

Failed State: A New (Old) Definition

**A Monograph
by
MAJ Kenneth D Mitchell
US Army**



**School of Advanced Military Studies
United States Army Command and General Staff College
Fort Leavenworth, Kansas**

AY 2010

REPORT DOCUMENTATION PAGE			<i>Form Approved</i> <i>OMB No. 0704-0188</i>		
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing this collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0704-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. PLEASE DO NOT RETURN YOUR FORM TO THE ABOVE ADDRESS.					
1. REPORT DATE (DD-MM-YYYY) 21-04-2010		2. REPORT TYPE SAMS Monograph		3. DATES COVERED (From - To) July 2009 – May 2010	
4. TITLE AND SUBTITLE Failed State: A New (Old) Definition			5a. CONTRACT NUMBER		
			5b. GRANT NUMBER		
			5c. PROGRAM ELEMENT NUMBER		
6. AUTHOR(S) Major Kenneth Dean Mitchell, United States Army			5d. PROJECT NUMBER		
			5e. TASK NUMBER		
			5f. WORK UNIT NUMBER		
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) School of Advanced Military Studies (SAMS) 250 Gibbon Ave. Fort Leavenworth, KS 66027-2134			8. PERFORMING ORG REPORT NUMBER		
9. SPONSORING / MONITORING AGENCY NAME(S) AND ADDRESS(ES)			10. SPONSOR/MONITOR'S ACRONYM(S)		
			11. SPONSOR/MONITOR'S REPORT NUMBER(S)		
12. DISTRIBUTION / AVAILABILITY STATEMENT Approved for Public Release; Distribution is Unlimited					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT <p>This monograph posits that the state must structure the delivery of public goods in a sequential and hierarchical basis with safety and security and rule of law providing a foundation upon which the state builds delivery of all other public goods prior to any discussion of higher level needs like participation and human rights. In support of this premise, this monograph defines a failed state as a state which cannot claim a monopoly on the legitimate use of physical force within a given territory.</p> <p>This research explores various state ranking systems, which purport to measure state delivery of public goods. These measurements are aggregated and interpreted to assess state fragility. These ranking systems carry a bias toward higher end development, like the development of human rights, rather than focusing on foundational aspects of state development, like safety, security, and rule of law. Mexico illustrates this monograph's thesis by showing that performance in other categories of governance cannot offset a lack safety and security for the citizens of Mexico. The implication of this premature focus on participation and human rights is the creation of weak and illegitimate state institutions since safety and security did not form the foundation of the state's contract.</p>					
15. SUBJECT TERMS State Failure, Failed States, Governance, Mexico, Government Instability, Participation, Human Rights, Human Development, Economic Development, Rule of Law, Safety, Security					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES	19a. NAME OF RESPONSIBLE PERSON Stefan J. Banach COL, U.S. Army
a. REPORT	b. ABSTRACT	c. THIS PAGE			19b. PHONE NUMBER (include area code)
(U)	(U)	(U)	(U)	67	913-758-3302

SCHOOL OF ADVANCED MILITARY STUDIES

MONOGRAPH APPROVAL

MAJ Kenneth Dean Mitchell

Title of Monograph: Failed State: A New (Old) Definition

Approved by:

Daniel G. Cox, PhD

Monograph Director

Robert Haycock, COL, IN

Second Reader

Stefan Banach, COL, IN

Director,
School of Advanced
Military Studies

Robert F. Baumann, Ph.D.

Director,
Graduate Degree
Programs

Disclaimer: Opinions, conclusions, and recommendations expressed or implied within are solely those of the author, and do not represent the views of the US Army School of Advanced Military Studies, the US Army Command and General Staff College, the United States Army, the Department of Defense, or any other US government agency. Cleared for public release: distribution unlimited.

Abstract

Failed State: A New (Old) Definition by MAJ Kenneth D. Mitchell, US Army, 66 pages.

This monograph posits that the state must structure the delivery of public goods in a sequential and hierarchical basis with safety and security and rule of law providing a foundation upon which the state builds delivery of all other public goods prior to any discussion of higher level needs like participation and human rights. In support of this premise, this monograph defines a failed state as a state which *cannot* claim a monopoly on the legitimate use of physical force within a given territory.

This research explores various state ranking systems, which purport to measure state delivery of public goods. These measurements are aggregated and interpreted to assess state fragility. These ranking systems carry a bias toward higher end development, like the development of human rights, rather than focusing on foundational aspects of state development, like safety, security, and rule of law. Mexico illustrates this monograph's thesis by showing that performance in other categories of governance cannot offset a lack safety and security for the citizens of Mexico. The implication of this premature focus on participation and human rights is the creation of weak and illegitimate state institutions since safety and security did not form the foundation of the state's contract.

Table of Contents

Illustrations	ii
Figures	ii
Tables	ii
Introduction	1
The Philosophical Progression of the Nature of a Sovereign State	3
Philosophical Basis of the State.....	3
Measuring the State and thus Failed States	8
Analyzing the Indices by Areas of Governance	19
Participation and Human Rights.....	20
Human Development.....	22
Economic Development	23
Rule of Law	24
Safety and Security.....	25
Other Models	27
Applying the New Understanding of State to the Mexican Case	35
Participation and Human Rights.....	38
Human Development.....	42
Economic Development	45
Rule of Law	50
Safety and Security.....	54
Conclusion.....	61
Bibliography	63

Illustrations

Figures

Figure 1: Philosophical evolution of the state	4
Figure 2: Maslow's hierarchy of needs	30
Figure 3: State role hierarchy	34
Figure 4: Overall governance rankings for Mexico.....	37
Figure 5: Participation and human rights rankings for Mexico.....	38
Figure 6: Human development rankings for Mexico.....	43
Figure 7: Economic development rankings for Mexico	46
Figure 8: Rule of law rankings for Mexico	50
Figure 9: Safety and security rankings for Mexico	55
Figure 10: Mexico's performance in delivery of public goods	60

Tables

Table 1: Freedom in the World	11
Table 2: Polity IV Index	12
Table 3: Worldwide Governance Indicator	13
Table 4: Global Governance Initiative	14
Table 5: World Governance Assessment	15
Table 6: African Governance Report	16
Table 7: Index of African Governance	17
Table 8: Failed State Index.....	19
Table 9: Overall index coverage of the categories of public goods	20
Table 10: Index treatment of participation and human rights.....	22
Table 11: Index treatment of safety and security	26

Table 12: Collier-Hoeffler Model	28
Table 13: Institution for State Effectiveness	29

Introduction

Talk of failed or failing states dominates current US foreign policy. The United States justified its military intervention in Somalia, Bosnia, Haiti (1994), Afghanistan, and Iraq with the concept of failed or failing states. The United States further justified these military interventions with the premise that failing states pose a risk to US national interests through ungoverned space in which non-state extremist actors can plan, operate, and launch attacks on the United States. When a state cannot provide safety and security to its citizenry or control its own territory by exercising the rule of law through police, prisons, and a judiciary, that state has the risk for giving rise to safe haven for non-state actors and the associated terrorism. However, it is difficult to define the criteria for which a state is classified as 'failed.' A state exists to provide public goods to its citizens. Thus, a failed state is unable or unwilling to provide those public goods to its citizens. This paper groups the public goods provided by a state into five categories: participation and human rights, human development, economic development, rule of law, and safety and security.

However, major differences exist between research institutions on the content and scope of the public goods a state should provide. Based on US efforts in Iraq and Afghanistan, the main effort of US foreign policy after military interventions in failed states is the delivery of participation and human rights. This foreign policy focus is based on mistaken assumptions. The state must structure the delivery of public goods in a sequential and hierarchical basis with safety and security and rule of law providing a foundation upon which the state builds delivery of all other public goods prior to any discussion of higher level needs like participation and human rights. For example, a citizen cannot start a business to improve his economic position in a war-time environment or one in which murder is rampant. Education and human development cannot exist in an environment in which criminals kill or maim citizens attempting to go to school. Participation in the political process cannot occur in an environment where the act of voting puts

one at risk for death or bodily harm. The state must achieve safety and security prior to pursuing any of the other state roles.

This research explores the impact of these indices, which purport to measure state delivery of public goods. These measurements are aggregated and interpreted to assess state fragility. The problem with this analysis is that these scores come mainly from modern western conceptions of the state's role, which carry a bias toward higher end development, like the development of human rights, rather than focusing on foundational aspects of state development, like safety, security, and rule of law. For this reason, it is important to explore these indices in detail because policymakers often make decisions to intervene based on reports of state fragility. It is of paramount importance to ensure that the right intellectual construct is used to measure state fragility. Mexico illustrates this monograph's thesis by showing that good performance in other categories of governance cannot offset a lack of safety and security for the citizens of Mexico. The implication of US foreign policy's premature focus on participation and human rights is the creation of weak and illegitimate state institutions that will fail once US forces depart since safety and security did not form the foundation of the state's contract.

One of the author's main focuses will be a discussion of the definition of a state and thus the definition of a failed state. To provide background, this paper will examine the philosophical and historical growth of the state. Following this discussion, the author will review the various state ranking systems used to categorize a stable or failing state. These ranking systems consistently assess state performance through the delivery of public goods to its citizens. Finally, the author examines Mexico, to determine whether Mexico represents a failed state. A single country study is comparative since US foreign policy can apply concepts illustrated with respect

to Mexico to other potential failed and failing states. The inferences regarding failed states stretch beyond Mexico to the entire international community.¹

The Philosophical Progression of the Nature of a Sovereign State

The term failed state is very ambiguous. Noam Chomsky controversially defines failed state in such a manner that the United States is a failed state. His contested definition is a state which is unable to protect its citizens from violence and a state not concerned with international laws and norms.² He claims the United States, through its actions during the War on Terror, has actually made its citizens more vulnerable to terrorist attack – thus failing to protect its citizens from violence. In addition, Chomsky claims US actions in Iraq and Afghanistan violate international norms. Many debate his analysis but it illustrates an important point; by vaguely defining the term failed state, one can argue for military intervention in any number of third (or first) world countries. Decision makers require a strict and narrow definition of the term ‘failed state’ to make sound policy judgments. However, in order to define a failed state, one must first define a state and this is a step often overlooked by scholars.

Philosophical Basis of the State

The concept of the state arose in Europe during the late Middle Ages. Philosophers and political scientists refined the concept of the state over time; culminating in the American Revolution. Much of the development of the concept of the state as an abstract entity resulted from the enlightenment and new ways of thinking about rulers and their relationship to the ruled. In all cases, the philosopher tried to answer the question, “What is the best way to create order in human society?” The main philosophers responsible for the philosophical underpinnings of the

¹ Todd Landman, *Issues and Methods in Comparative Politics* (New York: Routledge, 2008), 28.

² Noam Chomsky, *Failed States: The Abuse of Power and the Assault on Democracy* (New York: Metropolitan Books, 2006), 2.

state are Erasmus, Machiavelli, Jean Bodin, Cardin la Bret, Hobbes, Locke, and Montesquieu.

Figure 1 shows the philosophers' time periods, major writings, and major wars relevant to the modern concept of the state.

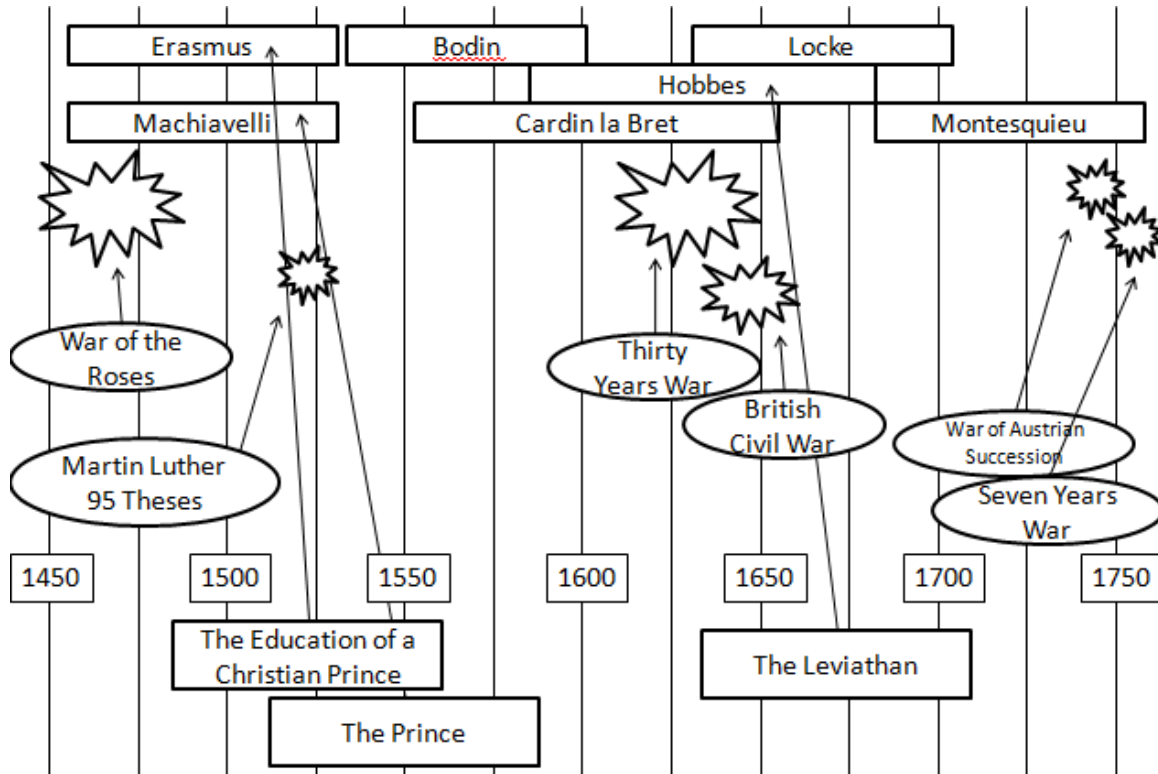


Figure 1: Philosophical evolution of the state³

In the early Middle Ages, the relationship between the sovereign and the people under his rule was that of a god to a slave. The sovereign could not be corrupt or unjust since the sovereign was the ruler by divine right. The sovereign, the person, was the government. There was no separation between his personal identity and his role as head of the government. In 1516, Erasmus, a Dutch philosopher, published *The Education of a Christian Prince*. In this work, Erasmus set forth the premise that a ruler should be concerned with good and justice.⁴ The people's love would be the measure of the sovereign's performance. However, he still viewed

³ Figure created by author.

⁴ Desiderius Erasmus, *The Education of a Christian Prince*, ed.. Lisa Jardine (Cambridge: Cambridge University Press, 1997), 35.

the sovereign's right to rule as divine. Thus an unjust ruler still maintains his divine position as sovereign unanswerable to the people.

Machiavelli was an Italian philosopher whose most notable work was *The Prince*. He maintained the ruler's divine right to rule but contrasted with Erasmus's view of a ruler's purpose. He argued that a 'good' ruler did not need piety and justice but instead required force and guile.⁵ A good sovereign was better feared than loved. Force and guile would allow the ruler to obtain what was in the best interest of the nation regardless of the morals of the individual situation; politics by any means necessary. Machiavelli separated the role and responsibilities of the sovereign from judgments concerning good and bad or right and wrong.

Following Erasmus and Machiavelli, Jean Bodin added to the modern concept of the state. His additions were prompted by the historical context of the time. In 1517, Martin Luther posted his 95 Theses.⁶ This action ignited the Protestant Reformation. With the nature and identity of God in dispute throughout Europe, Bodin rejected the divine nature of Erasmus's sovereign and also rejected the coldly amoral justifications of Machiavelli. Bodin posited that the ruler's most important duty lay in upholding the rule of law.⁷ In addition, he argued convincingly that one could not serve two sovereigns. This broke the old feudal ties which created conflict throughout European history. At the same time, by divorcing the sovereign from God, Bodin collapsed all political entities superior to the state (those of church and empire). Shortly thereafter, the Treaty of Westphalia solidified the primacy of the state in international relations.

A French jurist, Cardin la Bret, was the first philosopher to separate the ruler's personal identity from his role as sovereign and head of government. He defined a difference between

⁵ Nicolo Machiavelli, *The Prince*, trans. George Bull (New York: Penguin Books, 1975), 27.

⁶ Adolph Spaeth et al., trans., *Works of Martin Luther* (Philadelphia: A. J. Holman Company, 1915), 29-38.

⁷ Jean Bodin, *Six Books of the Commonwealth*, trans. M. J. Tooley (Oxford: Blackwell, 1967), 40-9.

treason against the king's person and treason versus the state.⁸ Prior to this distinction, the ruler was the state incarnate. Now the ruler was just the figurehead for a new abstract entity, the state.

Building on the concept of the state as an abstract entity, Hobbes published *The Leviathan*. Hobbes defined man as existing in a state of nature where our lives are "solitary, poore, nasty, brutish, and short."⁹ Man fears and thus spends his whole life seeking power over his fellow man. To escape this state of nature, man creates a social contract with the state. Hobbes defines the state as an artificial man who is separate from the person of the ruler or sovereign. The sovereign carries the state and rules in its name. Without the state's enforcement of the social contract, man will slip back into the state of nature where there is no law. Law can only exist within the structure provided by the state. For Hobbes, like Machiavelli, the state is amoral and governs in the best way to maintain public order. The state, with military, police, and prisons, becomes the Leviathan. Any abuses by the government are simply the price paid to escape the state of nature.

Locke came to the same conclusions as Hobbes regarding the formulation of the state as an abstract, powerful entity separate from that of the sovereign. However, Locke approaches the problem with a different assumption concerning man's nature. Hobbes assumes that man's nature is to follow his desires and passions. The state must restrain man from the state of nature and war of all against all.¹⁰ Locke posits that man's reason leads him to what he calls enlightened self-interest.¹¹ This enlightened self-interest allows man to live in peace most of the time. Thus it is the government's job not to constrain man, but to safeguard the rights man had been

⁸ R. E. Giesey et al., "Cardin le Bret and Lese Majeste," *Law and History Review* 41 (1986): 23-54.

⁹ Thomas Hobbes, *Leviathan: with selected variants from the Latin edition of 1668*, ed. Edwin Curley (Indianapolis: Hackett Publishing Company, 1994), 76.

¹⁰ *Ibid.*, 77.

¹¹ John Locke, *Two Treatises of Government* (London: C. Baldwin, 1824), 177.

endowed; “no one ought to harm another in his life, health, liberty, or possessions.”¹² Civil society created the state out of enlightened self-interest to defend its rights from internal and external threats.

The final philosopher leading the modern definition and formulation of the state is Montesquieu. Montesquieu based his ideas upon Hume’s conception of the nature of human reason. Hume posited that “Reason is, and ought only to be the slave of the passions, and can never pretend to any other office than to serve and obey them.”¹³ For Locke, reason was absolute. Hume believed that reason was subjective. Accepting reason as subjective, Montesquieu postulated that laws must be the basis of government; subjective laws made by man so that “one man need not be afraid of another.”¹⁴ He completed the process by which the force of laws other than those of the state were abolished. From this point, laws (good or bad) were simply those which the state enacted. Laws and the state were both amoral. With Montesquieu, the theoretical structure of the state was complete.

Erasmus started with a divine sovereign that ruled with justice. Machiavelli gave us a divine sovereign that was amoral. Bodin gave us the rule of law. La Bret created the state as an abstract entity separate from the sovereign. Hobbes and Locke both gave us an all-powerful state to protect us from external and internal threats (one to constrain man and the other to safeguard man’s rights). Finally, Montesquieu gave us rule of law whose origin was of man not divine.

In summary, the state is an all-powerful entity tearing down all laws except those created by the state itself. God and nature are divorced from the state. The state does not have to observe custom and is capable of doing anything. From this construct, the state was the most powerful political construct ever created. It owns the military, police, and prison system and uses them as

¹² Ibid., 133.

¹³ David Hume, *Treatise on Human Nature* (London: Longmans, 1874), 415.

¹⁴ Charles de Secondat Montesquieu, *The Spirit of Laws* (New York: The Colonial Press, 1900), 151.

tools to create order and protect its citizens from internal and external threats; to impose order amongst the interaction of the citizens. Thus the role of the state from a philosophical perspective was as Max Weber stated, “the state is a human community that (successfully) claims the monopoly of the legitimate use of physical force within a given territory.”¹⁵ According to the above philosophical basis, a failed state is a state which *cannot* claim a monopoly on the legitimate use of physical force within a given territory. Therefore, safety and security is the original and most important public good delivered by a state to its citizens.

Measuring the State and thus Failed States

Since the inception of the United Nations (UN) and even prior with the League of Nations, there has been a desire by the developed countries of the world to help and assist developing nations progress and become more like the developed world. If viewed through the lens of realism,¹⁶ nothing in the realm of international politics is done out of benevolence. The reason that the developed world helps the developing world is because they feel it is in their national interest. This national interest is related to the concept of the democratic peace as espoused in our current National Security Strategy, “Because democracies are the most responsible members of the international system, promoting democracy is the most effective long-term measure for strengthening international stability; reducing regional conflicts; countering terrorism and terror-supporting extremism; and extending peace and prosperity.”¹⁷ Through this lens, the United States views democracies as inherently more stable than autocratic

¹⁵ Max Weber, “Politics as a Vocation,” (lecture, Munich University, 1918).

¹⁶ For expansion of the concept of realism see: George Kennan, *Memoirs: 1925-1950* (Boston: Little, Brown, 1972); Robert Jervis, *System Effects: Complexity in Political and Social Life* (Princeton: Princeton University Press, 1997); Kenneth Waltz, *Theory of International Politics* (New York: McGraw Hill, 1979); John Mearsheimer, *The Tragedy of Great Power Politics* (New York: Norton, 2001).

¹⁷ President, Proclamation, “National Security Strategy 2006,” (March 16, 2006), 3.

or semi-authoritarian regimes.¹⁸ This view is not universally held and opposes the construct in which safety and security are the primary role of the state. The columnist and bestselling author, Fareed Zakaria, claims that democracies are “more warlike, going to war more often and with greater intensity than most states. It is only with other democracies that the peace holds.”¹⁹

To assist the developing world in a progression to a more democratic ideal, various organizations have created indices to rank governance. The stated purpose of these indices and ranking systems varies. Some state that the purpose for ranking is to set standards for improvement and achievement, as well as indicate where funds could be of best use, and which policies might prove most effective. Others suggest that the indices can act as a shaming mechanism or as political leverage by elites to mobilize their constituents, thus encouraging open debate.²⁰ Finally, organizations justify monetary aid based on these rankings; organizations such as United States Agency for International Development (USAID), the International Monetary Fund (IMF), the Millennium Challenge Account, the World Bank, the United Nations (UN), and the European Union (EU) all base aid on performance measures associated with the various ranking systems.

Each ranking system views governance as the delivery of public goods but differs in the framework and content. This paper will categorize the various public goods discussed by the indices into five categories: (1) Participation and Human Rights, (2) Human Development, (3) Economic Development, (4) Rule of Law, and (5) Safety and Security. This paper will review the following indices: Freedom House’s Freedom in the World Index (FIW), the Center for Systemic Peace’s Polity IV Index, the World Bank’s Worldwide Governance Research Indicators

¹⁸ Marina Ottoway, *Democracy Challenged: The Rise of Semi-Authoritarianism* (Washington: Carnegie Endowment for International Peace, 2003), 3.

¹⁹ Fareed Zakaria, “The Rise of Illiberal Democracy,” *Foreign Affairs*, November 1997, 11.

²⁰ Marie Besancon, *Good Governance Rankings: The Art of Measurement* (Cambridge, MA: World Peace Foundation, 2003), 2.

Dataset (WGI), the World Economic Forum's Global Governance Initiative (GGI), the Overseas Development Institute's World Governance Assessment (WGA), the UN's African Governance Report (AGR), the Kennedy School of Government's Index of African Governance (IAG), and the Fund for Peace's Failed State Index (FSI).²¹ The following section will give a short history and background for each ranking system.

Most of the ranking systems base their evaluation of state performance on subjective measures utilizing household and firm surveys, commercial business information providers, non-governmental organizations, and public sector organizations. The ranking systems which utilize subjective measures justify this approach with three supporting premises. First, perceptions matter because people base their actions on their perceptions. Second, there are few alternatives to perception data for many areas of governance. Third, the distinction between subjective and objective data may be a false one. A more useful distinction would be between efforts to measure formal rules as opposed to those rules implemented in practice. Other ranking systems attempt to utilize more concrete, measurable data. For example, the Index of African Governance is an example of an index which attempts to avoid all subjective data, utilizing only quantifiable measures of performance when possible.

The Freedom in the World (FIW) ranking system created by the Freedom House started in 1972 and ranks countries as Free, Partly Free, and Not Free. It utilizes subjective measures to look at political rights and civil rights.²² The organization claims that it does not maintain a culture bound interpretation of freedom. However, it does base its definition of freedom on the

²¹ An additional index, researched but not reported in this paper, is Transparency International's Corruption Perceptions Index (CPI). The CPI was created in 1994 and ranks states according to subjective measures related to corruption only. The CPI defines corruption as "the misuse of entrusted power for private gain." Many of the other indices discussed in this paper reference the CPI to assess corruption but due to its narrow scope, this paper will not discuss it further. Transparency International, "About Transparency International," http://www.transparency.org/about_us (accessed March 17, 2010).

²²Freedom House, "Freedom in the World 2010 Survey Release," <http://www.freedomhouse.org/template.cfm?page=505> (accessed March 17, 2010).

UN Declaration of Human Rights.²³ This represents a western view of human rights based on the Judeo-Christian tradition. Islamic countries have boycotted the UN Declaration of Human Rights in favor of the Cairo Declaration of Human Rights.²⁴ Thus, the FIW ranking may have limited utility throughout the Islamic world. This index heavily weights the category of participation and human rights.

Table 1: Freedom in the World

Category of Public Goods	Freedom in the World
Participation and Human Rights	Political Rights
	Electoral Process
	Political Pluralism and Participation
	Functioning of Government
	Civil Liberties
	Freedom of Expression and Belief
	Associational and Organizational Rights
	Personal Autonomy and Individual Rights
Human Development	Not addressed
Economic Development	
Rule of Law	Rule of Law
Safety and Security	Not addressed

Source: Author’s interpretation and categorization of the Freedom in the World methodology.²⁵

The Center for Systemic Peace started the Polity index in the late 1960s²⁶ and refined it up to the current version of Polity IV in 2008.²⁷ This index views the global system as a black

²³ United Nations, “The Universal Declaration of Human Rights,” <http://www.un.org/en/documents/udhr/> (accessed March 17, 2010).

²⁴ Organization of the Islamic Conference, “The Cairo Declaration on Human Rights in Islam,” <http://www.oic-oci.org/english/article/human.htm> (accessed April 20, 2010).

²⁵ Freedom House, “Freedom in the World Methodology Summary,” http://www.freedomhouse.org/uploads/fiw10/FIW_2010_Methodology_Summary.pdf (accessed March 17, 2010).

²⁶ University of Maryland, Center for International Development and Conflict Management, Minorities at Risk Project, “Ted Robert Gurr,” <http://www.cidcm.umd.edu/mar/bio.asp?id=2> (accessed March 18, 2010).

box.²⁸ States operate within the black box but are complex systems of their own which are “self-actuating, self-organizing, self-regulating, and self-correcting.”²⁹ State performance is assessed among three interconnected dimensions of governance, conflict, and development.

Table 2: Polity IV Index

Category of Public Goods	Polity IV
Participation and Human Rights	Political Legitimacy
	Regime Inclusion
	Factionalism
	Ethnic Group Political Discrimination
	Political Salience of Elite Ethnicity
	Polity Fragmentation
	Exclusionary Ideology of Ruling Elite
	Security Legitimacy – state repression
Human Development	Social Effectiveness – human capital development
	Social Legitimacy – infant mortality rate
Economic Development	Economic Effectiveness – GDP per capita
	Economic Legitimacy - % export trade in man. goods
Rule of Law	Not addressed
Safety and Security	Security Effectiveness – total residual war
	Political Effectiveness – regime stability

Source: Author’s interpretation and categorization of the Polity methodology.³⁰

Governance is composed of political effectiveness and political legitimacy. Similarly, conflict is composed of security effectiveness and legitimacy. Development incorporates two subcategories, economic and social. Each subcategory is assessed according to its effectiveness and legitimacy.

²⁷ The Center for Systemic Peace, “Polity IV Project,” <http://www.systemicpeace.org/polity/polity4.htm> (accessed March 18, 2010).

²⁸ David Easton, *A Framework for Political Analysis* (Englewood Cliffs, NJ: Prentice-Hall, 1965), 184.

²⁹ Monty Marshall and Benjamin Cole, *Global Report 2009 Conflict, Governance, and State Fragility* (Washington: Center for Systemic Peace, 2009), 2.

The fragility index is a combination of the above measures. This index presents a broad assessment of the categories of public goods but neglects the category rule of law.

The World Bank’s Worldwide Governance Research Indicators Dataset (WGI) started in 1996 and defines good governance as a “set of traditions and institutions by which authority in a country is exercised for the common good.”³¹

Table 3: Worldwide Governance Indicator

Category of Public Goods	Worldwide Governance Indicator
Participation and Human Rights	Voice and Accountability
Human Development	Not addressed
Economic Development	
Rule of Law	Rule of Law
	Control of Corruption
	Regulatory Quality
	Government Effectiveness
Safety and Security	Political Stability

Source: Author’s interpretation and categorization of the Worldwide Governance Indicators methodology.³²

This includes (1) the process by which those in authority are selected, monitored and replaced, (2) the capacity of the government to effectively manage its resources and implement sound policies, and (3) the respect of citizens and the state for the institutions that govern economic and social interactions among them.³³ This index is heavily weighted towards rule of law and evaluates

³⁰ Marshall and Cole, 25.

³¹ World Bank, “What is meant by governance ,” <http://info.worldbank.org/governance/wgi/faq.htm#1> (accessed March 18, 2010).

³² World Bank, “Governance Matters 2009,” <http://info.worldbank.org/governance/wgi/> (accessed March 18, 2010).

³³ Daniel Kaufmann, Aart Kraay, and Massimo Mastruzzi, *Governance Matters VIII: Aggregate and Individual Governance Indicators 1996-2008* (World Bank Policy Research Working Paper no. 4978), 5.

voice and accountability, rule of law, control of corruption, regulatory quality, government effectiveness, and political stability.

The World Economic Forum created the Global Governance Initiative (GGI) in 2006³⁴ to monitor the efforts of governments, the private sector, international organizations, and civil society towards achieving the United Nations Millennium Development Goals.³⁵

Table 4: Global Governance Initiative

Category of Public Goods	Global Governance Initiative	UN Millennium Challenge
Participation and Human Rights	Human Rights	Gender Equality
Human Development	Poverty and Hunger	End Poverty and Hunger
	Health	Child Health
		Maternal Health
		Combat HIV/AIDS
	Education	Universal Education
Economic Development	Environment	Environmental Sustainability
		Global Partnership
Rule of Law	Not addressed	
Safety and Security	Peace and Security	Not addressed

Source: Author’s interpretation and categorization of the Global Governance Initiative methodology.³⁶

The eight goals of the Millennium Challenge are to eradicate extreme hunger and poverty, achieve universal primary education, promote gender equality and empower women, reduce child mortality, improve maternal health, combat HIV, malaria, and other diseases, ensure

³⁴World Economic Forum, “Global Governance Initiative,” <http://www.weforum.org/en/initiatives/globalgovernance/index.htm> (accessed March 18, 2010).

³⁵ United Nations, “UN Millennium Project,” <http://www.unmillenniumproject.org/> (accessed March 17, 2010).

³⁶ World Economic Forum, “Global Governance Initiative,” <http://www.weforum.org/en/initiatives/globalgovernance/index.htm> (accessed March 18, 2010); United Nations, “UN Millennium Project,” <http://www.unmillenniumproject.org/> (accessed March 17, 2010).

environmental sustainability, and develop a global partnership for development. The GGI neglects the global partnerships aspect of the Millennium Challenge and adds a category of peace and security. It broadens gender equality to human rights, and groups the three health related goals into one overall health category. This index is heavily weighted towards the category of human development.

Table 5: World Governance Assessment

Category of Public Goods	World Governance Assessment
Participation and Human Rights	Political Society
	Civil Society
Human Development	Not addressed
Economic Development	Economic Society
Rule of Law	Judiciary
	Bureaucracy
	Government
Safety and Security	Not addressed

Source: Author’s interpretation and categorization of the World Governance Assessment methodology.³⁷

The Overseas Development Institute is Britain’s leading independent think tank on international development and humanitarian issues.³⁸ It has developed the World Governance Assessment (WGA) which defines governances as “how the rules of the political games are managed.”³⁹ This index examines political society, civil society, economic society, the judiciary, bureaucracy, and government.

³⁷ Overseas Development Institute, “World Governance Assessment,” <http://www.odi.org.uk/projects/00-07-world-governance-assessment/> (accessed March 18, 2010).

³⁸ Overseas Development Institute, “About ODI: Our mission, people, and organization,” <http://www.odi.org.uk/about/default.asp> (accessed March 18, 2010).

³⁹ Goran Hyden, Julius Court, and Kenneth Mease, *Making Sense of Governance: Empirical Evidence from Sixteen Developing Countries* (Boulder, CO: Lynne Rienner Publishers, 2004), 2-3.

The UN’s Economic Commission for Africa commissioned the African Governance Report (AGR) and defines the core elements of good governance as “political governance, institutional effectiveness, and accountability, and economic management and corporate governance.”⁴⁰ It defines a capable state as one with transparent and accountable political and economic systems with efficient public institutions providing an enabling environment for the private sector and civil society to play their respective roles in national efforts.

Table 6: African Governance Report

Category of Public Goods	African Governance Report
Participation and Human Rights	Political Governance
	Human Rights and Rule of Law
Human Development	Not addressed
Economic Development	Economic Governance and Public Financial Management
	Private Sector Development and Corporate Governance
Rule of Law	Institutional Checks and Balances
	Institutional Effectiveness and Accountability of the Executive
Safety and Security	Not addressed
Misc.	Institutional Capacity Building for Good Governance

Source: Author’s interpretation and categorization of the African Governance Report methodology.⁴¹

This index examines political governance, human rights and rule of law,⁴² economic governance and public financial management, private sector development and corporate governance,

⁴⁰ United Nations Economic Commission for Africa, *African Governance Report 2005* (Addis Ababa: ECA Documents Reproduction and Distribution Unit), xiii - xiv.

⁴¹ United Nations Economic Commission for Africa.

⁴² Since these two terms are grouped this implies rule of law as it relates to second generational rights not as it applies to the category rule of law. See a further discussion of these two levels of human rights in the participation and human rights section of this monograph. For more information see Karel Vasak, "Human Rights: A Thirty-Year Struggle: the Sustained Efforts to give Force of law to the Universal Declaration of Human Rights," *UNESCO Courier* 30, no. 11 (November 1977), 28-32.

institutional checks and balances, institutional effectiveness and accountability of the executive and institutional capacity building for good governance.⁴³

Table 7: Index of African Governance

Category of Public Goods	Index of African Governance	
Participation and Human Rights	Participation and Human Rights	
		Participation in Elections
		Respect for Civil and Political Rights
Human Development	Human Development	
		Poverty
		Health and Sanitation
		Education
Economic Development	Sustainable Economic Opportunity	
		Wealth Creation
		Macroeconomic Stability and Financial Integrity
		The Arteries of Commerce
		Environmental Sensitivity
Rule of Law	Rule of Law, Transparency, and Corruption	
		Ratification of Critical Legal Norms
		Judicial Independence and Efficiency
		Corruption
Safety and Security	Safety and Security	
		National Security
		Public Safety

Source: Author's interpretation and categorization of the Index of African Governance methodology.⁴⁴

The Kennedy School of Government and the World Peace Foundation⁴⁵ created the Index of African Governance (IAG).⁴⁶ The project split into two separate rankings systems, the original

⁴³ This final category of institutional capacity building for governance did not fit within the five category framework posed within this monograph and the author categorized as miscellaneous.

⁴⁴ National Bureau of Economic Research, "Index of African Governance," <http://www.nber.org/data/iag.html> (accessed March 17, 2010).

Index of African Governance and the newer Ibrahim Index.⁴⁷ Currently both indexes are published with slight differences. Due to the similarities and intellectual heritage, this paper will only address the IAG. This index builds its evaluation on the premise that states “exist to provide a decentralized method of delivering political (public) goods to persons living within designated parameters.... It is according to their performances – according to the levels of their effective delivery of the most crucial political goods – that strong states may be distinguished from weak ones.”⁴⁸ The Index of African Governance is a robust index assessing all five categories of public goods.

The final index is the Failed States Index (FSI) created by the Fund for Peace.⁴⁹ It ranks countries on a continuum of state failures. The Failed State Index bases its assessment on the conflict assessment system tool (CAST) created and patented by Pauline H. Baker in 1996.⁵⁰ The CAST model utilizes four sources to assess the potential for conflict in a region; (1) ranking twelve social, economic, political, and military indicators, (2) assessing the capabilities of five

⁴⁵ World Peace Foundation, “Projects: Index of African Governance,” <http://www.worldpeacefoundation.org/africangovernance.html> (accessed March 18, 2010).

⁴⁶ Harvard University, John F. Kennedy School of Government, Belfer Center for Science and International Affairs, “Intrastate Conflict Program,” http://belfercenter.ksg.harvard.edu/project/52/intrastate_conflict_program.html?page_id=223 (accessed March 18, 2010).

⁴⁷ Mo Ibrahim Foundation, “The Ibrahim Index,” <http://www.moibrahimfoundation.org/en/section/the-ibrahim-index> (accessed March 18, 2010); African Success, “Mo Ibrahim Biographical data,” <http://www.africansuccess.org/visuFiche.php?id=387&lang=en> (accessed March 18, 2010). Mo Ibrahim is a wealthy Sudanese businessman. He made his fortune as a mobile communication entrepreneur.

⁴⁸ Robert Rotberg, “The Failure and Collapse of Nation-States: Breakdown, Prevention, and Repair,” in *When States Fail: Causes and Consequences*, ed., Robert Rotberg (Cambridge: Princeton University Press, 2003), 2-5.

⁴⁹ Foreign Policy, “Failed States Index 2009,” http://www.foreignpolicy.com/articles/2009/06/22/the_2009_failed_states_index (accessed March 17, 2010).

⁵⁰ Pauline Baker, *The Conflict Assessment System Tool (CAST): An Analytical Model for Early Warning and Risk Assessment of Weak and Failing States* (Washington: The Fund for Peace), 9.

core state institutions, (3) identifying idiosyncratic factors and surprises, and (4) placing countries on a conflict map that shows the risk history of countries being analyzed.⁵¹

Table 8: Failed State Index

Category of Public Goods	Failed State Index
Participation and Human Rights	Group Grievance
	Factionalized Elites
	Legitimacy of the State
	Human Rights
Human Development	Mounting Demographic Pressures
	Public Services
Economic Development	Uneven Development
	Economic Decline
Rule of Law	Not addressed
Safety and Security	Security Apparatus
	External Intervention
	Refugees and IDP
	Human Flight

Source: Author’s interpretation and categorization of the Failed State Index methodology.⁵²

Analyzing the Indices by Areas of Governance

This section will review the eight ranking systems according to their treatment of the categories of participation and human rights, human development, economic development, rule of law, and safety and security. Table 9 shows an overview of each index’s coverage of the various categories of public goods. The category of participation and human rights is the most commonly assessed category with all eight indices evaluating state performance in the delivery of

⁵¹Foreign Policy, “FAQ & Methodology,” http://www.foreignpolicy.com/articles/2009/06/22/2009_failed_states_index_faq_methodology (accessed March 18, 2010).

⁵² Ibid.

that public good. This commonality contrasts starkly with the treatment for the category of safety and security with only two of eight indices assessing that category in a robust manner.

Table 9: Overall index coverage of the categories of public goods

	Participation and Human Rights	Human Development	Economic Development	Rule of Law	Safety and Security
FIW	Y	N	N	Y	N
Polity	Y	Y	Y	N	Marginal
WGI	Marginal	N	N	Y	Marginal
GGI	Marginal	Y	Marginal	N	Marginal
WGA	Y	N	Y	Y	N
AGR	Y	N	Y	Y	N
IAG	Y	Y	Y	Y	Y
FSI	Y	Y	Y	N	Y

Source: Data based on author's evaluation of listed indices.

Participation and Human Rights

Participation encapsulates the public good of political freedom. It includes the ability to participate freely in politics, regardless of ethnicity, gender, social status, or other group markers. When government is working well, political participation means that the provision of public goods reflect the preferences of the citizens. Political participation can take a variety of forms, from individual communications with elected officials to mass protests, from consensus decision making in village or town meetings to active deliberation between citizen groups and members of government.⁵³ The human rights aspect of this category focuses on civil and political rights. Karel Vasak calls these “first generation rights”⁵⁴ such as freedom of speech and religion. Every index ranks states according to performance in regard to participation and human rights.

⁵³ Robert Rotberg and Rachel Gisselquist, *Index of African Governance: Results and Rankings 2008* (Cambridge, MA: Kennedy School of Government, 2009) 133.

⁵⁴ Karel Vasak, "Human Rights: A Thirty-Year Struggle: the Sustained Efforts to give Force of law to the Universal Declaration of Human Rights," *UNESCO Courier* 30:11 (Paris: United Nations Educational, Scientific, and Cultural Organization, November 1977). Human rights as defined in this monograph refer exclusively to first generation rights. Second generation rights include rights associated with equality and are social, economic, and cultural in nature.

Freedom in the World (FIW) evaluates participation through the sub-categories electoral process, political pluralism and participation, and functioning of government. The index evaluates human rights through the sub-categories freedom of expression and belief, associational and organizational rights, and personal autonomy and individual rights.⁵⁵ These measures of participation and human rights make up over fifty percent of the Freedom House's ranking system.

The Polity IV index assesses participation through their governance dimension. They measure participation with the category political legitimacy and the sub-categories of regime inclusions, factionalism, political salience of elite ethnicity, polity fragmentation, and exclusionary ideology of ruling elite. The Polity index assesses human rights marginally with ethnic group political discrimination under the category of political legitimacy and state repression under the category of security legitimacy.

The Worldwide Governance Research Indicators Dataset (WGI) ranks states participation through the category voice and accountability but does not address human rights.⁵⁶ The Global Governance Initiative (GGI) does not assess participation but addresses human rights.⁵⁷ The World Governance Assessment (WGA) assesses both participation and human rights through its categories of political society and civil society respectively.⁵⁸ The African Governance Report (AGR) assesses participation and human rights through its categories of political governance and human rights.⁵⁹ This index groups human rights and rule of law together.⁶⁰ The Index of

⁵⁵ Freedom House, "Freedom in the World 2010 Checklist Questions," http://www.freedomhouse.org/uploads/fiw10/FIW_2010_Checklist_Questions.pdf (accessed March 17, 2010).

⁵⁶ Kaufmann, Kraay, and Mastruzzi, 6.

⁵⁷ World Economic Forum, "Global Governance Initiative," <http://www.weforum.org/en/initiatives/globalgovernance/index.htm> (accessed March 17, 2010).

⁵⁸ Overseas Development Institute, "Governance Assessment," <http://www.odi.org.uk/resources/download/1321.pdf> (accessed March 18, 2010).

⁵⁹ United Nations Economic Commission for Africa, "African Governance Report 2005," <http://www.uneca.org/agr2005/> (accessed March 18, 2010).

African Governance (IAG) assesses participation and human rights through its sub-categories of participation in elections and respect for civil and political rights.⁶¹ The final index, the FSI assesses participation with the variables group grievance, factionalized elites, and legitimacy of the state. This index directly assesses human rights with the variable human rights.⁶²

In conclusion, all indices assess the category of participation and human rights. However, two indices assess this category marginally by only look at one of the two aspects of participation and human rights. Six of the eight indices address both categories in a robust manner (see Table 10).

Table 10: Index treatment of participation and human rights

	Participation	Human Rights
FIW	Y	Y
Polity	Y	Y
WGI	Y	N
GGI	N	Y
WGA	Y	Y
AGR	Y	Y
IAG	Y	Y
FSI	Y	Y

Source: Data based on author’s evaluation of listed indices.

Human Development

Citizens charge their governments to supply the public good of effective human development. Citizens have rights to educational opportunity, health care, sanitary services, and poverty mitigation. Governments may provide these opportunities in a variety of ways – directly by the state in some countries, or by state-regulated agencies in others. However, regardless of

⁶⁰ See 42.

⁶¹ Rotberg and Gisselquist, 134.

⁶² Fund for Peace, “Failed States Index Scores 2007,” http://www.fundforpeace.org/web/index.php?option=com_content&task=view&id=229&Itemid=366 (accessed March 18, 2010).

the means by which these opportunities are provided, governments have a responsibility to provide for minimal standards in terms of outcomes.⁶³ Only four indices address this aspect of governance: Polity IV, the Global Governance Initiative (GGI), the Index of African Governance (IAG), and the Failed States Index (FSI).

The Polity IV Index addresses human development as a subcategory under their development dimension. The Polity index also assesses the human development component indirectly by measuring infant mortality. The GGI assesses human development through its categories of poverty and hunger, health, and education. The IAG assigns an entire category to human development. This category looks at poverty, health and sanitation, and education. Finally, the FSI assesses human development through the variables mounting demographic pressure and public services. Less than half of the indices address human development.

Economic Development

Economic development is the public good in which well-governed states create an environment which enables their citizens the opportunity to prosper. The state does so by providing regulatory frameworks conducive to creation of prosperity and also by creating stable and forward looking monetary and fiscal policy environments that facilitate and encourage national and personal wealth creation. Arteries of commerce – a robust physical communications and transportation infrastructure – are also critical to achieve these objectives. Many indices include environmental consideration as part of their ranking on economic development. The premise associated with the inclusion of environmental considerations is related to sustaining economic opportunity and human development over the long term.⁶⁴ Five of the eight indices rank states according to economic development: the Polity IV index, the World Governance

⁶³ Rotberg and Gisselquist, 221.

⁶⁴ Rotberg and Gisselquist, 171.

Assessment (WGA), the African Governance Report (AGR), the Index of African Governance (IAG), and the Failed States Index (FSI). The Global Governance Initiative (GGI) also looks at economic development but only in a narrow fashion assessing only environment sustainability and global partnerships.

The Polity index assesses economic development through two measures. The first measure is economic effectiveness measured by GDP per capita. The second is economic legitimacy measured by the percentage of export trade in manufactured goods. The WGA lists economic society as one of its specific categories. The AGR assesses economic development along two categories: economic governance and public financial management and private sector development and corporate governance. The IAG looks at economic development with a category classified as sustainable economic opportunity. It measures factors related to wealth creation, macroeconomic stability and financial integrity, the arteries of commerce, and environmental sensitivity. Finally, the FSI looks at uneven development and economic decline as measures of economic development.⁶⁵

Rule of Law

This paper defines rule of law as a system in which laws are public knowledge and apply equally to everyone. Governments cannot function without rule of law. Rule of law refers not only to the Anglo-Saxon common law, the Napoleonic Code, Islamic jurisprudential methods, or others, but rather to any codified, transparent method of adjudicating personal disputes, formal and informal contractual obligation, and disputes between citizens and the state, without resort to violence. Thus, this category looks at the existence of enforceable codes of law and judicial

⁶⁵ Fund for Peace, "Failed States Index Scores 2007," http://www.fundforpeace.org/web/index.php?option=com_content&task=view&id=229&Itemid=366 (accessed March 18, 2010).

mechanisms free of state control.⁶⁶ In addition, this category looks at the right to a fair and prompt hearing, and the presumption of innocence until proven guilty. Rule of law highlights the idea of laws enacted, laid down, and legislated by an authoritative body. Some authors use the term to highlight human rights and democracy; the idea of a universal higher law.⁶⁷ This broader second approach is addressed in the category of participation and human rights. Five of the eight indices address the category of rule of law. These indices are Freedom in the World (FIW), Worldwide Governance Research Indicators (WGI), World Governance Assessment (WGA), the African Governance Report (AGR), and the Index of African Governance (IAG).

FIW assesses rule of law as a subcategory within civil liberties. The WGI devotes an entire category of their ranking system to rule of law and also looks at control of corruption, regulatory quality, and government effectiveness. The AGR evaluates rule of law as part of its assessment of human rights.⁶⁸ In addition, the AGR assesses institutional checks and balances and institutional effectiveness and accountability of the executive to broaden its evaluation of rule of law. The IAG, like the WGI, devotes an entire category to rule of law. It subdivides this category into ratification of critical legal norms, judicial independence and efficiency, and corruption. The WGA looks at the judiciary, bureaucracy, and government from a rule of law perspective.⁶⁹

Safety and Security

The final category of public goods supplied through good governance is that of safety and security; without which, good governance and the provision of all other public goods is

⁶⁶ Rotberg and Gisselquist, 97.

⁶⁷ George Fletcher, *Basic Concepts of Legal Thought* (New York: Oxford University Press, 1996), 11-12. This offers the distinction between law and rights.

⁶⁸ See 42.

⁶⁹ Overseas Development Institute, "Governance Assessment," <http://www.odi.org.uk/resources/download/1321.pdf> (accessed March 18, 2010).

impossible. War or ongoing insurgencies create conditions in which the citizens are neither safe nor secure. In addition, citizens of a modern state are not safe or secure if the government does not have mechanisms to provide for personal safety. Citizens demand to be free of mugging, carjacking, theft, rape, and homicide. Thus, personal safety is the second major component of the public good of safety and security.⁷⁰ Only five of the eight indices address this aspect of governance. Three of those five only address security narrowly (the Polity IV index, the Worldwide Governance Indicators (WGI), and the Global Governance Initiative (GGI)). The remaining two which assess security in a more robust manner are the Index of African Governance (IAG) and the Failed State Index (FSI).

The Polity IV index assesses security through security effectiveness measured by total residual war and political effectiveness defined as regime stability. This provides an adequate treatment of external threats and the internal threat of civil war or insurgency but completely neglects the safety aspect of this category and is thus incomplete. Similarly, the WGI only assesses safety and security as it relates to regime stability. The GGI's category of peace and security does not address the domestic concerns of crime and violence associated with safety.

Table 11: Index treatment of safety and security

	Safety	Security
FIW	N	N
Polity	N	Y
WGI	Marginal	Marginal
GGI	N	Y
WGA	N	N
AGR	N	N
IAG	Y	Y
FSI	Y	Y

Source: Data based on author's evaluation of listed indices.

⁷⁰ Rotberg and Gisselquist, 45.

Of the indices that robustly evaluate safety and security, the IAG assesses both national security and public safety. The FSI addresses security obliquely through several variables: security apparatus, external intervention, refugees, and chronic or sustained human flight (see Table 11).⁷¹

Other Models

Several models of governance exist which look at governance and the roles of the state but do not rank states. The first of which is the Collier-Hoeffler model (CH). This model looks at variables related to the onset of civil war. The CH model uses greed, grievance, and opportunity as the driving causality factors for civil war. These factors can also assess state fragility. Greed under the CH construct can be thought of as an opposition group attempting to gain the resources of the state for their own ends. Grievance includes such factors as economic or land inequality and religious or ethnic marginalization in the political process. The third factor, opportunity, includes economic and educational factors, recent history of wars, and terrain factors. The CH model found the statistically significant variables included primary commodity as a percent of GDP, male secondary education, GDP growth, time since the last war, geographic dispersion of the population, size of the country, social fractionalization, and ethnic dominance.⁷² These final variables fit within the previously delineated categories of public goods delivered by the state to its citizens. The variables social fractionalization and ethnic dominance address participation but neglect human rights. The variable male secondary education addresses human development. The variables primary commodity as a percent of GDP and GDP growth address

⁷¹ Fund for Peace, "Failed States Index Scores 2007," http://www.fundforpeace.org/web/index.php?option=com_content&task=view&id=229&Itemid=366 (accessed March 18, 2010).

⁷² Paul Collier and Nicholas Sambanis, eds., *Understanding Civil War: Evidence and Analysis, Vol. 2: Europe, Central Asia, and other regions* (Washington, DC: World Bank, 2005).

economic development. The variable time since last war partially addresses the category of safety and security while neglecting rule of law.

Table 12: Collier-Hoeffler Model

Category of Public Goods	Collier – Hoeffler Model
Participation and Human Rights	Social fractionalization
	Ethnic Dominance
Human Development	Male secondary education
Economic Development	GDP growth
	Primary commodity (% GDP)
Rule of Law	Not addressed
Safety and Security	Time since the last war
Misc	Geographic dispersion of the population
	Size of the country

Source: Author’s interpretation and categorization of the Collier-Hoeffler model.⁷³

The next organization which looks at the roles of a state but does not provide an index is the Institute for State Effectiveness (ISE). US efforts in Afghanistan spurred the creation of the ISE.⁷⁴ It sub-divides a government’s roles and responsibilities into ten categories grouped in three areas: economic, security, and government.⁷⁵ Under the economic grouping reside the roles of management of public finances, and regulation and oversight of the market. Under the security grouping ISE delineates the responsibilities of maintaining a monopoly on the means of violence and upholding the rule of law through police and judicial systems. Under the governmental grouping, ISE delineates the role of controlling the public administration, investing in human capital, running effective infrastructure services, investing in natural, industrial, and intellectual

⁷³ Ibid. Note: the variables of geographic dispersion of the population and size of the country are related to geography and demographics and did not fit into the author’s categories of public goods.

⁷⁴ The Institute for State Effectiveness, “Fixing Failed States,” <http://www.effectivestates.org/> (accessed March 18, 2010).

⁷⁵ These groupings are the author’s interpretation. The Institute for State Effectiveness only groups the responsibilities by color within the Institute for State Effectiveness logo.

assets, defining the social contract, delineating the citizen’s rights and duties, and oversight of international relations and public borrowing.⁷⁶ These roles also fit into the previously delineated categories. The definition of the social contract and delineation of the citizen’s rights and duties address participation and human rights. Investment in human capital addresses the category human development. The ISE addresses economic development in a robust manner with a majority of the states roles falling into that category. Those roles include infrastructure, investing in natural, industrial, and intellectual assets, oversight of public borrowing, management of public finances, and regulation and oversight of the market. Finally, the ISE addresses both rule of law and safety and security directly.

Table 13: Institution for State Effectiveness

Category of Public Goods	Institute for State Effectiveness
Participation and Human Rights	Define social contract and delineate rights and duties of citizens
Human Development	Invest in human capital (health and education)
Economic Development	Management of public finances
	Regulation and oversight of the market
	Run effective infrastructure services
	Invest in natural, industrial, and intellectual assets
	Oversee international relations and public borrowing
Rule of Law	Uphold the rule of law
	Control of the public administration
Safety and Security	Monopoly on the means of violence

Source: Author’s interpretation and categorization of the Institute for State Effectiveness

construct.⁷⁷

In conclusion, each ranking system discussed in the preceding sections espouses a much larger role for the state than the core role of safety and security. The manner in which the ranking

⁷⁶Ashraf Ghani and Clare Lockhart, *Fixing Failed States: A Framework for Rebuilding a Fractured World* (New York: Oxford University Press, 2008).

⁷⁷ The Institute for State Effectiveness, “Fixing Failed States,” <http://www.effectivestates.org/> (accessed March 18, 2010).

systems structure their evaluation of state performance biases their results to overly reward performance in the category of participation and human rights. However, on the opposite end of the spectrum, only two completely address safety and security (Index of African Governance (IAG), and the Failed States Index (FSI)). Looking across the spectrum of governance, three of the indices offer a robust view, the Polity IV index, the IAG, and the FSI. The Polity IV index addresses all categories with the exception of rule of law but only marginally covers safety and security. The FSI also addresses all aspects of governance but neglects rule of law. As such, the IAG is the most complete ranking system. Common to all the indices is a methodological flaw which weighs each category equally. This equal weighting of state roles offers no insight into importance or prioritization. In a resource constrained environment, it is impossible and unrealistic to expect a state to pursue progress along all five categories simultaneously. An appropriate analogy for state roles which shows importance and priority is Maslow's hierarchy of needs (see Figure 2).

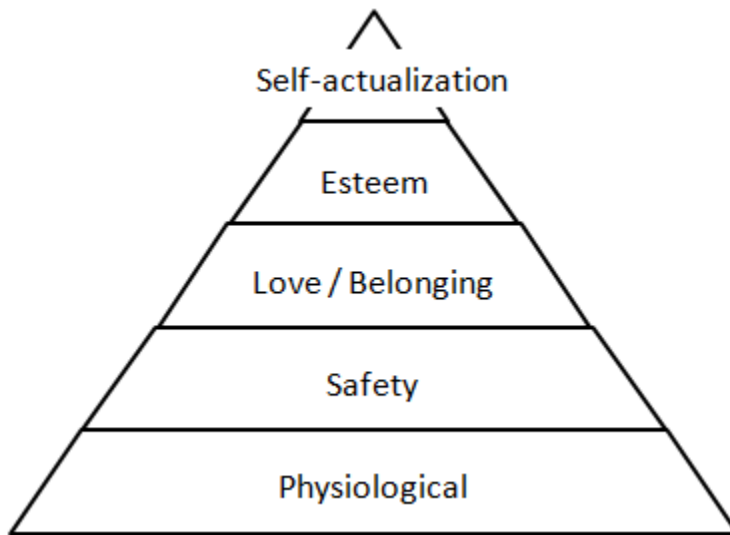


Figure 2: Maslow's hierarchy of needs⁷⁸

⁷⁸ Abraham Maslow, *Motivation and Personality* (New York: Harper and Row, 1954), 92

Maslow's hierarchy is a framework for human needs. His premise is that certain needs are more important than others and until the lower needs are met, the individual cannot pursue higher needs. To reach a higher level, one must first achieve all the previous needs. The top levels of Maslow's hierarchy of needs are self-actualization and esteem. Self actualization is associated with achieving a person's full potential. Maslow describes this desire as the desire to become everything that one is capable of becoming.⁷⁹ Self actualization is equivalent to the state role of participation. Through participation in the political process, citizens shape their future in order to achieve their full potential and become self-actualized. A failed state is not one which fails to allow its citizens to realize their true potential. That state is progressing with regards to state roles lower and more basic on the hierarchy of state roles. It must set the conditions at lower levels prior to pursuing roles at the apex of the pyramid. Defining good governance as equivalent to good political governance is too narrow. It ignores the central responsibility of a state to provide safety and security for its citizens.⁸⁰

Participation can in some respect run contrary to the other roles of the state such as safety and security in the case of ethnic violence by the democratically elected majority. "Suppose the election was declared free and fair" but those elected are "racists, fascists, separatists, who are publicly opposed to [peace and reintegration]."⁸¹ Participation can also run contrary to rule of law in the case of partiality in the courts based on ethnicity. It can work against economic development with redistribution of property dictated by the majority. Participation can even sabotage human rights through minority repression.

The next level of Maslow's hierarchy of needs concerns esteem. Esteem is the normal human desire for others to be valued and accepted. Esteem is comparable to the state role

⁷⁹ Ibid.

⁸⁰ Rotberg and Gisselquist, 8.

⁸¹ Zakaria, 1. The author attributes the quote Richard Holbrooke in reference to the 1996 elections in Bosnia.

regarding human rights. The expectations and definition of human rights vary between countries and cultures. A prominent example of this ongoing conflict is between the UN Declaration of Human Rights and the Cairo Declaration of Human Rights. The Cairo Declaration clearly indicates the subordination of human rights as defined by the UN to Sharia law. Thus ranking and evaluating state performance based on a Western interpretation of human rights is not a valid assessment tool. The “problems of precipitous liberalization often outweigh the benefits and ... contribute greatly to great [state] fragility.”⁸² Many states in the developing world are not ready for a modern, liberal democracy based on their underlying culture and religious values. Early adoption of western forms of government due to international pressure may cause more instability versus stability.

At the opposite end of the spectrum, Maslow places physiological needs and safety at the bottom of his pyramid. Physiological needs include basics such as water, food, and air. Individuals can obtain these requirements from the global commons as long as there is rule of law to give order to human interactions. The next level of safety takes precedence over all other needs and will dominate individual behavior. This need corresponds to the state role of safety and security and flows from the philosophical definition of the role of the state; the “state is a human community that (successfully) claims the monopoly of the legitimate use of physical force within a given territory.”⁸³ A state that cannot provide rule of law, safety and security for its citizens cannot and should not concentrate on any other task until it can do so. These needs of safety and security and rule of law are the foundation upon which all other state roles are built.

All the indices measure achievement of modern, western, democratic forms of government and do not acknowledge that the state must structure the delivery of public goods in a

⁸² James Putzel, *Overview: Crisis States Programme* (London: Crisis States Research Centre, 2003), 2.

⁸³ Max Weber, “Politics as a Vocation,” (lecture, Munich University, 1918).

sequential and hierarchical basis with safety and security and rule of law providing a foundation upon which the state builds delivery of all other public goods. These indices emphasize higher end roles such as participation and human rights, neglect safety and security, and skew the results of their analysis. Safety and security is the core role of the state and the role that must be pursued first. Under this construct authoritarian governments are acceptable as long as they provide for the physical security of their citizenry. These authoritarian regimes will progress over time as their citizens demand higher public goods on the hierarchy of state roles once the foundational roles of safety and security are met.

The time required for state progression up the pyramid of state roles is measured in decades not years. A relevant example is the slow growth of modern Western democracies across history. The British king signed the Magna Carta in 1215 marking the initiation of liberalization and democracy in the West which culminated in the adoption of the US Constitution in 1787 a time period of 572 years. In 1789, the French Revolution and its liberal ideals actually led to greater instability not more stability. The new French state only stabilized with the Third Republic in 1870, a period of 81 years. In both cases these western countries had hundreds of years to consolidate a sense of identity, nationalism, and borders. The developing world does not have these advantages due to artificial borders, lack of shared history, and mixed ethnicities. Thus, democracy would take even longer to consolidate and grow within the developing world.

A more modern example of the time required for a state to progress along the pyramid of needs is women's voting rights in the United States. In the United States, a nation founded upon the ideals of participation and human rights, it took 144 years to give women the right to vote by passing the 19th Amendment in 1920. To expect a developing country, struggling with other aspects of governance and does not have the same liberal historical background as the United States, to immediately give women voting rights or allow full political participation is unrealistic. Both state roles of participation and human rights are at the apex of Maslow's pyramid, important but only if all lower needs are met.

An appropriate construct for applying time to the progression of state roles is the concept of organic governments. Governments must grow in the context of a people’s organic culture, values, and beliefs over time. The above indices and ranking systems look too broadly at the modern trapping of our mature liberal democracies. Any government which grows organically from its root culture, according to the traditions, values, and beliefs of that culture, will necessarily first satisfy the foundation of Maslow’s pyramid by providing safety and security for its citizenry. An organic government which does not provide that critical public good will quickly be overthrown and replaced.⁸⁴

This monograph proposes a hierarchy of state roles parallel to Maslow’s hierarchy of needs in which the state pursues the roles of governance in a sequential and hierarchical basis with safety and security and rule of law providing a foundation upon which the state builds delivery of all other public goods. Safety and security with rule of law form the foundation of the pyramid while participation and human rights form the apex of the pyramid. Human and economic development occupies the middle ground.

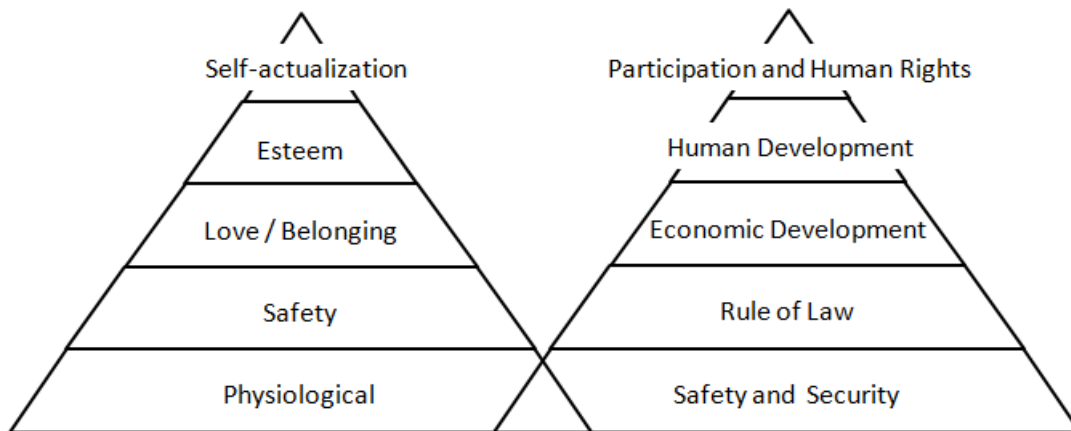


Figure 3: State role hierarchy⁸⁵

⁸⁴ Ralph Peters (lecture, School of Advanced Military Studies, Ft Leavenworth, KS March 10, 2010).

⁸⁵ This represents the author’s adaptation of Maslow’s hierarchy of human needs to a hierarchy of state roles.

The Index of African Governance (IAG) illustrates the value of this construct. It is the most robust of all the discussed indices and addresses all five categories of public goods. When one looks at the top ten countries as ranked by the IAG, four of the overall top ten actually fall within the bottom half of the African continent when evaluated for safety and security. The most glaring examples of this mismatch are South Africa and Botswana, ranked forty-eighth and thirty-seventh out of fifty-three states for safety and security. Given the importance of safety and security to effective governance, this represents a nearly fifty percent error margin due to the lack of a hierarchical construct for state functions. Thus, these indices do not accurately evaluate good governance unless they view the roles of a state in a sequential or hierarchical basis. The true definition of a failed state is failure to claim a monopoly on the legitimate use of physical force within a given territory.

Applying the New Understanding of State to the Mexican Case

Mexico's stability is critically important to the United States. It possesses a GDP larger than twenty-two of our twenty-eight NATO allies⁸⁶ and also possesses the world's seventeenth largest oil reserves.⁸⁷ In addition, Mexico shares the US southern border making its success critical to US domestic interests. Much of the US ability to be involved in the international arena stems from the nature of our demilitarized borders with Mexico and Canada. During the Pershing Expedition, the United States utilized over 75,000 National Guard troops to secure the border with Mexico.⁸⁸ This border security mission engaged half of the US Army. Had the conflict continued, it could have diverted US participation in World War I. Imagine that scenario today

⁸⁶ International Monetary Fund, "World Economic Outlook 2009," <http://imf.org/external/pubs/ft/weo/2009/02/> (accessed April 20, 2010).

⁸⁷ Department of Energy, "World Proven Reserves of Oil and Natural Gas, 2009," <http://www.eia.doe.gov/emeu/international/reserves.html> (accessed April 20, 2010).

⁸⁸ Michael J. Dziedzic, *Mexico: Converging Challenges* (London: International Institute for Strategic Studies, 1989), 5.

with drug fueled violence causing a similar security situation and how border security would impact the already strained US military.

Of the eight previously discussed indices, there are five indices that evaluate Mexico: Freedom in the World (FIW), the Polity IV Index, the Worldwide Governance Research Indicators (WGI), the Global Governance Initiative (GGI), and the Failed State Index (FSI). The World Governance Assessment (WGA) only looks at sixteen selected countries, while the African Governance Report (AGR) and the Index of African Governance (IAG) are Africa specific.

Mexico ranks well in overall governance for each index. Freedom in the World ranks Mexico as free giving it high marks in both its subcategories of political rights and civil liberties.⁸⁹ Similarly, the Polity IV Index also gives Mexico a high score with a low fragility score of 3 out of 25.⁹⁰ The WGI gives Mexico a modest composite score of 46 out of 100⁹¹ and the GGI ranks Mexico as on-track.⁹² Finally, the FSI ranks Mexico as borderline (not stable and not in danger).⁹³ Thus, two of the five ranking systems rate Mexico in the upper quartile of state

⁸⁹Freedom House, "Analysis," <http://www.freedomhouse.org/template.cfm?page=5> (accessed April 13, 2010). Download file FIW_AllScores_Countries.xls from the link "Comparative Scores". Mexico scored 2 and 3 out of 7 with 7 being the worst.

⁹⁰Marshall and Cole, 29. The Polity index scale is bounded by Somalia with a score of 25 representing poor governance.

⁹¹ World Bank, "Governance Matters 2009," http://info.worldbank.org/governance/wgi/sc_chart.asp (accessed April 13, 2010). The WGI does not report a composite score. The author calculated this score with a simple average of the six category scores of 50.5, 24.4, 61.1, 65.2, 29.7, and 49.8 for voice and accountability, political stability, governmental effectiveness, regulatory quality, rule of law, and control of corruption respectively. A perfect score (good governance) is 100.

⁹² United Nations, "MGD Monitor," http://www.mdgmonitor.org/country_progress.cfm?c=MEX&cd=484 (accessed April 13, 2010). The GGI does not report countries individually, however, the UN does track the progress of states with respect to the Millennium Challenge (MC) goals by ranking each goal as achieved, on-track, possible with changes, and off-track. Future use of the term GGI will refer to the UN MC goal scores. The author assigned each status a value with achieved = 4 and off-track = 1. The composite score is a simple average. Mexico has achieved two goals, is on-track with four goals, and goal achievement is possible for one goal.

⁹³ Foreign Policy, "The Failed State Index 2009," http://www.foreignpolicy.com/articles/2009/06/22/2009_failed_states_index_interactive_map_and_rankings (accessed April 13, 2010). Mexico scored 75.4 out of 120 with 120 representing poor governance.

performance, while the other three rate Mexico in the middle quartiles, doing an average job of governance. None of the ranking systems rate Mexico in the lowest quartile, as a failed state.

Figure 4 shows the overall rankings related to Mexico broken down into quartiles.

	0-25% (Poor)	25-50%	50-75%	75-100% (Good)
FIW				
Polity				
WGI				
GGI				
FSI				

Figure 4: Overall governance rankings for Mexico⁹⁴

Despite Mexico’s solid performance, illustrated by these rankings systems, stories of catastrophe in Mexico continually inundate the news media. It seems the problems facing Mexico are insurmountable; from drug trafficking, violent and nonviolent crime, growing welfare, educational and medical costs, and racial strife, to economic losses for US investors, companies, and labor, and concerns about illegal immigration. Mexico is in dire straits according to the news. The following sections will take a more detailed look at the performance of Mexico with regards to the delivery of public goods along the five categories.

⁹⁴ The author adapted each ranking system to a percentage score with 100% representing good delivery of public goods and 0% representing poor delivery of public goods. Freedom House score is a simple average of the two categories scores converted to a percentage. Mexico scored 2 for political rights and 3 for civil liberties on a seven point scale where 7 represents poor governance. This result is inverted to make higher scores representative of good governance. Polity IV score is normalized to 100 by using Somalia’s score of 25 to represent poor governance and inverted to ensure higher numbers represent good governance. The WGI score is a simple average of the six categories rated by the WGI (it is already on a 100 point scale with higher scores representing good governance). The GGI score is a simple average of the seven categories rated by the GGI (neglecting the global partnership). This average is normalized to a percentage score. The Failed States Index is normalized utilizing a score of 120 and inverted to ensure that higher scores represent good governance.

Participation and Human Rights

Mexico is doing well with respect to the delivery of the public good of participation and human rights. All of the five indices assess the category of participation and human rights in Mexico. Freedom in the World (FIW) gives Mexico a score of 2 for political rights and 3 for civil liberties on a seven point scale with seven representing poor delivery of participation and human rights. FIW rates Mexico as free.⁹⁵ The Polity IV index gives Mexico a yellow assessment (low fragility) for security legitimacy (state repression) and political legitimacy. This index classifies Mexico as a democratic regime.⁹⁶ The WGI only looks at participation but gives Mexico a moderate score of 50.5 out of 100 for voice and accountability.⁹⁷

	0-25% (Poor)	25-50%	50-75%	75-100% (Good)
FIW				
Polity				
WGI				
GGI				
FSI				

Figure 5: Participation and human rights rankings for Mexico⁹⁸

The GGI only looks at women's rights but assesses that Mexico is on track for its category of gender equality and empowering women.⁹⁹ Finally, the FSI gives Mexico moderate scores of

⁹⁵ Freedom House, "Analysis."

⁹⁶ Marshall and Cole, pg 29.

⁹⁷ World Bank, "Governance Matters 2009."

⁹⁸ Method used to normalize data is identical to that used in Table 4. Polity IV utilizes color assessment for its subcategories that were not utilized in the overall ranking. The author assigned values to each color, then used a simple average normalized to a percentage scale and inverted to account for multiple Polity IV assessments within one category of public good. Black / extremely fragile = 4, Red / highly fragile = 3, Orange / moderately fragile = 2, yellow / low fragility = 1, and green / no fragility = 0. The Failed State Index subcategory scores were grouped with a simple average and normalized to 10 and inverted so that higher scores represent good delivery of public goods.

⁹⁹ United Nations, "MGD Monitor."

between five and six out of ten for the variables relating to participation and human rights (group grievances, factionalized elites, legitimacy of the state, and human rights).¹⁰⁰ Figure 5 shows the rankings for participation and human rights related to Mexico broken down into quartiles.

Mexico hasn't always performed well with respect to participation and human rights. The revolutionaries founded the Mexican Revolution on the principles of sovereignty, social justice, and democracy. The revolution itself was an assault on the people of Mexico, with casualties amounting to over ten percent of the entire population. The ideas of the revolution, sovereignty, social justice and democracy, were codified in the 1917 Constitution. However, these constitutional mechanisms were insufficient to keep these revolutionary promises to the citizens of Mexico.

From a participation perspective, Mexican history is not one of an ideal liberal democracy. In fact, the "perfect dictatorship is not communism, not the Soviet Union, not Cuba, but Mexico, because it is a camouflaged dictatorship."¹⁰¹ This quotation refers to the iron fisted rule of the Institutional Revolutionary Party (PRI). The PRI survived as the sole source of political power in Mexico for seventy-one years since its inception in 1929. It did this through a unique system of noncompetitive elections within a formally multiparty, pluralistic system and a president vested with quasi-monarchical powers. In addition, the all powerful president could hand pick his successor within the one-party PRI system thus diluting the constitutional limit to presidential power of only one six-year term.

The PRI maintained its power through cooptation and intimidation. Cooptation is the process by which the ruling party trades small concessions or favors to individuals or groups which are independent enough to threaten the ongoing domination of the ruling party in exchange

¹⁰⁰ Foreign Policy, "Failed States Index 2009."

¹⁰¹ Donald Schulz, *Mexico in Crisis* (Carlisle Barracks, PA: US Army War College, 1995), 1. The author attributed the quotation to Mario Vargas Llosa.

for a moderation of their demands and a reduction in their challenge to the dominant group's control over the system.¹⁰² The PRI utilized cooptation to incorporate revolutionary aspects into the prevailing order. In essence, the PRI bought off the opposition and rolled them into the existing PRI structure. If the PRI was unable to co-opt opposing elements, the regime would use force to remove the opposition from the picture. The Mexican press referred to this process of cooptation as 'pan o palo' bread or the stick¹⁰³.

A massive factor in the fall of the PRI was the economic decline in the 1980s which prevented the government from being able to dole out further payments to co-opt or buy the opposition. The PRI allowed the National Action Party (PAN) to run in elections. Early on, many instances of voter fraud occurred which led to a widespread feeling of disenfranchisement culminating in the president being jeered in front of a worldwide audience during the World Cup soccer play-offs in 1986.¹⁰⁴ This incident spurred further promises of reform through the creation of a watchdog group called the Democratic Assembly for Effective Suffrage. However, the assassination of a close Cardenas aide, Francisco Ovando, who was spearheading the drive to place observers in Mexico's polling stations, crushed any appearance of reform.¹⁰⁵ The PRI won that election but at the cost of discrediting the entire PRI system of power. The only way forward was for PRI to utilize a genuinely pluralistic system. The electoral crisis forced the PRI to reestablish their legitimacy through establishing effective suffrage. PAN, utilizing this window, built on piecemeal gubernatorial and municipality victories and gained control of Congress in 1997 and the presidency in 2000.

¹⁰² Judith Hellman, *Mexico in Crisis* (New York: Holmes & Meier, 1978), 100.

¹⁰³ Dziedzic, 48.

¹⁰⁴ Dziedzic, 28.

¹⁰⁵ *Ibid.*, 29.

Today, Mexico has moved away from an authoritarian, repressive, hegemonic, non-competitive, elite dominated and opaque political system towards liberal democratic values and practices.¹⁰⁶ Previously, there was no way for the opposition to air their views in an effective, constitutional means without resorting to violence and revolution. Now Mexico has true political participation in free elections with both Dahl's aspects of 'polyarchy' – contestation and participation.¹⁰⁷

From a human rights perspective, the PRI was not particularly enthusiastic about the promotion of human rights.¹⁰⁸ The 1917 Constitution enshrined a set of individual guarantees for the protection of civil and political rights as well as social rights such as education, access to land, housing, and health. However, the procedural mechanisms available to protect and enforce these rights were inadequate.¹⁰⁹ PRI rule often involved systematic and grave violation of human rights.¹¹⁰ A stunning example of which is the 1968 Tlatelolco massacre where troops opened fire on several hundred student protestors in advance of the Olympic Games. This massacre left a huge scar upon the Mexican psyche.

The final straw contributing to the downfall of the PRI, came with the Mexican government's handling of the 1994 indigenous peasant rebellion championed by the Zapatista Army of National Liberation (EZLN) in Chiapas. The government responded with a heavy military hand resulting in severe violations of human rights. Local non-governmental

¹⁰⁶ Robert Kossick, "The Rule of Law and Development in Mexico," *Arizona Journal of International and Comparative Law* 21, no. 3 (2004): 715-834.

¹⁰⁷ Robert Dahl, *Polyarchy: Participation and Opposition* (New Haven: Yale University Press 1971), 13.

¹⁰⁸ Alejandro Munoz, "Transnational and Domestic Processes in the Definition of Human Rights Policies in Mexico," *Human Rights Quarterly* 31, no. 1 (February 2009): 36.

¹⁰⁹ Hugo Alejandro Concha Cantu, "The Justice System: Judiciary, Military, and Human Rights," in *Changing Structure of Mexico: Political, Social, and Economic Prospects*, ed. Laura Randal (New York: M. E. Sharpe, 2006) 261, 378-80.

¹¹⁰ Human Rights Watch (HRW), *Justice in Jeopardy: Why Mexico's First Real Effort to Address Past Abuses Risks Becoming its Latest Failure* (New York: Human Rights Watch, 2003), 4-6.

organizations (NGOs) estimated that there were 12,000 individual displaced persons (IDPs) and hundreds of violent deaths.¹¹¹ This incident generated massive international pressure on the Mexican government; “the events that have taken place in Chiapas since 1994 put in the spotlight an undeniable and intolerable truth [of human rights violations] which had been ignored by society and the government.”¹¹²

President Carlos Salinas implemented an explicit human rights policy through the creation of the National Commission on Human Rights (CNDH).¹¹³ Following Salinas, presidents Zedillo and Fox continued expanding governmental awareness and responsiveness to human rights violations. They opened Mexico to international monitoring and assistance and continued constitutional and legal reforms to include the creation of a Special Prosecutor’s Office for Social and Political Movements of the Past “to investigate and prosecute past abuses committed against dissidents and opposition groups by state security forces.”¹¹⁴ Mexico is now upholding the constitutional guarantee of a free press, investigating and rectifying past human rights abuses.¹¹⁵ In conclusion, although Mexico has a troubled history with respect to participation and human rights, Mexico is doing a good job in the delivery of the public good of participation and human rights to its citizens.

Human Development

Overall, Mexico is doing well with respect to the delivery of the public good of human development. Three of the five indices discussed above look at the category of human

¹¹¹ HRW, *The New Year’s Rebellion: Violation of Human Rights and Humanitarian Law During the Armed Revolt in Chiapas, Mexico*. (New York: Human Rights Watch, 1994), 7-9.

¹¹² UN Commission on Human Rights, 57th Session, statement submitted by Jorge Castaneda, Minister for Foreign Affairs of Mexico, 2001.

¹¹³ Margaret Keck and Kathryn Sikkink, *Activist Beyond Borders: Advocacy Networks in International Politics* (Ithaca, NY: Cornell University Press, 1998) 110-115.

¹¹⁴ HRW, *Justice in Jeopardy*, 7-8.

¹¹⁵ Kossick, 816.

development for Mexico. The Polity IV index gives Mexico a green assessment (no fragility) for social effectiveness and legitimacy.¹¹⁶ The GGI assesses that Mexico has achieved the Millennium Challenge goals associated with education and is on track to achieve the goals associated with poverty and hunger. In the category of health, Mexico has achieved child health goals and is on track to achieve the goals associated with combating HIV, malaria, and other diseases. With regards to the goals related to maternal health it is possible for Mexico to achieve these goals if a few changes are made.¹¹⁷ Finally, the FSI gives moderate scores of between six and seven to Mexico for the variables relating to human development (demographic pressures and public services).¹¹⁸ Figure 6 shows the rankings for human development related to Mexico broken down into quartiles.

	0-25% (Poor)	25-50%	50-75%	75-100% (Good)
FIW	N/A			
Polity				
WGI	N/A			
GGI				
FSI				

Figure 6: Human development rankings for Mexico¹¹⁹

Mexico has not always done well with respect to human development. From a historical perspective, Mexico’s greatest challenge relates to meeting the needs of the rural poor. One of the original driving forces behind the Mexican Revolution was the needs of the landless peasants.¹²⁰ The modern Zapatista revolution in Chiapas draws its roots from those same

¹¹⁶ Marshall and Cole, 29.

¹¹⁷ United Nations, “MGD Monitor.”

¹¹⁸ Foreign Policy, “Failed States Index 2009.”

¹¹⁹ Method used to normalize data is identical to that used in previous tables.

¹²⁰ Dziedzic, 24.

challenges. The Chiapas region is rich in resources but contains the poorest people in Mexico. It has fertile soil, good rain, leads the country in hydro power, and is third in petroleum exports. Unfortunately, the Mexican government focused their efforts with respect to human development in the northern urban areas.

Expanding services related to human development is a difficult task since Mexico consists of a wide and scarcely integrated territory of almost two million square kilometers, poor communication systems, a fast growing population, and the existence of indigenous groups in isolated areas. The scope of the problem of human development in Mexico is impressive. Today, the Mexican education system serves over thirty million students, 1.6 million teachers, and more than 229,000 schools.¹²¹ Despite these challenges, the Mexican government has done an incredible job. This section will specifically look at education as indicative of progress throughout the spectrum of human development.

Between 1970 and 2000, Mexico significantly expanded basic education services. Enrollment has more than doubled from 9.7 million students to 21.6 million. This increase in educational services was greater than the associated population increase resulting in an enrollment rate increase from 70 to 88 percent.¹²² Another example of educational improvement in Mexico is an increase in attainment level. In 1993, the average educational attainment level was 6.8 years which increased to 7.9 years in 2003. These dramatic increases in enrollment and attainment were due to increased public spending. From 1995 to 2001, public spending on basic education in Mexico increased by 36 percent.¹²³ Education is the largest component of public spending of the Mexican government (24 percent of programmable spending in 2003). In fact,

¹²¹ Lucrecia Santibanez, Georges Vernez, and Paula Razquin, *Education in Mexico: Challenges and Opportunities* (Santa Monica, CA: RAND Corporation, 2005), 65.

¹²² *Ibid.*, 16.

¹²³ *Ibid.*, 12.

since 1996, investment in the Mexican education system increased at a higher rate than GDP growth.¹²⁴

In addition to the progress noted above, the government of Mexico created four major programs to further improve the education system in Mexico. Oportunidades (formerly known as PROGRESA) provides cash grants to low-income families so that their children can attend school and receive health services. Enciclomedia digitalizes the school curriculum into CD-ROMs so students can learn interactively with the aid of computers. Programa Escuelas de Calidad, or quality schools program, targets low performing schools. Targeted schools must consent to implement a school wide reform project; in exchange, they receive grants of up to \$10,000 to be used mainly for infrastructure improvements.¹²⁵ In conclusion, although Mexico challenges with respect to human development, Mexico is doing well in the delivery of the public good of human development.

Economic Development

In conjunction with human development, Mexico is performing well with respect to the delivery of the public good of economic development. Two of the five indices discussed above examine economic development in Mexico. The Polity IV index gives Mexico a green assessment (no fragility) for economic effectiveness and legitimacy.¹²⁶ The FSI gives Mexico moderate scores of between six and eight for the variables relating to economic development (uneven development and economic decline).¹²⁷ Figure 7 shows the rankings for economic development related to Mexico broken down into quartiles.

¹²⁴ Ibid., 69-70.

¹²⁵ Ibid., vii.

¹²⁶ Marshall and Cole, 29.

¹²⁷ Foreign Policy, "Failed States Index 2009."

	0-25% (Poor)	25-50%	50-75%	75-100% (Good)
FIW	N/A			
Polity				
WGI	N/A			
GGI	N/A			
FSI				

Figure 7: Economic development rankings for Mexico¹²⁸

From a historical perspective, Mexico has traveled a long rocky road on the path to economic development. During World War II, Mexico was a vital supplier of raw materials and labor. The Mexican government used this capital as a seed for economic expansion under the concept of import substitution. This concept builds and protects local manufacturing industries in order to gradually replace foreign imports with domestically produced products. The Mexican government used tariffs to insulate the nascent Mexican industries from foreign competition. Initially, this concept did a great job at stimulating the Mexican economy and resulted in the Mexican economic ‘miracle’ of the 1960s.

However, this concept of import substitution has inherent limitations. In theory, the government protects the infant industries until they mature to a stage at which they can compete on the international market. In practice, since they developed in an environment with no competition, those protected industries never developed the efficiencies and productivity to allow effective competition on the open international market.

President Echeverria tried to rejuvenate the concept of import substitution in the 1970s with the hope of reviving the Mexican miracle. He initiated massive state-sponsored investment used to create a second stage of industrialization. However, the state, not economic criteria, dictated the selection and execution of projects. In addition, Mexico drew heavily on foreign

¹²⁸ Method used to normalize data is identical to that used in previous tables

loans to fund this second wave of industrialization. Simultaneously, the Echeverria administration increased spending on social programs including housing, health, social security, education, and transportation.¹²⁹ This two-pronged expansion of government created a massive deficit accompanied by rampant inflation and initiated a massive recession.

During this recession, Mexico completely depleted its international reserves and could not make payments on its foreign debt. Pressure from the international community forced Echeverria's successor, President Portillo, to declare bankruptcy. He subsequently blamed the economic collapse on the financial sector but governmental decisions related to over spending on social programs and state-led industrialization actually led to the crash. Due to the disastrous economic policies of his predecessors, President Madrid (1982-1988) was left with debt equal to two-thirds of Mexico's GDP.¹³⁰ The International Monetary Fund dictated that the administration slash its budget deficit from 18 to 3.5 percent of GDP. To accomplish this goal, the Madrid administration instituted an austerity program by cutting governmental spending related to social programs and reducing the size of the bureaucracy. These actions hurt the Mexican citizen and were economically disastrous due to the high degree of state involvement in the economy. The economic decline affected every citizen as inflation rose to 160 percent by 1987.¹³¹ The average Mexican worker lost forty to fifty percent of his purchasing power. Per capita GDP fell from 3170 US dollars in 1981 to 1860 US dollars in 1988.¹³²

Despite the bleak economic outlook, these dire events were the genesis of long-term recovery. The mental paradigm of the Mexican leadership changed and "concluded that further growth, employment creation, and great efficiency cannot be achieved through continued

¹²⁹ Dziedzic, 12.

¹³⁰ *Ibid.*, 10.

¹³¹ Associated Press, "Mexico Inflation Down," *New York Times*, January 11, 1989.

¹³² Amnesty International, "Amnesty International Report: 1987," (London: Amnesty International, 1987), 185-6.

expansion of the public sector. Rather, progress must come from a reinvigorated private sector, one more fully integrated with the international economy.”¹³³ The administration reversed the number of state owned corporations or parastatals.¹³⁴ In many cases these parastatals were operating at a loss or severely indebted. The administration could absorb the debt or simply liquidate the asset. Liquidation created a second order effect of additional unemployed workers.

The final, sustained recovery came about through the North American Free Trade Agreement (NAFTA) and the rise of maquiladora plants across Mexico.¹³⁵ The maquiladora eventually gained parity with tourism as the second largest source of foreign exchange for Mexico. The US Congress ratified NAFTA in 1994.¹³⁶ NAFTA represented international recognition that Mexico’s socioeconomic and political positions were sufficiently stable to be worthy of such an important economic integration.¹³⁷ Since the passage of NAFTA, trade within the region doubled over the period of 1994 to 2007 to a high of \$621 billion. Foreign direct investment also doubled to \$299 billion.¹³⁸ NAFTA is the world’s largest free trade area encompassing one-third of the world’s total GDP – significantly larger than the EU.¹³⁹ Specific

¹³³ Alan Riding, *Mexico: Inside the Volcano* (London: I.B. Tauris, 1987), 98.

¹³⁴ During the Echeverria era, the government moved beyond regulation into ownership of a broad range of enterprises. These government owned companies were called parastatals.

¹³⁵ A factory which imports materials and equipment on a duty-free and tariff-free basis for assembly or manufacturing and then re-exports the assembled product, usually back to the originating country is referred to as a maquiladora.

¹³⁶ North American Free Trade Agreement Implementation Act, Pub. L. No. 103-182, 107 Stat. 2057, U.S.C. 3311.

¹³⁷ Ranko Oliver, “In the Twelve Years of NAFTA, the Treaty Gave to Me ... What, Exactly?: An Assessment of Economic, Social, and Political Developments in Mexico Since 1994 and Their Impact on Mexican Immigration into the United States,” *Harvard Latino Law Review* 10 (Spring 2007), 58.

¹³⁸ US Department of State, “NAFTA Partners Celebrate Tenth Anniversary of Trade Agreement (Oct. 8, 2003),” <http://www.america.gov/st/washfile-english/2003/October/20031008164448rellims0.4990198.html> (accessed April 20, 2010).

¹³⁹ Global Britain, “European Union 2003 Prosperity Rankings,” <http://www.globalbritain.org/BNN/BN35.pdf> (accessed April 20, 2010).

to Mexico, imports have also doubled from \$51.1 billion to \$107.2 billion and exports to the United States grew over 200 percent while exports to Canada more than tripled.

This rosy economic picture is countered by many experts stating that GDP growth per capita has been low and even negative at times after the passage of NAFTA.¹⁴⁰ Mexican labor force growth explains this anomaly. Mexico has a traditionally high birth rate. In addition, a growing number of women entered the labor force during this period.¹⁴¹ This labor force growth is independent of NAFTA. The economic benefits of NAFTA are offsetting what would otherwise be a catastrophic problem for Mexico.

In summary, the Mexican economy is healthy. Mexican exports are expanding, wages are increasing, poverty is decreasing, and foreign investment is increasing.¹⁴² In addition, as an argument in support of the hierarchy of state roles, NAFTA positively affected political change within Mexico and resulted in a level of governmental responsiveness and accountability seldom seen in Mexican history.¹⁴³ However, “free trade alone is not enough.” The benefits of free trade will continue to be sub-optimal “without significant policy and institutional reforms.”¹⁴⁴ Stephen Johnson also notes, “initial efforts at ... replacing import substitution practices with open markets and free trade, privatizing inefficient state industries, and introducing solid macroeconomic fundamentals will reach a point of diminishing returns absent the further development of confidence inspiring public institutions and the rule of law.”¹⁴⁵

¹⁴⁰ Mark Weisbrot, David Rosnik, and Dean Baker., *Getting Mexico to Grow with NAFTA: The World Bank's Analysis* (Washington: Center for Economic and Policy Research, 2004).

¹⁴¹ Oliver, 80.

¹⁴² Office of the US Trade Representative, “NAFTA at 10: Myth - NAFTA was a Failure for Mexico,” <http://www.ustr.gov/about-us/press-office/fact-sheets/archives/2003/november/nafta-10-myth-nafta-was-failure-mexico> (accessed April 20, 2010).

¹⁴³ Oliver, 72.

¹⁴⁴ Daniel Lederman, William Maloney, and Luis Servén, *Lessons from NAFTA for Latin America & the Caribbean Countries: A Summary of Research Findings* (Washington: World Bank, 2003).

¹⁴⁵ Stephen Johnson, *Is Neoliberalism Dead in Latin America?* (Washington: The Heritage Foundation, 2003).

Rule of Law

Mexico is doing poorly with respect to the delivery of the public good of rule of law. A national survey estimates that Mexicans spend \$1.6 billion on bribes each year. This involves an estimated 100 million corrupt transactions by Mexican citizens to obtain public services.¹⁴⁶ In addition to reports of rampant corruption, law enforcement and the judicial system are unable to reign in the drug cartels. “In Mexico ... crime is a career option that competes with others.”¹⁴⁷

	0-25% (Poor)	25-50%	50-75%	75-100% (Good)
FIW				
Polity	N/A			
WGI				
GGI	N/A			
FSI	N/A			

Figure 8: Rule of law rankings for Mexico¹⁴⁸

Two of the five indices discussed above look at the category of rule of law for Mexico. Freedom in the World gives Mexico a score of 3 for civil liberties on a scale of 1-7 (1 being the highest and 7 being the lowest). The civil liberties category includes a sub-category of rule of law.¹⁴⁹ The WGI looks at rule of law and corruption. It gives Mexico a score of 29.7 and 49.8 respectively (with 100 being a perfect score).¹⁵⁰ Both of these rankings give a false report in light of the shocking amount of capital that Mexican citizen must invest in bribes and the inability of

¹⁴⁶ Mary Jordan, “The Bribes that Bind Mexico – and Hold It Back,” *Washington Post*, April 18, 2004.

¹⁴⁷ Kossick, 723. The author attributes the quotation to Alejandro Ascencio.

¹⁴⁸ Method used to normalize data is identical to that used in previous tables.

¹⁴⁹ Freedom House, “Analysis.”

¹⁵⁰ World Bank, “Governance Matters 2009.”

the judicial system to affect the drug cartels. Figure 8 shows the rankings for rule of law related to Mexico broken down into quartiles.

Corruption in Mexico is an ingrained social institution whose origins trace to colonial times.¹⁵¹ The revolution recognized this legacy of corruption inherited from Spanish colonialism and crafted the constitution to provide rule of law and protect against corruption. Article 17 of the Mexican Constitution requires prompt, complete, impartial, and gratuitous impartation of justice. Article 14 of the Mexican Constitution guarantees individual citizens the right to defend their life, liberty, property, and possessions by means of trial in an established tribunal with a public defender if needed.¹⁵² However, until 2008 there was no presumption of innocence in the Mexican legal system.¹⁵³ In addition, there are no trials by jury. In the majority of cases, there are also no oral arguments, meaning lawyers do not stand in front of a judge to plead their client's case. Judges usually never meet the accused and cases are arbitrated through paperwork. As a final difference from a US conception of justice, judges are not given the latitude to decide the merits of a case but are subject to a Napoleonic code of justice where the laws are strictly codified, leaving judges little room for judgment.¹⁵⁴

Despite the differences, there is a codified legal system in Mexico. However, legal proceedings in Mexico are often inefficient and uncertain. The Mexican public perceives that the “contravention of the law is the daily rule rather than the exception.”¹⁵⁵ The judicial system is

¹⁵¹ Bonnie Palifka, “Trade Liberalization and Bribes,” <http://homepages.mty.itesm.mx/bpalifka/customs.pdf> (accessed April 20, 2010).

¹⁵² Carlos Vazquez, trans., *The Political Constitution of the Mexican United States*, (Mexico City: Universidad Nacional Autonoma de Mexico, 2005).

¹⁵³ David Luhnow, “Presumption of Guilt,” *Wall Street Journal*, October 17, 2009. In 2008, the Mexican Congress amended their Constitution to incorporate the presumption of innocence into modern Mexican law, as well as allow oral trials in most cases. However, Mexican states will have until 2016 to implement the changes.

¹⁵⁴ *Ibid.*

¹⁵⁵ Alberto Szekely, “Democracy, Judicial Reform, the Rule of Law, and Environmental Justice in Mexico,” *Houston Journal of International Law* 21, no. 3 (1999), 385-388.

one in which access to justice is circumscribed along urban-rural and wealth-poverty lines¹⁵⁶ or loosely correlated with skin tone and social class.¹⁵⁷ Often the public views the Mexican judicial system as an instrument of the elite for subjugating the poor and uneducated.

A partial explanation for this lack of strength within the judicial branch of government comes from the legacy of PRI rule. A strong judiciary threatened the continued political dominance of the PRI. The PRI weakened the judiciary to ensure control of the political establishment during its seven decade reign.¹⁵⁸ As a result of the executive branch's power coupled with its fear and distrust of the judicial branch, the Mexican Supreme Court (SCJN) spent the better part of the twentieth century passively watching.¹⁵⁹

The fall of the PRI removed many of these barriers to the exercise of judicial powers. President Zedillo (1994-2000) passed sweeping judicial reform which finally allowed the SCJN the effective power and freedom to rule against the interests of the executive.¹⁶⁰ Despite these sweeping changes, the Mexican judicial system is still failing.

Current statistics related to the rule of law in Mexico are shocking. Someone committing a crime in Mexico has only a two in 100 chance of getting caught and punished.¹⁶¹ Of those suspected criminals caught by police officials, in nine of ten cases, suspects were found guilty without any scientific evidence like fingerprints or DNA.¹⁶² In more than six of every ten cases, officials arrested suspects within three hours of the crime, leaving little time for serious detective

¹⁵⁶ James Mahon, "Reforms in the Administration of Justice in Latin America: Overview and Emerging Trends" in *Reinventing Leviathan*, ed. Ben Schneider (Miami: University of Miami Iberian Studies Institute, 2003), 251-254.

¹⁵⁷ U.S. Department of State, "Mexico," *Country Reports on Human Rights Practices for 1994* (Washington: U.S. Government Printing Office, February 1995), 447.

¹⁵⁸ Kossick, 750.

¹⁵⁹ *Ibid.*, 751.

¹⁶⁰ *Ibid.*, 754.

¹⁶¹ Luhnow. The author attributes this data to Guillermo Zepeda, a CIDE scholar.

¹⁶² *Ibid.* The author attributes this data to a survey of 400 criminal cases in Mexico City carried out by National Center for State Courts, a U.S. nonprofit organization.

work. Almost none were shown an arrest warrant. Once arrested, officials process only one in ten in accordance with the requirements of the law.¹⁶³ Once jailed, approximately forty-two percent of Mexico's inmates languish in jail without ever having faced trial.¹⁶⁴ A suspected indigenous criminal faces an even worse situation with pretrial detention longer than allowed by law for over seventy percent of the indigenous prisoners in Mexico.¹⁶⁵

The current Mexican population understands the weakness of their judicial system.¹⁶⁶ Polls which measure the percent of the population with no confidence in the legal system show a dramatic increase over the years, from twelve percent in 1981 to twenty-five percent in 1997. This trend continues with eighty-one percent of Mexican citizens polled in 2002 having little or no confidence in the judicial branch of government.¹⁶⁷ President Zedillo remarked when embarking on his reforms of the judicial branch of government that “we do not have the rule of law that is required for Mexico to develop.”¹⁶⁸ His reforms although well intentioned have still not brought about rule of law to Mexico. Mexico’s legal system has stagnated and deteriorated with respect to the quality of judicial institutions, public confidence in judicial institutions, the delivery of judicial services, the protection of tangible and intellectual property rights, the amount of time required to enforce a contract and evict a tenant, judicial opacity, perception of law and order, and the overall strength of the rule of law.¹⁶⁹

¹⁶³ Victor Fuentes, “Rebasan denuncias al sistema judicial,” *Reforma*, June 24, 2002.

¹⁶⁴ Luhnnow.

¹⁶⁵ Kossick, 791.

¹⁶⁶ Kossick, 814. Includes data for number of days to enforce a contract and evict a tenant. As well as poll data for questions regarding a fair and impartial court system, a honest and uncorrupt court system, a court system able to enforce decisions, quality of justice, and confidence in the Mexican supreme court. All the indicators for Mexico are poor.

¹⁶⁷ Kossick, 718.

¹⁶⁸ Alicia Yamin and Pilar Garcia, “The Absence of the Rule of Law in Mexico: Diagnosis and Implications for a Mexican Transition to Democracy,” *Loyola of LA International and Comparative Law Journal* 21 (July 1999): 467-520.

¹⁶⁹ Kossick, 811.

Mexico's failure to uphold the rule of law has far reaching developmental consequences. Rule of law and the economic arena are intimately linked. Mexican citizens already have a propensity to structure their personal and business affairs around informal or reputation based networks of familial or personal contacts, thereby precluding the formation of the more impersonal credit and transactional relationships that lie at the heart of dynamic markets.¹⁷⁰ Much of this reluctance is due to lack of faith in the judicial systems and rule of law. Thomas Hobbes also recognized this linkage between economic activity and rule of law; "he that performeth first has no assurance the other will perform after because the bonds of words are too weak to bridle men's ambitious, avarice, anger, and other passions without the fear of some coercive power."¹⁷¹ Rule of law must precede economic development.

Safety and Security

In addition to poor performance in regards to rule of law, Mexico is doing poorly with respect to the delivery of the public good of safety and security. Four of the five indices rank safety and security for Mexico, three of which only assess a narrow definition of safety and security. The Polity IV index gives Mexico a yellow assessment (low fragility) for security effectiveness and classifies the country's level of armed conflict as war.¹⁷² This assessment does not look at issues relating to safety. The WGI only looks at safety and security from the perspective of political stability or regime change but gives Mexico a low score of 24.4 (out of 100) for political stability.¹⁷³ The GGI looks at peace and security but only assesses that category as related to the entire international community. The UN does not report individual state progress

¹⁷⁰ Hernando de Soto, *The Mystery of Capital* (New York: Basic Books, 2000), 154-159.

¹⁷¹ Hobbes, 84.

¹⁷² Marshall and Cole, 29.

¹⁷³ World Bank, "Governance Matters 2009."

towards this category.¹⁷⁴ Finally, the FSI, with a robust assessment, gives Mexico a moderate score of 4.3 related to refugees and internally displaced persons and poor scores of between six and seven for other variables related to safety and security such as security apparatus, external intervention, and human flight.¹⁷⁵ Figure 9 shows the rankings for safety and security related to Mexico broken down into quartiles.

	0-25% (Poor)	25-50%	50-75%	75-100% (Good)
FIW	N/A			
Polity	■			
WGI	■			
GGI	N/A			
FSI	■			

Figure 9: Safety and security rankings for Mexico¹⁷⁶

The current situation in Mexico regarding safety and security is so dire that the State Department issued a travel warning to US citizens advising them to avoid travel to Mexico.¹⁷⁷ This is due to a marked increase in crime including murder, rape, and kidnapping. Kidnapping is perhaps the most destabilizing form of crime in Mexico since it frequently involves official corruption. Over ninety percent of kidnappings in Mexico are not reported to police because many Mexicans feel the authorities are complicit in most kidnappings.¹⁷⁸ In addition to the crimes above, the lesser crimes of street mugging, residential and commercial burglaries, and auto thefts are also sharply on the rise because of police corruption. The police not only accept bribes to turn

¹⁷⁴United Nations, “MDG Monitor.”

¹⁷⁵ Foreign Policy, “Failed States Index 2009.”

¹⁷⁶ Method used to normalize data is identical to that used in previous tables

¹⁷⁷ US Department of State, “Travel Warning,” http://travel.state.gov/travel/cis_pa_tw/tw/tw_4755.html, (accessed 19 March 2010).

¹⁷⁸ Barnard Thompson, “Kidnapping are out of Control in Mexico,” <http://mexidata.info/id217.html> (accessed April 20, 2010).

a blind eye, but are frequently the perpetrators. The current administration is attempting to combat police corruption as evidenced by the suspension of an entire police force of 550 officers for allegations that they were serving as escorts for plane loads of cocaine but the problems continue.¹⁷⁹

While crime and corrupt police officials are a serious threat to safety and security for Mexico, the gravest threat is the rise of drug related violence. The drug cartels operating within Mexico are a two-pronged threat– they challenge the central control of the government and simultaneously undermine governmental institutions. The drug trade within Mexico corrupts everything it touches, especially institutions of government. Similar to the PRI's 'pan o palo' policy, the drug cartels within Mexico have a 'plata o plomo' policy, the bribe or the bullet. The drug henchmen are the modern day caciques (strongmen) of the post-colonial era. The drug violence even has the potential to corrupt progress with regards to the public good of participation as drug families come into power through the ballot box and are seen as campesino – or new patrons for the poor.

For most of the 20th century, Mexico's ruling party, the PRI, oversaw a system of narco-corruption that brought stability to the drug trade.¹⁸⁰ Bribes from the cartels to officials kept violence at a minimum. The PRI protected the cartel leaders and resolved conflict between different cartels by playing the role of peacemaker and mediator. The PRI allocated drug corridors to each cartel, thus physically separating them to lessen drug related violence. As the referee of disputes, the PRI was a stabilizing mechanism and apparatus to control, contain, and protect those groups. However, the decline of the one party system led to the collapse of this central mediator. With no central governing authority, the cartels fell into a new Hobbesian

¹⁷⁹ Jordan, *The Bribes that Bind Mexico – and Hold It Back*.

¹⁸⁰ Richard B. Craig, "Mexican Narcotics Traffic: Bi-national Security Implications," in *The Latin American Narcotics Trade and U.S. National Security*, ed. Donald Mabry (Westport, CT: Greenwood, 1989), 28-30, 33-34.

struggle for control of the drug corridors. “If there is no referee, the cartels will have to resolve disputes themselves, and drug traffickers don’t do this by having meetings.”¹⁸¹

Each newly elected president since the fall of the PRI has included attacking the drug cartels operating within Mexico part of their presidential platform. When elected as the first non-PRI president in modern Mexican history, President Vicente Fox pledged to wage “the mother of all battles” against the narco-traficantes.¹⁸² In response to the governmental crackdown, the cartels turned on the authorities by ambushing police convoys, executing well-coordinated attacks against isolated governmental outposts and murdering officials in charge of the design and prosecution of counter-narcotic operations. This violence continues to escalate today with 5,400 drug related slayings in 2008, more than double the 2,477 reported in 2007.¹⁸³ There is even speculation that the two lead cartels declared peace to focus on fighting the government.

A recent example of the violence occurred in February 2009. The lead anti-drug official for the Benito Juarez municipality was brutally killed after less than 24 hours on the job. When his body was found, he was shot eleven times. An autopsy later revealed severe burns and broken bones in his hands, knees, and wrists. His killers tortured him before his death.¹⁸⁴ The previous year contained other examples of high profile drug related violence with the assassination of the head of Mexico's federal police and the arrest of Mexico’s top antidrug prosecutor for being on a cartel payroll.¹⁸⁵

These dramatic examples illustrate the reach, scope, and brutality of the drug cartels and show that the cartels are well organized, well trained, and well equipped. The cartels have

¹⁸¹ Daniel Kurtz-Phelan, “The Long War of Genaro García Luna,” *New York Times*, July 13, 2008.

¹⁸² Becky Branford, “Mexico fights spectre of narcopolitics,” *BBC News*, February 22, 2005.

¹⁸³ CNN, “Mexico drug fighter killed after less than a day on job (February 4, 2009),” <http://www.cnn.com/2009/WORLD/americas/02/04/mexico.general/index.html>, (accessed 13 April 2010).

¹⁸⁴ *Ibid.*

¹⁸⁵ David Luhnow and Jose de Cordoba, “The Perilous State of Mexico,” *Wall Street Journal*, February 21, 2009.

transitioned from gangsterism to paramilitary terrorism with guerilla tactics. Their tactics are to sow fear and demonstrate that the cartels are the dominant force in Mexico (not the government). The cartels are recruiting former military and police officials as well as common criminals.

The gold standard in cartel violence, training, and equipment is Los Zetas.¹⁸⁶ This organization started in 1997 from a core group of thirty-one Mexican Army Special Forces deserters from elite counter-narcotics units. The group now numbers in the hundreds and is able to execute very elaborate and advanced attacks. For example, in recent attacks they used cell phone signatures to coordinate assassinations and kidnappings.¹⁸⁷ Prior attacks also show that Los Zetas penetrated Mexican law enforcement radio frequencies and can conduct attacks at will with high powered weaponry such as grenade launchers, helicopters, improvised explosive devices, and .50 caliber machine guns.¹⁸⁸

In conjunction with the cartels' campaign of violence, they are waging an information war by publishing lists of targeted officials, posting their execution videos, and coercing newspapers into providing graphic coverage of their deeds.¹⁸⁹ In cartel controlled regions, they are even setting up a parallel tax system which threatens to completely usurp the Mexican government's control.¹⁹⁰ Los Zetas promise good salary, food, and medical care for new recruits' families as well as loans and life insurance.¹⁹¹ The cartels are the state in areas they control or a shadow government in contested areas.

¹⁸⁶ Hal Brands, *Mexico's Narco-insurgency and US Counterdrug Policy*, (Carlisle, PA: US Army War College, 2009), 8.

¹⁸⁷ Kurtz-Phelan.

¹⁸⁸ Sam Logan, "The Evolution of 'Los Zetas,' a Mexican Crime Organization," <http://mexidata.info/id2194.html>, (accessed 19 March 2010).

¹⁸⁹ Brands, 11.

¹⁹⁰ Luhnnow and Cordoba.

¹⁹¹ Alfredo Corchado and Irene Barcenas, "Mexico denies high numbers of deserters," *Dallas Morning News*, January 5, 2006.

On a positive note, this narco-violence does not doom Mexico to failure. Mexico is in a stronger position to fight and win this battle than much of Latin America since much of their country is not suitable for growing or smuggling drugs. In addition, the size of their economy ensures that drug money cannot become a dominant export as in Columbia, Bolivia, or Peru.

However, even as the Mexican government fights the cartels, the manner in which it conducts counter-drug operations places the state at even greater risk. The administration is utilizing the military instead of law enforcement organization for most drug operations due to concerns regarding corruption. Thus far these military actions have been extremely successful. However, utilizing the military for law enforcement purposes may expose the military to the same drug related corruption that is growing inside the other Mexican institutions and negatively impact the effectiveness of the military in the long term.

Mexico is faces grave threats to safety and security due to narco-violence. This same violence also threatens rule of law within Mexico. Federal judges and magistrates (particularly those attached to penal courts) are subject to daily threats culminating in a growing number of narco-related assassinations from 1987 to the present.¹⁹² These threats can coerce favorable judgments against the powerful narco-traficantes.

The lack of safety and security even threatens the very top of the pyramid of state roles, participation and human rights. From a participation perspective, Mexico has regular elections but lots of assassinations. In addition, there is widespread intimidation prior to the elections. Armed political non-state actors are competing violently with legitimate political entities to control the government before and after elections. From a human rights perspective, the media is free from state censorship but cartels intimidate and assassinate media personalities for airing anti-cartel opinions. An example was the assassination of Paco Stanley, a popular Mexican media personality, on June 7, 1999. This marked the 630th attack against journalists just during

¹⁹² Kevin Sullivan, "Mexican Judges' Climate of Fear," *Washington Post*, November 19, 2001.

the Zedillo presidency.¹⁹³ In addition, the use of military forces for law enforcement duties brings the risk of associated human rights violations. In conclusion, although Mexico is doing well with respect to the categories of participation and human rights, human development, and economic development, Mexico faces grave threats to safety and security and rule of law that threaten to undermine progress in the other categories of public goods and may lead to collapse. Figure 10 shows the overall performance of Mexico with regards to the delivery of public goods and highlights Mexico's weak foundation of safety and security and rule of law.

		0-25% (Poor)	25-50%	50-75%	75-100% (Good)
Participation and Human Rights	FIW				
	Polity				
	WGI				
	GGI				
	FSI				
<hr/>					
Human Development	Polity				
	GGI				
	FSI				
<hr/>					
Economic Development	Polity				
	FSI				
<hr/>					
Rule of Law	FIW				
	WGI				
<hr/>					
Safety and Security	Polity				
	WGI				
	FSI				

FIW – Freedom in the World
 Polity – Polity IV
 WGI – Worldwide Governance Research Indicators

GGI – Global Governance Initiative
 FSI – Failed States Index

Figure 10: Mexico's performance in delivery of public goods¹⁹⁴

¹⁹³ Al Giordano, "Narco-media: Drug Corruption in the Press from Mexico to the US," <http://www.mediachannel.org/originals/narcomedia.shtml> (accessed April 20, 2010).

¹⁹⁴ This figure is based on the author's analysis of the ranking systems in the preceding sections normalizing the indices to a percentile scale with higher scores representing good governance and delivery of public goods.

Conclusion

The threats facing Mexico uniquely illustrate that the state must structure the delivery of public goods in a sequential and hierarchical basis with safety and security and rule of law providing a foundation upon which the state builds delivery of all other public goods. Therefore, the state must pursue safety and security first, prior to exerting energy and effort into other categories. From this analysis, it is posited that a failed state is one which cannot provide the public good of safety and security. Rule of law is a concern since it provides the framework in which citizens can peacefully resolve disputes through nonviolent means. Rule of law assists the state in building the foundation of safety and security.

With the foundation of safety and security in place, the state can begin to focus on human and economic development. These categories, although important, cannot exist in an environment in which there are threats to safety and security and rule of law. As a final stage of state development, with the lower levels complete, the state can begin to deliver the public goods of participation and human rights. States must pursue their roles in a sequential and hierarchical basis with safety and security providing a firm foundation upon which to build.

These conclusions reach further than Mexico. During future military interventions in weak or failing states, the United States must first focus on ensuring that the state can provide safety and security to its citizens prior to pursuing the delivery of other public goods. American foreign policy must reflect the sequential and hierarchical basis of the role of the state. In the case of military intervention, the first priority should not be establishing a date for elections as US policy dictated in Iraq and Afghanistan. The first priority, after military intervention, must be to provide safety and security for the populace. The added implication for US policy is that autocracies are an acceptable form of government. Autocracies are a natural, organic government that grows up over time and is optimized to provide security for its citizenry. It takes time to progress up the pyramid of state roles and transition into a more representative form of government. American foreign policy must acknowledge that the growth and transition of

autocracies takes time measured in hundreds of years not the short four-year election cycle of US domestic politics. Thus, the most critical task for US military leaders when conducting operations in failed or failing states is to manage the expectation of both the political leadership and the American public with regards to participation and human rights within the failed state. Although the American public and the international community believe that rapid elections are critical, safety and security must form the foundation of any stable state.

The topic of failed or failing states contains many areas suitable for future research. The first area is how to measure or quantify safety and security. This monograph identified that safety and security are the foundation which the delivery of all other public goods depends upon. Developing states need a method to measure and track their progress with regards to the safety and security of their populace in order to make appropriate policy and budgetary decisions. Another related area of future research is the appropriateness of subjective versus quantitative measures for the delivery of public goods. Many of the indices are moving from subjective measures to more quantitative measures. Each technique has strengths and weaknesses and each may be suitable for measurement of different categories of public goods. The final area of future research involves the threshold of tolerance or perception of what is acceptable. This threshold of tolerance will vary from culture to culture. Without accounting for the variances of tolerance, measurement as discussed above becomes meaningless.

Bibliography

- African Success. "Mo Ibrahim Biographical data." <http://www.africansuccess.org/visuFiche.php?id=387&lang=en> (accessed March 18, 2010).
- Bodin, Jean. *Six Books of the Commonwealth*. Translated by M. J. Tooley. Oxford: Blackwell, 1967.
- Cantu, Hugo Alejandro Concha. "The Justice System: Judiciary, Military, and Human Rights." In *Changing Structure of Mexico: Political, Social, and Economic Prospects*. Edited by Laura Randal. New York: M. E. Sharpe, 2006.
- Center for Systemic Peace. "Polity IV Project." <http://www.systemicpeace.org/polity/polity4.htm> (accessed March 18, 2010).
- Chomsky, Noam. *Failed States: The Abuse of Power and the Assault on Democracy*. New York: Metropolitan Books, 2006.
- Collier, Paul and Nicholas Sambanis, eds. *Understanding Civil War: Evidence and Analysis, Vol. 2: Europe, Central Asia, and other regions*. Washington, DC: World Bank, 2005.
- Craig, Richard B. "Mexican Narcotics Traffic: Bi-national Security Implications." In *The Latin American Narcotics Trade and U.S. National Security*. Edited by Donald Mabry. Westport, CT: Greenwood, 1989.
- Dahl, Robert. *Polyarchy: Participation and Opposition*. New Haven: Yale University Press 1971.
- de Soto, Hernando. *The Mystery of Capital*. New York: Basic Books, 2000.
- Easton, David. *A Framework for Political Analysis*. Englewood Cliffs, NJ: Prentice-Hall, 1965.
- Erasmus, Desiderius. *The Education of a Christian Prince*. Edited by Lisa Jardine. Cambridge: Cambridge University Press, 1997.
- Fletcher, George. *Basic Concepts of Legal Thought*. New York: Oxford University Press, 1996.
- Foreign Policy. "The Failed State Index 2009." http://www.foreignpolicy.com/articles/2009/06/22/2009_failed_states_index_interactive_map_and_rankings (accessed April 13, 2010).
- Foreign Policy. "FAQ & Methodology." http://www.foreignpolicy.com/articles/2009/06/22/2009_failed_states_index_faq_methodology (accessed March 18, 2010).
- Freedom House. "Analysis." <http://www.freedomhouse.org/template.cfm?page=5> (accessed April 13, 2010).
- Freedom House. "Freedom in the World 2010 Checklist Questions." http://www.freedomhouse.org/uploads/fiw10/FIW_2010_Checklist_Questions.pdf (accessed March 17, 2010).

- Freedom House. "Freedom in the World 2010 Survey Release." <http://www.freedomhouse.org/template.cfm?page=505> (accessed March 17, 2010).
- Freedom House. "Freedom in the World Methodology Summary." http://www.freedomhouse.org/uploads/fiw10/FIW_2010_Methodology_Summary.pdf (accessed March 17, 2010).
- Fund for Peace. "Failed States Index Scores 2007." http://www.fundforpeace.org/web/index.php?option=com_content&task=view&id=229&Itemid=366 (accessed March 18, 2010).
- Ghani, Ashraf and Clare Lockhart. *Fixing Failed States: A Framework for Rebuilding a Fractured World*. New York: Oxford University Press, 2008.
- Giesey, R. E., Lanny Haldy, and James Millhorn. "Cardin le Bret and Lese Majeste." *Law and History Review* 4, no. 1 (Spring 1986): 23-54.
- Giordano, Al. "Narco-media: Drug Corruption in the Press from Mexico to the US." <http://www.mediachannel.org/originals/narcomedia.shtml> (accessed April 20, 2010).
- Global Britain. "European Union 2003 Prosperity Rankings." <http://www.globalbritain.org/BNN/BN35.pdf> (accessed April 20, 2010).
- Belfer Center for Science and International Affairs. "Intrastate Conflict Program." Harvard University. http://belfercenter.ksg.harvard.edu/project/52/intrastate_conflict_program.html?page_id=223 (accessed March 18, 2010).
- Hellman, Judith. *Mexico in Crisis*. New York: Holmes & Meier, 1978.
- Hobbes, Thomas. *Leviathan: with selected variants from the Latin edition of 1668*. Edited by Edwin Curley. Indianapolis: Hackett Publishing Company, 1994.
- Hume, David. *Treatise on Human Nature*. London: Longmans, 1874.
- Institute for State Effectiveness. "Fixing Failed States." <http://www.effectivestates.org/> (accessed March 18, 2010).
- International Monetary Fund. "World Economic Outlook 2009." <http://imf.org/external/pubs/ft/weo/2009/02/> (accessed April 20, 2010).
- Jervis, Robert. *System Effects: Complexity in Political and Social Life*. Princeton: Princeton University Press, 1997.
- Keck, Margaret and Kathryn Sikkink. *Activist Beyond Borders: Advocacy Networks in International Politics*. Ithaca, NY: Cornell University Press, 1998.
- Kennan, George. *Memoirs: 1925-1950*. Boston: Little, Brown, 1972.
- Kossick, Robert. "The Rule of Law and Development in Mexico." *Arizona Journal of International and Comparative Law* 21, no. 3 (2004): 715-834.

- Landman, Todd. *Issues and Methods in Comparative Politics*. New York: Routledge, 2008.
- Locke, John. *Two Treatises of Government*. London: C. Baldwin, 1824.
- Logan, Sam. "The Evolution of 'Los Zetas,' a Mexican Crime Organization." Mexidata. <http://mexidata.info/id2194.html>. (accessed 19 March 2010).
- Luther, Martin. *Works of Martin Luther*. Edited and translated by Adolph Spaeth, L.D. Reed, and Henry Eyster Jacobs. Philadelphia: A. J. Holman Company, 1915.
- Machiavelli, Nicolo. *The Prince*. Translated by George Bull. New York: Penguin Books, 1975.
- Mahon, James. "Reforms in the Administration of Justice in Latin America: Overview and Emerging Trends." In *Reinventing Leviathan*, edited by Ben Schneider. Miami: University of Miami Iberian Studies Institute, 2003.
- Maslow, Abraham. *Motivation and Personality*. New York: Harper and Row, 1954.
- Mearsheimer, John. *The Tragedy of Great Power Politics*. New York: Norton, 2001.
- Mo Ibrahim Foundation. "The Ibrahim Index." <http://www.moibrahimfoundation.org/en/section/the-ibrahim-index> (accessed March 18, 2010).
- Montesquieu, Charles de Secondat. *The Spirit of Laws*. New York: The Colonial Press, 1900.
- Munoz, Alejandro. "Transnational and Domestic Processes in the Definition of Human Rights Policies in Mexico." *Human Rights Quarterly* 31, no. 1 (February 2009): 35-58.
- National Bureau of Economic Research. "Index of African Governance." <http://www.nber.org/data/iag.html> (accessed March 17, 2010).
- Office of the US Trade Representative. "NAFTA at 10: Myth - NAFTA was a Failure for Mexico." <http://www.ustr.gov/about-us/press-office/fact-sheets/archives/2003/november/nafta-10-myth-nafta-was-failure-mexico> (accessed April 20, 2010).
- Oliver, Ranko. "In the Twelve Years of NAFTA, the Treaty Gave to Me ... What, Exactly?: An Assessment of Economic, Social, and Political Developments in Mexico Since 1994 and Their Impact on Mexican Immigration into the United States." *Harvard Latino Law Review* 10 (Spring 2007): 53-134.
- Organization of the Islamic Conference. "The Cairo Declaration on Human Rights in Islam." <http://www.oic-oci.org/english/article/human.htm> (accessed April 20, 2010).
- Ottoway, Marina. *Democracy Challenged: The Rise of Semi-Authoritarianism*. Washington: Carnegie Endowment for International Peace, 2003.
- Overseas Development Institute. "About ODI: Our mission, people, and organization." <http://www.odi.org.uk/about/default.asp> (accessed March 18, 2010).

- Overseas Development Institute. "Governance Assessment." <http://www.odi.org.uk/resources/download/1321.pdf> (accessed March 18, 2010).
- Overseas Development Institute. "World Governance Assessment." <http://www.odi.org.uk/projects/00-07-world-governance-assessment/> (accessed March 18, 2010).
- Palifka, Bonnie. "Trade Liberalization and Bribes." <http://homepages.mty.itesm.mx/bpalifka/customs.pdf> (accessed April 20, 2010).
- Peters, Ralph. Lecture, School of Advanced Military Studies, Ft Leavenworth, KS, March 10, 2010.
- Riding, Alan. *Mexico: Inside the Volcano*. London: I.B. Tauris, 1987.
- Rotberg, Robert. "The Failure and Collapse of Nation-States: Breakdown, Prevention, and Repair." In *When States Fail: Causes and Consequences*. Edited by Robert Rotberg. Cambridge: Princeton University Press, 2003.
- Szekely, Alberto. "Democracy, Judicial Reform, the Rule of Law, and Environmental Justice in Mexico." *Houston Journal of International Law* 21, no.3 (1999): 385-424.
- Thompson, Barnard. "Kidnapping are out of Control in Mexico." <http://mexidata.info/id217.html> (accessed April 20, 2010).
- Transparency International. "About Transparency International." http://www.transparency.org/about_us (accessed March 17, 2010).
- United Nations. "The Universal Declaration of Human Rights." <http://www.un.org/en/documents/udhr/> (accessed March 17, 2010).
- United Nations. "MGD Monitor." http://www.mdgmonitor.org/country_progress.cfm?c=MEX&cd=484 (accessed April 13, 2010).
- United Nations. "UN Millennium Project." <http://www.unmillenniumproject.org/> (accessed March 17, 2010).
- United Nations Economic Commission for Africa. "African Governance Report 2005." <http://www.uneca.org/agr2005/> (accessed March 18, 2010).
- U.S. Department of Energy. "World Proven Reserves of Oil and Natural Gas, 2009." <http://www.eia.doe.gov/emeu/international/reserves.html> (accessed April 20, 2010).
- U.S. Department of State. "NAFTA Partners Celebrate Tenth Anniversary of Trade Agreement (Oct. 8, 2003)." <http://www.america.gov/st/washfile-english/2003/October/20031008164448rellims0.4990198.html> (accessed April 20, 2010).
- U.S. Department of State. "Travel Warning." http://travel.state.gov/travel/cis_pa_tw/tw/tw_4755.html, (accessed 19 March 2010).

- U.S. President, Proclamation. "National Security Strategy 2006." (March 16, 2006).
- Minorities at Risk Project. "Ted Robert Gurr." University of Maryland.
<http://www.cidcm.umd.edu/mar/bio.asp?id=2> (accessed March 18, 2010).
- Vasak, Karel. "Human Rights: A Thirty-Year Struggle: the Sustained Efforts to give Force of Law to the Universal Declaration of Human Rights." *UNESCO Courier* 30, no. 11 (1977): 28-32.
- Vazquez, Carlos, trans. *The Political Constitution of the Mexican United States*. Mexico City: Universidad Nacional Autonoma de Mexico, 2005.
- Waltz, Kenneth. *Theory of International Politics*. New York: McGraw Hill, 1979.
- Weber, Max. "Politics as a Vocation." Lecture, Munich University, 1918.
- World Bank. "Governance Matters 2009." http://info.worldbank.org/governance/wgi/sc_chart.asp (accessed April 13, 2010).
- World Bank. "What is meant by governance." <http://info.worldbank.org/governance/wgi/faq.htm#1> (accessed March 18, 2010).
- World Economic Forum. "Global Governance Initiative." <http://www.weforum.org/en/initiatives/globalgovernance/index.htm> (accessed March 18, 2010).
- World Peace Foundation. "Projects: Index of African Governance."
<http://www.worldpeacefoundation.org/africangovernance.html> (accessed March 18, 2010).
- Yamin, Alicia and Pilar Garcia. "The Absence of the Rule of Law in Mexico: Diagnosis and Implications for a Mexican Transition to Democracy." *Loyola of LA International and Comparative Law Journal* 21 (July 1999): 467-520.