a good job in transmitting to the public opinion a “benevolent” and honest image of the president and its management of the pandemic through the “Mañaneras<sup>29</sup>” and government propaganda. Second, Mexico does not have an articulated opposition to the President (and its party, MORENA) that could offer a real and legitimate alternative to the country. Third, since 48.8% of Mexico's population lives in poverty<sup>30</sup>, most of Obrador's social policies are directed to this social sector,

---

<sup>27</sup><https://www.economista.com.mx/politica/Organizaciones-de-la-sociedad-civil-y-Gobierno-una-relacion-disfuncional-20201108-0001.html>

<sup>28</sup> Andrés Manuel López Obrador, president of Mexico.

<sup>29</sup> Mañanera is the name given to the morning press conferences AMLO gives everyday through which he sets Mexico's public and political agenda.

<sup>30</sup> According to CONEVAL (2018) <https://www.coneval.org.mx/Medicion/Paginas/PobrezaInicio.aspx>

---

## OTT Consulting

which benefits a high percentage of Mexicans but is also used as a populist measure that hides the damage being done in institutional and civil society spheres. And fourth, since a high percentage of Mexicans struggle to get their basic needs met, setbacks in access to information policies or technical issues, like the science behind virus transmission, seem irrelevant in the day-to-day agenda of citizens.

Despite this adverse scenario, it is impossible to deny that Mexican civil society underwent a growing and transformative process that strengthened its capacities and allowed social change. This transformation would not have been possible without the support of international foundations, like the Hewlett Foundation. The impact that the latter had in Mexico is observable through the strengthening of civil society, since the foundation not only provided funding but carried out unique work in consolidating a community of practice around the TPA agenda. This way, the foundation ensured that (like the Sustainable Development Goals) an agenda was set among civil society organizations, the academia, and even government organizations to achieve (through individual and collective efforts) common objectives.

The impact of the foundation is not only noticeable through its grant making and its portfolio of grantees, but also through the BRT systems developed in different cities, the legal reforms regarding transparency and accountability implemented since 2010, and the publication of court rulings and access to justice with a feminist perspective. The main impact of the foundation centers on the consolidation of resilient organizations that can communicate and engage with others, in a neutral space that allows for discussions, trust, and interaction.