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PRESSURING THE CENTER: OPPOSITION GOVERNMENTS AND FEDERALISM IN MEXICO
Introduction

In his article “Federalism and Opposition”, C.F. Friedrich argued that federalism requires a competitive and plural political arena which provides the “opposition with opportunities to oppose”.¹

As a form of political organization, federalism brings together diverse political units without destroying their identity. In the process, it creates multiple opportunities for citizens to participate in political life and allows the opposition to test its proposals and programs on a smaller scale. Friedrich then concluded that:

Federalism and opposition mutually strengthen and support each other...a federal regime without an operative political opposition on both the national and local level is apt to remain "on paper."²

Friedrich's argument is critical to understanding the “Federalist” debate currently underway in Mexico. Indeed, it is only with the coming to power of opposition governments at the state and local levels in Mexico, and the consequent strengthening of the political opposition, that the issue of federalism has been placed back in the public agenda as one of the topics of utmost importance. A consensus has emerged both in the PRI and in the opposition that the federalist pact needs to be revitalized. The question that still remains controversial is precisely what policies need to be introduced to make it function. The government’s response has been to decentralize some sectors, like education and health. The opposition has responded that decentralization alone is not enough, that a new scheme needs to be designed to give states and municipal governments greater financial and legal autonomy.³

Although according to Art. 40 of the Mexican Constitution, Mexico is a “federal, representative, and democratic republic”, in practice Mexican politics has been characterized by the subordination of state and local governments to the central government and by the domination of the executive over the legislative and judicial branches of government. The absence of electoral competition and the consequent hegemony of the PRI over all spheres of government explain why in the end, the balance leaned in favor of the central

² Ibidem, p. 296.
government and against the regions. This peculiar form of Mexico's federalism has been coined in academic circles as "centralized federalism".4

It is then no surprise that with the victories of the opposition at the local and state levels, the very foundations of "centralized federalism" are increasingly being attacked. As one of the golden rules of Mexican politics is seriously challenged, namely PRI's uncontested control of all executive and legislative positions, a growing pressure emerges from the regions to re-define the nature of inter-governmental relations and to fight for more regional autonomy.

In this paper I analyze the role the opposition has played in stimulating the debate on federalism in Mexico. I argue that both in academic and political circles, the debate has focused almost exclusively on the redefinition of inter-governmental relations, that is, how states and municipal governments can become financially stronger and legally endowed with more attributes and faculties.5 However, another critical aspect of federalism has received less attention, namely, the relationship of state and local governments with their own constituencies. While making states and municipal governments richer and legally stronger is important, it is clearly not enough. A federalist pact also needs more responsible, representative, and accountable authorities. Giving states and municipal governments more resources and legal attributes is a necessary, but not sufficient condition for increasing their autonomy vis-a-vis the federal government. In addition, authorities must be legitimately elected and accountable to their own constituencies, not to the federal government. As Lujambio correctly argues, "The president can decentralize fiscal resources, but if governors continue to be the president's friends and are imposed by the center in non-competitive elections, federalism does not appear anywhere".6 The revitalization of federalism thus entails new legal rights and more financial resources, but also new responsibilities in the exercise of power.7

The strengthening of the opposition in Mexico has been critical in reinforcing both aspects of federalism. On the one hand, it has put to the test the traditional pattern of subordination of state and local governments to the federal government. Opposition govern-


5 This debate includes the issue of whether or not the decentralization of some government's functions is conducive to a stronger federalist pact. For example, with regards to education, opposition state governments complain that the federal government has decentralized only the administrative portion of the educational sector, but it still keeps control of most important decisions like: the definition of educational plans and programs, negotiations over wage and other labor relations issues, organization and supervision of teacher's training programs, and the elaboration of the educational budget. Most of the resources that are decentralized to the states are targeted for specific areas and programs, and are bound by numerous restrictions. See Víctor Alejandro Espinoza Valle, "Nuevo Federalismo y alternancia política. La descentralización educativa en Baja California", unpublished paper, 1996; and Yemile Mizrahi, "¿Administrar o Gobernar? El Reto del Gobierno Panista en Chihuahua", Frontera Norte, forthcoming.


7 See Rodolfo García del Castillo op. cit. for a similar argument.
ments have fewer incentives to subordinate themselves to a federal government still controlled by the PRI, and are more inclined to demand from the federal government a more equitable distribution of financial resources and legal attributes. On the other hand, a stronger electoral competition has increased the government's incentives to become more accountable and sensitive to its community's needs. If the partisan origin of government authorities is determined through an electoral process, then governments need to devise innovative ways to respond to their electorates. If they fail, their party runs the risk of losing the following elections. In sum, regional autonomy, a fundamental element of federalism, is gained not only by increasing the flow of resources to states and municipalities, but also by creating more responsible authorities and more participatory governments.

Even though the victories of the opposition alter the structure of incentives local governments confront both in relation to the federal government and to their own constituencies, the transition from "centralized federalism" to a more authentic federalism is far from smooth and linear; it is paved with multiple dilemmas and obstacles. The federal government continues to operate in an extremely centralized manner and the political system is still largely dominated by the PRI. States and municipal governments are still financially weak, and states in particular have few legal attributes and functions.

The federal executive has enormous discretionary powers to distribute resources and to intervene on a wide variety of policy areas at the regional level. Opposition governments have to come to terms with this political, legal, and financial reality. They have to demonstrate their political supporters that they are capable of introducing substantive changes without really having the economic and legal resources to bring them about. Moreover, these governments are kept under a tighter public scrutiny and are also more vulnerable to disappointments and disillusionment because the electorate often expects sudden and dramatic changes as a result of the defeat of the PRI. How do opposition governments interact with the federal government? How do they forge links with their own communities? What room for maneuver do they really have to fight against deeply rooted political practices and, in the process, invigorate the federal pact?

Notwithstanding the multiple restrictions and limitations state governments confront, they still have a significant range of political choice to introduce substantial innovations in their own states. In the following pages I analyze the different strategies adopted by two PANista governments in Mexico, the government of Ernesto Ruffo in Baja California and the government of Francisco Barrio in Chihuahua. I examine both the way these governments interacted with the federal government and the manner in which they attempted to forge links with their electorates.

While Ernesto Ruffo adopted a confrontational attitude vis-a-vis the federal government and challenged the existing formula for distributing financial resources to the states, Francisco Barrio adopted a more conciliatory strategy and refrained from voicing his complaints in public. In the end, Barrio received a greater flow of resources from the federal government. However, unlike Ruffo, Barrio was punished by his own electorate at
the ballot box. Barrio and Ruffo also adopted different strategies in forging links with their own electorate. Barrio supported a more “administrative” strategy designed to increase government’s efficiency, reorganize the state’s finances, fight against corruption, and promote new regulation to order government’s activities. He believed he was in this way responding to some of the electorate’s central demands. In contrast, Ruffo adopted a more “populist” and clientelistic strategy which involved grassroots mobilization and the provision of social services in exchange of political support. In the end, Ruffo’s strategy yielded better electoral results. The PAN won the governorship in Baja California for the second time in 1995, while in Chihuahua, the PAN lost most municipal elections as well as its majority in the local Congress in the 1995 mid-term elections.

In both cases, and despite the different electoral results in each state, the strengthening of electoral competition and the emergence of a more critical and politically aware electorate, greatly contributes to invigorating federalism. Political competition, not necessarily the defeat of the PRI, is a precondition for a new, more authentic federalist pact. It not only strengthens states and municipalities vis-à-vis the federal government; it also strengthens state and municipal authorities vis-a-vis their own electorate. The federal pact, understood as cooperation between diverse political entities, requires financially strong and politically legitimate and autonomous states.

A Federal Republic with a Centralized State

The 1917 Mexican Constitution defines Mexico as a federal republic but the federal government, and in particular the presidency, is endowed with enormous discretionary powers. The drafters of the constitution wanted to create the conditions for consolidating the state after the revolution. They had learned from the liberal Constitution of 1857 that placing excessive limits on the executive condemned the Constitution to remain on paper. In a still deeply divided and turbulent country an excessively “liberal” conception of executive power —limited and checked by the other two powers— was not a realistic alternative. In that political context, as Córdova argues, the only viable route was to grant extraordinary powers to the executive. A consensus existed in the Constitutional Assembly that strengthening the government was necessary for insuring political stability and governability in Mexico.

The powers of the presidency are depicted in the chapters describing the structure of power in Mexico, but it is in the so-called “social chapters” of the Constitution that the
president was endowed with enormous discretionary powers. Articles 3 (education), 27 (land tenure), 28 (anti-trusts), and 123 (labor relations) centralized decision making power in the federal executive. While this enabled the executive to introduce significant social reforms, it also invalidated the principle of checks and balances prescribed in the same Constitution. Since 1917, the federal executive has had the power to decide educational, agricultural, labor, health and food policy, bypassing both the legislative and judicial branches of government, and without the participation of states and local governments. Moreover, with the passage of time, numerous constitutional amendments were introduced transferring to the federal government more economic and social faculties. Where this is particularly evident is in the financial realm. As a result, states and municipal governments have increasingly become financially dependent on the federal government. I shall develop this point below. What is important to recognize here however, is that there is more congruence between the law and actual political practice than is commonly assumed.

In addition to these extraordinary powers formally and legally prescribed in the Constitution, the executive also possess “meta-constitutional” powers. The latter stem from the lack of political competition and the hegemony of one political party organized around strong corporatist lines.

Without electoral competition, with a single party dominating all spheres of government at the federal and regional levels, and with the total subordination of this party to the presidency, Mexican governors became in fact agents of the federal government. Since the Cárdenas presidency, the governors' political careers have been defined by the president. Establishing a close and harmonious relationship with the federal executive has been consequently deemed critical for a “successful” state administration. Furthermore, as Oropeza argues, since most of the decisions affecting the states are taken by the

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10 For an interesting discussion of the issue of federalism in the Constitution see Alicia Hernández Chávez, op.cit.
11 See Alicia Hernández Chávez, op.cit.
12 States cannot collect and retain sales and income taxes; they cannot contract foreign debt, states cannot exploit and do not have any control over their natural resources. Furthermore, states do not have any say in the elaboration of the federal budget. The appropriations bill does not pass through the Senate, it is only approved by the Chamber of Deputies.
13 This is precisely the reason why Jaime Cárdenas (op.cit.) argues in favor of a new democratic Constitution. See Ignacio Marván Laborde, ¿Y Después del presidencialismo? Reflexiones para la formación de un nuevo régimen, México, Océano, 1997.
federal government, governors were in fact transformed into mere provisioners of goods and services.\textsuperscript{16}

The weakness of the state \textit{vis-a-vis} the federal government is most evident in the financial realm. The federal government concentrates enormous discretionary powers to subject state governors to the central government. State and municipal governments heavily depend on the transfers of resources they receive from the federal government. In 1980 a fiscal reform was introduced which centralized tax collection in the hands of the federal government. Although the so-called Sistema Nacional de Coordinación Fiscal was designed to make tax collection more efficient, to avoid the problem of double taxation, and to foster a more equitable distribution of national resources between the states and the federal government, the net result was an increase in state's financial dependence on the federal government and the persistence of severe inequalities between regions.\textsuperscript{17}

Since the 1980's, state's locally generated incomes have decreased as a proportion of total state income.\textsuperscript{18} Furthermore, of the total tax revenue collected at the national level, only 28.8 percent is distributed to state and municipal governments, the federal government retains the remaining 71.2 percent. The priorities and guidelines for spending these resources are defined by the federal government without the participation of the states.\textsuperscript{19}

In addition to the federal transfers of tax revenues (participaciones) which are distributed to the states according to a formula, the federal government has other, more discretionary means to allocate resources to the states: federal public investment, funds for the alleviation of poverty (the so-called PRONASOL during the Salinas' administration), and extraordinary funds for special projects. The amount as well as the guidelines and conditions attached to these resources depend to a large extent on the governor's negotiating capacity and on his relationship with the president.\textsuperscript{20}

The centralist political structure, and above all, the highly discretionary power vested in the executive for the allocation of resources to the states, strongly conditions states' relationship towards the federal government. State governments —whether they are opposition governments or not— find it expedient to maintain good relations with the federal authorities in order to secure an adequate flow of resources to the state.

State governors enjoy little autonomy to invest in large and expensive projects, have a limited decision making capacity to pursue projects the federal government deems not viable or inappropriate, and face enormous restrictions to provide financial incentives


\textsuperscript{18} Alberto Díaz Cayeros, \textit{Desarrollo económico e inequidad regional: hacia un nuevo pacto federal en México}, México, CIDAC and Porrúa, 1995; Rodolfo García del Castillo, \textit{op.cit.}

\textsuperscript{19} See Rodolfo García del Castillo, \textit{op.cit.}, p. 104.

to different economic sectors geared at promoting development projects in their states. This is mainly due to two reasons. On one hand, their locally generated revenues are insufficient. Since states cannot retain taxes, cannot allocate bonds in the stock exchange, have no control over the banking and financial sectors, and cannot contract foreign debts, they have limited capacity to increase their own resources. On the other hand, the resources states receive from the federal government are bound to numerous restrictions and guidelines. More importantly, state governments remain vulnerable vis-a-vis the federal government because the latter can use its vast discretionary powers to "punish" un disciplined governors. It can restrain the flow of resources to the state, delay the transfer of resources, abstain from investing in special projects, bind resources to numerous restrictions and regulations, and limit local officials' access to top members of the executive.

Financial dependence on the central government places opposition governments in a particularly difficult position. They have to demonstrate to their political supporters that they are capable of introducing substantive changes without really having the economic resources to bring them about. In the process they are caught in a no-win situation: if they challenge the centralization of power and adopt a confrontational attitude vis-a-vis the central authorities they run the risk of not receiving enough resources from the federal government. While they may remain true to their ideals, they may also undermine their capacity to perform, and thus jeopardize their party's chances to win votes in future elections. On the other hand, if they adopt a more pragmatic stance, a more moderate and conciliatory position vis-a-vis the central authorities, they may get more resources at the expense of alienating their hard-core supporters and disappointing many who expected radical changes as a result of the alternation of power. Striking a balance between pragmatism and idealism has become one of the most difficult tasks of opposition governments in Mexico.

As we shall see below, while Baja California's governor Ernesto Ruffo followed the more "idealistic" path and adopted a more confrontational attitude vis-a-vis the federal government, governor Francisco Barrio of Chihuahua adopted a more pragmatic position and accepted to moderate its demands. In both cases the costs have been high. Baja California was financially punished by the federal administration. In Chihuahua the government was punished at the polls.

21 This is particularly evident with respect to the budget allocated for social development through the Programa Nacional de Solidaridad, president Salinas most important social welfare policy program. According to Bailey, PRONASOL contributed to strengthening the centralist and presidentialist structure of power in Mexico (Bailey 1994). Federal public investment is also bound to numerous restrictions and regulations. Moreover, most federal investment projects require matching funds from the state. The proportion of matching funds the state has to come up with is subject to negotiation. I shall elaborate on this point below.

22 In the case of PRIista governors, the power of the executive extends beyond the financial realm. The president can also depose governors if he so deems convenient.
Barrio and Ruffo: Two Responses to the Same Constraints

The experiences of governor Ernesto Ruffo in Baja California and of governor Francisco Barrio in Chihuahua illustrate that clean elections constitute only the first step towards the strengthening of regional autonomy and the introduction of democratic institutions and practices. As Tonatiuh Guillén argues for the case of Baja California, the victory of an opposition party de facto compels the state government to engage in a federalist exercise as it struggles with the federal government to enhance its room of maneuver.\(^2\) This is particularly evident in the financial realm, where notwithstanding the existence of similar constraints, Barrio and Ruffo adopted radically different political strategies in their relations with the central authorities.

Faced with a growing public deficit, governor Ruffo overtly challenged the financial subordination of the states to the federal government. He argued that Baja California was not receiving the amount of federal transfers (participaciones) it deserved, that the state collected significantly more tax revenues than it received by way of federal transfers. Furthermore, Ruffo called for a redefinition of the revenue sharing system (the Sistema Nacional de Coordinación Fiscal) arguing that the current formula for distributing tax revenues to state and municipal governments was unfair and insufficient.\(^3\)

Ruffo’s argument was that without fiscal autonomy, states lack decision making capacity. In his own words: “Currently in our country, states and municipal governments have legally many faculties, but these cannot be realized because the resources still come from Mexico City.”\(^4\) His rebellious and combative attitude, however, was not successful either in granting the state more faculties to collect, retain, and spend financial resources or in securing a greater flow of resources to the state.\(^5\) Moreover, according to Ruffo,


\(^{4}\) Quoted in Guillén López, op. cit., p. 111.

\(^{5}\) While many governors have complained about the financial centralization, only Ruffo has overtly challenged the financial subordination of the state and even threatened to sue the federal government in the National Supreme Court of Justice to gain fiscal autonomy. Guillén López, op. cit., p. 118. In the end Ruffo refrained from suing the federal government. He continued to complain, however that since the state government does not know how much is collected through federal taxes in the state, it has no way of knowing whether the resources the state receives from the federal administration are fair. To solve the problem, the federal government appointed a commission to analyze the financial situation of Baja California. The commission concluded that the resources received by the state of Baja California in 1991 were 13.5 per cent greater than what the state generates in federal taxes. This was a strong defeat for the governor. Espinoza Valle, op. cit., p. 275. In a personal interview Ruffo claimed that the federal government’s commission omitted a significant number of tax payers; and that this was the reason why the results were unfavorable to the state. Personal interview, Tijuana, April 1997.
the federal authorities "warned him that he would obtain more financial resources only if he refrained from raising these issues in public".27

Since Ruffo did not refrain from this combative attitude, he was "punished" by the federal government. As he said, "during the first two years of my administration I received a greater flow of resources from the federal government than during the last four years, that is, after I publicly raised the participaciones issue and fought with the finance minister".28 I shall elaborate on this point below.

It is against this background that governor Barrio's more conciliatory attitude towards the federal government has to be evaluated. Since he took office in 1992, Barrio has been accused particularly in the national press of adopting an overly conciliatory and suspiciously friendly attitude towards the Federal administration and the Partido Revolucionario Institucional (PRI), of excessively praising President Salinas' accomplishments, and of closing ranks with the PRI to attack the PRD. In its most extreme form, Porfirio Muñoz Ledo, PRI's national leader, said that "Barrio is nothing but a PRIista in disguise...Barrio's attitude invalidates the very nature of the opposition when he proclaims himself as an admirer and follower of the leader of the main contending party.29

Francisco Barrio's more conciliatory position stems in part from governor Ruffo's experience. Barrio, who was known in the early 1980's for his aggressive and combative attitude, perceived that a more combative strategy would not yield favorable economic and/or political results. But in great part, his conciliatory attitude also stems from a more pragmatic approach derived from the experience of being in office. Barrio recognized that centralism and presidentialism cannot be changed overnight and that a state is too weak to fight alone against such a deeply rooted political tradition.30 In contrast to Ruffo, Barrio abstained from publicly confronting the federal government and advocating for a fairer revenue sharing system. Instead, he negotiated his differences with the federal authorities behind closed doors.31 What this strategy implies is to accept the centralist structure of power as a fact. Barrio justified his conciliatory attitude arguing that as any other gover-

27 Interview with governor Ernesto Ruffo, Guadalajara, Jalisco, March 1995.
28 Personal interview, Tijuana, April 1997.
29 El Norte, October 28, 1993. Muñoz Ledo's criticisms have to be analyzed in the context of the unequal treatment the PRD has received from the government compared to the PAN. While the government has recognized PANista victories in several states, it has consistently refrained from tampering with electoral processes where the main contending party is the PRD. The most notable case were the elections in the state of Michoacán in 1992, where after allegations of fraud, the PRD was strong enough to bring about the resignation of the elected governor, but not strong enough to impose a PRD interim governor.
30 Chihuahua's government has decided not to make an issue over the participaciones. However, together with other fourteen states, they are negotiating with the federal authorities to change the criteria used to estimate the amount of these federal transfers. Interview with Alberto Herrera, State Finance Director, Chihuahua August, 1994.
31 Interview with Francisco Barrio, Mexico City, May, 1993.
nor, having good relations with the federal government is something that should be praised rather than condemned.\textsuperscript{32}

Although Barrio’s conciliatory attitude towards the federal administration alienated hard core PANista supporters who expected from him a stronger and more assertive defense of regional autonomy, financially, his more pragmatic approach was successful. According to both the State's Finance Director and Planning Director (Director de Finanzas and Director de Coordinación de Planeación y Evaluación), Chihuahua was not discriminated against by the federal government in the allocation of resources. To the contrary, during the Salinas' administration, the governor’s requests were met expeditiously and the discretionary power of the executive was used in his favor.\textsuperscript{33}

If we analyze the behavior of federal public investment in the states of Chihuahua and Baja California, it becomes evident that from 1988 to 1994, the volume of investment in Chihuahua was higher. While in 1988 federal public investment in Baja California was greater than in Chihuahua, since 1988 and only with the partial exception of 1993, Chihuahua received more resources. Furthermore, while in both states federal public investment has been decreasing in real terms since 1988, in Chihuahua this decrease has been less erratic. Between 1991 and 1992, federal public investment decreased 28.1 percent, from 1992 to 1993 it decreased 3.2 percent, and from 1993 to 1994 it decreased 2.1 percent. Baja California, in contrast experienced a more fluctuating pattern with steeper falls of federal public investment. Between 1988 and 1989, federal public investment decreased in real terms 17.2 percent, from 1989 to 1990 it increased 4.9 percent only to fall again 34.72 percent between 1990 and 1991. Since 1990 and with the exception of 1993, federal public investment has decreased dramatically. See Table 1 and Table 2.

If we analyze the flow of resources for the alleviation of poverty, the so-called PRONASOL program, a similar picture emerges. Chihuahua received a greater share of resources than Baja California. See Table 3. While more research is necessary to arrive at any conclusions on the distinct patterns of federal government expenditures in different states, it is possible to suggest that compared to Baja California, Chihuahua received a more favorable treatment by the federal government.

While the share of federal public investment and other federal expenditures may be used as an indicator of the governor's negotiating capacity and his relationship with the president, the federal government has other, more subtle ways to reward or punish state governors. It can condition the flow of resources to tighter norms and regulations, it can block the governor's decision-making capacity by targeting the resources to particular ends, and more importantly, it can increase the proportion of matching funds the state needs to spend in a variety of federal investment programs. According to Ruffo, after he

\textsuperscript{32} After some journalists criticized his conciliatory relationship with president Salinas de Gortari he responded: “When a governor has good relations with the federal government, he is usually acclaimed and allowed to do his job. Why now when I have such good relations, does this becomes objectionable and is criticized? I do not understand”. \textit{El Financiero}, November 8, 1993.

\textsuperscript{33} Interview with Alberto Herrera, Director de Finanzas, and Elias Saad Ayub, Director de Coordinación y Evaluación, Chihuahua, August, 1994.
confronted the finance minister, the federal government increased the number of restrictions and conditions attached to the resources allocated to the state. As he said, "if you are in good terms with God, you have a right to the candies. You are considered as a member of the family. If you are a rebellious son, you suffer the consequences".

In contrast to Ruffo, Barrio faced less restrictions in the allocation of federal resources to the state. According to him, he was able to reduce the proportion of matching funds needed for public investment projects. He negotiated with the federal government to lower the state's percentage of co-participation from 50 to around 20 percent. Furthermore, Barrio was granted greater freedom to decide where to invest and what projects to support.

As I argued above, while financially Barrio's strategy was more successful, politically this was not the case. According to a PANista local deputy in Chihuahua, many PAN's supporters resented the governor's attitude and considered his pragmatism as a betrayal of the principle of regional autonomy, a principle they have fiercely defended over the years and which they see embodied in a more confrontational attitude.

It is possible to conclude that while securing an adequate flow of resources is critical for a state, the public regards the issue of regional autonomy as a more important goal. While the benefits associated with a greater flow of resources are difficult to perceive, people immediately recognize a governor who adopts a combative strategy in his struggle for greater state autonomy.

**Stretching Links with the Electorate:**

**State-Society Linkages**

One of the most important differences between the PRI and the PAN stems from each party's internal organizational structure and its types of ties to their constituencies. These ties strongly condition the parties' room for maneuver once they are in power. While the PRI has a corporatist structure and thus strongly depends on the political mobilization and support of its sectorial organizations, the PAN has a more atomized organizational structure which depends on the support of individual citizens and consequently appeals to the electorate at large. A PRIista government is bound by its commitments to a variety of powerful sectorial political groups (cacicazgos) which support the PRI in exchange for the satisfaction of particular demands. While this clientelist operating practice limits its capacity to introduce far-reaching reforms, it allows PRIista governments to maintain more permanent ties with its electorate.

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34 Personal interview, Tijuana, April 1997.
35 Interview with Francisco Barrio, Mexico City, May 1993.
36 Interview with Deputy Javier Corral, Chihuahua, August 1994.
The PAN, in contrast, comes to power with fewer “strings attached” because it does not depend on a corporatist and clientelistic support base. It therefore needs to rely more heavily on its performance in government as a source of political support. Although many PANista public officials lack former experience in public office and consequently, they often have little political sensibility, they have greater freedom to fight against powerful corporatist political groups, to bypass their leaders and thus fragment their bases of support.

In both Baja California and Chihuahua, the government confronted the corporatist groups strongly linked to the PRI: teachers, transportation workers, ejidatarios, bureaucrats, and the residents of the colonias, the low-income neighborhoods. In all of these cases, the government attempted to erode the leaders’ corporatist bases of support by providing goods and services directly to the rank and file, without the mediation of these leaders.

Behind these conflicts with organized power groups linked to the PRI, is an effort by the PANista administrations to weaken the deep-rooted corporatist structure of power and to fragment the power of traditional corrupt local leaders. The PANistas believe they must redefine the links between the government and civil society along non-corporatist lines. Although this perspective has an ideological root, it also has a pragmatic angle. In order to distinguish themselves from the PRI, PANistas believe they must show the electorate that a different style of administration characterized by a non-partisan distribution of public goods and services and by a genuine separation between the party and the government structures is more effective in meeting the many demands of the population. Furthermore, weakening the corporatist structure of power and altering the rules of the political game is deemed critical in assuring the PAN that in the event of an electoral defeat in future elections, the party—or any other opposition party for that matter—is able to maintain a strong presence in politics and continue to exert a powerful influence in the process of decision making. Finally, many PANistas believe that combatting corporatism is necessary to eradicate one of the many sources of corruption. The latter is perceived as one of the most serious and threatening problems of Mexico’s political system.

However, PANista administrations face a structural problem. While the PAN has a clear ideological stance against corporatism, it lacks an alternative strategy for forging more permanent links with the electorate. The PAN conceives itself as a party of citizens based on individual and voluntary affiliation. It lacks organic links to grassroots organizations and rejects the idea of building a mass-based party organization. More importantly,
it rejects patronage and clientelism as forms of political mobilization. This is a practice they associate with the PRI with which they do not want to be associated.\(^{39}\)

While the PAN has been successful in mobilizing people for electoral contests, once the party wins an election, it tends to contract. The experience in Baja California and Chihuahua in this respect is similar. In both states the party failed to construct new links with civil society after it won the elections. The party not only remained inactive in between electoral periods, it also failed to support its own government.

Faced with this problem, Barrio and Ruffo also adopted radically different strategies to link themselves to their electorates. After his third year in office, Ruffo realized he needed to forge closer ties to the community. As he said,

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\text{I waited for citizens to organize and tell me what to do, but nothing happened. I realized I had to think as a PRIista and become involved with its own logic. I basically decided I needed to go to the communities, encourage people to organize for community projects, and rip the political benefits of these efforts.}^{40}\]

Ruffo designed a social program called Manos a la Obra and created a government's agency, the Secretaría de Desarrollo Social to implement it. The program involved appointing political activists throughout the state to help people organize for different construction projects. This was a program similar to that of PRONASOL, but with PANista agents. Ruffo admitted this kind of political activity was necessary to reach the community at large. "I resembled a mayor more than a governor. I went out to the streets". In the end, his strategy worked. The PAN won the 1995 election for the second time.

In contrast to Ruffo, Barrio adopted a more administrative approach to government. He believed the electorate would reward the party for its government performance. During his first three years in office, he gave greater emphasis to “putting the house in order”, that is, balance the budget, increase government's efficiency in the provision of goods and services, combat corruption, introduce new norms for regulating government's activities and promote an important Constitutional reform. Although Barrio was successful in these endeavors, he lost touch with the electorate.\(^{41}\) Barrio was convinced that the administrative reforms he introduced were necessary, even if the results were not evident to the general public. He received numerous criticisms for being insensitive to the public and looking more like an administrator rather than a politician.\(^{42}\) In opinion polls conducted by his own administration, the public complained that the governor was too de-

\(^{39}\) See my article, "The Costs of Electoral Success: The Partido Acción Nacional in México", mimeo.

\(^{40}\) Interview with Ernesto Ruffo, Tijuana, April 1997.

\(^{41}\) See Alberto Aziz Nassif, Territorios de Alternancia. El primer gobierno de oposición en Chihuahua, México: Triana Editores, 1996. See also my article, "Administrar o Gobernar?", op. cit.

\(^{42}\) See Alberto Aziz Nassif, op. cit., p. 53
tached and removed from the realities and needs of the general public. However, it was not until the elections of 1995, when the PAN faced a dramatic loss of support, that the governor recognized that something in his administration had gone wrong and that he needed to establish closer ties to society.

It is evident that while Barrio remained closer to PANista ideology with respect to government's role in public affairs, Ruffo went a step further. He became involved in community work in a manner similar to that of the PRI. As a former public official in Chihuahua said, "Barrio behaves as if we were living in a democratic country with organized citizens. This is a fiction. Democratic practices have to be created". In Baja California, on the other hand, Ruffo believed that it was politically unrealistic to stick to the PANista belief that the party is supported by free willing citizens. "The PAN is ahead of its time; it conceives itself as a party of citizens, but Mexican society still operates under a feudal logic".

In terms of electoral support, Ruffo's strategy was more successful. As Juan Antonio García Villa, Secretary General of the PAN admitted, "it is true that where the PAN was able to locate political operators in critical areas, it won the elections. In Chihuahua this was not done in time and this is why we lost".

Conclusions

Federalism remained inert in Mexico because of the lack of political competition and the consequent absence of political diversity and plurality. As a result, cooperation between the different federal entities turned into subordination towards the federal government. This subordination had two political effects: it weakened state and municipal authorities vis a vis the federal government (both in financial and legal terms), and it made local authorities unaccountable and insensitive to their own constituencies. The accountability relationship was directed towards the president. Since it was the latter who controlled and defined the governor's political careers, governors had more incentives to please the president than to respond to their own communities.

Political competition has begun to erode these institutional foundations of subordination. Federalism begins to become an issue of central importance in the political agenda. This represents a positive step towards democracy. Until recent years, the issue

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43 These surveys were given to me by Salvador Beltrán del Rio, the representative of Chihuahua's government in Mexico City.
44 Aziz Nassif, op.cit, p. 53. In 1995 Barrio introduced a social program called Jalemos Parejo which seems similar to the one introduced by Ruffo in Baja California. More research is necessary to analyze the evolution and the results of this program.
46 Interview with Ernesto Ruffo, Tijuana, April 1997.
47 Interview with Juan Antonio García Villa, Mexico City, October 1996. It is important to mention that in Baja California it was not the PAN but the government who placed political agents in critical areas.
of fair electoral competition dominated the democratic discussion in Mexico. Today, other more substantive issues begin to be raised. Once electoral transparency ceases to be the main focus of discussion, the debate centers on what do legitimately elected authorities do with the power they have. How do they start to change Mexico's deeply rooted political practices? A central issue in this debate is how states can acquire more autonomy vis a vis the federal government. As I argued in this paper, state autonomy depends not only on the governor's capacity to attract more financial resources from the federal government, but also on his ability to build institutional mechanisms to respond and become accountable to his own constituency. Federalism thus requires not only richer states but also state authorities more responsible to their own communities.
### Table 1
Federal Public Investment in Chihuahua and Baja California
(Millions of pesos)

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*Refers to authorized public investment.

### Table 2
Federal Public Investment in Chihuahua and Baja California
as a Percentage of Total Public Investment
(Millions of Pesos)

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*Refers to authorized public investment.
Table 3
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(Percentages)

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Source: John Scott and Erik Bloom Criterios de asignación para la superación de la pobreza,
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