President Calderón distributes an Oportunidades check.

MEXICO

Poverty Programs, Political Opportunities?

by Emily Curran

Can an anti-poverty program sway an election and, if so, is this evidence of clientelism? While such questions are of abstract and abiding interest to political scientists, they acquire concreteness and currency in Mexico, where President Felipe Calderón won the 2006 election by fewer than 300,000 votes following a campaign in which the opposition repeatedly accused the government of manipulating antipoverty programs for political ends.

The question of the electoral returns to welfare spending in recent Mexican presidential elections was at the heart of Beatriz Magaloni's CLAS presentation. In her talk, Magaloni argued that political parties have reaped substantial electoral rewards from anti-poverty programs associated with the party label. In Calderón's case, she claimed, this electoral boost gave the National Action Party (PAN) candidate more than enough votes to account for his razor-thin victory over Party of the Democratic Revolution (PRD) candidate Andrés Manuel López Obrador.

"Without these programs, the PAN would definitely have lost," said Magaloni.

But are these electoral returns to welfare spending evidence of clientelism? Clientelism implies an explicit exchange of material benefits for votes. Evidence that an antipoverty program's beneficiaries tend to vote for the party associated with that program is consistent with clientelism, but it is also consistent with a legitimate process by which voters reward parties that implement popular policies.

While López Obrador and his allies favored the clientelistic account during the 2006 campaign and its aftermath, Magaloni asserted that it is the latter, legitimate process that explains the electoral benefits that accrued to the PAN in that election. Her argument rests on the distinctive nature of the programs themselves.

Mexico's flagship antipoverty program during the 2000-06 presidency of *panista* Vicente Fox was Oportunidades, a conditional cash transfer program (CCT) that provides targeted benefits to poor families provided

that recipients keep their children in school and bring them in for regular health check-ups. Started as Progresa under the PRI administration of Ernesto Zedillo (1994-2000), the program was renamed and expanded under Fox. Crucially, Oportunidades is an entitlement program that chooses recipients based on objective measures of poverty rather than through the discretion of national politicians. Barring a major improvement in economic status or a failure to meet the program's education and health requirements, a family's benefits cannot be withdrawn.

Discretion is the key to clientelism, Magaloni argued. Since discretion is absent from entitlement programs, the political latitude for clientelistic manipulation is absent as well. Thus, electoral returns from Oportunidades and similar programs signal voter approval and the policy's popularity rather than inappropriate campaign practices.

So just how large were the electoral returns from Oportunidades in the 2006 election? The question is straightforward but difficult to answer. That a policy's beneficiaries vote for the party associated with that policy in greater numbers than do non-beneficiaries is not, in itself, evidence that the policy generated electoral rewards. While beneficiary status under Oportunidades is based on objective criteria, beneficiaries may nevertheless differ systematically from non-beneficiaries in other ways that make them more likely to vote for the PAN.

To overcome the challenges posed by such factors, Magaloni employed advanced statistical procedures to estimate the number of voters who supported the PAN in 2006 as a direct result of Oportunidades. Her results indicate high electoral returns from welfare spending. Beneficiaries of the program are estimated to have been

11 percent more likely to vote for Calderón than their non-beneficiary counterparts. Beneficiaries were also roughly 7 percent less likely to vote for López Obrador.

Nearly 5 million Mexican families had received monthly transfers from Oportunidades by 2005. With that many beneficiaries, an 11 percent increased likelihood of voting for the PAN translates into a large electoral swing. In a very tight election, such a swing can, and arguably did, make all the difference.

Legitimate electoral gains aside, Magaloni also highlighted another distinctive feature of the new entitlements programs in Mexico: they work. The population living in extreme poverty has declined in Mexico since the late 1990s, when the first CCTs were implemented. Though linking this decline to entitlements programs would require a paper all its own, it is no stretch to imagine that substantial monthly cash infusions to over half the population living in extreme poverty may have played a significant role.

Oportunidades and other CCTs represent a watershed for welfare spending in Mexico. For the first time

in the country's history, Mexico's poorest citizens are receiving benefits based on economic status rather than partisan political support. Previous antipoverty programs, such as President Carlos Salinas de Gotari's (1988-94) National Solidarity Program (Pronasol) and post-revolutionary land reforms were highly discretionary and were manifestly manipulated for political gain. In this respect, entitlements are a major step forward for the Mexican welfare state.

Nevertheless, while national-level discretion in the administration of CCTs has been removed, discretion at the municipal level remains. Magaloni's current research explores these local processes, and this work may uncover persistent clientelistic practices at the local level. If so, then Mexico's welfare transition from discretion to entitlements remains incomplete.

Beatriz Magaloni is an associate professor of Political Science at Stanford University. She spoke at CLAS on March 16, 2009.

Emily Curran is a graduate student in the Department of Political Science at UC Berkeley.

Mexican children enrolled in the Oportunidades program.

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