5

The Transformation of Mexican Politics

The Institutional Revolutionary Party (PRI) paid a substantial political cost for the poor performance of the Mexican economy during much of the 1980s and 1990s. The party had legitimated its monopoly on electoral office in part by portraying itself as the architect of an "economic miracle" that had, over a span of several decades, industrialized the country and generated rising standards of living. As we discussed in Chapter Two, these claims had always been overstated. But more than a decade of recurrent financial crises and slow economic growth gradually undermined whatever validity they had. For the first time in its history, the PRI began to face serious competition from opposition forces on both the right and the left of the political spectrum.

There was nothing inevitable about the process by which Mexico democratized. In fact, progress toward electoral democracy in Mexico was gradual and halting. It is certainly true that long-term changes in Mexican society – increasing urbanization, the growth of an educated middle class, and the emergence of groups of students and intellectuals who were not easily co-opted – posed a challenge to Mexico's ruling party from the 1960s onward. These factors alone, however, cannot explain the PRI's eventual loss of national power. Electoral democratization owed as much – or more – to contingent economic and political developments.

Ironically, some of the strategies that PRI-led administrations adopted to forestall economic collapse, or to rekindle economic growth, undermined the coalition that had long supported the party's monopoly on power. The crisis of PRI hegemony began with President José López Portillo's (1976–1982) expropriation of the banking system in September 1982, an action that had a powerfully chilling

effect on the alliance of convenience that had existed between PRI-led administrations and Mexico's business class. Owners of small and mid-sized businesses in particular therefore began to defect to the center-right National Action Party (PAN). The economic austerity measures and market-liberalizing policies that the Mexican government adopted in the wake of the 1982 debt crisis also gradually undercut the PRI's support among unionized urban and industrial workers, and they weakened the immense patronage machine in rural Mexico that had reliably mobilized millions of votes for the governing party. Even more consequentially, President Miguel de la Madrid's (1982–1988) program of trade liberalization and privatization of state-owned enterprises met strong opposition from left-leaning elements within the PRI. Indeed, the party fractured when these groups exited the party in 1987 and openly challenged the PRI's nominee in the 1988 presidential election. In time, this splinter group evolved into a unified left party, the Party of the Democratic Revolution (PRD), which became a contender for national power.

As opposition parties grew in strength, they joined forces with a broad range of nongovernmental organizations in concerted efforts to reduce governmental control over electoral institutions and ensure greater transparency in the casting and counting of ballots. Nevertheless, from the late 1980s through the early 1990s, Presidents Miguel de la Madrid and Carlos Salinas de Gortari (1988–1994) successfully implemented regressive electoral reforms that guaranteed the PRI control over the federal Chamber of Deputies even it if failed to win a majority of votes in a particular legislative election. It was only the political crisis provoked by the Zapatista Army of National Liberation's (EZLN) armed revolt in the southern state of Chiapas in January 1994 that compelled Salinas to accept a new federal electoral code that began to establish the institutional bases for equitable electoral competition. Even then, the PRI's candidate managed to win a convincing victory in the August 1994 presidential election. It took the financial crisis of 1994–1995 – and the widespread bankruptcies of families and small businesses that followed – to force President Ernesto Zedillo Ponce de León (1994–2000) to adopt a far-reaching reform of electoral rules and institutions that established conditions for free and fair elections. In the 1997 midterm elections, widespread voter discontent emanating from the 1994–1995 financial crisis finally brought to an end the PRI's dominance over the federal Chamber of Deputies and the Federal District government, and in the year 2000 the PAN broke the PRI's 71-year grip on the presidency.

The single most important consequence of Mexico's political transformation was to establish firmly the legitimacy of democratic formulas for winning and exercising political power, thus breaking decisively with the organizing principles of rent-seeking authoritarianism. Vigorous multiparty electoral competition, a more politically engaged civil society, and greater media freedom have substantially strengthened citizens' capacity to hold government officials accountable for their public actions. These changes have also heightened Mexican citizens' effectiveness in making demands for improvements in the quality of, and access to, social welfare benefits. However, as the country's post-2000 experience clearly shows, electoral democratization has not automatically strengthened the rule of law or brought about other changes required to consolidate liberal democracy. In fact, many legacies of Mexico's authoritarian past continue to weigh heavily on the country.

Maintaining the Façade of Democracy

Regularly scheduled but tightly controlled elections were a central feature of the PRI's long reign. Government resources were used to promote the party's candidates, and legal control over party registration permitted government officials to determine how many and which parties were eligible to run against the PRI. Moreover, the executive branch of government controlled the institutions that organized elections and certified their results.[1]

This is not to say, however, that elections in Mexico were meaningless. By demonstrating a symbolic commitment to popular sovereignty, they created a façade of democratic legitimacy. So long as they occurred on schedule and at least one legally registered opposition party participated in them, elections preserved the illusion of political competition and thus helped avoid the domestic and international criticism that would have arisen had the regime truly become a single-party system.[2]

Regular elections, coupled with constitutional restrictions on reelection in the executive and legislative branches of government, were also important in creating a predictable succession mechanism

[1] Crespo (2004); Gómez Tagle (2004). As Weldon (2004a) argues, these factors were also crucial to preserving the federal executive's dominance in Mexico's highly presidential system.

[2] Crespo (2004), pp. 57, 61.

and rotation in office among the PRI's leadership. This allowed dissidents within the party's ranks to be disciplined and loyal supporters to be rewarded.[3] Those who cooperated with the party leadership would be put forward for another elective post, or for a position in the government bureaucracy – both of which provided social status and, all too frequently, opportunities for illicit personal enrichment. Those who did not cooperate, however, would find themselves bereft of a political future. Needless to say, the PRI was noted for its high degree of internal discipline.[4]

The PRI's ability to generate overwhelming electoral majorities signaled political rivals that they would be better off cooperating with the PRI – that is, operating as a loyal opposition in exchange for various rewards, rather than working against it. Hence, of the three registered parties that operated during the 1950s and 1960s, only the center-right PAN actually represented an opposition voice. The other two principal "opposition" parties that were active during this period, the Authentic Party of the Mexican Revolution (PARM) and the Socialist Popular Party (PPS), were recipients of government support and almost always voted with the PRI in Congress. Indeed, perhaps the most telling fact about these two parties is that they failed to nominate their own candidates for the 1958, 1964, 1970, and 1976 presidential elections. Instead, they reliably backed the PRI's nominee.

Periodic and shallow electoral reforms helped preserve Mexico's hegemonic party system by enhancing its ability to respond flexibly to demands for political opening. An electoral reform orchestrated by the PRI in 1946 bolstered the party's position by bringing electoral processes under presidential control. Once the PRI had fully consolidated its electoral dominance, however, the most difficult problem the party's leadership faced was finding ways to encourage the opposition to compete against the PRI in the electoral arena (rather than through other forms of resistance), while simultaneously avoiding a genuine political opening that might actually allow the opposition to take power.[5]

In 1963, therefore, the government tinkered with the rules regulating elections for the federal Chamber of Deputies (Mexico's lower

[3] The Mexican constitution bars reelection of the president and (since 1933) immediate reelection to the same post in the federal Congress. State constitutions prohibit consecutive reelection of governors, legislators, mayors, and municipal councillors.

[4] Crespo (2004).

[5] Crespo (2004), pp. 63–7.

legislative chamber) to guarantee opposition parties a presence in the Congress. Until that time, all deputies had been elected in single-member districts, with the candidate who received a plurality of the votes winning the district's sole legislative seat (as occurs in the United States). The problem with this system was that the PRI, given its multiple advantages over other parties, won virtually all of the seats. The 1963 reform, although retaining the system of single-member districts, sought to keep the PAN from abandoning electoral competition by establishing a parallel system of proportional representation (the system that exists in most European parliamentary democracies, in which parties win seats based on the percentage of the vote they receive nationally).[6] Under what was known as the party-deputy system, a party receiving at least 2.5 percent of the total valid vote, but winning fewer than twenty single-member district seats, would receive five proportional-representation seats, plus one additional seat for each 0.5 percent of the vote in excess of 2.5 percent, up to a maximum combined total of twenty seats in the Chamber of Deputies.[7] Any party winning twenty or more single-member district seats was ineligible to receive proportional-representation seats. This clever formula meant that the PRI was ineligible for any proportional-representation positions, but no opposition party was likely to control more than 20 of the Chamber's 178 seats.

When these rules failed to generate sufficient seats for the PRI's satellite parties (the PARM and the PPS), a further electoral reform in 1972 reduced the representation threshold to 1.5 percent of the national vote and increased to 25 the maximum number of seats that could be held by an opposition party.[8] These measures succeeded in guaranteeing a larger opposition presence in the Chamber of Deputies. They did not, however, overcome opposition party resistance to an electoral system whose rules clearly remained stacked against them. Indeed, internal divisions within the PAN over whether to run a candidate or to promote widespread abstentionism prevented the party from nominating a presidential candidate in 1976 – leaving the PRI's candidate, José López Portillo, in the embarrassing position of facing no legally registered opposition candidate.[9]

[6] In 1958 the PAN had withdrawn its six federal deputies in support of its allegations of fraud in that year's presidential election. See Crespo (2004), p. 68.
[7] Molinar Horcasitas and Weldon (2001), pp. 210–11.
[8] Molinar Horcasitas and Weldon (2001), p. 211.
[9] Eisenstadt (2004), p. 169.

Significant (although still limited) political liberalization only began with the 1977 electoral reform. The authors of the Federal Law on Political Organizations and Electoral Processes sought to address a number of perceived challenges, including rising voter abstention in an electoral system without meaningful party competition. An even more important motivation, however, was the legitimacy crisis provoked by the "Tlatelolco massacre," an episode in which army troops killed or wounded several hundred of the student demonstrators gathered at Tlatelolco Plaza in Mexico City on October 2, 1968, to protest violations of university autonomy, the absence of democracy, and Mexico's vast social and economic inequalities.[10] The resulting public outcry from the country's urban middle class, the regime's most politically articulate constituency, marked a watershed in Mexico's political history and accelerated broad pressures for change.

In the wake of the Tlatelolco crisis and yet another instance of lethal violence against student groups on June 10, 1971 (the so-called Corpus Christi massacre, in which the government deployed armed thugs against student demonstrators), part of Mexico's leftist opposition concluded that peaceful reform efforts were futile. These elements subsequently organized various urban and rural guerrilla movements committed to overthrowing the PRI-led regime by force, a departure that provoked a systematic (and generally successful) government campaign to repress the guerrillas in a "dirty war" that was notable both for its violence and for the absence of serious coverage in either the domestic or the international media. At the same time, the administration of President Luis Echeverría (1970-1976) adopted a "democratic opening" policy toward nonviolent political opposition. The 1977 electoral reform built on these efforts by seeking to draw various unregistered groups into the legal party system.

The 1977 reform loosened party registration requirements, expanded opposition parties' access to the mass media, and guaranteed opposition political groups at least 25 percent of the seats in an expanded (400-seat) federal Chamber of Deputies.[11] The reform was judged

[10] Middlebrook (1986), pp. 126-9; Aguayo Quezada (1998b).

[11] For example, the 1977 reform permitted political parties to compete in elections on the basis of a conditional registration; if they then polled more than 1.5 percent of the total valid vote, their registration was confirmed. The legislation also introduced proportional representation in municipal councils in municipalities with more than 300,000 inhabitants (a principle that was applied to all municipalities beginning in 1983). For a detailed discussion of the 1977 reform and its longer-term implications, see Middlebrook (1986); Díaz-Cayeros and Magaloni (2001); Molinar Horcasitas and Weldon (2001); Weldon (2001); and Gómez Tagle (2004).

a success when two leftist parties (the Mexican Communist Party [PCM] and the Socialist Workers' Party [PST]) and one right-wing party (the Mexican Democratic Party, PDM) successfully sought legal recognition and competed against the PRI and other established parties (the PAN, PPS, and PARM) in the 1979 federal legislative elections.[12] Over the longer term, however, the PRI was the principal beneficiary of what remained a firmly controlled liberalization process. By giving legal registry to a range of political forces on both the left and the right, the 1977 reform preserved Mexico's democratic façade at a time of considerable political ferment by simultaneously reinforcing the party and electoral systems and confirming the PRI's dominant position at the center of the ideological spectrum.[13] Thus, while the reform increased the number and ideological diversity of the parties represented in the Chamber of Deputies (see Figure 5.1), it did not establish the conditions for free and fair elections and a multiparty electoral democracy.[14]

Economic Collapse, Political Crises, and Electoral Opening

The disastrous performance of the Mexican economy during much of the 1980s and 1990s radically altered the PRI's political fortunes. Mexico's hegemonic party was no longer concerned with maintaining a façade of democracy through the strategic allocation of seats to opposition parties. Instead, as voters began to defect from the PRI in significant numbers, the PRI's leadership dedicated itself to curtailing the growth of opposition parties.

One of the most significant blows to the coalition underpinning PRI rule was López Portillo's expropriation of the banking system in September 1982, an action that had a powerful, chilling effect on the alliance of convenience that had existed between Mexico's business

[12] As an additional incentive for former leftist guerrillas to channel their activism through political parties and elections, the government also decreed an amnesty for political prisoners and fugitives. See Gómez Tagle (2004), p. 85.

Two additional leftist parties, the Social Democratic Party (PSD) and the Revolutionary Workers' Party (PRT), subsequently gained registration and participated in the 1982 general elections.

[13] Despite increased competition, the PRI won 69.7 percent of the total valid vote in the 1979 Chamber of Deputies elections and 68.4 percent of the vote in the 1982 presidential election. Middlebrook (1986), table 6.1.

[14] Expanding the size of the Chamber of Deputies made it possible to increase the political opposition's presence without sacrificing career opportunities for PRI representatives.

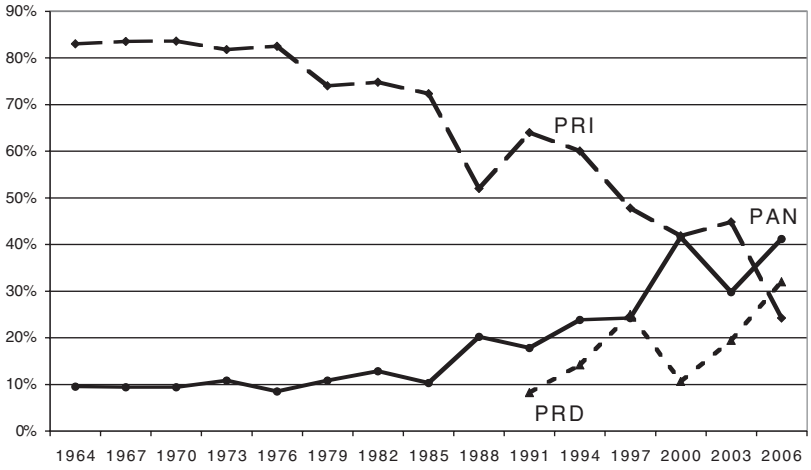

Figure 5.1: Proportion of Seats Held by Major Parties in Mexico's Federal Chamber of Deputies, 1964–2006. *Source:* For 1964–1991, Craig and Cornelius (1995); for 1994 and 1997, Díaz-Cayeros and Magaloni (2001) and Klesner (2001); for 2003 and 2006, Instituto Federal Electoral (www.ife.gob.mx). *Note:* See the List of Abbreviations and Acronyms for political parties' full names.

class and the political elites who ran the PRI. That alliance had been disturbed by President Luis Echeverría's radical rhetoric, inflationary public finance, and stepwise expropriation of bank deposits. Yet the bank seizure undermined whatever confidence Mexico's business class still had in the PRI. Although the government managed to hold on to the political allegiance of the country's leading entrepreneurs by offering them debt bailouts and other policies intended to limit their financial losses at a time of great economic hardship, the owners of many small and midsized businesses did not similarly benefit from the government's largess. Consequently, they began to shift their support from the PRI to the center-right, pro-business PAN. In northern Mexico, in particular, they joined the PAN in significant numbers, channeled financial resources to the party, and frequently ran as its candidates for state and municipal offices. Several of the PAN's most important figures during the 1980s and 1990s, including president-to-be Vicente Fox Quesada, came from private-sector backgrounds, and entrepreneurs' organizational skills and financial support were key elements in the party's growing electoral success.[15] The government's

[15] Arriola (1988), p. 31; Maxfield (1989), p. 232; Camp (1989), pp. 136–8; Mizrahi (1995), pp. 83–5; Loaeza (1999), pp. 12, 17, 23; Bizberg (2003), pp. 164–5.

response to increasing discontent with the economy and rising support for opposition parties varied somewhat over time. In early 1983, the de la Madrid administration felt compelled to "balance" economic austerity measures with official recognition for a series of local-level electoral victories by opposition candidates, including PAN triumphs in five state capitals in central and northern states.[16] As the economic crisis persisted, however, the government hardened its position, resorting to conspicuous fraud to ensure that the PRI won a hotly contested gubernatorial election in Chihuahua in 1986.

The government also reversed the 1963-1977 trend toward more liberal election rules by adopting the first of several regressive electoral reforms. The 1987 electoral code abolished the conditional registry of political parties (making it more difficult for new parties to form), and it strengthened the executive branch's control over the electoral process. Although the new law increased the number of proportional-representation seats in the federal Chamber of Deputies from 100 to 200 (for a total of 500 seats), it gave the PRI access to these seats for the first time, effectively making it more difficult for opposition parties to gain representation in the Chamber. Most notably, the 1987 legislation introduced a "governability clause" stipulating that if no party obtained more than 51 percent of the total national vote in a particular legislative election, then the party that had received between 35 and 50 percent of the vote would receive compensatory proportional-representation seats so that it would have an absolute majority in the Chamber of Deputies. This arrangement ensured that the PRI would continue to hold a majority of seats in the Chamber even if it failed to win a majority of the votes actually cast in a given legislative election. Given the strong likelihood that the PRI would still prevail in presidential races, the governability clause implied that the PRI would dominate both the executive and legislative branches of government.[17]

The need to rely on the governability clause was reduced, however, by another component of the 1987 reform: It rewrote the rules governing the way that citizens voted in the proportional representation elections. Prior to 1987, citizens voted twice: once for the single-member district race and again for the proportional-representation seats. As of 1987, citizens voted once: Their vote in the single-member

[16] Middlebrook (1986), pp. 144–5.

[17] For more detailed analyses of the 1987 electoral law, see Molinar Horcasitas and Weldon (2001), pp. 214–17; Crespo (2004), pp. 69–72; Díaz-Cayeros and Magaloni (2001), pp. 282–3.

district race was automatically counted as their "party vote" for the proportional-representation seats. Given that the PAN and the principal leftist opposition party, the Mexican Unified Socialist Party (PSUM), only had the resources to take on the PRI in a small minority of Mexico's 300 electoral districts, this meant that the PRI would not only win an overwhelming number of the single-member district races but that it would also capture an overwhelming percentage of the proportional-representation seats.[18]

These maneuvers temporarily safeguarded the PRI's legislative majority. Nevertheless, the strains produced by the post-1982 economic crisis and the government's response to it eventually split the ruling party itself. Left-leaning, nationalist elements within the PRI strongly opposed de la Madrid's program of trade liberalization and privatization, and some prominent members contested the PRI's presidential nomination – a process that had traditionally been tightly controlled by the incumbent president, who "fingered" his successor in an act known as *el dedazo*. Porfirio Muñoz Ledo (a former PRI party president and cabinet minister) and Cuauhtémoc Cárdenas (a former PRI governor from the state of Michoacán and son of former President Lázaro Cárdenas, who had famously nationalized Mexico's petroleum industry in 1938) organized left-leaning PRI members into the "Democratic Current," an opposition group within the PRI itself.[19] In 1987, when President de la Madrid selected as his successor Carlos Salinas de Gortari (then secretary of budget and planning and one of the principal architects of trade liberalization and privatization), Cárdenas and Muñoz Ledo led their supporters out of the PRI. The "Democratic Current" subsequently joined with several small political parties (including the PARM and the PPS, which had traditionally backed the PRI's presidential candidate) to form the National Democratic Front (FDN) and support Cárdenas's 1988 presidential bid.

Cárdenas proved to be a very uncharismatic campaigner. Nevertheless, during the final phases of the race his challenge to PRI candidate Salinas ignited popular opposition to de la Madrid's austerity policies and the undemocratic practices of the PRI.[20] In fact, when federal

[18] Díaz-Cayeros and Magaloni (2001).

[19] Bruhn (2004).

[20] Public discontent with years of government budget cuts and prolonged stagflation was aggravated by yet another significant devaluation of the peso in November 1987 and the prospect of hyperinflation. In Mexico City, the government had been badly discredited by

electoral officials began counting ballots on the evening of July 6, 1988, the early returns (principally from Mexico City and the surrounding area, where anti-PRI opposition was strongest) placed Cárdenas firmly in the lead. Vote tallies arriving later from rural districts and other parts of the country favored the PRI, but Ministry of the Interior officials feared the worst, panicked, and claimed that a computer failure prevented them from releasing preliminary results. Even so, the PRI, in violation of a multiparty agreement reached before the elections, claimed victory for Salinas. When the Federal Electoral Commission announced official results a week later, it declared Salinas the winner (with a bare majority of 51.7 percent of the total valid vote, compared with 31.1 percent for Cárdenas and 16.8 percent for PAN candidate Manuel J. Clouthier) in what was widely regarded as the most fraudulent election in modern Mexican history.[21] The elections for the Chamber of Deputies were equally shocking to the PRI: Its candidates earned only 50.4 percent of total votes cast (see Figure 5.2), the lowest proportion in the history of the party.[22]

Legitimizing the outcome of the 1988 presidential election was a complicated and delicate affair. Indeed, the egregious fraud that took place was one of the reasons why the FDN became the PRD. Even though the PRI still controlled the newly elected Chamber of Deputies (which, along with the Senate, served as an electoral college constitutionally responsible for certifying the election results) and therefore had the capacity to certify Salinas's victory, it needed political support from the PAN. Had the PAN, whose candidate placed third in the presidential election, continued to side with Cárdenas's supporters in denouncing electoral fraud and seeking to block the certification process, the elections might have been viewed as completely illegitimate by both Mexican citizens and the international community. PRI leaders, however, offered the PAN a backroom deal: If the PAN would work with the PRI, then in exchange the government would henceforth respect the PAN's victories in gubernatorial, mayoral, and municipal council elections. In addition, Salinas agreed

its inept response to devastating earthquakes in September 1985. See Salinas de Gortari (2002), pp. 944–8; Camacho Solís (2006), pp. 199–201, 206.

[21] For former President de la Madrid's own remarkably inadequate explanation of the disputed vote count, see de la Madrid Hurtado (2004), pp. 814–25, 834. Salinas's defense appears in Salinas de Gortari (2002), pp. 949–65. For an analysis suggesting that Cárdenas may in fact have won more votes than Salinas de Gortari, see Castañeda (1999), pp. 327–8.

[22] PRI candidates for federal deputy positions had garnered 86 percent in 1964, 85 percent in 1976, and 69 percent in 1982. Klesner (1993), p. 189.

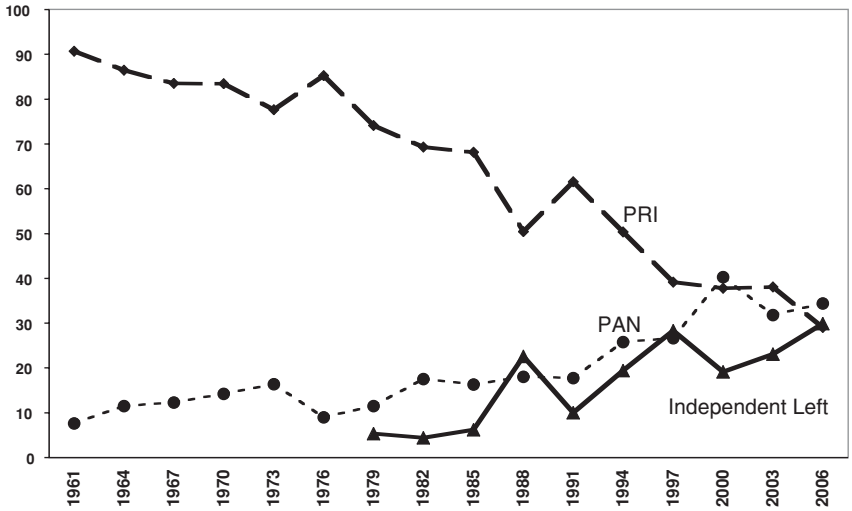

Figure 5.2: Proportion of the Valid Vote Won by Major Parties in Elections for Mexico's Federal Chamber of Deputies, 1961–2006. *Source:* For 1961–1994, Gómez Tagle (1997), pp. 67–72; for 1997–2003, IFE (www.ife.gob.mx); for 2006, IFE (2006). *Note:* The parties grouped as the "Independent Left" include: for 1979, the PCM and PRT; for 1982, the PSUM and PRT; for 1985, the PSUM, PRT, and PMT; for 1988, the PMS, PST, PARM, and PPS; for 1991–1997, the PRD and PT; for 2000–2006, the PRD, PT, and CD. In 2000 the PAN total includes votes for the PVEM. In 2003–2006, the PRI total includes votes for the PVEM. See the List of Abbreviations and Acronyms for political parties' full names.

to incorporate the PAN's pro-democracy demands in a new federal electoral code.[23]

Salinas made good on part of his agreement with the PAN, recognizing the party's electoral victories at state and municipal levels. He even went so far as to incur the wrath of conservative sectors of the PRI by displacing apparent PRI winners and allowing PAN candidates to take office in several particularly controversial elections.

Yet in the electoral code finally adopted in 1990, fears among the PRI leadership that opposition challenges would continue to grow (opposition parties already controlled 48 percent of the seats in the federal Chamber of Deputies) trumped whatever arrangements the party had made with the PAN after the 1988 election. The 1990 legislation did reintroduce the option of conditional registry for political

[23] Lujambio (2001), p. 78; Eisenstadt (2004), p. 176; Magaloni (2006), Chapter 8; Camacho Solís (2006), pp. 214–16.

parties. It also strengthened the federal electoral court (first established in 1987) charged with resolving election disputes, and it created a new agency called the Federal Electoral Institute (IFE) to oversee elections. For the first time in Mexico's history, the agency responsible for election supervision, with its own budget and staff, was legally independent of the government.[24] Nevertheless, the representational formula employed ensured that the PRI would retain its majority on the IFE's governing council, and the agency remained under the ultimate control of Mexico's secretary of the interior.

The 1990 electoral code also introduced a set of complicated rules for the allocation of proportional-representation seats that guaranteed the PRI a majority in the Chamber of Deputies so long as it met two criteria: It won more single-member districts than any other party, and it obtained at least 35 percent of the vote for proportional-representation seats. That is, even if the PRI did not actually win a majority of seats, the rules automatically allocated it sufficient proportional-representation seats to give it a majority. The new code also raised major obstacles to the formation of electoral coalitions like the one formed by Cárdenas in 1988.[25]

The bottom line was this: Even though the 1988 presidential election crisis had shaken the regime to its core, Salinas managed to regain the political initiative. The PRI retained its legislative alliance with the PAN, providing Salinas with the two-thirds majority in the Chamber of Deputies required for the constitutional amendments that permitted him to undertake, among other items on his reform agenda, the legalization of *ejido* land sales and the privatization of the banks. By renegotiating Mexico's external debt, and by accelerating the privatization of state-owned firms and using the proceeds to reduce the government's debt service payments, the Salinas administration succeeded in lowering the rate of inflation. Salinas also used a high-profile poverty-alleviation program, the National Solidarity Program (PRONASOL), to bolster his own popularity and undercut the PRI's electoral rivals by, for example, channeling funds to communities that had supported Cárdenas's candidacy in 1988.[26]

[24] Gómez Tagle (2004), pp. 87, 89–90.

[25] The rules for allocating proportional-representation seats also gave advantages to the smallest parties, thereby penalizing stronger opposition parties such as the PAN and PRD. See Balinski and Ramírez González (1996), pp. 205, 207; Molinar Horcasitas and Weldon (2001), pp. 217–19; Díaz-Cayeros and Magaloni (2001), p. 285.

[26] Molinar Horcasitas and Weldon (1994); Magaloni (2006), Chapter 4; Magaloni, Díaz-Cayeros, and Estévez (2006).

These moves allowed the PRI to recover some lost electoral ground. Opposition parties continued to make advances at state and municipal levels, the most spectacular of which was the PAN's victory in the 1989 Baja California gubernatorial race, the first time in six decades that the PRI had ceded control of a state government. In the crucial 1991 midterm legislative elections, however, opposition parties only managed to win 11 of 300 single-member district seats. The PRI took 61.4 percent of the valid vote (see Figure 5.2).[27]

Control of the legislature allowed Salinas to make yet another revision to the federal electoral code. The 1993 reform eliminated the much-criticized governability clause that gave the PRI a majority in the Chamber of Deputies even if it only won 35 percent of the vote.[28] At the same time, however, the 1993 legislation reinforced barriers against electoral coalitions (stating that if two or more parties nominated a single candidate for the presidency, they also had to coordinate their party programs and candidacies in all 628 congressional races) so as to prevent opposition parties from uniting behind a single challenger for the presidency.

In exchange for supporting these rule changes, the PAN obtained the PRI's consent to a long-standing demand for minority representation in the federal Senate. Before 1993, each of Mexico's thirty-one states, plus the Federal District, had two senators. Parties put up two-person tickets for each state, and voters would choose among these party tickets. That is, voters did not vote for candidates; they voted for parties, with the winning party taking both seats. This voting system worked overwhelmingly in favor the PRI. In fact, until 1988, it controlled all sixty-four Senate seats and in 1991 it still held fifty-nine seats (the PRD held four seats and the PAN one). The 1993 reform doubled the number of seats to four per state, which simultaneously created more opportunities for opposition parties while preserving career opportunities for PRI loyalists. Parties each put up a three-person ticket, and voters cast their ballots for party tickets. The party that won the most votes in the state received three Senate seats: The fourth seat was allocated to the runner-up party's lead candidate. This new rule ensured that the PRI would maintain a majority in the

[27] Molinar Horcasitas and Weldon (2001), p. 220.

[28] The formula employed for distributing single-member district and proportional-representation seats ensured that the PRI would retain a majority in the federal Chamber of Deputies in most instances, although it did not guarantee it. See Molinar Horcasitas and Weldon (2001), p. 220.

Senate (so long as it could win majorities in twenty-two of Mexico's thirty-two federal entities), and it provided the second largest party (at the time, the PAN) with a substantial number of Senate seats. In point of fact, the PAN would pick up twenty-four Senate seats in the 1994 elections.[29]

These changes in electoral rules were, however, soon overtaken by events. On January 1, 1994 – the very day on which the North American Free Trade Agreement (NAFTA) took effect – a guerrilla group named the Zapatista Army of National Liberation staged an armed revolt in the southern state of Chiapas to protest the lack of democracy in Mexico and the negative effects of market opening on the country's indigenous peoples.[30] The EZLN could deploy only a small number of armed fighters, and its forces were quickly surrounded by the Mexican army. Nevertheless, the rebellion reverberated across the nation and internationally. The crisis came at the outset of the 1994 presidential campaign, and as President Salinas struggled to maintain political control, the center-left PRD, the PAN, and other opposition parties banded together to extract concessions from the government over the rules that would govern the August 1994 general elections.[31] In fact, there was genuine fear that the PRD would abandon an opposition strategy based on electoral competition and instead take to the streets, in effect forming an alliance with the EZLN.

Recognizing that the PRI's continuing capacity to govern was at stake, Salinas conceded the necessity of yet another round of electoral reform – the third such initiative undertaken during his administration. Yet even before negotiators had finished drafting the new law, another major political crisis underscored the importance of reaching a broad agreement among rival political groups that would permit peaceful elections in August 1994 and encourage all the major parties to accept the results. On March 23, 1994, PRI presidential candidate Luis Donaldo Colosio was assassinated during a routine campaign stop in the northern border city of Tijuana – the first killing of a mainstream national political figure since the assassination of president-elect Álvaro Obregón in 1928. The gunman, a local factory worker, claimed

[29] Díaz-Cayeros and Magaloni (2001), pp. 278, 287-8; Díaz-Cayeros (2005), p. 1203.

[30] There is a very substantial literature on the EZLN. Two major works are Tello Díaz (1995) and Harvey (1998).

[31] Loaeza (1999), pp. 424–5. The January 1994 "Pact for Peace, Democracy, and Justice" was signed by seven of the eight registered parties (the PPS declined to join the initiative) and all eight presidential candidates (including the PPS's Marcela Lombardo).

that he had acted alone. That version of events was, however, heavily discounted by the Mexican public amidst rumors that elements of the PRI had a hand in the assassination.

With these dramatic events serving as the political backdrop, in May 1994 the Congress adopted new legislation to govern the upcoming general elections. It had three particularly salient features, all of which worked to the PRI's disadvantage.[32] First, the revised electoral code gave greater autonomy and credibility to the institutions responsible for organizing elections and certifying their results. Although the secretary of the interior continued to chair the Federal Electoral Institute's General Council (as he had since 1946) and control its day-to-day activities, the Council's other members were now six nonpartisan citizen representatives (*consejeros ciudadanos*) nominated by the major political parties and four representatives of the legislative branch. These changes gave opposition parties a total of eight of the eleven voting members of the Council. The reform also gave the Federal Electoral Tribunal and IFE's General Council responsibility for certifying elections for federal deputies and senators, although the Chamber of Deputies remained responsible for certifying the results of presidential elections. Moreover, the legislation provided for independent examination of voter registration lists and authorized international election observers, something that the Mexican government had strenuously resisted up until then.

Second, the 1994 reform legislation lowered the ceiling on campaign spending, and it forbade the use of public funds and government personnel to benefit a particular political party – which is to say that it forbade the PRI from funding its election campaigns out of the federal treasury. It also established a special prosecutor's office to investigate violations of the electoral code. Third, although the law did not alter the pro-PRI formula for the distribution of proportional-representation seats in the Chamber of Deputies, it did reduce to 60 percent the total number seats that could be held by any one party.[33]

These reforms, coupled with pro-democracy groups' electoral observation efforts and heightened international scrutiny of events in Mexico, reduced the risk of overt fraud in the 1994 general elections.

[32] Crespo (2004), p. 73; Molinar Horcasitas and Weldon (2001), p. 223; Gómez Tagle (2004), p. 91.

[33] The cap on a single party's share of Chamber of Deputies seats had been set at 75 percent in 1977, 70 percent in 1987, and 63 percent in 1993. See Molinar Horcasitas and Weldon (2001), pp. 215, 221.

Nevertheless, the PRI continued to derive enormous advantages from its status as the incumbent party. Its alliance of convenience with private broadcasters ensured that the PRI's candidates received disproportionate and highly favorable media coverage. The party also benefited (in violation of the provisions of the new electoral code) from both the direct use of government resources to support its candidates and from the largess provided to voters by social welfare programs such as PRONASOL and the Direct-Support Program for the Farm Sector (PROCAMPO), a program that provided direct subsidy payments to small-scale rural producers.[34] Moreover, the Banco de México's decision to adopt an exchange rate policy that systematically overvalued the peso helped the PRI because it raised the purchasing power of Mexican consumers by keeping foreign-produced goods remarkably inexpensive in peso terms – thus creating the impression that, from the point of view of the average consumer, trade liberalization was a resounding success. The PRI also played upon voters' fears of instability and radicalism by sensationalizing the PRD's contacts with the EZLN.

These advantages allowed PRI candidate Ernesto Zedillo to win the August 1994 presidential election with 50.2 percent of the valid votes cast. Although the PRI lost seats in both the federal Chamber of Deputies and the Senate to the PAN and the PRD, it retained majority control of both legislative chambers. The PRD initially refused to acknowledge its defeat, claiming that it had been the victim of the same fraudulent tactics employed against its candidates in 1988. Yet both domestic and foreign election observers agreed that, despite some recurring problems involving vote buying and coercion, the conduct of the elections and the vote count had been generally clean. Nevertheless, they did note – as did President-elect Zedillo himself, in a speech delivered to PRI leaders in late August 1994 – that the electoral playing field had not been level and that the PRI continued to enjoy substantial advantages over its political rivals.[35]

Unfortunately for President Zedillo (1994–2000), his moment of triumph did not last long. In September 1994 the PRI's secretary general, José Francisco Ruiz Massieu, was gunned down in Mexico City. The assistant attorney general appointed to the case, Mario Ruiz Massieu (the victim's brother), resigned only a few weeks into the

[34] Cook, Middlebrook, and Molinar Horcasitas (1994), p. 44.

[35] Molinar Horcasitas and Weldon (2001), pp. 223–4; Hernández Rodríguez (2003), pp. 55–6; Gómez Tagle (2004), pp. 91–2; Camacho Solís (2006), p. 240.

investigation, claiming that high members of the PRI were blocking his inquiries. **As if this accusation was not damaging enough, the investigation soon came to focus on Raul Salinas de Gortari (the former president's older brother), who was arrested in February 1995 and charged with masterminding the Ruiz Massieu murder.** The fact that José Francisco Ruiz Massieu had been married to the Salinas brothers'sister gave the charges a particularly macabre twist. Several days later, U.S. authorities arrested Mario Ruiz Massieu at the Newark, New Jersey Airport while he was en route to Spain with US$40,000 stuffed into a suitcase. Facing charges of money laundering in the United States and obstruction of justice in Mexico, he committed suicide. It was subsequently discovered that he held U.S. bank accounts containing 9 million dollars, a very large sum for someone whose only visible source of income was his salary as a public servant.[36]

Ruiz Massieu's overseas fortune was soon revealed to be a pittance compared to the US$130 million that Raul Salinas held in foreign bank accounts. To protest what he argued was the politically motivated arrest of his brother, Carlos Salinas briefly went on a hunger strike in March 1995 and then began a prolonged, self-imposed exile abroad. The public disgrace of the PRI redoubled President Zedillo's intention to maintain "a healthy distance" between his administration and the party.[37]

On top of this public display of murder and corruption at the highest levels of the PRI, in late 1994 Mexico faced another severe economic crisis. The Salinas administration's strategy of raising the purchasing power of consumers by overvaluing the peso came at a price: It made Mexican products expensive in U.S. dollar terms, thereby undercutting their competitiveness in international markets. It was not long before investors ceased to believe that the government would be able to maintain an artificially high exchange rate. Shortly after Zedillo took office on December 1, investors began to sell off their peso holdings. The Banco de México initially tried to control the slide of the peso via a modest devaluation of 15 percent vis-à-vis the U.S. dollar, but the "controlled adjustment" soon turned into a rout. Within days, the peso lost close to half its value. To defend the value of the peso, the Banco de México raised interest rates to astronomical levels in an attempt

[36] Preston and Dillon (2004), pp. 238–9, 313–14, 320–1; Pichardo Pagaza (2001), pp. 235, 274–6, 291, 295–8, 302.

[37] Pichardo Pagaza (2001), pp. 189, 199, 206, 288, 309; Hernández Rodríguez (2003), pp. 46, 54–5; Preston and Dillon (2004), Chapter 10; Camacho Solís (2006), pp. 263–4.

to encourage investors to purchase peso-denominated financial assets. As we discussed in Chapter Four, however, the sharp jump in interest rates forced households and businesses to default on their debts. Their defaults pushed Mexico's banks, many of which were already teetering on the edge of insolvency, into bankruptcy. This development, in turn, occasioned an economy-wide recession and a bank bailout whose ultimate cost was on the order of US$65 billion.

The 1994–1995 financial crisis was a severe blow to the PRI. The party's leadership had promised Mexican citizens that the NAFTA would significantly raise their living standards. Instead, the population was forced to endure an economic contraction even larger than that which had occurred in 1982–1983. Moreover, the rescue of the banking system involved large transfers of public funds to some of Mexico's richest individuals. The combination of economic collapse and financial scandal only served to strengthen the appeal of the PRD and PAN, which demonized the PRI, lambasting it as both incompetent and corrupt. Indeed, by 1997 voters no longer believed that the PRI was a more capable steward of the economy than the political opposition.[38]

With the country mired in recession and the PRI again on the defensive, opposition parties and civic organizations pressured the government into yet another round of electoral reform. The electoral code adopted in 1996 (lauded by President Zedillo as the "definitive" electoral reform, even though the PAN and PRD failed to support the final version submitted for congressional approval) eliminated government control over the organization of elections and ballot counting by establishing the Federal Electoral Institute as a fully autonomous body. Its president was elected by majority vote of its General Council members, all of whose nine voting members were independent citizens nominated by political parties but approved by a two-thirds vote of the Chamber of Deputies. The reform also made the federal electoral court (renamed the Electoral Tribunal of the Federal Judicial Branch, TEPJF) exclusively responsible for certifying the results of federal elections and strengthened its role in resolving allegations of electoral fraud. In addition, it gave opposition parties more equitable access to public funding and the mass media, and it established new oversight mechanisms for political party finances.[39]

[38] Magaloni (2006), Chapter 7; Buendía (2004), pp. 123–5.

[39] Gómez Tagle (2004), pp. 91–5; Molinar Horcasitas and Weldon (2001), pp. 225–7. The 1996 reform also provided for the direct election of the governor of the Federal District and gave full legislative authority to its representative assembly.

The 1996 reform also altered the way in which the Congress was elected. In the Chamber of Deputies, the legislation limited over-representation of the PRI by stipulating that a party's total proportion of Chamber seats could not exceed its share of the national vote by more than 8 percentage points.[40] In the Senate, a new formula for allocating the bloc of ninety-six senators gave two seats to the winning party in each state and one seat to the runner-up party. The remaining thirty-two seats (one for each state, plus the Federal District) were allocated according to the proportion of votes that each party received across the entire country. These rules worked to the disadvantage of the PRI, which would now receive two (rather than three) Senate seats for winning a plurality in a particular state. In contrast, the new arrangement favored the PRD (it had previously held very few seats in the Senate because the PAN had won most of the runner-up seats) because it was likely to capture a sizable share of the seats allocated via proportional representation.[41]

The 1996 reform culminated a political liberalization process that spanned two decades. PRI-led administrations, despite their stiff resistance and several modifications to the federal electoral code designed to preserve the PRI's dominance, were slowly forced to make the political system more competitive. In combination with significant civic mobilization and important changes in government-media relations, these modifications in the electoral code established the bases for free and fair elections.

The Rise of Civic Action

The reform of electoral rules and institutions during the 1980s and 1990s was driven forward in part by Mexico's increasingly mobilized citizenry. Many civic groups initially organized around other causes, including human rights and the environment.[42] In other instances,

[40] Thus, to gain a majority (251 seats) in the Chamber of Deputies, the PRI would have to win at least 166 of the 300 single-member districts and at least 42.2 percent of the national vote. See Molinar Horcasitas and Weldon (2001), p. 236.

[41] Klesner (1997); Díaz-Cayeros and Magaloni (2001), pp. 288–91; Gómez Tagle (2004), pp. 94–5. For statistical evidence that Mexican citizens' growing confidence in the electoral system during the 1990s had a positive impact on support for the PAN and the PRD, and that lack of credibility in the electoral process gradually became less important as a cause of abstention, see Buendía (2004).

[42] Aguayo Quezada (1998b), pp. 169–70; Lamas (2003); Olvera (2004).

civic groups emerged in response to government ineptitude in the management of specific crises, such as the government's incompetent response to the devastating earthquakes that struck Mexico City in September 1985, or its mismanagement of the economy and the collapse of the banking system in 1995.[43] Egregious electoral fraud during the 1980s was an important factor in bringing these groups together around the issue of electoral transparency.

The Roman Catholic Church played an important role in this process of societal awakening.[44] The church had long represented an exception to the PRI's near monopoly over the public sphere. From the 1960s onward, the church, in part responding to the doctrinal shifts associated with the Second Vatican Council (1962-1965), supported the formation of local-level associations focused on socioeconomic development problems. Despite the church hierarchy's overall conservatism, Jesuits and other religious orders were actively involved in the creation of nongovernmental organizations. In particular, Christian base communities devoted to "consciousness raising" proliferated during the 1970s, and over time they helped open public spaces for popular groups and shaped a new generation of leaders. In some areas, more conservative Catholic groups also constituted part of a network of organizations that increasingly questioned the legitimacy of Mexico's political order.[45] This was especially the case in the state of Chihuahua, where electoral fraud perpetrated by the PRI in the 1986 gubernatorial election galvanized the church into support of the PAN. Given the PAN's Catholic identity, the Church's more active role in promoting clean elections was of particular value to the party.[46]

There were areas in which a more active and politically engaged civil society directly intersected with the challenge to the PRI posed by opposition political parties. Civic organizations were often key constituents in the protest coalitions that the PAN and the PRD mobilized at state and municipal levels during electoral campaigns in the 1980s and 1990s. In some cases, regional resentment against political centralism was an important factor behind local support for opposition parties; in other instances, local groups had been alienated

[43] González Casanova (1994), p. 598; Olvera (2004), p. 416. On the impact of civic mobilizations by the 1985 Mexico City earthquake victims' movement, see Tavera-Fenollosa (1988) and Camacho Solís (2006), pp. 199-201.

[44] Camp (1997); Aguilar Ascencio (2000); Chand (2001); Olvera (2004).

[45] Aguayo Quezada (1998b); Olvera (2004), pp. 411, 413, 415–16.

[46] Loaeza (1999), pp. 352, 391; Chand (2001), Chapter 4.

by PRI-orchestrated electoral fraud, unpopular federal government decisions, or the especially egregious public conduct of PRI-affiliated government officials. The PAN in particular became the favored vehicle for middle-class groups alienated by economic instability and the federal government's reluctance to open electoral channels for the expression of discontent.

Effective two-party or multiparty competition at state and municipal levels became increasingly common during the 1990s in part because opposition parties were able to create or strengthen links to civic organizations whose demands frequently included electoral transparency.[47] These alliances often provided opposition parties with more durable constituent bases and helped build stronger party organizations, thereby allowing opposition parties to compete more effectively and demonstrate to the general public that they were a viable alternative to the PRI.

Civic organizations also became leading promoters of national networks of election observers. The de la Madrid administration's resort to fraud to contain opposition electoral gains at state and municipal levels in 1985 and 1986, as well as the blatant fraud committed in the 1988 presidential election, galvanized many of these groups into concerted action to ensure electoral transparency. For example, the Mexican Academy of Human Rights and other civic organizations established a network of observers to oversee the 1991 federal legislative elections, and in the 1994 presidential election some 400 civic groups and NGOs joined forces as the Civic Alliance. This initiative went beyond poll watching and the oversight of electoral officials on election day. It also included an assessment of media coverage (both news reporting and paid advertising), the monitoring of campaign spending, and efforts to inform voters of their rights. The Civic Alliance managed to create chapters in twenty-nine of Mexico's thirty-one states, and as many as 40,000 Mexican citizens (joined by some 900 "international visitors," as they were designated by the Mexican government) were involved in observing the 1994 elections.[48]

[47] For examples of PRD alliances with local civic organizations, see Bruhn (1997); for parallel examples of PAN alliances, see Middlebrook (2001).

[48] Olvera (2004), pp. 430–2. Aguayo Quezada (1998b), p. 179, places the number of election observers in 1994 at approximately 20,000. The Civic Alliance remained active throughout the 1990s, devoting its energies to state-level electoral observation, civic education, and the coordination of various popular referendums on political and social justice questions. It also organized an important electoral observation initiative around the 2000 elections, although its efforts were somewhat overshadowed by a now-independent and more vigorous Federal Electoral Institute.

The Mass Media and Democratization

Enhanced freedom of expression and greater political diversity in the print and electronic media played a particularly important role in Mexico's democratization. Government–media relations had long been characterized by cooptation, collusion, and censorship. PRI-led administrations framed the public agenda and ensured generally favorable coverage of the party and public officials through a combination of direct and indirect means. These included government censorship of newspaper and magazine content, administrative sanctions, political alliances with media owners, financial inducements, and the threat (and, all too frequently, the reality) of physical violence.

The relationship between the PRI and the country's most important television network, Televisa, illustrates the scope of Mexico's authoritarian rent-seeking coalition and gives a sense of how the government manipulated information for political purposes.[49] Most Mexicans receive the bulk of their information about political and economic issues from television news coverage. Until the mid-1990s, however, Televisa – a multibillion-dollar enterprise that controlled some 80 percent of television audiences and advertising revenues – was the only private television network in the country. The source of Televisa's monopoly was not difficult to discern: The government simply granted no other broadcast licenses. In a not-so-subtle quid pro quo, the network slanted news coverage heavily in favor of the PRI. Its anchormen and reporters typically extolled the virtues of PRI candidates and provided ample, flattering coverage of their campaign rallies. They also derided opposition candidates (or ignored them altogether). Indeed, Televisa went to far as to maintain a list of opposition political figures its reporters were not allowed to interview. Televisa's tacit alliance with the PRI was so close that it paid no taxes; instead, it provided 12.5 percent of its airtime to the government, free of charge. Emilio Azcárraga Jr., Televisa's long-time owner, took pride in making statements such as, "We are soldiers of the PRI" and "Televisa considers itself part of the governmental system."[50]

The print media were somewhat more difficult to control but not dramatically so. Because the government owned the only supplier of newsprint in Mexico, newspapers or magazines that were overly critical of the government could find themselves without paper, whereas

[49] Lawson (2002), pp. 29–30, 51–4, 96.
[50] Quoted in Lawson (2002), p. 30.

those publishers who reported favorably received newsprint at below its market price. In addition, the government provided a variety of direct and indirect subsidies to the print media, including payments for running "news articles" that had actually been written by government press agents and revenues generated by advertisements taken out by government agencies or the PRI. The government also engaged in the outright bribery of newspaper owners and reporters. When these tactics did not work, it threatened reporters and editors with physical violence, and it was prepared to make good on those threats.[51]

In the 1990s, however, both the print media and radio and television experienced major changes in their content and political behavior. Indeed, the growth of an increasingly mobilized citizenry made it more difficult for government officials to engage in direct media censorship or to intimidate dissident journalists with the threat of physical violence. The growing independence and pluralism of Mexico's media also reflected changes in journalistic norms, especially the gradual diffusion of stronger professional ethics – a development whose origins can be traced to 1976, when the government forced one of Mexico City's largest newspapers (*Excélsior*) to sack its editorial staff. Some of the individuals who were purged subsequently founded a politically independent news magazine, *Proceso*, which managed to survive despite a lack of government subsidies and occasional threats against its editor and publisher. Market forces reinforced these changes in professional ethics: An increasingly engaged public demanded more from journalists than merely serving as the PRI's mouthpiece. Equally important was the emergence of market competition *among* different media outlets. This was particularly true in radio, where station owners were reluctant to fire talk show hosts critical of the PRI because these personalities attracted listeners, thereby allowing the station to maintain market share and earn advertising revenues.[52]

The pace of change was less swift in television broadcasting. Televisa had a particularly close association with the PRI. Yet even Televisa was not immune from the effects of a more politically active citizenry and the vagaries of market competition. Pro-democracy groups began to protest strongly against the network's slanted and selective coverage of events. Then, in 1993, the privatization of a government-owned television network gave rise to a large and technically capable

[51] Lawson (2002), Chapters 3, 4.
[52] Lawson (2002), Chapter 5; Hughes (2003).

rival, Televisión Azteca. In making a decision that undercut Televisa's monopoly on private broadcasting, government officials may have assumed that they retained sufficient points of regulatory leverage to ensure the political loyalty of Televisión Azteca's owners.[53] In fact, the company's coverage of news events was initially as politically slanted as Televisa's. Over time, however, competition between the two networks for market share gave rise to higher-quality and less overtly biased coverage.[54]

These changes had very significant political consequences. Liberalization of the media contributed directly to democratization by ending the tradition of selective silence on such highly sensitive topics as government corruption, abuses of power, electoral fraud, and political repression.[55] The activities of pro-democracy groups were also further legitimated by the increased media attention they received. Equally important, the media provided much more balanced coverage of opposition political parties and candidates during election campaigns, a shift that greatly reduced the PRI's traditional electoral advantages. This departure was especially notable where television reporting was concerned, and by the 2000 general elections media coverage was generally quite equitable.[56]

The Consolidation of a Competitive Electoral Democracy

Mexico's transition was a staggered process, in which the PRI gradually lost control of different levels and branches of government – first at the municipal level, then state governorships and the federal Chamber of Deputies, and finally the presidency. Within this process the PRI's fortunes waxed and waned. Indeed, there were times (such as the 1991 and 1994 elections, when the PRI not only increased its congressional representation but also won the presidency in credible

[53] Calculations of short-term personal interest and the capacity of an incumbent president's close relatives to exploit political connections for private gain – a long-standing problem in Mexican public affairs – may have played a role in this politically sensitive privatization decision. Lawson (2002), p. 30, reports that one of the apparent conditions for the sale was that the new private owners take on Raul Salinas de Gortari, the incumbent president's elder brother, as a silent partner. See also Preston and Dillon (2004), pp. 306–8.

[54] Lawson (2002), Chapter 6.

[55] Morris (1999), pp. 631–2.

[56] Lawson (2002), Chapter 9.

fashion) when it seemed that the PRI might recover its dominance, a prospect that made it difficult for many observers to envision a transition to democracy in Mexico by electoral means.[57]

The PRI held several advantages in this protracted struggle. In addition to its tight grip on the mass media, the party's control over the federal government budget allowed it both to finance its campaigns from public funds and to use social welfare programs to buy votes. Moreover, the strong ideological split between the PAN and the PRD, as well as marked differences in their social bases of support, permitted the PRI to play the two main opposition parties off against one another in the process of drafting new electoral laws. On several occasions the governing party was able to make concessions that benefited the PAN in the short run, in exchange for the latter's acquiescence to provisions in the federal electoral code that safeguarded the PRI's majority in the Chamber of Deputies.[58] Yet over time, as political and economic crises sapped the ruling party's legitimacy, opposition parties and nongovernmental organizations together succeeded in gradually establishing more equitable conditions for electoral competition and nonpartisan institutions capable of ensuring free and fair elections.[59]

The PRI's own bases of organized support severely eroded over time. For instance, the economic crisis of the 1980s gradually weakened the political loyalty of unionized urban and industrial workers, who had been a bulwark of the party. As we discussed in Chapter Three, Mexican manufacturing workers saw their real incomes decline and their opportunities for economic mobility shrink dramatically after 1982. The government's decision to attempt to rekindle growth by unraveling the trade policies that had heightened job security for unionized industrial workers undermined their willingness to vote for the party's candidates. In the 1988 general elections, for example, PRI-affiliated labor leaders conspicuously failed to deliver their members' votes.[60] This is not to say that organized labor mobilized to bring about democratic regime change "from below."[61] Indeed, the leadership

[57] Middlebrook (2004), pp. 1 n2, 8, 14–15.
[58] Díaz-Cayeros and Magaloni (2001); Crespo (2004), pp. 69–74; Gómez Tagle (2004), pp. 86–92; Eisenstadt (2004), Chapter 6; Magaloni (2006), Chapter 8.
[59] For an evaluation of international (particularly U.S.) influences on democratization in Mexico, see Middlebrook (2004), pp. 21–2.
[60] Middlebrook (1995), pp. 293–4.
[61] Middlebrook (1997).

of Mexico's PRI-affiliated unions stood by the party all through the 1980s and 1990s. It is to say, however, that many rank-and-file union members came to the view that the PRI had broken its pact with them: The fiscal austerity, trade liberalization, and privatization policies imposed by the de la Madrid and Salinas administrations meant that labor leaders no longer controlled many of the patronage resources that had previously benefited them, and union membership no longer guaranteed stable, long-term employment. Thus, as opposition parties gained in strength and credibility, urban and industrial workers increasingly viewed them as viable electoral options.[62]

A similar, if more muted, phenomenon occurred in the countryside. From the 1930s onward, the government had built an immense patronage machine in rural Mexico that mobilized millions of votes for the PRI, even if those votes came at a cost to the economic efficiency of agriculture. The Salinas administration threw this machinery into disarray by ending land distributions to *ejidos* and by largely eliminating a complex system of price supports and production credits that helped sustain rural producers – and which had made them clients of the PRI.[63] The PRI continued to draw a substantial proportion of its electoral strength from the countryside, but between 1991 and 2000 the PAN more than doubled its support among rural voters.[64]

The impact of these changes was first visible at municipal and state levels. Indeed, given that the majority of seats in the federal Chamber of Deputies was allocated via single-member plurality districts in which the PRI was likely to prevail, the only practical way for the opposition eventually to gain control over the lower legislative chamber (even after the introduction of proportional-representation seats) was for it to build effective parties at the local level.[65] This meant that although opposition parties sometimes joined forces in broad anti-PRI coalitions, in most elections the ruling party faced off against whichever opposition party had built the most effective local organization. Generally speaking, the PAN was the principal rival to the

[62] In the year 2000 presidential election, for example, only 49 percent of all union members voted for the PRI's candidate. See Lawson (2000).

[63] Randall (1996); Pastor and Wise (1998), pp. 63–70; Mackinlay (2004).

[64] Buendía (2004), figure 4.2.

[65] Lujambio (2001), pp. 59, 62–3. One incentive for opposition parties to pursue this approach was the 1983 constitutional amendment introducing proportional representation in state legislatures and municipal councils. See González Casanova (1994), p. 593.

PRI in central-western and northern states, whereas the PRD was the main challenger in central and southern states.[66]

With increasing frequency during the 1990s, opposition parties were able to defeat the PRI in these local contests. Between 1988 and 1999, the PAN or the PRD took control, for a period of at least 3 years, of twenty-seven of the thirty largest municipalities in the country. In 1999 the PAN governed 33.1 percent of Mexico's population at the municipal level, and the PRD governed an additional 12.3 percent.[67] Data on elections to choose state governors tell a similar story. Federal authorities first recognized an opposition (PAN) gubernatorial victory in Baja, California, in 1989. In the years that followed, opposition parties rapidly expanded their base by winning eleven of the thirty-two gubernatorial elections held between 1993 and 1999 (including the governorship of the Federal District). Equally telling, the PRI won an absolute majority in only eight of the thirty-two gubernatorial contests held during this period.[68]

Local victories permitted opposition forces to build stronger party organizations, forge closer alliances with their constituencies, and gain valuable political and administrative experience. Equally important, an expanded presence in municipal and state government allowed the PAN and the PRD to demonstrate that they could perform effectively in office, thereby countering the PRI's claim that only it had the experience necessary to govern the country. Indeed, some of the policy reforms adopted by opposition parties once they took office (for instance, institutionalizing consultations with citizens about budgeting priorities and how best to deliver public services) reshaped voters' expectations regarding what could be achieved via partisan alternation in power.

Once PRI administrations could no longer control information, directly organize elections, count the votes, and certify the winners, the government lost the ability to determine electoral outcomes and the PRI's grip on national power began to slip rapidly. In the watershed

[66] Klesner (2003), table 5.2, reports that the proportion of two- or three-party-competitive districts in Chamber of Deputies elections rose from 37.7 percent in 1991 to 93.7 percent in 1997. See also Díaz-Cayeros (2004), pp. 219–24.

[67] Lujambio (2001), pp. 85–6. See also Moreno-Jaimes (2007), pp. 140–1.

[68] Díaz-Cayeros and Magaloni (2001), table 3. Six of these gubernatorial elections were won by the PAN operating alone, three by the PRD campaigning alone, and two by the PRD in coalition with smaller opposition parties.

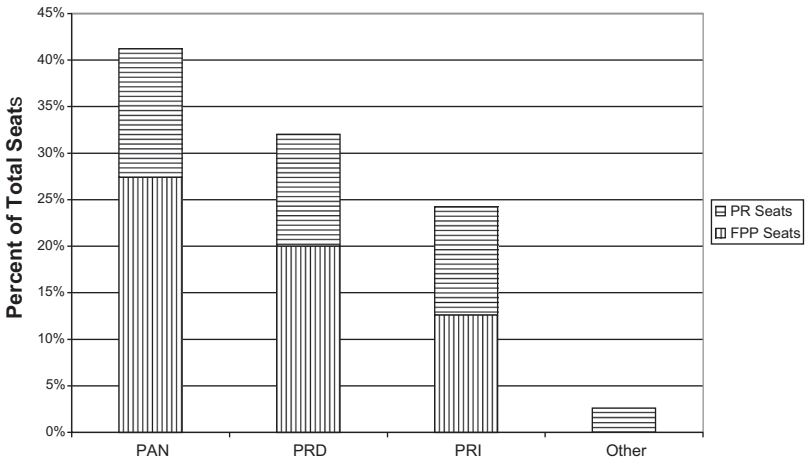

Figure 5.3: Distribution of Seats in Mexico's Federal Chamber of Deputies by Party and Seat Type, 2006–2009. *Source:* Instituto Federal Electoral (www.ife.gob.mx). *Note:* PR = proportional-representation seats; FPP = first-past-the-post seats. See the List of Abbreviations and Acronyms for political parties' full names.

1997 midterm elections (the first conducted under the terms of the 1996 electoral reform legislation), the PRI lost both its majority in the federal Chamber of Deputies and political control over the populous and strategically significant Federal District government. The PRI then saw its share of seats in the Chamber of Deputies shrink from 48 percent in 1997 to 42 percent in 2000, and to just 24 percent in 2006 (see Figure 5.1). Even more stunning, as Figure 5.3 demonstrates, nearly half of the PRI's 2006 victories in the Chamber of Deputies were allocated to it (ironically) via the proportional-representation formula that the party had initially created to appease the opposition; in its bread and butter single-district races, the party lost in overwhelming numbers. The 2006 results in the Senate were equally shocking to the PRI. As Figure 5.4 indicates, PRI party tickets only won five of thirty-two races (producing ten Senate seats). The majority of the PRI's Senate seats were allocated to it either as a result of placing second in a particular state (it obtained nineteen "minority party" seats), or via the proportional-representation system that had been introduced in 1996 to mollify the PRD (giving the PRI an additional ten seats).

The presidential election of 2000 was, nevertheless, the defining moment in the consolidation of a competitive electoral democracy

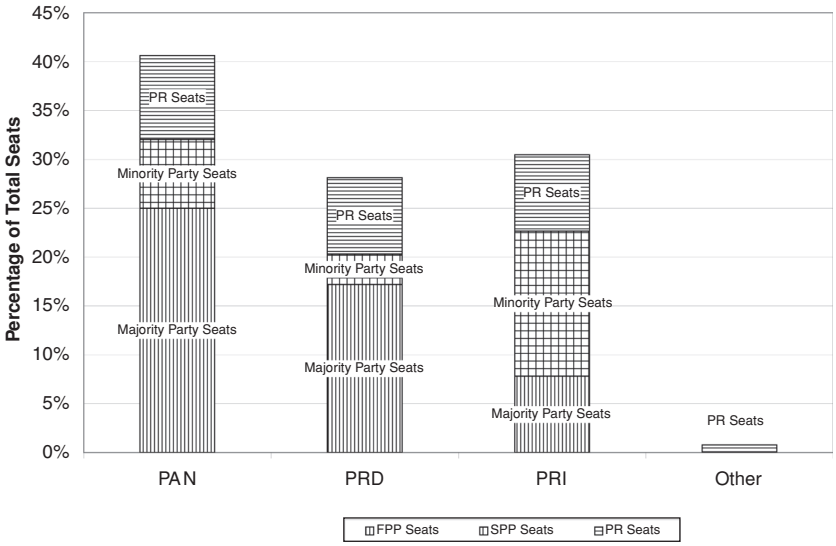

Figure 5.4: Distribution of Seats in Mexico's Federal Senate by Party and Seat Type, 2006. *Source:* Instituto Federal Electoral (www.ife.gob.mx). *Note:* FPP = first-past-the-post seats; SPP = second-past-the-post seats; PR = proportional-representation seats. See the List of Abbreviations and Acronyms for political parties' full names.

in Mexico. Despite the considerable advances embodied in the 1996 electoral reform, until an opposition candidate actually won the presidency there remained some doubt as to whether these changes had been sufficient to permit an opposition party or coalition to break the PRI's enduring control over the federal executive. On July 2, 2000, Vicente Fox (the candidate of the "Alliance for Change" coalition formed by the PAN and the Mexican Ecologist Green Party, PVEM) won the balloting with 42.5 percent of the total valid vote.[69] The margin of Fox's victory over PRI candidate Francisco Labastida Ochoa (who received 36.1 percent of the vote) was especially important because it made it difficult for old-line forces within the PRI to contest President Ernesto Zedillo's decision on election eve to recognize publicly Fox's triumph.[70]

[69] For an analysis of the 2000 elections, see Domínguez and Lawson (2003); Moreno (2003).

[70] The third major candidate, Cuauhtémoc Cárdenas, received 16.6 percent of the vote as leader of the center-left "Alliance for Mexico" coalition that grouped the PRD, the Labor Party (PT), the Democratic Convergence (CD), the Nationalist Society Party (PSN), and the Social Alliance Party (PAS).

The Fox Administration: Mexico's First Opposition Government

Vicente Fox (2000–2006) took his oath of office on December 1, 2000, amid extremely high public expectations. During the 2000 presidential campaign he had promised voters, simply but powerfully, to bring about "Change Now!" ("¡Cambio Ya!"). His clear-cut victory over the PRI delivered on a major portion of that promise. Fox had, however, also assured voters that he would quickly resolve the festering political crisis in Chiapas resulting from the 1994 Zapatista rebellion, promote rapid economic growth and job creation, raise educational levels, and bring about substantial reductions in poverty. In his first months in office Fox did in fact succeed in enacting a Law on Indigenous Rights and Culture (albeit one that failed to win the support of the EZLN and its allies), and in 2002 the Congress approved a Federal Law on Transparency and Access to Governmental Public Information.[71] Nevertheless, Fox was unable to secure congressional approval for several of the reforms that, he argued, were essential to Mexico's long-term economic development and international competitiveness. These included a major tax reform, measures permitting foreign direct investment in electrical power generation and the petroleum industry, and a reform of the federal labor code. Fox's personal popularity remained high throughout his presidency, but, over time, the growing public sense that Fox had failed to achieve his most important policy goals cast a shadow over his administration.[72]

The fundamental problem was the PAN lacked a legislative majority in either house of Congress, and forging a coalition with either the PRI or the PRD proved elusive.[73] Three factors contributed to this state of affairs. These include particular features of Mexico's electoral system, partisan calculations by opposition parties that they could make future electoral gains by blocking the Fox administration's legislative initiatives, and the ineffectiveness of Fox's own tactics and governing style.

[71] The 1977 electoral reform had included a constitutional right to freedom of information but the necessary enabling legislation had never been passed. See Gómez Tagle (2004), pp. 85, 103.

[72] Public perceptions of this kind were politically important. As Magar and Romero (2007) correctly note, however, PRI administrations with unified control over both the presidency and the Congress had also failed to enact significant energy, tax, and labor reforms.

[73] The PAN began the 58th Congress (2000–2003) with 206 seats (41.2 percent) in the Chamber of Deputies and 46 seats (35.9 percent) in the Senate.

The coordination problems inherent in Mexico's multiparty democracy posed a barrier to Fox's ability to build the majority coalitions required to enact his top-priority legislative proposals. Successive PRI administrations, assuming that there would always be one dominant party (the PRI) controlling the presidency and both legislative chambers, had accommodated minority party demands for representation by creating an electoral system that combined single-member plurality districts with a parallel system of proportional representation. Electoral systems composed exclusively of single-member legislative districts (like that which exists in the United States) generally tend to have only two parties because voters have incentives not to "waste" their ballots by supporting third-party candidates who have little chance of winning. In contrast, proportional-representation systems tend to promote the formation of multiple parties. Votes are not "wasted" in these systems because legislative seats are allocated on the basis of the percentage of the vote that a party obtains.[74] Thus, even parties with a minimal number of adherents can gain seats in the legislature.[75]

To be sure, mixed-member electoral systems (those combining single-member plurality districts with proportional representation) like Mexico's can, at least in parliamentary democracies, capture the best features of both majoritarianism and proportional representation.[76] Nevertheless, there is also substantial evidence indicating that the multipartism promoted by proportional-representation arrangements is problematic when it coexists with presidentialism (a system in which there is an elected president).[77] In parliamentary systems, a single party (or a coalition of parties) names a prime minister, and the government

[74] Proportional-representation systems vary in terms of the way these percentages are calculated. Some allocate seats on the basis of the percentage of votes that a party received nationally, some on the basis of the percentage of votes received regionally, and yet others on the basis of the votes that a party received at the state or provincial level.

[75] PRI administrations actively sought to ensure the representation of opposition parties on both the left and the right of the ideological spectrum as a way of safeguarding the PRI's position as the majority party in the political center. Indeed, provisions in several versions of the federal electoral code penalized the strongest opposition party while favoring the smallest ones. Díaz-Cayeros and Magaloni (2001), p. 283; Weldon (2001), pp. 464–6.

[76] Shugart and Wattenberg (2001), pp. 571, 578, 582, 591, argue that mixed-member electoral systems can successfully promote two-bloc competition and legislators' accountability to constituents based on single-member plurality districts, while simultaneously ensuring the representation of smaller parties and encouraging (through party elites' control over the formulation of candidate lists) the development of disciplined national parties. As Weldon (2001), p. 470, notes, two-party competition did emerge in a number of Mexican states with mixed-member electoral systems.

[77] Mainwaring (1993), pp. 199–200, 207–8, 213.

he or she leads can only function for as long as it can maintain its legislative majority. In multiparty presidential systems, however, the strong likelihood that there will be more than two parties with seats in the legislature reduces the odds that a single party will have a majority. It reduces even further the odds that one party will simultaneously control both the executive and the legislative branches of government. When different parties do control the executive and the legislature in a situation of divided government, legislative coalitions are more difficult to sustain and must often be assembled issue by issue. As a consequence, executive–legislative deadlock frequently occurs.

The chances of forming majority legislative coalitions are lower in multiparty presidential democracies in part because there is likely to be considerable ideological distance among rival political parties,[78] and this element did indeed constitute a second factor complicating matters for the Fox administration. Opinion polls have found substantial distance between PAN and PRD party leaders on a left–right ideological spectrum, a distance that is in fact greater among party elites than among those members of the electorate who identify closely with the two parties.[79] This gap between party leaders and supporters is important because the 1996 federal electoral code allowed parties to nominate as many as sixty candidates on both their single-member plurality and their proportional-representation slates,[80] thus increasing the odds that (more ideological) PAN and PRD party leaders will be elected and hold a prominent position in their respective congressional delegations.

Ideological divisions between the PAN and the PRD have deep roots in the two parties' distinctive histories and in party leaders' different backgrounds and socialization experiences. The PAN was formed in 1939 to protest the radical educational and land-reform policies pursued by President Lázaro Cárdenas (father of PRD founder Cuauhtémoc Cárdenas), and the support the PAN has received from Catholic activists clearly differentiates it from the strongly secularist PRD (as well as the PRI). During the 1980s and 1990s, these differences were reinforced by the contrasting positions the PAN and the PRD took with regard to the Salinas and Zedillo administrations' economic policies. The center-right PAN – long a defender of private

[78] Mainwaring (1993), pp. 200, 213.
[79] Bruhn and Greene (2007); Lawson (2007), p. 47.
[80] Weldon (2001), p. 457.

property and a consistent opponent of an expansive state – was, of course, the PRI's principal legislative ally in enacting the constitutional reforms necessary to liberalize Mexico's trade and investment regimes and to privatize state-owned firms, and it sanctioned the controversial bank bailout after the 1994–1995 financial crisis. The PRD, in contrast, had been founded in part to protect the system of state-owned enterprises and trade protection that had developed in Mexico before the de la Madrid administration. Some of its leaders also resented the PAN's role in enacting the legislative program of an administration (Carlos Salinas de Gortari) whose electoral legitimacy they impugned. Several of the legislative initiatives promoted by Fox and the PAN (especially energy-sector reform) went to the very heart of these ideological divisions. Thus, although the PAN and PRD could find common ground on such matters as legislation that greatly expanded health insurance coverage and on democracy-enhancing measures such as a federal freedom-of-information law designed to promote transparency and accountability in public administration, it was impossible for them to do so on a range of economic policy issues.

The PRD and some elements of the PRI also perceived that cooperation with the PAN was not in their long-term partisan interests. From the outset of the Fox administration, the PRD announced that it was not going to cooperate with "a government of the Right," and rarely did it depart from this stance.[81] Although some PRI members were strongly opposed to Fox's proposed constitutional reforms, such as those that would have permitted foreign investment in the electrical power and petroleum industries, the party did not reject in principle the idea of supporting some PAN initiatives. Indeed, the Fox administration apparently decided to forego high-profile prosecutions of former PRI government officials for corruption and human rights abuses in order to promote a PAN–PRI legislative alliance. In time, however, PRI strategists took the view that the party's chances of regaining the presidency in 2006 would be greater if Mexican voters perceived the Fox administration to have failed.[82] The fact that ideological and partisan differences precluded a PAN–PRD alliance gave the PRI considerable leverage in this regard.

[81] Langston (2007), pp. 21–2; Bruhn and Greene (2007), p. 37.

[82] The PRI's inclination to obstruct the Fox administration's legislative program may have been bolstered by its electoral recovery in the 2003 midterm elections, in which it won 34.4 percent of the valid vote and 44.8 percent of the seats in the Chamber of Deputies. It also won gubernatorial elections in Colima, Nuevo León, and Sonora in 2003, and in Chihuahua, Durango, Oaxaca, and Veracruz in 2004.

Finally, these obstacles to the PAN's capacity to implement its legislative agenda were exacerbated by the inadequacies of Fox's own tactics and governing style. Even though Fox had been a charismatic and highly effective presidential candidate, once in office he proved to be an ineffective chief executive. The fundamental problem was that he could not figure out how to cut deals with the leaders of opposition parties' congressional delegations. Instead, he sought to sidestep his congressional opponents and build support for his legislative program by appealing directly to the Mexican people via weekly radio broadcasts and aggressive public relations campaigns. This tactic might have borne fruit in another institutional context. In large part because of Mexico's "no reelection" rule, however, legislators had only weak ties to their constituents. They were, nevertheless, extremely sensitive to the preferences of their party leaders, who could determine a politician's chances of future electoral success through the position they assigned her or him on the party's list of proportional-representation candidates.[83] Fox's direct appeals for public support were, therefore, generally ineffective in influencing legislators' behavior.

The interaction of these factors – institutional and ideological legacies from Mexico's past, partisan calculations of the possible electoral advantages to be derived from obstructionism, and the ineffectiveness of President Fox's own tactics and governing style – produced executive–legislative gridlock on the Fox administration's leading legislative initiatives.[84] Perhaps the most significant casualties of this situation were the administration's proposals for fiscal and tax reform. Fox first submitted this legislation to the Chamber of Deputies in 2001.[85] Some provisions, including those designed to make financial transactions more transparent (for example, barring insider trading and regulating conflicts of interest and the use of privileged information in stock market transactions) and modify the federal budgetary approval process so that executive–legislative disagreements did not jeopardize

[83] Weldon (2001), pp. 472–3.

[84] Overall congressional productivity during the 2000–2006 period (measured as the number of bills enacted into law) compared very favorably to productivity rates during the era of PRI dominance. Approval rates for executive-sponsored bills also remained robust (for example, 72.1 percent in the Chamber of Deputies for the September 2003–December 2005 period, and 89.7 percent in the Senate for the September 2000–December 2005 period). The federal executive did, however, submit fewer bills than in the past, and greater political pluralism in the Congress encouraged deputies and senators to propose far more bills than they had during the period of PRI hegemony. See Weldon (2004a), pp. 150–65; Weldon (2004b), pp. 10–13; Weldon (2006), pp. 7, 17, 30, 33.

[85] See Middlebrook and Zepeda (2003), pp. 43–5, for details.

continued governmental operations at the end of each calendar year, were easily enacted into law. Yet the heart of the measure – a proposal to increase taxes by the equivalent of approximately 2 percent of GDP, in part by extending the 15 percent value-added tax to previously exempt categories of food and medicines – sparked intense political opposition. Despite sustained lobbying by the Fox administration, the legislation that was finally approved limited tax increases to approximately half of what had initially been proposed and retained the tax exemption on food and medicines.[86] The defeat of Fox's proposed tax reform denied the government badly needed revenues to fund education and other social welfare initiatives.

The Controversial 2006 Elections

In the July 2006 general elections, the PRI hoped to retake the presidency by building on its string of electoral successes in the 2003 midterm elections and in gubernatorial races held during 2003 and 2004.[87] PRI candidate Roberto Madrazo Pintado was, however, badly tarnished by campaign spending fraud in his 1994 Tabasco gubernatorial victory and hampered by serious factional divisions within the PRI. The race therefore centered on the bitter rivalry between the PAN's Felipe Calderón Hinojosa and the PRD's Andrés Manuel López Obrador.[88] Calderón denounced López Obrador as a "danger to Mexico" and compared him to Venezuela's populist President Hugo Chávez, claiming that López Obrador's proposed social justice programs would endanger the country's hard-won financial stability. Calderón lagged in public opinion polls throughout much of the race. Late in the campaign, however, he closed the gap through the highly effective use of negative television advertising, the benefits he derived

[86] In a second attempt at tax reform in 2003, the Fox administration's initiative (in which government officials stubbornly insisted on levying the value-added tax on food and medicines) failed when efforts to build an alliance with the head of the PRI's delegation in the Chamber of Deputies fell victim to a rank-and-file revolt by PRI deputies and feuding among PRI leaders. Insufficient coordination between Ministry of Finance officials and the PAN's congressional delegation also hampered the negotiations. See Musacchio (2003); Weldon (2004b), p. 15; Langston (2007), p. 22.

[87] For analyses of the 2006 elections and their aftermath, see Estrada and Poiré (2007), Klesner (2007), Middlebrook (2007), Moreno (2007), and Schedler (2007).

[88] López Obrador led the "Alliance for the Good of All" coalition, which included the PRD, the Labor Party (PT), and Democratic Convergence (CD).

from President Fox's massive (and much-criticized) media campaign touting the achievements of his administration and advocating political continuity, and López Obrador's own political errors. These included López Obrador's personal attacks on the still-popular President Fox, as well as his decision not to participate in the first of two nationally televised debates among the candidates – an absence that his rivals exploited by placing an empty chair on the debating platform.

The balloting on July 2 occurred without major problems, but the very narrow difference in the vote totals for Calderón and López Obrador quickly led to controversy as both candidates claimed victory. When the Federal Electoral Institute announced that Calderón held an extremely tight lead, López Obrador demanded that the Electoral Tribunal of the Federal Judicial Branch (TEPJF) order a ballot-by-ballot recount. Claiming that the entire electoral process had been tainted by the Fox administration's partisan actions in support of Calderón and by massive irregularities on election day, López Obrador sought to pressure electoral authorities by announcing a national campaign of civic resistance that included the blockade of one of Mexico City's main boulevards and an occupation of the Zócalo, the public plaza facing Mexico's National Palace.

In a highly charged political environment, TEPJF magistrates agreed to examine ballots in approximately 9 percent of all polling places but they unanimously rejected demands for a full recount. Then, in early September, the TEPJF declared Calderón president-elect with 36.7 percent of the valid vote, compared with López Obrador's 36.1 percent (a difference of just 233,831 of the 41,557,430 ballots cast).[89] López Obrador refused to accept his defeat and later proclaimed himself president of an alternative, parallel government. Nevertheless, the 2006 election outcome was highly significant in political terms both because the PAN won a come-from-behind victory to retain the presidency for a second consecutive time, and because Mexico's electoral institutions survived a severe test of their authority in what had become a remarkably competitive electoral environment.

[89] The PRI's Madrazo won 22.7 percent of the vote, and Patricia Mercado Castro (representing the Social-democratic and Peasant Alternative Party, PASDC) and Roberto Campa Cifrián (representing the New Alliance Party, PANAL) won 2.8 percent and 1 percent, respectively. The TEPJF's final ruling also criticized President Fox and private-sector groups for their sustained efforts to undercut López Obrador's presidential candidacy and sway voters' opinion in favor of Calderón. See Middlebrook (2007).

What had not changed as much, however, were the challenges facing any Mexican executive searching for a way to raise the revenues needed to fund health care, education, retirement pensions, and housing. How the Fox administration, like the Zedillo administration before it, was forced to make a series of difficult tradeoffs when it came to funding those public priorities, and the consequences of those trade-offs, are the focus of the next chapter.