

Do Old Habits Die Hard? A Statistical Exploration of the Politicisation of Progresá, Mexico's Latest Federal Poverty-Alleviation Programme, under the Zedillo Administration*

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Abstract. Under his administration (1994–2000), President Ernesto Zedillo replaced Pronasol, the targeted poverty alleviation programme created by his predecessor, with his own programme, Progresá. Pronasol had come under severe attack as a politicised federal welfare programme intended to generate votes for the PRI. In contrast, the Zedillo administration insisted that Progresá was a genuine poverty-alleviation programme devoid of any political agenda. The purpose of this article is to assess whether Zedillo's claim is valid. To do so, I build a statistical model with the aim of identifying the factors that may have influenced the reach of Progresá in 1999, an important year of electoral preparation for the July 2000 elections. The picture that emerges is not entirely clear-cut. On the one hand, poverty indicators played a key role in determining who should benefit from the programme. On the other hand, Progresá also displayed a political edge, revealing that, in certain respects, the executive and the PRI continued to resort to old tricks in an attempt to alter electoral results.

Until the momentous presidential elections of July 2, 2000,¹ the Partido Revolucionario Institucional (PRI), Mexico's long-standing ruling party, had never, since it first came to power in 1929, lost control of the executive branch of government. As head of state and leader of the PRI, the

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¹ The July 2000 elections were of historic importance because they brought the 71-year rule of the PRI to an end. For the first time since the PRI came to power in 1929 a candidate from an opposition party, Vicente Fox from the Partido Acción Nacional (PAN), won the presidency.

Mexican president traditionally enjoyed important metaconstitutional powers in the country's strongly presidentialist political system. More often than not, the dual task of the president as head of the executive and head of the PRI blurred the boundaries between party and state, giving the party privileged access to government resources. According to many scholars and political observers, the perceived partisan use that the federal government traditionally made of social services programmes and their delivery enabled the PRI not only to maintain overwhelming hegemony within the electorate but also to perpetuate its status as the 'official party'.² As one analyst has observed,

[t]o many voters a sophisticated patronage system ... made the Mexican government almost indistinguishable from the PRI ... The PRI's ability to remain in office ... [was] built on a combination of political savvy, questionable electoral practices, and the distribution of economic largess to the party faithful – a process that flood[ed] key districts at election time with generous amounts of government investment in public works and social services.³

The Mexican regime was continually able to reproduce itself over time through, among other things, an ongoing process of political and material co-optation, which was 'based on the expectation that political influence or material benefits would be forthcoming in return for political support'.⁴ In this respect, the PRI functioned as 'pragmatic coalition of interests':⁵ as long as the PRI acted as a welfare machine, it could count on the support of key constituency groups. Such clientelistic practices, scholars have argued, became particularly prevalent in highly marginalised areas, mostly among poor and largely uneducated populations who, because of their condition, could be more easily bought and co-opted through government gifts and aid.⁶

² See Kathleen Bruhn, 'Social Spending and Political Support: The 'Lessons' of the National Solidarity Programme in Mexico,' *Comparative Politics*, vol. 28, no. 2 (Jan. 1996), pp. 151–77; Jorge Domínguez and James McCann, *Democratizing Mexico: Public Opinion and Electoral Choices* (Baltimore, 1996); and Robert Kaufman, 'Dominant Party and Opposition Parties in Mexico: From Crisis to Reform to Crisis,' in Hermann Giliomee and Charles Simkins (eds.), *The Awkward Embrace: One-Party Domination and Democracy* (The Netherlands, 1999), pp. 173–91.

³ Michael Tangeman, 'Election Spending,' *Infrastructure Finance*, vol. 6, no. 4 (May 1997), p. 1.

⁴ Ruth Berrins Collier, *The Contradictory Alliance: State-Labor Relations and Regime Change in Mexico* (Berkeley, 1992), p. 53.

⁵ Denise Dresser, 'Salinistroyka Without Prinsnost: Institutions, Coalition-Building, and Economic Reform in Mexico,' unpubl. PhD. dissertation, Princeton University, 1994, p. 143.

⁶ In a searing critique, for example, well-known Mexican conservative pundit Luis Pazos attacked the patronage system promoted by the symbiotic relationship between the PRI and the state as a strategy to 'manipulate the poverty and ignorance [of certain sectors of the population] ... to buy them or fool them' for electoral purposes. See Luis Pazos, *Artículos de Luis Pazos* (23 June 1998).

After its creation in 1989 under President Carlos Salinas de Gortari (1988–1994), the Programa Nacional de Solidaridad (Pronasol) became particularly susceptible to such criticisms. In principle, Pronasol was an executive initiative designed to channel funds for public works projects to impoverished rural and urban communities that were particularly hard-hit by the market-oriented policies pursued by the Salinas administration. More specifically, Pronasol aimed at ‘developing health, education, nutrition, housing, employment, infrastructure, and other productive projects that would benefit the 17 million Mexicans who live in extreme poverty’.⁷

However, to many observers, Pronasol was also a programme driven by political considerations. According to such critics, the programme was intended to boost the electoral fortunes of the PRI after the setbacks the party experienced in the 1988 presidential elections – when Cuahutémoc Cárdenas, a former high-ranking member of the PRI and leader of the left-of-centre party now known as the Partido de la Revolución Democrática (PRD), mounted the greatest electoral challenge the system had ever encountered. As Peter Ward has put it, Pronasol represented ‘a key source of potential patronage with which to win friends and influence people’.⁸ Indeed, by the 1991 mid-term elections, the PRI seemed to have recovered much of the electoral territory it had lost to the PRD in 1988, while the PRD appeared to have lost considerable momentum. Moreover, the PRI, with Ernesto Zedillo as its presidential candidate, easily won the 1994 elections, and, in sharp contrast to 1988, the vast majority of the population accepted the results. It has by now become widely accepted that Pronasol, or ‘PRInasol’, as the programme came to be known in popular usage, played an important role in facilitating the party’s remarkable recovery during the Salinas years.⁹

But as the country prepared for the presidential elections of July 2000, President Ernesto Zedillo emphasised that much had changed in Mexico since he came to power in 1994. Insisting from the beginning of his *sexenio* that he intended to establish a ‘healthy distance’ between the presidency and the PRI, and that he would abide by the rule of law rather than seek

⁷ Dresser, ‘Salinistoiika Without Prisnost’, p. 196.

⁸ Peter Ward, ‘Social Welfare Policy and Political Opening in Mexico,’ in Wayne Cornelius, Ann Craig and Jonathan Fox (eds.), *Transforming State-Society Relations in Mexico: The National Solidarity Strategy* (San Diego, 1994), p. 61.

⁹ For further reading on Pronasol, see Collier, *Contradictory Alliance*; Cornelius, Craig and Fox (eds.), *Transforming State-Society Relations*; Dresser, ‘Salinistoiika without Prisnost’; Judith Adler Hellman, ‘Mexican Popular Movements, Clientelism, and the Process of Democratization,’ *Latin American Perspectives*, vol. 21, no. 2 (Spring 1994), pp. 124–42; and Victoria Rodríguez, *Decentralization in Mexico: From Reforma Municipal to Solidaridad to Nuevo Federalismo* (Boulder, 1997).

to govern through presidential metaconstitutional powers, Zedillo launched a project of political decentralisation that came to be known as New Federalism. In terms of welfare politics, Zedillo's pledge to reform the system included the commitment that, under his administration, assistance to the poor would no longer be politicised. Thus, in August 1997, Zedillo introduced a new federal programme that replaced Pronasol as the latest executive initiative to combat poverty. According to Zedillo and his team, the Programa de Educación, Salud y Alimentación (Progresá), did not suffer from the limitations widely perceived to have plagued Pronasol. Unlike Pronasol, it was claimed, the new programme was genuinely apolitical. Progresá was committed in its entirety to the task of enabling those living in extreme poverty to break away from the cycle of poverty by improving the education, health and nutrition indicators of households living under highly marginalised conditions.

This article attempts to assess the validity of the Zedillo administration's claim that Progresá was a welfare programme devoid of a political bias. In the context of the deepening of Mexico's democratisation process, accelerated by the losses the PRI incurred in the 1997 mid-term elections (including losing its absolute majority in the Chamber of Deputies for the first time in history) and by the state reform efforts introduced by Zedillo, did the PRI continue to rely on the use of executive programmes like Progresá to attempt to win, buy and/or co-opt votes, or did the party adjust to competitive politics in a different manner? The aim of this article is not to analyse whether the PRI was ultimately successful in mobilising electoral support for the 2000 elections through the politicisation of social welfare assistance (clearly it was not). The focus is on the means adopted by the PRI and not on the ends. To frame the question differently: irrespective of outcomes, did old political habits persist despite the formal commitment made by the Zedillo administration to delink the PRI from the state?

To assess the politicisation of Progresá for electoral purposes, the article builds a statistical model that identifies the factors – socio-economic and political – that may influence the breadth and scope of the programme. This model draws on Juan Molinar and Jeffrey Weldon's 1994 statistical study, titled 'Electoral Determinants and Consequences of National Solidarity', which analyses the different factors that affected Pronasol expenditures at the state level in 1990, in preparation for the mid-term elections in 1991.¹⁰ Incorporating some of their insights while expanding their model to include a different operationalisation of Progresá, the

¹⁰ Juan Molinar and Jeffrey Weldon, 'Electoral Determinants and Consequences of National Solidarity,' in Cornelius, Craig and Fox (eds.), *Transforming State-Society Relations*.

article tests the extent to which, in the build-up toward the July 2000 elections, Zedillo's programme responded to poverty-related criteria on the one hand and political and electoral considerations on the other. Following Molinar and Weldon, it analyses Progresá in 1999, the year prior to the elections, and its relationship to the three main political parties in Mexico, the PRI, the PRD, and the right-of-centre Partido Acción Nacional (PAN),¹¹ whose candidate Vicente Fox won the July 2000 presidential electoral contest. As elaborated below, the picture that emerges from this analysis is not entirely clear-cut, making Progresá's characterisation as either a strictly poverty alleviation programme or a vote-mobilising machine unresponsive to poverty criteria problematic. On the one hand, poverty indicators played a key role in determining who should benefit from the programme, but on the other Progresá also displayed a politicised component. Undeniably, Mexico held the cleanest elections in its modern history last July 2000, but, in certain respects, the executive and the PRI continued to resort to old tricks in an attempt (albeit unsuccessful) to alter electoral results.

This article is organised as follows. After outlining the basic elements of Progresá, Zedillo's targeted poverty alleviation initiative, in the context of New Federalism, it turns to the fundamental issue: did Progresá have a political bias, or did it not? In order to address this question through a systematic analysis of empirical evidence across Mexico's 31 states, the article begins by providing an overview of Molinar and Weldon's study and of their key conclusions. It then specifies the components of the present model and analyses the main empirical findings. It ends by outlining key conclusions of the analysis.

I. Progresá in the context of New Federalism

If Salinas took office in late 1988 under a cloud of suspicion and recrimination, Zedillo also began his term confronting serious challenges to his political authority. To begin with, Zedillo did not enjoy strong backing from his party – after all, he was a second-choice presidential candidate who arrived at the presidency only after Luis Donaldo Colosio, the presidential successor originally picked by Salinas, was assassinated a few months before the July 1994 election. In addition, by late 1994, Mexico was in the throes of political turmoil, as witnessed by a number of high profile political assassinations and kidnappings, as well as by growing corruption and violence associated with drug-trafficking. Finally,

¹¹ The PAN, Mexico's oldest opposition party, was founded in the 1930s as a middle class group opposed to what it perceived as the radical policies of President Lázaro Cárdenas.

a few weeks after Zedillo's inauguration in December of that year, the Mexican peso crashed, triggering one of the most severe economic crises the country had ever experienced. Against this backdrop of political and economic instability, Victoria Rodríguez has argued, Zedillo had no choice but to undertake a project of state and party reform geared toward the redistribution of some power and authority. As she put it, 'Zedillo's reality [was] ... to survive by decentralising'.¹² The need to decentralise became even more imperative after the 1997 mid-term elections, when the PRI lost its absolute majority in the lower house of congress for the first time in its history. This event represented a watershed because it meant that the Mexican president could no longer guarantee that any legislation he presented to congress would simply be rubber-stamped, as had been the case until then. The opposition in congress finally acquired real political force, obliging the president to find allies in the lower house in order to get legislation approved.

Thus, under the banner of New Federalism, Zedillo came to embrace a project of decentralisation that involved reforms at several levels: within the party; in the relationship between the party, the state and the presidency; in the relationship between the executive and the other two branches of government; and in the electoral arena. Above all, Zedillo committed himself to govern in strict adherence to the rule of law. As he put it, 'the president of the republic should not have or exercise any powers other than those explicitly conferred on him by the Constitution and the law'.¹³ Under the New Federalism initiative, political decentralisation accelerated, with increasing power, authority and resources being transferred from the executive government to authorities at the state and municipal level, as well as to the legislative and judiciary branches of the federal government. Thus, with the growing deflation of presidential authority, other actors, ranging from state governors and municipal presidents to legislators, acquired increasing power in decision-making processes.¹⁴

In terms of welfare politics, Zedillo's New Federalism eventually entailed the dismantling of Pronasol, which the new administration

¹² Rodríguez, *Decentralization in Mexico*, p. 141.

¹³ Presidencia de la República, *Second State of the Nation Report. Ernesto Zedillo* (Mexico City, 1996), p. 22.

¹⁴ See Victoria Rodríguez, 'Recasting Federalism in Mexico,' *Publius: The Journal of Federalism*, vol. 28, no. 1 (Winter 1998), pp. 235–51; Robert Kaufman and Guillermo Trejo, 'Regionalism, Regime Transformation, and PRONASOL: The Politics of the National Solidarity Programme in Four Mexican States,' *Journal of Latin American Studies*, vol. 29, part 3 (Oct. 1997), pp. 717–45; and Guillermo Trejo and Claudio Jones, 'Political Dilemmas of Welfare Reform: Poverty and Inequality in Mexico,' in Susan Kaufman Purcell and Luis Rubio (eds.), *Mexico under Zedillo* (Boulder, 1998), pp. 67–99.

criticised for its centralised, (neo)populist, and politicised nature. In an effort to dissociate himself from the discredited Salinas administration and to demonstrate his commitment to federalism, Zedillo agreed to transfer two thirds of the budget and resources that had formally been managed by Pronasol under the Secretaría de Desarrollo Social (Sedesol), the ministry in charge of social development, to state and municipal governments. Thus, while in 1995 only 20 percent of Sedesol's budget was managed directly by states, and, below them, municipalities, by 1997, 65 percent of Sedesol's budget had been decentralised.¹⁵ As a result, the federal government and, ultimately, the president, came to have direct control only over a much smaller pool of resources. In the process, as Robert Kaufman and Guillermo Trejo have argued, Zedillo 'surrendered to state governments key welfare resources that had been available to the federal government since the 1970s'.¹⁶ However, it is important to keep in mind that, while the Zedillo administration did engage in substantial decentralisation of resources, the executive was able to retain control over the extent of devolution contained in the reform project. And while there was a significant shift in Sedesol's ostensible control of the social welfare budget, it still remained true that federal officials continued to exercise authority by earmarking regional and social development funds sent to municipalities.¹⁷ In the end, as Ward and Rodríguez have noted, the extent and pace of decentralisation remained far from uniform across states.¹⁸

Still, the agenda of New Federalism did bring about important changes in federal initiatives to combat poverty. In August 1997, the Zedillo administration launched the Programa de Educación, Salud y Alimentación (Progresá) to replace Pronasol as the latest executive effort to provide assistance to those living under highly marginalised conditions. While Pronasol had been widely criticised for the clientelistic and neo-populist practices embedded in the programme and the excessive centralisation of power and political protagonism that characterised its implementation, the creators of Progresá insisted from the beginning that Zedillo's programme would not suffer from such shortfalls because, unlike its predecessor, it did not have a political agenda. According to the Zedillo team in charge of Progresá, with the disappearance of Pronasol, the logo that identified it with the PRI, the discretionary power of the

¹⁵ Adriana Castillo Román, 'Municipios ejercen directamente el 65% de los recursos de Sedesol,' *El Nacional*, 8 Oct. 1997.

¹⁶ Kaufman and Trejo, 'Regionalism, Regime Transformation, and PRONASOL', p. 727.

¹⁷ Rodríguez, 'Recasting Federalism', p. 252.

¹⁸ Peter Ward and Victoria Rodríguez, 'New Federalism, Intra-governmental Relations and Co-governance in Mexico,' *Journal of Latin American Studies*, vol. 31, part 3 (Oct. 1999), p. 709.

executive in allocating resources, and the political misuses of the programme in search of votes would disappear as well. As Santiago Levy, deputy finance secretary and Progresas's main architect, put it, '[t]he idea was to break a cycle where the emphasis was on squeezing out political juice and to replace it with something that really helps the poor'.¹⁹

Since about two thirds of the funds formally managed under Pronasol were transferred to the state and local government level during the Zedillo administration, Progresas's budget was much smaller than Pronasol's ever was. However, Progresas grew considerably since the programme was created. While in 1997 it included only 400,000 households in a total of eleven states, by the end of 1999, Progresas benefited 2.3 million households in all thirty-one states in Mexico and covered 2.6 million households by the end of 2000.²⁰ By 1999, the programme accounted for 15 percent of the total social spending budget.²¹ While the focus of this article is on the Zedillo administration, it should be noted that Progresas has not been discontinued with the transfer of power from Zedillo to Fox. On the contrary, under the new president, the programme's budget has been increased, and by the end of 2001, 3.2 million households are expected to become programme beneficiaries.²²

Progresas's goal is 'to expand the opportunities and complement the income of millions of households in Mexico that live in highly marginalised conditions in order to enable them to achieve higher levels of well-being'.²³ In particular, the programme seeks to allow households living in extreme poverty to meet their basic necessities in the areas of education, health and nutrition so that household members can develop the qualifications and skills they need to break the cycle of poverty.²⁴

¹⁹ Jonathan Friedland, 'Signs of "PROGRESA": Mexico Tries to Take Politics Out of Welfare and Focus on Neediest,' *Wall Street Journal* (15 Oct. 1999).

²⁰ 'Nota de Prueba', *Reforma* (25 Nov. 1999).

²¹ Of the total social spending budget, as has already been noted, 65 percent goes directly to the state and local governments. This means that the federal government remains in charge of 35 percent of the budget, and slightly less than half of that amount is destined to Progresas. See 'En 1999, el Gobierno Federal destinará 11 pesos con 59 centavos diarios por persona para atender problemas de pobreza en el país,' *La Jornada* (16 Nov. 1998).

²² See Sedesol's webpage at <http://www.sedesol.gob.mx>

²³ Poder Ejecutivo Federal, *Progresas: Programa de Educación, Salud y Alimentación* (Mexico City, 1997).

²⁴ In essence, Progresas defines extreme poverty in the following way. It compares the income per capita of a household with the cost of a basic basket of goods for consumption, creating through this method an extreme poverty line. Households whose income falls below this line are considered extremely poor. This poverty line is fixed at \$1,738 pesos of 1977, according to an index undertaken by the Coordinación General del Plan Nacional de Zonas (COPLAMAR). However, in its estimation of extreme poverty, Progresas looks beyond household income and incorporates other

Progresas's monetary subsidies for education, health care and nutrition are distributed in cash at the household level, and it is the mother of the household who receives the funds directly. In addition to cash subsidies, Progresas also grants scholarships and school supplies for children in elementary and junior high school, nutritional supplements for children up to five years of age and for pregnant women and women who are breast feeding, and free medical consultations and preventive care in an attempt to improve public health.²⁵ In order to promote a sense of co-responsibility among programme beneficiaries, Progresas assistance is conditioned on fulfilling a set of commitments that include, among other things, enrolling children in school and periodically attending the local clinic for health check ups.

For the most part, Progresas has a rural focus, since the most severe cases of extreme poverty and marginalisation are concentrated in rural communities. However, as John Scott has noted in his recent evaluation of the programme, by mid-1999 Progresas was providing assistance not only to rural areas but to marginalised urban areas as well, reaching out, for example, to 67 percent of the total number of urban households considered to be living under the highest levels of marginalisation.²⁶

In theory, at least, Progresas benefits are allocated in a transparent, non-discretionary fashion that leaves virtually no room for electoral manipulation. As stated in a report by Sedesol evaluating the first results of Progresas in 1999:

the selection of the places where Progresas operates and of the families in extreme poverty is carried out through objective criteria and rigorous methods that ensure the same basis for comparison at the national level. Through these procedures, the transparency and effectiveness in targeting actions toward the population living in conditions of extreme poverty can be ensured.²⁷

In principle, the emphasis that Progresas functionaries have placed on transparency and objective criteria represents an enormous improvement over Pronasol, which lacked clear and impartial mechanisms to identify programme beneficiaries and left most allocation decisions to the discretion of Sedesol and so, ultimately, to the executive.²⁸

factors it has deemed important in assessing the relative well being of households. These factors include gender composition and size of households, age, years of schooling and labour activities of household members, and ownership of domestic goods. See Poder Ejecutivo Federal, *Programa de Educación, Salud y Alimentación*, pp. 8–9.

²⁵ Nydia Iglesias, '¿Qué Política Social?', *Nexos* (1 Jan. 2000).

²⁶ See John Scott, *PROGRESA: Una Evaluación Preliminar* (Mexico City, 2000), p. 24.

²⁷ Progresas, *Evaluación de resultados del Programa de Educación, Salud y Alimentación: Primeros avances, 1999* (Mexico City, 1999), p. 17. Report obtained from Sedesol's web page.

²⁸ See Scott, *Evaluación Preliminar*, pp. 14–15.

Families that become Progresá beneficiaries are identified through a three-stage process. First, the most marginalised municipalities and localities of the country are identified through an index of marginalisation that was created using aggregate data on the basic characteristics of households in communities of different sizes.²⁹ Then, in census-fashion, socio-economic data is collected from each household. Finally, the list of benefited households obtained through the first two steps is presented to the members of each community so that they can make comments.³⁰ In addition, in an effort to further stimulate the transparency and accountability of the programme, the lists of households benefited by Progresá become part of the public record.

Do the empirical facts bear out the assertion of the Zedillo administration that Progresá was a new kind of poverty alleviation programme that is genuinely apolitical and objectively focused on those who are most in need? In an attempt to reinforce the non-partisan character of his poverty alleviation programme, President Zedillo repeatedly stressed from the creation of the programme that Progresá belongs to those who are in need, regardless of their political affiliations. For example, addressing a crowd in Oxchuc, Chiapas, the president told his audience:

The Progresá Programme belongs to all of you; Progresá is a programme that the Government has created with resources that the Mexican people have given to it. It is not fair that Progresá or any other government programme be used for electoral purposes ... The Government has its responsibilities, and political parties have theirs. Let us keep those separate. If someone approaches you and tells you that in exchange for the benefits of the programme you have to vote for this or that party, report that person because he or she is committing a crime ...³¹

However, other political analysts and observers did not necessarily share Zedillo's assessment that federal poverty alleviation programmes in general, and Progresá in particular, were devoid of a political agenda. For example, when analysing the PRI's victory in the state elections in Yucatán in July 1998, Alianza Cívica, Mexico's foremost watchdog organisation, found that

[i]n Yucatán, the impunity of the government, which bought and coerced voters until the very end, won the elections ... The use of public programmes for electoral purposes undermined the right of the citizens of Yucatán to vote freely.

²⁹ The databases include the *XI Censo General de Población y Vivienda 1990*, the *Conteo de Población y Vivienda 1995*, and the *Catálogo de Integración Territorial 1995*, all compiled by the Instituto Nacional de Estadística, Geografía e Informática (INEGI).

³⁰ See Progresá, *Evaluación de resultados del programa*.

³¹ Ernesto Zedillo, speech delivered in Oxchuc, Chiapas, on 25 Jan. 2000. Translation by the author.

Taking advantage of the poverty and ignorance of the population, [the government] succeeded in creating great confusion in the minds of people who cannot tell the difference between partisan programmes and government programmes financed with our taxes.³²

Nor were complaints along these lines limited to the state of Yucatán. Anecdotal evidence of abuse surfaced in numerous places at numerous times. For instance, in what can perhaps be considered an ironic twist, Armando Aguirre, PRD deputy of Veracruz and co-chairman of the Commission of Social Development of the Chamber of Deputies from 1997 to 2000, noted that, during the internal competition within the PRI to select a presidential candidate, contenders Francisco Labastida Ochoa and Roberto Madrazo fought with each other to get the lists of Progresá beneficiaries, because political control over the programme was considered such a valuable asset.³³ Testimonies compiled by the Movimiento Ciudadano por la Democracia (MCD), another non-governmental organisation working to empower citizens through the protection and promotion of electoral rights, provide further illustration of the politicisation of Progresá benefits. Report after report prepared by the organisation chronicled multiple incidents of vote buying and voter intimidation in states like Chiapas, Guerrero, San Luis Potosí, Oaxaca, Tabasco and Puebla. Recipients complained that in exchange for Progresá benefits they were asked to pledge their vote to the PRI by signing their name on a list and providing their electoral card identification number.³⁴

In the run-up to the July 2000 elections, which side was right? This article attempts to address this question by elaborating a model that relies on Molinar and Weldon's work, and, to the extent possible, replicates their methodology for comparative purposes. Before launching into the full details of my analysis of Progresá, it is therefore important to provide a brief overview of Molinar and Weldon's work.

II. Overview of Molinar and Weldon's model and their main findings

In 1994, Molinar and Weldon developed a statistical model designed to identify the factors determining Pronasol expenditures. While, as argued above, many political analysts agree that Salinas's poverty alleviation

³² Martín Morita, "No apoyamos a la alternancia, apoyamos a los que ganen": Cervera,' *Proceso* (31 May 1998). Translation by the author.

³³ See Raúl Adorno Jiménez, 'Progresá, palanca electoral del PRI,' *La Crisis* (18 Dec. 1999). As will be discussed later on in this article, the PRI held primary elections to choose a presidential candidate for the first time in its history in November 1999.

³⁴ These reports can be accessed through the Movimiento Ciudadano por la Democracia's web page at: <http://www.laneta.apc.org/mcd/>

programme functioned largely as a vote-generating machine for the PRI, Molinar and Weldon were among the first scholars to provide systematic empirical evidence that the allocation of Pronasol funds was electorally driven.

Molinar and Weldon used per capita distribution of Pronasol expenditures among Mexico's thirty-one states in 1990 as their dependent variable.³⁵ Thus, their unit of analysis was the state. The authors chose 1990 as their year of inquiry because they considered it an important year of preparation for the 1991 mid-term elections. Importantly, Molinar and Weldon emphasised that, while it would have been desirable to focus on the electoral district level as the unit of analysis, '[they] used a model with only state-level disaggregation ... because ... [they were unable] to obtain more detailed data of Pronasol expenditures'.³⁶ As for their independent variables, Molinar and Weldon used both poverty criteria and political criteria that capture the distribution of electoral support among the three major political parties.

In their study, the authors concluded that, as the PRI positioned itself for the 1991 mid-term elections, the allocation of Pronasol funds in 1990 was not driven solely by poverty indices but also by political and electoral considerations.³⁷ Their findings reveal that the federal government used Pronasol allocations strategically in an attempt to undermine the opposition and to bolster the electoral fortunes of the PRI. Based on their results, Molinar and Weldon argued that the strategy pursued by Pronasol was threefold: it sought to reward PRI loyalists; (re)convert PRD supporters through a more generous allocation of funds in PRD strongholds; and punish supporters of the PAN by allocating less funds to states where the PAN was strong.

More concretely, in the case of the PRI, the authors found that 'there is no political effect when considering total Pronasol expenditures and the level of PRI support in a state, with or without local elections'. However, they added that 'this is an effect of contradictory strategies of Pronasol spending among the different programmes'.³⁸ When Pronasol expenditures were disaggregated into its different subdivisions, a strong relationship between Pronasol and the PRI could be identified in certain programmes, including *Solidaridad para la Producción* and *Infraestructura Básica de Apoyo*. In states where the PRD was strong, '[t]he government usually spent less money in states that gave more

³⁵ The dependent variable is specified as total Pronasol expenditures per capita per state, and as the programme's three main subdivisions, which include Pronasol Apoyo, Pronasol Productivo, and Pronasol Social. See Molinar and Weldon, 'Electoral Determinants and Consequences', p. 126.

³⁶ *Ibid.*, p. 136, fn. 10.

³⁷ *Ibid.*

³⁸ *Ibid.*, p. 132.

votes to Cárdenas ... , but when gubernatorial elections were scheduled ... [Pronasol expenditures increased considerably,] with the possible strategy of trying to reconvert these voters'.³⁹ As for the PAN, the findings suggest that Pronasol expenditures were used to pursue a different strategy: PAN strongholds 'got significantly less Pronasol money' when gubernatorial elections were scheduled for 1991, revealing an intention to punish rather than to convert voters.⁴⁰

III. Components of the model to identify the determinants of Progresá

Building on Molinar and Weldon's methodology, this article makes the assumption that two different types of variables – socio-economic and political – may affect the distribution and reach of Progresá funds.⁴¹ Thus, it attempts to explain the distribution and reach of Progresá expenditures relying on the following function:

$$\text{Progresá} = f\{\text{Poverty, Electoral Politics}\}$$

Given Progresá's explicit objectives, an important initial step in the analysis is to assess the extent to which the programme responds to poverty-related variables, especially in the areas of education, health and nutrition. Once poverty criteria are controlled for, the next question is to establish whether electoral and partisan tendencies can be detected in the programme. If, as maintained by the Mexican government under Zedillo, Progresá was an apolitical poverty alleviation programme, a model that incorporates both socio-economic and political criteria should find that only the first set of variables is significant in determining which households benefited from the programme. However, if Progresá did have a political bias, then political variables should emerge as significant in explaining how the benefits of the programme were spread across the population after poverty-related variables are controlled for. In other words, once all relevant variables that may have influenced the distribution of Progresá benefits are included in the model, the regression analysis will

³⁹ *Ibid.*, p. 134.

⁴⁰ *Ibid.*

⁴¹ Molinar and Weldon rely on a third type of variable – state and municipal budgetary considerations – which they operationalised as 'the sum of state and municipal fiscal revenues for the state (excluding federal transfers) in 1986' (Molinar and Weldon, 'Electoral Determinants and Consequences,' p. 124). However, it was decided not to incorporate this variable for two reasons. First, comparable data does not appear to be easily accessible today. Second, and more importantly, as discussed later on in the article, a scale was constructed to measure poverty levels in each state, using GDP per capita per state as one of the indicators. Molinar and Weldon were interested in including state revenue as a variable because, in their opinion, 'budgetary considerations should restrict allocation decisions' (Molinar and Weldon, 'Electoral Determinants and Consequences', p. 124). GDP per capita serves the same purpose.

reveal which ones are significant in explaining the outcome and which ones are not.

The function stated is tested using ordinary least squares (OLS) regression.⁴² As in the Molinar and Weldon study, the unit of analysis is the state, and the sample consists of Mexico's 31 states.⁴³ The Federal District is not included because it is not a recipient of Progresá funds.

Specification of the variables

A. Dependent variables

The dependent variable is specified through two different operationalisations of the breadth and scope of Progresá. In both cases Progresá data for the year 1999 is used. As noted, this was an important year of preparation for the elections in 2000. In addition it is the year in which the programme became national in scope.⁴⁴ Conceivably, if Progresá was in fact not entirely apolitical, aid distributed by the programme in 1999 could have been aimed at boosting the electoral fortunes of the PRI in 2000.

The following two dependent variables are considered:

- Progresá per Household: Progresá expenditures per household per state in 1999.⁴⁵
- Proportion of Benefited Households: proportion of households per state that were Progresá beneficiaries in 1999.⁴⁶

⁴² Corrected for heteroskedasticity by doing robust regressions in Stata.

⁴³ While it could have been interesting to focus on the municipal level, or even the electoral district level, the same lack of detailed, disaggregated and systematic data on Progresá at sub-state levels was experienced as that faced by Molinar and Weldon in the case of Pronasol.

⁴⁴ Only 1999 was considered because, for comparative purposes, it was desirable to follow the model developed by Molinar and Weldon as closely as possible. In addition, it seems that during its first two years in operation, Progresá was very limited both in terms of its budget and in terms of its reach. Thus, it may be more adequate to focus only on 1999 data to draw conclusions about the different criteria involved in determining Progresá's breadth and scope nation-wide.

⁴⁵ This figure was calculated by dividing total Progresá expenditures by state by the number of total households per state. Expenditures per household was used rather than per capita because Progresá operates at the household and not the individual level. The Progresá budget figures disaggregated at the state level were obtained from Ernesto Zedillo, *Quinto Informe de Gobierno* (Mexico City, 1999), pp. 266–7. Total Progresá expenditure per state was calculated by adding all of the expenditures of the different components of Progresá in each state, namely nutritional, health and education expenditures. The data on the number of households per state were obtained from INEGI, *Censo de Población y Viviendas* (Aguascalientes, 1995).

⁴⁶ This figure was calculated by dividing the number of households in a state receiving Progresá funds by the total number of households in that state. The data on the number of households benefited by state was obtained from Zedillo, *Quinto Informe*. The same data can also be found in Sedesol's web page.

B. Independent variables

As discussed above, it is assumed that there are two kinds of variables that may affect the allocation of Progresa funds and the proportion of programme beneficiaries: poverty and its associated variables, and political variables that measure electoral and partisan support.

i. Operationalising poverty

To measure the level of poverty in each of Mexico's 31 states, a poverty scale was constructed that combines both economic and social indicators.⁴⁷ This article uses a specially constructed scale rather than relying on already existing scales or Progresa's own indices in order to ensure that the underlying poverty measure incorporates indicators that are closely related to Progresa's logic. As Scott has argued, the scale that Progresa itself has developed to identify marginalisation levels is based on broader, more general conditions of poverty (such as households without water or electricity), and not on available measures of the specific problems that Progresa aims at alleviating.⁴⁸ By contrast, the scale used here includes four variables that are directly linked to the criteria explicitly set forth by Progresa to identify households that should be benefited by the programme (specifically households in highly marginalised rural areas with poor education, health and nutrition indicators). These variables are:

- Rural levels: proportion of a state's population living in communities of less than 2,500 inhabitants.⁴⁹
- Illiteracy: proportion of a state's population above fifteen years of age that cannot read.⁵⁰
- Infant mortality: infant mortality rate per state per 1,000 infants.⁵¹
- Malnutrition: proportion of children per state five years old and younger who suffer from malnutrition according to weight for the corresponding age.⁵²

⁴⁷ Factor analysis was used to construct the scale. A scale was constructed that incorporates various indicators of poverty because, in general, these indicators are highly correlated with one another, and therefore tend to be measures of the same underlying factor. In this case, that underlying factor is poverty. The appropriate tests were carried out to make sure that the new scale was both valid, in the sense that it is in fact measuring the intended concept, and reliable, in the sense that it is internally consistent. The scale used here passed each of these tests.

⁴⁸ See Scott, *Evaluación Preliminar*, pp. 30 and 33.

⁴⁹ This figure was calculated from data provided in INEGI, *Censo de Población*.

⁵⁰ This figure was calculated from data provided in INEGI, *Censo de Población*.

⁵¹ This data was obtained from INEGI, *Censo de Población*.

⁵² This data was obtained from Poder Ejecutivo Federal, *Programa de Educación, Salud y Alimentación*, p. 27.

Besides these four indicators, this poverty scale incorporates two additional variables which capture economic well-being at the individual level, and therefore should also be closely linked to underlying poverty levels. These variables are:

- Poor: proportion of the economically active population per state that earns less than one minimum salary a month.⁵³
 - GDP per capita: gross domestic product per state per capita.⁵⁴
- Through factor analysis, all these interrelated variables are combined to create a single Poverty factor that is both valid and reliable.⁵⁵

ii. Operationalising electoral politics

To capture electoral politics, all the variables used by Molinar and Weldon were updated. First, the strength of each of Mexico's three largest parties – the PRI, the PAN and the PRD – was assessed at the state level as they prepared to compete in the 2000 elections. The following independent variables were therefore included in the model:

- PRIvote97: PRI votes per state, divided by total valid votes, in the elections for federal deputies by relative majority in 1997.
- PRDvote97: PRD votes per state, divided by total valid votes, in the elections for federal deputies by relative majority in 1997.
- PANvote97: PAN votes per state, divided by total valid votes, in the elections for federal deputies by relative majority in 1997.⁵⁶

In addition, following Molinar and Weldon, it is assumed that the federal government had a vested interest in maintaining (or regaining) PRI control of state governments. In order to determine how Progresista assistance may have been affected by the scheduling of a gubernatorial election in a particular state in 2000 and by the strength of the different parties in that state the following variables were created:

- Election2000: a dummy variable that assumes a value of one in states in which elections for governor were scheduled in 2000, and zero otherwise.⁵⁷
- PRI97*Election: an interaction variable that is the product of PRIvote97 and Election2000. Its value is zero where there was no

⁵³ This measure was calculated from data provided in INEGI, *Censo de Población*.

⁵⁴ This data was obtained from INEGI's web page at <http://www.inegi.gob.mx>

⁵⁵ The factor loadings for each of the variables are: 0.825 for rural levels, 0.768 for illiteracy, 0.652 for infant mortality, 0.648 for malnutrition, 0.916 for poor, and -0.843 for GDP per capita. In general, variables with factor loadings equal to or greater than the absolute value of 0.5 are considered to be good measures of the underlying factor.

⁵⁶ The variables PRIvote97, PRDvote97, and PANvote97 were calculated using the electoral data provided by the Instituto Federal Electoral in its web page at <http://www.ife.org.mx>

⁵⁷ Information as to whether a state would hold a gubernatorial election in 2000 was obtained from the electoral calendar posted on IFE's web page.

gubernatorial election in 2000, and the value of PRIVote97 in states that would elect a governor.

- PRD97*Election: an interaction variable that is the product of PRDvote97 and Election2000. Its value is zero where there was no gubernatorial election in 2000, and the value of PRDvote97 in states that would elect a governor.

- PAN97*Election: an interaction variable that is the product of PANvote97 and Election2000. Its value is zero where there was no gubernatorial election in 2000, and the value of PANvote97 in states that would elect a governor.

IV. Analysis of the regression results

A. Progresa expenditures per household per state as the dependent variable

To assess with full confidence whether Progresa was apolitical or not, it is necessary to run a regression model that incorporates factors related both to poverty and to politics. In other words, if Progresa was crafted solely as a poverty-alleviation programme, then it should be the case that no causal relationship between political variables and Progresa expenditures per household per state emerges once poverty has been controlled for in the model. Because the sample of cases is relatively small and adding too many independent variables would create a problem with the degrees of freedom in the model, it was not run using the disaggregated socio-economic variables (illiteracy, rural levels, infant mortality, and malnutrition) separately as independent variables but rather using the Poverty factor by itself.

As the findings shown in Tables 1a, 1b, and 1c below indicate, in all three of the regressions run (with poverty and the political factors

Table 1a. *Determinants of Progresa Expenditures per Household per State (OLS)*

Dependent Variable: Progresa per Household

Variable	Coefficient	Robust Standard Error	t-stat
PRIVote97	0.1433478	0.5633685	0.254
Election2000	-0.5575394	0.3411259	-1.634
PR197*Election	1.294528	0.7695946	1.682
Poverty	0.17887*	0.0381178	4.693
Intercept	0.0602857	0.2820003	0.214

Number of observations = 31.

* denotes statistical significance at the 0.05 level.

R-squared = 0.5732.

Table 1b. *Determinants of Progresa Expenditures per Household per State (OLS)**Dependent Variable: Progresa per Household*

Variable	Coefficient	Robust Standard Error	t-stat
PANvote97	0.0009702	0.3279931	0.003
Election2000	0.096798	0.125338	0.772
PAN97*Election	-0.4848951	0.350348	-1.384
Poverty	0.188019*	0.0484837	3.878
Intercept	0.1104388	0.1521627	0.726

Number of observations = 31.

* denotes statistical significance at the 0.05 level.

R-squared = 0.5586.

Table 1c. *Determinants of Progresa Expenditures per Household per State (OLS)**Dependent Variable: Progresa per Household*

Variable	Coefficient	Robust Standard Error	t-stat
PRDvote97	0.303779	0.4365907	0.696
Election2000	-0.0828252	0.1019946	-0.812
PRD97*Election	0.1592429	0.568303	0.280
Poverty	0.1798547*	0.0517683	3.474
Intercept	0.0590884	0.0645948	0.915

Number of observations = 31.

* denotes statistical significance at the 0.05 level.

R-squared = 0.5616.

pertaining to each party as the independent variables), poverty is the only factor that is statistically significant in explaining Progresa allocations per household per state in 1999. That is, no political bias emerges. It therefore seems safe to assume based on these findings that, in terms of per household expenditures at the state level, Progresa was in fact a poverty alleviation programme devoid of a political agenda.

B. Proportion of households per state benefited by Progresa as the dependent variable

The results outlined in the tables above offer compelling evidence that, in terms of per household allocations at the state level (the dependent variable analysed by Molinar and Weldon), Progresa had no political bias. However, such an assessment of the programme may capture only part of the story. Is it possible that a different operationalisation of Progresa yields different results in which political considerations emerge as important factors in explaining the scope of the programme? To explore

this possibility further, a different specification of Progresá is examined as the new dependent variable. The new variable, Proportion of Benefited Households, measures the proportion of households per state that were Progresá beneficiaries in 1999.⁵⁸

If Progresá was motivated by electoral objectives, it may well be the case that the size of the actual cash amount received by each beneficiary was irrelevant in assessing the politicised nature of the programme, and that what really mattered was the proportion of households per state benefited by the programme. In other words, what if, in the context of New Federalism, the strategy of the executive was not to win or buy votes for the PRI through the actual amount of Progresá benefits distributed to each household, but rather to build a broad base of support at the grassroots level by turning as many households as possible into Progresá beneficiaries to cultivate their support for the PRI?

A hint of this strategy can be appreciated in the commentary made by the general co-ordinator of the PRI gubernatorial campaign in Tamaulipas in 1998 after PRI propaganda was found in a government bus distributing free groceries to the population: 'It is a benefit that we take to the people', Luis Enrique Rodríguez, the PRI official stated: '[i]f you ask people what they prefer, a speech or that you bring them something, they'll tell you that they prefer groceries.'⁵⁹ Moreover, this strategy of winning votes not necessarily through actual monetary allocations but through the establishment of a wide network of benefited households becomes even more compelling when one recalls that Pronasol, Progresá's immediate predecessor, came under increasing attack because of the blunt manner in which it seemed to reward PRI loyalists, draw votes away from the PRD, and punish PAN sympathisers through the generous allocation of funds in some states and not in others.

As with the previous regression model in which Progresá allocations per household per state were examined as the dependent variable, in order to assess the possible political influence present in determining the proportion of benefited households per state, a model was run that includes the political variables for each party and the Poverty factor as control. In contrast to the earlier statistical findings, the results using this new operationalisation of Progresá do not support the assertion that the programme was uninfluenced by electoral considerations.

⁵⁸ Interestingly, when using this variable as the dependent variable, the R-squares that are generated when running the model with both socio-economic and electoral variables are much greater than any of the R-squares that Molinar and Weldon generate in their model with Pronasol allocations per capita per state as their dependent variable.

⁵⁹ Quoted in Salvador Corro, Elías Chávez, Gabriela Hernández and Antonio Jáquez, 'En Tamaulipas, pesa sobre Yarrington la sombra de Cavazos Lerma,' *Proceso* (18 Oct. 1998). Translation by the author.

Table 2a. *Determinants of Proportion of Benefited Households per State (OLS)*
Dependent Variable: Proportion of Benefited Households

Variable	Coefficient	Robust Standard Error	<i>t</i> -stat
PRIvote97	0.1427572	0.1421251	1.004
Election2000	-0.1544527*	0.0590432	-2.616
PRI97*Election	0.3889645*	0.1372855	2.833
Poverty	0.085511*	0.008257	10.356
Intercept	-0.0410473	0.0580009	-0.708

Number of observations = 31.

* denotes statistical significance at the 0.05 level.

R-squared = 0.8630.

The regression results of the model incorporating both poverty and political variables for the PRI, which are displayed in Table 2a, do confirm the earlier finding that Progresá responded in large part to socio-economic variables: in the measure that states were poorer, a greater proportion of households were likely to become programme beneficiaries. Most significantly for the purposes of this article, however, a political factor with explanatory power in determining the number of households that were likely to receive assistance from the programme in 1999 is also present. The effect captured by the positive and statistically significant coefficient of the interaction term (PRI97*Election – the coefficient is 0.389) reveals the following dynamic at work: in states where the PRI received a greater amount of votes than the opposition in 1997 and where gubernatorial elections were scheduled for the year 2000, a greater proportion of households became Progresá beneficiaries in 1999.⁶⁰ Visually, this effect can be appreciated by looking at the significantly higher coefficient (0.532) that is derived when the coefficient of the interaction term (0.389) is added to the coefficient of the variable measuring support for the PRI in 1997 (PRIvote97 – the coefficient is 0.143). Thus, it appears that where there was an electoral contest, the executive (through Progresá) did not take any chances and made sure it kept PRI supporters content. The Zedillo administration seems to have been well aware of Denise Dresser's succinct observation that '[l]oyalty to the PRI has never been a question of real militancy – it's always been based on granting material rewards to its followers'.⁶¹

⁶⁰ Given the presence of the interaction variable, the negative coefficient of the Election2000 variable does not indicate that in PRI states where no gubernatorial elections were going to be held in 2000, the proportion of households benefiting from Progresá was smaller. Rather, the term acts as the y-intercept in a bivariate graph: if the PRI had obtained zero percent of the vote in any given state in 1997, a negative proportion of households (-15%) in that state would have become Progresá beneficiaries in 1999. ⁶¹ Quoted in Tangeman, 'Election Spending', p. 44.

Table 2b. *Determinants of Proportion of Benefited Households per State (OLS)*
Dependent Variable: Proportion of Benefited Households

Variable	Coefficient	Robust Standard Error	t-stat
PANvote97	0.0435536	0.077823	0.560
Election2000	0.0546959	0.0328046	1.667
PAN97*Election	-0.2058466*	0.0891714	-2.308
Poverty	0.0933514*	0.0087002	10.730
Intercept	-0.0008652	0.0298584	-0.029

Number of observations = 31.

* denotes statistical significance at the 0.05 level.

R-squared = 0.8479.

As the results in Table 2b indicate, the experience of the PAN reveals a different story. Again, poverty is causally related to the proportion of households per state receiving Progresa assistance in 1999. But unlike the case of the PRI, in states where the PAN did well in 1997 and where gubernatorial elections were scheduled for 2000, a significantly smaller proportion of households became Progresa beneficiaries in 1999 (-0.162).⁶² Just as Molinar and Weldon found in their study of Pronasol, this finding discloses a political bias present in Progresa against the PAN. While part of the strategy of the federal government was to take advantage of Progresa's reach to make sure that the PRI maintained its electoral advantage in states where it already had a strong presence, in the case of the PAN the strategy was one of punishing the states that were not loyal to the PRI.

In some respects, it is not surprising that PAN states should receive fewer benefits from programmes like Progresa, since the PAN tends to do well in states that are wealthier, and therefore less likely to receive targeted assistance in the first place. However, the regression analysis controls for this possibility by including the Poverty factor in the model. Significantly, the results displayed in Table 2b show that electoral motives continue to emerge as statistically significant even after poverty levels have been controlled for. In other words, a lower than expected proportion of households given levels of socio-economic marginalisation became Progresa beneficiaries in PAN states where gubernatorial elections were scheduled for 2000.

However, an obvious question remains: why would the federal government not have invested resources to attempt to lure PAN

⁶² This coefficient is derived by adding the coefficient of the interaction term (-0.2058) to the coefficient of PANvote97 (0.0435).

sympathisers away from that party and into the PRI? In the case of the PAN, the strategy of withholding benefits appears to make sense if one takes into account the fact that, in general, PAN sympathisers had traditionally not been easily converted into PRI supporters, given that they had a long history of voting for the opposition and had for the most part stayed away from the PRI. In other words, from the perspective of the PRI, it was easier to attempt to buy back the allegiance of a voter who had a past history of voting for the PRI and for some reason had become disillusioned with the party, than to attempt to convert someone who as a matter of principle had maintained a distance from the PRI.

If political parameters emerge as important causal variables in determining the proportion of households per state that became Progresá beneficiaries in 1999 in the case of the PRI and the PAN, electoral politics have no explanatory power in the case of the PRD. As the results displayed in Table 2c below indicate, neither the relative strength of the PRD in a given state in the 1997 election, nor the scheduling of a gubernatorial election in a state with strong PRD presence in 2000, emerges as statistically significant. Poverty, for its part, is causally related to the proportion of benefited households per state, and it is this variable that provides all the explanatory power of the model, which accounts for approximately 84 percent of the total variation in the dependent variable. Thus, where the PRD is concerned, Progresá aid was not being politicised in 1999.

Table 2c. *Determinants of Proportion of Benefited Households per State (OLS)*
Dependent Variable: *Proportion of Benefited Households*

Variable	Coefficient	Robust Standard Error	t-stat
PRDvote97	-0.0281784	0.0763469	-0.369
Election2000	-0.0407954	0.026082	-1.564
PRD97*Election	0.1689062	0.1329345	1.271
Poverty	0.0933825*	0.0087944	10.618
Intercept	0.0166988	0.0164028	1.018

Number of observations = 31.

* denotes statistical significance at the 0.05 level.

R-squared = 0.8403.

The absence of a political edge to Progresá in states where the PRD had a strong base of support may at first seem surprising and even counterintuitive. Given that the statistical analysis carried out above demonstrates that there was a clear political bias embedded in Progresá in favour of the PRI and against the PAN, why would Progresá not have included a strategy to deal with the PRD? After all, as discussed earlier, one of Molinar and Weldon's key findings in their study of the political

and socio-economic determinants of Pronasol expenditures is that part of the political strategy of the programme was aimed at wooing voters away from the PRD and returning them to the fold of the PRI. In the late 1980s, Cárdenas and the *cardenista* movement he unleashed emerged as a formidable political force that succeeded in capturing the support of sectors of the population that had traditionally been PRI loyalists, mainly among the urban and rural poor. The strength of the PRD represented a substantial challenge to the PRI in general, and to President Salinas in particular.

Does the above finding suggest that, as the July 2000 elections drew closer, President Zedillo and his party no longer considered the PRD an important electoral threat? Not entirely. A look at the states that were scheduled to hold gubernatorial elections that year reveals the following: of a total of five states (not including the Federal District), three – Chiapas, Morelos and Tabasco – were PRI strongholds, while two – Jalisco and Guanajuato – were governed by the PAN. Thus, it seems possible that, politically, the reach of Progresá was aimed at solidifying PRI support and withholding benefits from PAN strongholds. Since no governorships were at stake in states governed by the PRD (again, excluding the Federal District), the executive may have felt it did not need to worry about boosting the electoral prospects of the PRI over the PRD.

But perhaps more importantly, as the PRI prepared for the presidential elections in July 2000, the balance of political forces in the country appeared to have tilted considerably away from the PRD. Over the previous few years, the threat Cárdenas posed to the PRI seemed to have been neutralised. After its heavy losses in the 1997 elections, by mid-1999, the PRI had bounced back, winning several gubernatorial contests that political analysts and commentators had expected the PRD to win. The PRI gained the governorships of Coahuila, Guerrero and the state of Mexico in the 1999 elections, after the PRD had made important inroads in all three states in the 1997 elections.⁶³

How was the PRI able to achieve such a recovery? Part of the answer lies in the fact that the party underwent a significant process of internal reforms. For the first time in its history, starting with the 1998 state elections, the PRI began to hold primaries to determine who the party candidate should be in gubernatorial contests, rather than simply hand-picking him or her arbitrarily. It is interesting to note that, between 1998 and 1999, the PRI won all the gubernatorial elections in which

⁶³ The PRI also dealt a heavy blow to the PAN in the 1999 gubernatorial elections in Chihuahua, where the PRI recovered the governorship of that state after having lost it to the PAN six years earlier.

it held a primary to designate its candidate, while it lost when primaries were not held.⁶⁴ Another part of the explanation may be that, as the PRD has claimed, the PRI was able to win those gubernatorial elections through the manipulation of Progresá and other federal programmes for electoral purposes, especially in the case of Guerrero.⁶⁵

In any case, by late 1999, the PRI seemed to have landed a public relations coup celebrating the party's reinvention, while the PRD confronted serious challenges as a party, despite the important electoral victories it achieved in the 1997 mid-term elections, including the mayoralty of Mexico City. Touting its rebirth as the 'new' PRI, the PRI held a primary election to select the PRI candidate for president, a contest that involved, according to the party, as many as six million voters. Meanwhile, Kaufman's observation that during the Salinas *sexenio* the PRD's electoral strength was 'undermined by severe internal factionalism and limited financing'⁶⁶ appeared to be even more relevant in the late 1990s. As Ruth Collier has noted, the PRD was internally torn in choosing between two competing strategies: either to moderate its party platforms to appeal to a broader base of supporters, or to become more radicalised and build a constituency among hard core left-wing supporters.⁶⁷ The 1999 PRD internal election to select the party's new president ended in scandal and vociferous accusations of fraud. Intense conflict within the *perredista* leadership finally split the party, with Porfirio Muñoz Ledo, one of the party's founders and main strategists, resigning. Thus, by 1999, it was no longer the PRD but rather the PAN that had emerged as the main challenger of the PRI, especially in the presidential race, where the PAN candidate Fox had begun to campaign intensely the previous year and had emerged as a contender to be reckoned with. It would therefore not be surprising that the strategy chosen by the executive through Progresá to deal with the opposition in preparation for the 2000 elections focused on the PAN, attempting to weaken that party by limiting the number of benefited households in *panista* strongholds while reaching out to a larger proportion of households in places where the PRI was strong.

⁶⁴ Conversation with Jorge Castañeda, then Visiting Professor of Political Science at New York University (New York, Jan. 2000).

⁶⁵ The leadership of the PRD in the Chamber of Deputies complained, for example, that in Guerrero the delivery of monetary subsidies to families benefited by Progresá was intentionally delayed to coincide with the last 15 days of the electoral process in that state. See 'El Programa Progresá, para el combate a la pobreza, tuvo un recorte de mil 700 MDP,' *La Jornada* (14 Oct. 1999).

⁶⁶ Kaufman, 'Dominant Party and Opposition Parties', p. 188.

⁶⁷ Ruth Berrins Collier, 'The Transformation of Labor-Based One-Partyism at the End of the 20th Century: The Case of Mexico,' in Giliomee and Simkins (eds.), *Awkward Embrace*, p. 236.

V. Conclusions

Analysing the statistical findings presented in this paper, it seems fair to conclude that Progresá was not an apolitical poverty alleviation programme, as the Zedillo administration claimed. For all the emphasis on state reform, decentralisation, and a separation of the responsibilities of the state and the PRI, as Zedillo himself put it, the PRI-controlled executive did not relinquish the old habit of using federal social spending for political purposes. As it prepared for the July 2000 elections, the PRI continued to enjoy privileged access to public resources, reinforcing a system of unequal competition among political parties. For in truth ‘no opposition party ... [could] promise the same rewards to its supporters, because no opposition party control[led] the distribution of [federal] resources’.⁶⁸ In the end, despite the Zedillo administration’s stated commitment and efforts to delink the PRI from the state and to abide by fair rules of electoral competition, built-in biases remained in the Mexican system and old political habits proved difficult to overcome.

However, Progresá’s political bias within the context of the 2000 elections was not manifested in what would appear to be the most obvious and common way: through the actual allocation of funds in a manner that took politics into account. While in the case of Pronasol, Molinar and Weldon found that monetary allocations per capita per state were driven in large part by political considerations, an analysis to identify the determinants of Progresá allocations per household per state revealed that poverty was a causal factor, but that political variables were not.

It seems that the lessons learned from the criticisms launched against Pronasol were not lost on President Zedillo and the officials in charge of Progresá. Compared to Pronasol, the political bias of Progresá appears to have been much more disguised, and therefore harder to identify. It was not the actual monetary amounts that mattered in trying to win, buy or co-opt the vote, but rather how far and deep into the grassroots the PRI could reach out to build a broad base of support from the bottom up. From the perspective of the Zedillo administration, the logic appears to have been that, as long as an increasing number of households felt that they had received some benefit from Progresá, no matter how small, the programme could help preserve or win multiple allies for the PRI.

However, while the techniques of manipulating social services and their delivery may have changed from Pronasol to Progresá, the intentions of the executive in politicising these programmes remained very similar for the most part. Through its per capita per state allocation of funds, Pronasol sought to reward PRI loyalists (although this was true of

⁶⁸ Bruhn, ‘Social Spending and Political Support’, p. 161.

particular Pronasol programmes and not others), to punish PAN sympathisers, and to (re)convert PRD supporters into PRI voters. Progresa also aimed at rewarding PRI supporters and penalising PAN sympathisers, although it did not do so through actual monetary allocations, but rather through the relative number of households it reached out to. Unlike Pronasol, however, Progresa did not appear to have a political bias toward the PRD, at least in 1999, which was the year under observation. But it may not necessarily follow that, where the PRD is concerned, Progresa had become a true poverty alleviation programme devoid of a political agenda. It is also entirely possible that the PRI felt confident that, over the past few years, the threat once posed by the PRD had been neutralised, while it was the PAN that had emerged as a significant challenge in the 2000 elections. Hence, a plausible interpretation of the statistical findings is that the executive was concentrating the political manipulation of Progresa in places where the PRI and the PAN were strong (pursuing different strategies in each case), while it felt that at that moment it did not need to worry about designing a political strategy to deal with the PRD.

Ultimately, of course, as the results of the presidential elections and the latest elections in Chiapas and Tabasco in 2000 indicate,⁶⁹ it seems that the PRI strategy to win elections through the mobilisation of the marginalised vote, so successful in the past, may have finally run its course: this time around, voters received aid from the PRI-government with one hand and voted for the opposition with the other.

⁶⁹ Until this election, in which the candidate from the united opposition (PAN, PRD and other parties) won the governorship, Chiapas had always been a bastion of the PRI. For decades, the PRI had successfully put its vote-generating machinery to work in that state, particularly in terms of the mobilisation of the rural vote. As for Tabasco, the Federal Electoral Institute recently declared the election invalid because of the endless irregularities and instances of vote manipulation and intimidation (committed mostly by the PRI) that were reported. In Tabasco, the PRI did confront a serious challenge from the PRD. This, however, does not contradict the contention that the PRI was fundamentally interested in preserving its electoral edge in states that were under its rule and would hold elections in 2000. Progresa was manipulated by the PRI machine in Tabasco for precisely that purpose.