# Documentos de Trabajo en Ciencia Política

## WORKING PAPERS ON POLITICAL SCIENCE

Making sound out of fury: Using vetoes for posturing in Chile and in Mexico

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Abstract: Two case histories of vetoes as publicity stunts are developed. In Chile president Frei forced the opposition from the right to frustrate labor reform for a second time; this occurred just days before the 1999 presidential election. In Mexico the opposition (incl. the PAN) prepared a bacon-ridden bill for the PRI to veto, either by the Senate or by the executive. The PRI-controlled Senate froze the bill just weeks before the 2000 presidential election. Immediately upon presidential inauguration the new opposition (incl. the PRI) passed the bill in the Senate to force a veto by the new president from the PAN. This reversal of roles is hard to interpret otherwise than as publicity.

Presidentialism is a pretty common form of separation of power. It empowers the legislative and the executive branches of government with a veto over policy change; this can result in policy immobilism. Most countries in the Americas and a few in other continents have presidential constitutions. Table 1 shows that immobilism is rather common among the separation of power cases listed, at least in the form of executive vetoes of policy passed in Congress. Cases such as democratic Mexico and classic Venezuela are the exception, with nil or near nil veto incidence; Brazil has recently averaged more than 70 vetoes a year, and there are cases spread along this range. The same range is observable in the U.S. state governments, with California topping the list with nearly 270 yearly executive vetoes.

In this paper I narrate two recent episodes of stalemate in the legislative process under separation of power, one in Chile, the other in Mexico. Three themes converge in these narratives.

First I ask why vetoes occur in systems of separation of power? In the U.S. the conventional answer is that vetoes are tactical maneuvers of normal democratic politics. Vetoes

Table 1 Executive signatures, vetoes, and summary statistics in selected separation of power systems (cases sorted by average yearly vetoes)

	Bills signed	Number of	Bills-	Average
	by president	bills vetoed	signed-to-	vetoes per
	into law in	by the	vetoed	year
	the period	president	ratio	observed
California (1983-1993)	17,094	2,953	6:1	268
Brazil (1985-1996)	n.d.	870	n.d.	72
New York (1983-1993)	8,899	643	14:1	58
<i>Texas</i> (1983-1993)	7,253	258	28:1	23
Florida (1983-1993)	5,742	176	33:1	16
Argentina (1983-1997)	1,703	212	8:1	14
Brazil (1946-1964)	n.d.	260	n.d.	13
U.S. (1945-1992)	17,198	434	40:1	9
New Hampshire (1983-1993)	3,512	67	52:1	6
Uruguay (1985-1995)	954	50	19:1	5
Montana (1983-1993)	4,573	46	103:1	4
Chile (1990-1994)	440	16	28:1	3
Argentina (1862-1976)	9,308	188	50:1	2
Venezuela (1959-1989)	850	20	77:1	0.5
Mexico (1997-2000)	n.d.	0	∞:1	0
North Carolina (1983-1993)	3,860	0	∞:1	0

Sources: Archivo de Diputados (various years); Cameron 2000; CSG (various issues); *La Jornada*, Mexico City (various years); Marcano 1995; Molinelli 1991; Morgenstern 1996; Smok 1994.

are not evidence of gridlock (Krehbiel 1996; Sundquist 1986), much less harbingers of imminent democratic breakdown (Linz 1990; Linz and Valenzuela 1994). Vetoes are part of everyday bargaining over the products of policy (Cameron 2000).

Second, I ask whether the U.S. is an exception among presidential systems. Does this logic apply to other cases such as those in Latin America? Does it apply to sub-national governments? Table 1 shows that the variance in veto incidence looks similar between Latin-American governments and U.S. state governments. If vetoes are U.S.-style bargaining tactics

then their use should vary with the institutional context and the partisan composition of the branches.

Third, I inquire about different explanations of veto incidence. Are vetoes the product of incomplete information in bargaining hence mistakes by somewhat shortsighted politicians? Are vetoes *bargaining ploys* meant to build a reputation of toughness in light of asymmetric information (Cameron 2000)? Or are vetoes better understood as *publicity stunts*, maneuvers aimed towards the public in search of support (Groseclose and McCarty 2001; Magar 2001)? Incomplete information and position-taking compete to explain veto incidence.

The first narrative is set in Chile, where the right frustrated an attempt by the center-left government to increase the scope of activity for trade unions. The second narrative is set in Mexico, a little before and a little after the demise of the party that ruled the country for seven decades. Pork barrel policy was designed in 2000 for the president or his party to kill and take the blame; interestingly, when the party label of the president changed the new opposition repeated the maneuver with the very same bill.

I take care of presenting the background on which the stories developed, highlighting the partisan composition of government, explaining peculiar institutional features relevant for the case at hand, describing who played the role of veto actor, and what advantages a party could have found in engaging in publicity stunts. I also do my best to interpret the sequence of events from the perspective of two other approaches to conflict in the legislative process, the Linzian and the Cameronian. I try to show that these analytic lenses do no get as far as a position-taking lens in making sense of what took place. In Chile, President Frei's attempt to have a reform to the labor code passed only two years after the opposition rejected it is hard to rationalize from the perspective of uncertainty and learning. He not only did not make the second proposal more moderate, but actually offered the right a more extreme one. In Mexico the shift in coalitions

supporting a bill granting particularistic benefits to a subset of the rural population, I show below, only makes sense as a publicity stunt.

The chapter proceeds as follows. Section 1 presents a case study of the failed attempt to give unions in Chile rights that would have increased the scope of it organization. Section 2 then offers a case study of the bargaining process that led to veto a pork-ridden bill on two occasions. Section 3 concludes.

#### 1 A fly bumping against the window? Mr. Frei's twice attempted labor reform

Santiago de Chile, December 1999. Ten years after adroitly managing to oust Augusto Pinochet under rules designed to perpetuate him in power, the governing left-of-center *Concertación* coalition was under serious electoral challenge. In pursuit of the presidency the coalition's candidate, moderate socialist Ricardo Lagos, was far from unifying the Christian Democracy, the major partner in the *Concertación*. Numerous Christian Democrats still felt capillary electricity at the shadow of Chile's disastrous experience with socialism in the early 1970s.

The field for Lagos' campaign was far from being that wished by anyone waiving the banner of incumbency. Exports had been decimated by East Asia's harsh economic problems, and this seriously slowed Chile's economy, making unemployment soar and urban insecurity gain saliency. Most seriously perhaps, the right-wing *Alianza por Chile* coalition had nominated Joaquín Lavín, the skillful, young, and vibrant mayor of Las Condes in uptown Santiago. Mr. Lavín's campaign was successful in attracting voters by underscoring the need for younger and more creative, yet moderate leadership to captain Chile out of the storm. The *Concertación* elite, after all, was made up of people whose political careers were put to a hold by 17 years of dictatorship; by the time they returned to power the age differential with the median Chilean was

notorious. After a decade of *Concertación* government Mr. Lavín's call for "change" had a fresher resonance to many. Thus, Lagos' expected vote in polls was assuredly below the majority needed to win the presidential election in a single round on December 12; it was also statistically indistinguishable from Mr. Lavín's own (increasing) share.

Two weeks before election day Eduardo Frei, the incumbent Christian Democratic president, attempted to have Congress pass a bill reforming Chile's labor code. Political commentators expressed surprise with this bizarre maneuver: passage was highly unlikely because labor reform, which had been attempted in 1995-97, eventually stalled in the Senate. The bill had remained dormant in committee due to a negative by the senatorial majority to even consider a discussion of the topic. On November 27 Mr. Frei relied on the urgency faculty, giving the labor reform bill a tag of 'immediate discussion'. Urgency is a peculiar constitutional agenda-setting faculty that empowers the Chilean executive to force either house of Congress to act on any bill whose treatment has been lagging. A tag of immediate discussion obliged the Senate to discuss the bill within three labor days.

The result of the president's maneuver was not too much of a surprise. On December 1 the Senate which, by virtue of a biased electoral system was controlled by the right-of-center alliance, rejected anew the bill passed by the lower house, where *Concertación* held a comfortable majority. Urgency, as it turned out, did not affect the outcome in terms of policy: the labor status quo remained firmly in place. The difference, if any, was the allotment of scarce committee and senatorial floor time to a helpless cause. Not to mention that Mr. Frei was treated as a rather incompetent character by the press.<sup>1</sup>

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<sup>&</sup>lt;sup>1</sup> "Government suffers worst defeat in labor reform" was *La Tercera*'s headline on December 2. \*look for Mercurio headline.

The story of the bill to reform Chile's labor code takes us straight into politicians' motivation. Why did Mr. Frei risk blatant defeat in Congress towards the end of his term (which he in fact got)? What could have motivated him to instigate a confrontation between the two houses of Congress in this episode of Chilean politics? What could Mr. Frei and the Concertación have been in likely pursuit of with a second attempt at having a bill passed by the same people who recently rejected it? No new concessions were given to the right prior to the second attempt. So it appears that an important part of the answer to these questions has to do with campaigns and elections. Elections, in addition to being a challenge to secure re-election for oneself or one's party, offer politicians periodic opportunities to get rid of recalcitrant adversaries, antagonists whose very opposition to one's program can in fact serve as cheap advertisement. A central component of politicians' motivation, I have been claiming in this thesis, is the ceaseless quest for position-taking opportunities (Mayhew 1974). Inter-branch conflict, if and when properly managed, can represent a notable publicity stunt serving to remind likely supporters of what parties and coalitions stand for in the competition for policy.

#### 1.1 Concertación's inheritance

General Pinochet's regime (1973-90) gave Chile a new constitution in 1980. It also made it extremely difficult to modify its contents. The constitution reflected the General's deep suspiciousness of the civilian democratic process, while firmly rooting Chile in a market economy. Since their access to power in March 1990, the governments of the *Concertación* – the left-of-center coalition of the Christian Democratic (DC), Socialist (PS), for Democracy (PPD), and Radical (PR) parties – have managed on counted occasions to overcome the conservative bent in order to make some amendments to the constitution, but have failed in doing so for key elements of their political platform. So, for example, *Concertación* managed to reform the

constitution in order to make municipal governments elective offices instead of appointments by the central government. They were never able, however, to eliminate "authoritarian enclaves" (Garretón 1989) such as the enormous share of the budget earmarked for Defense, rid the Senate of members appointed by the armed forces, or replace the electoral system with one more faithfully translating votes into seats. Chile remains a 'protected' democracy so far 'guarded' by the heirs of the military regime.<sup>2</sup>

Mr. Pinochet's legacy also included a complex structure of secondary statutes emanating from the constitution, guiding more mundane aspects of the Chilean polity. The constitution's conservative bias, as we shall see in the case study at hand, has affected politicians' capacity to amend second-tier institutions as well, a good deal of which regulate the economic realm. A laissez-faire structure for economic activity in such close accordance with the precepts of the Chicago school as Chile's is found in few nations around the globe. Concertación has on several occasions attempted to impose a degree of government regulation onto this structure in order to benefit primary constituencies of theirs. One such attempt, which has failed on repeated occasions, has aimed at increasing the organizational capacity of unions, the historical core of the Socialist party (Drake 1978).

Mr. Pinochet entertains a visceral contempt for organized labor. The former dictator has held Chile's militant, successful, and active labor movement responsible in great part for what he (and many in Chile) still believe represented an imminent overthrow of democratic institutions in 1973 by the left.<sup>3</sup> Among the first decrees of the military *junta* that seized power on September 11, 1973 were some proscribing unions and banning strikes. In the face of clandestine labor

<sup>&</sup>lt;sup>2</sup> For a general description of the 1980 constitution see Siavelis (2000); for an analysis of the binominal electoral system's systematic overrepresentation of the runner-up coalition see Valenzuela and Siavelis (1991).

organization, however, a new labor code was enacted in 1979 which lifted the ban on unions and strikes, while making it difficult for workers to organize and placing draconian limitations on the scope of their activities.

The 1979 labor code can be summarized as having the following six essential traits.<sup>4</sup>

- (1) **Voluntary affiliation**: Union affiliation was tolerated on a voluntary basis only;
- (2) **High organizational threshold**: Before a union was legalized it required that at least half the labor force in a firm agree to join in;
- (3) **No inter-firm negotiation**: Collective negotiation with the management of several firms at once was out of question, unions being allowed to represent the interests of one firm at a time;
- (4) **Bridge over the picket**: Employers were allowed to hire temporary workers throughout the duration of the strike.
- (5) **Strike expiration date**: Any strike became illegal if no agreement was reached within 60 days; and
- (6) **Arbitrary firing**: Employers could dismiss any worker with no justification in order to adjust to short-term changes.

Shortly after the new *Concertación* government took office, the recently inaugurated president Patricio Aylwin (1990-94), showing his extraordinary bargaining skills, got a limited set of reforms to the labor code through. Strike expiration date and arbitrary firing (items 5 and 6) were dropped from the code in 1990, and the organizational threshold (item 2) was greatly relaxed. This legislative success was by no means trivial. Reform passed with the support of Renovación Nacional (Siavelis 2000, p. 84), heir to the military regime alongside Unión Demócrata Independiente (the two parties form the right-of-center coalition whose name has

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<sup>&</sup>lt;sup>3</sup> This belief is most implausible given that it was only a matter of weeks before the military in 1973 demobilized leftist armed groups. See Valenzuela (1978).

<sup>&</sup>lt;sup>4</sup> A good overview of labor institutions under the dictatorship and beyond is found in Siavelis (2000), chapter 3.

changed in every election). The support of at least one party to the right of the political spectrum was a necessary condition given the composition of the upper house of Congress.

#### 1.2 The right and its role of veto actor

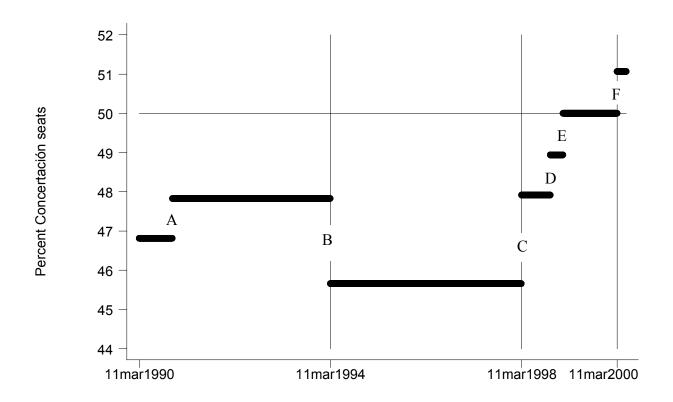
The Chilean Senate has a built-in bias towards conservatism. The upper chamber of Congress is composed of two subsets of legislators: one subset consists of 38 directly elected members; the other includes non-elected senators. The latter subset consists of former presidents, who acquire tenure for life,<sup>5</sup> and nine appointed Senators serving eight-year terms (like elected ones) who are picked in different proportions by the Supreme Court (three), by the Armed Forces (four), and by the incumbent president (two). As a consequence, a coalition backed by a very substantial majority of the electorate – such as the Concertación since the 1989 general election – is impeded from controlling one house of Congress. This disadvantage can be overcome if the coalition retains its extraordinary electoral backing in several consecutive elections, but it takes time to be achieved.

Witness in Figure 1 how it took about a decade of continual electoral success for the *Concertación* to overcome this bias. It was only in March 2000, exactly ten years after Mr. Aylwin's inauguration, that Concertación acquired majority status in the Senate, when Eduardo Frei's presidential term expired and he took his life-tenured seat. Concertación was 5 seats below majority in the first post-authoritarian Senate (1990-94). After the election of half the subset of elective senators in 1994 Concertación lost 2 seats (1994-98), which it gained back after the election of the other half and the re-appointment of 9 non-elective senators in 1998, leaving it 3

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<sup>&</sup>lt;sup>5</sup> Patricio Aylwin never got his seat because the constitution restricts it to Presidents serving six-year terms; his was only four years long.

Figure 1
Concertación slowly capturing Chile's Senate
(Senators in office from Concertación parties or appointed by President Frei)



#### **Events affecting the coalitional balance**:

- (A)-Appointed senator César Ruiz Danyau died in office, 20nov1990;
  - (**B**) Congressional election, 11mar1994;
- (C) Congressional election and renewal of appointed senators, 11mar1998;
  - (**D**) Augusto Pinochet arrested in London, 17oct1998;
- (E) Senator Francisco Errázuriz prosecuted on criminal charges, 22jan1999;
  - (F) Eduardo Frei becomes senator for life.

Sources: prepared with data from IDEAS (1992) for 1990-94; the *Senado* web page at <a href="http://www.senado.cl/">http://www.senado.cl/</a> (accessed Dec. 3, 1999) for 1994-98; and inferences from the previous two with guidance from the *Ministerio del Interior* web page at <a href="http://www.elecciones.gov.cl/">http://www.elecciones.gov.cl/</a> (accessed Feb. 15, 2000) for 1998-2000.

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Table 2 Composition of Chile's *Cámara de Diputados*, 1990-2002

Part	A: Pa	rtisan com	position	l		
Parties		-1994	-	1994-1998 1998-2		
	Concer	tación men	nbers			
Demócrata Cristiano (DC)	39	(33%)	35	(29%)	38	(32%)
Por la Democracia (PPD)	9	(8%)	16	(13%)	16	(13%)
Radical (PR)	5	(4%)	2	(2%)	5	(4%)
Socialista (PS)	18	(15%)	15	(13%)	11	(9%)
Other		, , ,	1	(1%)		
R	Right co	alition me	mbers	. ,		
Renovación Nacional (RN)	32	(27%)	31	(26%)	23	(19%)
Unión Democ. Indep. (UDI)	14	(12%)		(12%)		(18%)
Other		, ,	6	(5%)	4	(4%)
	Oth	er member	S	. ,		
Independent	3	(3%)			2	(2%)
Total	120	(100%)	120	(100%)	120	(100%)
Part 1	B: Coa	litional co	mpositio	n		
Coalition	1990	-1994	1994	-1998	1998	3-2002
Concertación	71	(59%)	69	(58%)	70	(58%)

	Part B: Coa	ılitional co	mposit	ion		
<b>Coalition</b>	1990	0-1994	199	4-1998	199	8-2002
Concertación Right Independent	71 46 3	(59%) (38%) (3%)	69 51	(58%) (43%)	70 48 2	(58%) (40%) (2%)
Total	120	(100%)	120	(100%)	120	(100%)

Sources: OICD (1999) for 1990-94; Ministerio del Interior's web page at <a href="http://www.elecciones.gov.cl">http://www.elecciones.gov.cl</a> (accessed Feb. 14, 2000) for 1994-98; Cámara de Diputados web page at <a href="http://www.diputados.cl">http://www.diputados.cl</a> (accessed Feb. 14, 2000) for 1998-2002.

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Table 3 Concertación's vote differential in upper and lower house elections by region, 1989-97

	Sen	nado	Dipu	itados	Dif	ferential
Region	Votes	(as pct. of valid vote)	Votes	(as pct. of valid vote)	Absolute	Relative
	i	ii	iii	iv	(i-iii)	(i-iii)×100÷i
1989						
1-Tarapaca	76,223	(47%)	77,092	(48%)	-869	<b>−1</b> %
2-Antofagasta	84,460	(41%)	122,380	(60%)	-37,920	-45%
3-Atacama	67,228	(62%)	48,400	(45%)	+18,828	+28%
4-Coquimbo	88,301	(37%)	138,417	(58%)	-50,116	<b>−57%</b>
5-Valparaíso	358,877	(49%)	366,023	(50%)	-7,146	-2%
6-O'Higgins	211,758	(59%)	169,718	(47%)	+42,040	+20%
7-Maule	255,459	(60%)	252,467	(59%)	+2,992	+1%
8-Bío-Bío	408,785	(47%)	409,353	(47%)	-568	-0%
9-Araucania	192,266	(50%)	173,971	(46%)	+18,295	+10%
10-Lagos	261,195	(57%)	233,597	(51%)	+27,598	+11%
11-Gral. Ibáñez	20,405	(56%)	16,713	(46%)	+3,692	+18%
12-Magallanes	52,282	(66%)	51,403	(65%)	+879	+2%
13-Metropolitana	1,637,587	(60%)	1,440,179	(53%)	+197,408	+12%
Total	3,714,826	(55%)	3,499,713	(51%)	+215,113	+6%
1993						
1-Tarapaca	93,038	(58%)	78,236	(48%)	+14,802	+16%
3-Atacama	61,474	(56%)	51,175	` /	+10,299	+17%
5-Valparaíso	396,003	(54%)	366,507	. ,	+29,496	+7%
7-Maule	246,251	(57%)	241,635	` /	+4,616	+2%
9-Araucania	209,477	(56%)	196,874	` /	+12,603	+6%
11-Gral. Ibáñez	17,162	(45%)	15,574	` /	+1,588	+9%
Total	1,023,405	(56%)	950,001	` /	+73,404	+7%
1997						
2-Antofagasta	101,511	(61%)	98,568	(60%)	+2,943	+3%
4-Coquimbo	123,059	(57%)	116,686	` /	+6,373	+5%
6-O'Higgins	157,974	(48%)	166,247	` /	<b>-8,273</b>	-5%
8-Bío-Bío	447,298	(62%)	391,970		+55,328	+12%
10-Lagos	205,745	(50%)	204,734		+1,011	+0%
12-Magallanes	33,599	(58%)	32,955	` /	+644	+2%
13-Metropolitana	1,020,182	(45%)	1,081,470	· /	-61,288	<b>-6%</b>
Total	2,089,368	(50%)	2,092,630		-3,262	-0%
		` '		` '	<i>*</i>	

Sources: Prepared with data from Servicio Electoral 1990 for 1989; Ministerio del Interior 1994 for 1993; Ministerio del Interior web site at <a href="http://www.interior.cl">http://www.interior.cl</a> (accessed April 2, 1998) for 1997.

seats below majority. Attrition among the ranks of the right left the Senate in a situation of tie between the two coalitions from January 1999 until March 2000.

A measure of the bias against the electoral victor can be obtained by comparing seat returns in the upper and lower houses. Concertación's electoral muscle gave it almost 60% seats in three consecutive Cámara de Diputados elections throughout the period, as seen in Table 2. The bias against *Concertación* in the upper house was about 10% at the beginning of the period, losing on average one percentage point every year afterwards. The bias is not attributable to a more modest performance of Concertación parties in senatorial elections, as evidenced in Table 3. Concertación's vote returns in senatorial races was higher or equal to those of *Diputados* races at the national level; most regions replicate this trend. There is little ground to believe that ticket splitting between coalitions was a significant factor behind the right's advantage in the upper house. The immediate consequence of this lag was a headache for Concertación: the right retained the capacity to stop any bill in the legislative process throughout Mr. Aylwin and Mr. Frei's administrations, and hence retain the status quo. This pure negative power, it must be noted, is a limited one. The limits of this particular authoritarian enclave are to be found in another peculiar feature of the 1980 constitution: the near monopoly in agenda-setting granted to the executive in the legislative process. As pointed out by Londregan (2000), following the insights of Romer and Rosenthal (1978), the value for any player of being able to revert legislation back to the status quo depends on the value such player attaches to the status quo. There is always some non-zero probability that an exogenous shock will affect the state of things, rendering it of little (or no) value to any politician; this probability increases as more time goes

<sup>&</sup>lt;sup>6</sup> The situation improved but has not fully changed for Ricardo Lagos, despite the Concertación enjoying majority status in the Senate. The reason is that the passage of most significant legislation requires qualified majorities.

by. When this occurs in some dimension of the policy space, the right is at disadvantage with its pure negative power (cf. Kiewiet and McCubbins 1988). The president and his coalition, with their virtual monopoly on the agenda, can impose the policy of their preference (which the right will have to accept to get rid of an even worse status quo).

#### 1.3 Two coalitions learning to cope with each other

With this logic in mind, and to the extent that it is aware of its disadvantage in setting the legislative agenda, it seems a priori plausible that the right in Chile would actually be inclined to exchange its veto on some of Concertación's pieces of legislation in exchange for the president steering other pieces dear to them.<sup>9</sup> This sort of bargaining between rival coalitions, out of question in a Linzian interpretation of SOP, would actually explain the legislative success of the Mr. Aylwin and Mr. Frei's administrations, both of which were able to enact a large number of bills into law. Many of these bills, Siavelis reports, were quite significant in their policy content (2000, pp. 44-51). The 1990 partial reform to the labor code which got the approval of RN, discussed above, probably was a deal of this sort between Concertación and members of the right.

To get an idea of this success I present some aggregate evidence in Tables 4 and 5. As pointed out by previous scholarship (Siavelis 1998; Smok 1994), the president's role has clearly been that of prime legislator in post-authoritarian Chile. The executive initiated about as many bills as congresspersons in 1990-99 (644 and 512 bills by Aylwin and Frei, respectively, against 510 and 730 by the legislatures facing them). The really striking fact, however, has to do with the success of the president's initiatives. About three-quarters of Mr. Aylwin's bills and

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<sup>&</sup>lt;sup>7</sup> Baldez and Carey (1999) is an excellent analysis of the executive agenda-setting powers and its consequences; also see Siavelis (2000), chap. 1.

<sup>&</sup>lt;sup>8</sup> For example, an onerous Defense budget financed mostly through copper sales would be severely affected by a sharp drop in international copper prices.

Table 4
The legislative success of the executive in Chile, 1990-99

Fate of the bill	Bill initiated by Mr. Aylwin	Bill initiated by Mr. Frei	Total
Became statute	487	327	814
	(76%)	(64%)	(70%)
Was rejected	64	31	95
Į.	(10%)	(6%)	(8%)
Was withdrawn	49	13	62
	(8%)	(3%)	(5%)
Pending (as of Dec. 99)	44	141	185
<b>.</b>	(7%)	(28%)	(16%)
Total	644	512	1156
	(100%)	(100%)	(100%)
	(100%)	(100%)	(100%)

Source: Prepared with data from Oficina de Partes (1999).

about two-thirds of Mr. Frei's eventually became law. Mr. Aylwin had on average one bill with his signature turned into statute every three days in office; Mr. Frei had one every week on average. These are remarkable frequencies for presidents facing a Senate controlled by the heirs of the military regime. Both presidents were frequently able to circumvent the veto of the right; could this have been possible without a large degree of *bargaining* between political adversaries?

The mileage of bills produced by the executive branch stands in distinct contrast with that of bills made by the legislative branch. Most bills drafted by members of Congress were rejected (two-thirds of those initiated under Mr. Aylwin) or got stuck in one of the multiple hurdles of the legislative process (three-fifths of those initiated under Mr. Frei, most of which probably await rejection). Compare with Mr. Aylwin's record: one out of ten bills rejected, still less pending (as

<sup>&</sup>lt;sup>9</sup> The vote to allow the courts to prosecute Mr. Pinochet for human rights abuses in 2000 comes to mind. Concertación probably bought the former dictator's head paying with some policy concessions for the right.

Table 5
The legislative misfortune of Chilean congresspersons, 1990-99

Fate of the bill	Bill initiated by during the pre	0	Total
	Patricio Aylwin	Eduardo Frei	
Became statute	76	75	151
	(15%)	(10%)	(12%)
Was rejected	344	203	547
	(67%)	(28%)	(44%)
Was withdrawn	11	12	23
	(2%)	(2%)	(2%)
Pending (as of Dec. 99)	79	440	519
<u> </u>	(15%)	(60%)	(42%)
Total	510	730	1240
	(100%)	(100%)	(100%)

Source: same as for Table 4.

of December 1999). Or with Mr. Frei's: 6% rejections, 28% bills pending (with time this figure should drop, mostly in favor of rejections).

It is unfortunate that the source does not allow a tracking of where exactly bills get stuck in the legislative process.<sup>10</sup> Other sources suggest that few die in the hands of the executive: Siavelis (2000, pp. 24, 45) reports that only 16 bills were vetoed by the executive throughout Mr. Aylwin's presidency. My own interaction with the staff of Chile's Library of Congress very much suggested that the infrequency continued throughout Mr. Frei's presidency.<sup>11</sup> So even if all executive vetoes fell on the set of legislator-initiated bills, most of the set lost its momentum inside Congress, not in the hands of the president. Given the partisan composition of the

<sup>&</sup>lt;sup>10</sup> This is feasible but requires a longer field trip to the *Biblioteca del Congreso* in Santiago in order to retrieve the information from files containing all the proceedings for every bill initiated in Congress.

<sup>&</sup>lt;sup>11</sup> I was surprised to discover that the Chilean Congress, whose orderly, systematized, and transpared record keeping contrasts with Argentina's, does not keep a roster of bills vetoed by the president, nor does it have an aggregate number; neither does the executive's Ministry of the Presidency.

Table 6
The breakdown of bills initiated by legislators in Chile by sponsor's affinity with Concertación, 1990-1999

Fate of	Share	of sponsors	affiliated wi	th Concertaci	ión <sup>a</sup>		Bills with sponsorship	
the bill	0	.01 to .39	.40 to .60	.61 to .99	1	Partial total	information missing	Total
Became statute	10%	12%	26%	9%	10%	11%	14%	12%
Was rejected	48%	49%	29%	42%	64%	52%	25%	44%
Was withdrawn	2%	0%	0%	1%	2%	1%	3%	2%
Pending (as of Dec. 99)	41%	39%	45%	48%	25%	35%	57%	42%
Total (N)	100% (209)	100% (67)	100% (78)	100% (144)	100% (368)	100% (866)	100% (374)	100% (1240)

<sup>(</sup>a) So, for example, bill 1247-07 to reform the Civil Procedures Code was sponsored by two Socialists, one Christian Democrat, and one member of Renovación Nacional (the first two parties belong to Concertación, the last doesn't) is coded as having a .75 share of sponsors affiliated with Concertación.

Source: same as for Table 4.

chambers it is most likely that bills initiated in the lower house found their cemetery in the upper house, and vice versa, coalitions vetoing bills sponsored by the adversary.

Some evidence in favor of this conjecture is contained in Table 6. Bills enjoying bold support from members of both coalitions (i.e. those sponsored by 40 to 60% of Concertación members) had a higher rate of success (26% became statute, against 12% for the average) and were less likely to be rejected (29% vs. 52%). The evidence is not as straightforward as one would wish, because the source failed to provide information on who sponsored 30% of legislator-initiated bills. If this omission correlates with the partisan origin of bills then the trends in the table would be biased (the fate of bills with missing information differs somewhat from the rest, less rejections and more bills pending). This caveat should not make us overlook that, among 70% of congresspersons' bills, those with cross-coalitional support were better able to circumvent the bicameral vetoes. Coalitions do seem to bargain with each other in Chile.

#### 1.4 Attempt # 1

The attempt to deepen reforms to the labor code in 1995-97 was an issue where an intercoalition deal of the sort described above could not be attained. On January 12, 1995 president Frei initiated a bill to rid the labor code inherited by Mr. Pinochet of two more of its restrictive characteristics: the "bridge over the picket" possibility for employers to hire temporary workers during strikes and the prohibition for unions to engage in inter-firm negotiations (items 3 and 4 in the characterization above). The bill, reported by the Labor Committee on August 16, 1995 was approved "in general" on August 22; the president had tagged and untagged the bill with simple urgency on two occasions since January. <sup>12</sup> On December 12, 1995 the bill was approved "in

<sup>&</sup>lt;sup>12</sup> I drew the information of the proceedings of bill no. 1507-13 from Oficina de Partes (1999) and PAL (1999). See \*Heller and Weldon for a discussion on general and particular votes in Latin American legislatures.

particular" and sent to the Senate for ratification. This would represent the tough test on the bill's chances of success.

Mr. Frei scheduled the bill on a special senatorial session in January 1996, then again in September 1997, with no success of even having it reported from committee. The labor reform was in the difficult position of enjoying the support of Concertación senators only. Extensive negotiations with the right-wing majority in the Senate's Labor and Social Prevision Committee eventually led to a deal, known at the time as the "Thayer-Arrate" accord. Concertación accepted to drop inter-firm collective negotiation reform in exchange for the right's support in ridding the labor code of the bridge over the picket. The amended bill was then reported to the floor. Negotiations, for reasons I have to been able to trace, broke down subsequently. The majority in the Senate opted to not even vote the Thayer-Arrate bill and instead send it on December 16, 1997 to conference committee, where it remained dormant until November 1999. The Senate majority *never formally voted to reject* the bill passed by the lower house. In other words, the right vetoed the reform; the veto, it must be underscored, remained a tacit one, but it represented a veto nonetheless.

The narrative of the 1995-97 episode of reform suggests that three options were under consideration by politicians deciding to reform the labor code. Such options were (a) to make no substantive changes to labor code; (b) to drop only the 'bridge' clause from the labor code; and (c) to drop both the 'bridge' clause as well as the ban on inter-firm negotiation. The bill passed by the lower house of Congress represented option (c); the Thayer-Arrate deal to amend the bill in the Senate represented option (b); while (a) was the status quo. It is possible to rely on

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<sup>&</sup>lt;sup>13</sup> Named after its sponsors, then senator William Thayer (former university chancellor turned senator by a Pinochet appointment) and Mr. Frei's spokesman minister Jorge Arrate (who later became Lagos' Labor minister).

Table 7
Players' likely preference orderings in reforming Chile's labor code

PS	DC-left	DC-right	Right	Median voter
С	b	b	а	$\overline{b}$
b	c	a	b	c
а	а	c	c	а

Options available to parties for the labor reform:

- (a) retain labor code as is;
- (b) drop the 'bridge' clause only;
- (c) drop the 'bridge' clause and the ban on interfirm negotiation.

players' actions, news reports, and one opinion survey to attempt an inference of the preferences entertained by parties and voters regarding these three options.

The right's tacit veto of the bill in the Senate in 1997, despite Thayer-Arrate's concessions, does suggest that the conservative coalition's first preference was option (a). The Thayer-Arrate compromise itself hints that the right preferred option (b) to option (c). Table 7 summarizes this imputed preference ordering.

The Socialist party, on the other side of the spectrum, entertained a reverse preference ordering. The two amendments to the labor code would have greatly increased the organizational capacity of unions with employers. Since unions have historically been at the organizational core of the PS, option (c) served core constituents of this party; this was the party's first preference. The PS's last preference was the status quo, which left the organizational capacity of unions untouched. This left option (b) as a second best for Socialists.

For Christian Democrats the issue of labor reform, the development of the episode suggests, was divisive. There was a tension between serving a primary concern of the DC's socialist coalition partner, and being representative to a core constituency: the middle classes.

There was concern among political observers and participants that small- and medium-sized firms – by far the largest employer in Chile – would be put in a disadvantageous position by lifting the ban on inter-firm collective bargaining. The reason, suggested repeatedly in the press. was that small- and medium-sized firms would have been put on par with large corporations with regards to salaries and benefits. Rising unemployment in 1999 made the DC pretty sensitive to the issue.

The DC thus ranked option (b) as its first preference. The right and left of the party, however, appear to have ranked options (a) and (c) differently. As we shall see below, there was a point towards the end of the episode when the approval of option (c) was likelier; statements by DC senators at that moment are very suggestive that they preferred option (a) (no reform) to option (c) (failing to delete the inter-firm ban from the reform).<sup>14</sup> The left of the party, on the other hand, exerted strong pressure on the dissident faction to get their vote for option (c). The left of the DC appeared to believe that concessions to the coalition partner were needed for Concertación's survival.

One opinion poll in November 1999 indicates that the left of the DC was in fact aligned on the issue of labor reform with a majority of the citizenry, and hence with the median voter. 15 75% respondents in the survey answered that employers have no right to hire workers to replace those striking, while 21% said they do (4% expressed no opinion). In contrast, 41% agreed with inter-firm collective bargaining, while 34% disagreed (and a substantial 25% expressed no opinion); the agree/disagree ratio for this question is not statistically discernible from one at

 <sup>&</sup>lt;sup>14</sup> La Tercera, Santiago, 28 November 1999, p. 4.
 <sup>15</sup> La Tercera, Santiago, 2 December 1999, pp. 4-6.

standard levels of statistical significance.<sup>16</sup> Survey evidence indicates that the median voter wished to outlaw the hiring of temporary workers (option (b) came first), but wasn't so sure about whether or not inter-firm negotiation would be beneficial. Finally 83% of respondents believed that Chilean workers are legally unprotected, and 75% expressed confidence that any 'labor reform' would improve the situation for workers; this suggests that the median voter placed option (a) in third place, leaving option (c) in second.

#### 1.5 The road to La Moneda

Thayer-Arriate had in fact situated the reform project in line with the position of the median voter. The right's rejection of this middle-of-the-road option in 1997 had potential electoral costs. Following the median voter became a more pressing need as the 1999 presidential election approached. Christian Democrats behaved as the median in the next episode of reform. As pointed out in the introduction to the section, Concertación's Ricardo Lagos was in serious danger of not making it to the presidential office in La Moneda in face of Joaquín Lavín's skilful campaign. After the primary election on May 30, 1999 – in which Lagos defeated Andrés Zaldívar of the DC by a 70-30 vote – the candidate of the Concertación enjoyed the support of 35% respondents in opinion polls, against 28% for Mr. Lavín. Despite the landslide in the primary, Lagos had to spend months healing the scars with the right of the DC, months which Mr. Lavín spent increasing his name recognition by touring solo up and down Chile's geography. By October the standings were 37% to 39% for Messrs. Lagos and Lavín, respectively. In five months the right gained eleven percentage points; Concertación gained only two.

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<sup>&</sup>lt;sup>16</sup> This was a phone survey applied to 299 respondents 18 years of age or older on November 30, 1999. The sample covers towns with 32,000 inhabitants or more, being representative of 72% of Chile's population. The error margin is plus or minus 5.7% at the .05 level. *La Tercera*, Santiago, 2 December 1999, p. 4.

<sup>&</sup>lt;sup>17</sup> La Tercera, Santiago, 28 November 1999, p. 2.

Mr. Lavín's campaign was extremely successful in presenting him as a moderate and fresh alternative, different both to Concertación's sclerotic policy and to the antiquate right. Mr. Lavín, for example, despite serving as a young technocrat in the General's authoritarian government, was careful to distance himself from Mr. Pinochet as early as 1997 (when he was elected mayor of Las Condes, in uptown Santiago). Mr. Lavín endorsed human rights concerns during military rule, failed to attend Mr. Pinochet's birthday parties, and repeatedly called Chileans to forget the past and move on to the future. Mr. Pinochet himself failed to support Mr. Lavín's candidacy, choosing to grant his alleged confidence to Arturo Frei Bolívar, a turkey in the presidential race. This may represent a strategic endorsement by the former dictator of Mr. Lavín's positioning exercise; or perhaps the Honorary Commander in Chief of the Armed Forces was really becoming a burden for the new right's ambition to govern Chile.

Lagos' campaign, on the other hand, wanted to prove to voters that Mr. Lavín's discourse of moderation was pure electoral trickery, that many popular reforms were missing not because of Concertación's incompetence, but due to the veto of Mr. Lavín's supporters in Congress. Lagos' problem was to find issues that would simultaneously bring hard evidence of the right's recalcitrance while not dividing Socialists and Christian Democrats in the Concertación.

#### 1.6 Peculiar campaign methods?

The choice, in November 1999, to begin a new attempt at reforming the labor code is hard to isolate from the presidential campaign, despite emphatic declarations by Concertación officials and leaders to the contrary. In 1997 the right had kept its veto to labor reform tacit; Messrs. Frei and Lagos now wanted that veto to explicitly surface to the eyes of the electorate. A strategy was devised to force the right to vote against reform.

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<sup>&</sup>lt;sup>18</sup> La Tercera, Santiago, 5 December 1999, pp. 4-8.

This stratagem was, in fact, part of a larger ploy to rely on Concertación's control of the legislative agenda (through the presidency) in order to assist Lagos' campaign. Captained by José Miguel Insulza, socialist minister secretary general of the presidency – the official link between the coalition leaders in Congress and the executive (see Siavelis 1998) – the Concertación leadership designed a legislative agenda to boost Lagos' expected vote. The trick was to bring back to life bills that were pending in congressional committees due to a lack of support from the right. In choosing such bills, Mr. Insulza and the Concertación leadership were careful to avoid divisive issues among coalition members, such as the divorce law and university fees. They instead "privileged issues that rightist parlamentarians would feel most uncomfortable in rejecting because they could potentially hurt Mr. Lavín's campaign," according to a press report. 

19 It becomes hard to interpret this behavior as anything other than a position-taking use of veto politics.

Six bills stranded in the Senate were identified as potential targets of this legislative campaign strategy. They included issues such as movie censorship, allowing plebiscites to reform the constitution (so as to bypass the right's recalcitrance), and the reform to the labor code. The same press report suggests that five of these bills were engaged in the position-taking game, the last in line being the reform to the labor code.

There is also a curious overlap in electoral and legislative times. Officially, electoral campaigns started in mid-September. A special congressional session was called by president Frei on September 18, which lasted until mid-December. The first round of the presidential election took place on December 12. This overlap of the electoral calendar and the last legislative session of Mr. Frei's presidency, I would suggest, is no coincidence. It conforms with

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<sup>&</sup>lt;sup>19</sup> La Tercera, Santiago, 28 November 1999, p. 2.

a deliberate campaign strategy by the governing coalition. Concertación wanted the opposition coalition to contradict Mr. Lavín's campaign promises *with its very actions in Congress*. Concertación, I believe, was hunting for position-taking opportunities.

#### 1.7 Attempt #2

When the Labor committee in the Senate reported the Thayer-Arrate bill (option b) to the floor in 1997, and the majority rejected it, the original bill (option c) was sent to conference (PAL 1999). A two-thirds vote in conference committee (*comisión mixta*) could insist on sending this bill back to the Senate for another vote; otherwise the bill would die.<sup>20</sup> As pointed out, conference refrained from any action on the bill. Until Mr. Frei urged 'immediate discussion' on November 17, 1999, conference was not forced to act. With urgency, conference now had three days to choose whether it would report it back to the Senate or return it to the lower house (in which case the bill was considered rejected and could not be reinitiated within one year). This was a first opportunity to direct the spotlight towards the right's rejection of labor reform.

The right's contingent in conference opted to join Concertación in favor of reporting option (c) back to the Senate floor for a new vote. Mr. Lavín and the conservative coalition, won a few precious days to attempt to manage the effects of a possible rejection down the game tree. The vote in the Senate was scheduled for December 1, eleven days before the presidential election.

There was a major change in the decision to vote: policy options had changed since the last attempt to reform the labor code. In 1997 the floor faced a choice between options (b) and (a) (Thayer-Arrate vs the status quo); this time the floor considered option (c) against option (a) (the lower house's bill vs the status quo). This change, which stemmed from the 1997 refusal to

discuss Thayer-Arrate in the floor of the Senate, was not innocuous. Whereas Concertación would have unanimously picked option (b) over option (a) (as per the preference profile in Table 7), the right of the DC preferred to defect (if it could) when voting option (c) against option (a), opting for the status quo.

Members of Concertación in fact threatened to defect as December 1 approached. A group of DC senators, guided by Andrés Zaldívar, Senate president and defeated candidate in Concertación's primary and Alejandro Foxley, former Finance minister, expressed they would only vote in favor of option (c) if Mr. Frei publicly committed to an executive veto on the bill to allow Congress to amend it back to option (b).<sup>21</sup> It is uncertain whether the threat was a credible one for Mr. Frei and other Concertación members. Because the senate was evenly split between the two coalitions (Figure 1), any defection was pivotal. Yet it is an open question whether they would leave their president and candidate alone in this critical vote.

What this end of the episode does indicate is that a good part of the DC truly feared retaliation from the electorate because of making too many concessions to the Socialist agenda. This danger was bigger now that a Socialist was the presidential candidate of the Concertación: middle classes could have defected towards the right coalition.

Mr. Frei never committed in public to using the veto to perfect the bill in case it got passed in the Senate. And yet, all members of the DC aligned with Concertación. On December 1 the bill died in the floor of the Senate, after 23-23 ties occurred twice. Perfect coalition discipline produced both results.

<sup>&</sup>lt;sup>20</sup> Article 67 of the Chilean constitution.

<sup>&</sup>lt;sup>21</sup> La Tercera, Santiago, 28 November 1999, p. 4.

#### 1.8 On motivation

The country must know the truth: for five years the opposition refused to legislate. It had time enough to think and suggest relevant amendments. In yesterday's session it showed once and for all that it does not want changes.

—President Eduardo Frei, December 2, 1999.<sup>22</sup>

Why did Concertación attempt a second reform to the labor code, only two years after the first failure, and without making amendments to policy rejected by conservatives? Is this a case of Linzian polarization? Did Cameronian uncertainty play a central role in generating the vetoes?

Linz's concern with deadlock is that, after one branch has experienced the rejection of its policy by the other, it is tempted to resort to extra-constitutional maneuvers in order to bypass the veto. This illegality erodes democratic institutions, increasing the chances of a democratic breakdown. The episode of the labor reform in Chile contradicts this interpretation: Concertación's second attempt at labor reform was not undertaken by unconstitutional means. Quite to the contrary, Concertación has abided to the mandates of a constitution they actually dislike. This is a sign of moderation, not increased polarization, I believe. Another sign of polarization is the inclination of both coalitions to bargain the passage of large numbers of pieces of legislation.

On the other hand Cameron's sequential veto bargaining involves a process of learning by players. Concertación might have misjudged the right-wing's tolerance for reform in 1997. The tacit veto could have resulted from incomplete information. But the next steps of the episode fit less well with this framework. The problematic element is that the second attempt did not involve concessions to the right. On the contrary, the second vote involved the more extremist

<sup>&</sup>lt;sup>22</sup> La Tercera, Santiago, 3 December 1999, p. 3.

option (c) against the status quo. Concertación did not internalize the learning experience in the second round of bargaining.

The same journalistic account of Mr. Frei's words that open this subsection actually suggests that there was little uncertainty about whether the right-wing veto would in fact come or not on December 1.

[H]igh level officials [interviewed] in La Moneda pointed out... that government always knew it could not negotiate [amendments to the labor code reform] with RN and UDI since they had expressed in private they wanted... first to suppress the prohibition of firms to hire new workers in case of strike and second to totally eliminate inter-firm negotiation.<sup>23</sup>

This leaves the position-taking interpretation of the episode as the most plausible. Mr. Frei and the Concertación attempted to take advantage of the opposition's negative power.

The choice to wait until the end of November 1999 to tag the bill urgent was, in fact, a maneuver to turn the right's *tacit* veto of labor reform into an *explicit* one, just two weeks before the December 12 election. Mr. Lavín's campaign had been very successful at placing him as a moderate candidate in the eyes of the electorate; he also underscored Mr. Frei's lack of concrete actions to solve Chile's problems. By provoking a senatorial veto Concertación meant to bring unquestionable evidence that Mr. Lavín's moderate discourse was in great part pure electoral trickery, his supporting coalition in Congress in fact behaving against the median voter's wish for (at least partial) labor reform.

## 2 Shifting positions in the chain of production of pork

Mexico City, March 2001. It took only three-and-a-half months in office for Vicente Fox to do something his PRI antecessors had not done in more than three decades. On March 15 the president used the executive veto power to stop a bill passed by Congress from becoming law.

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<sup>&</sup>lt;sup>23</sup> La Tercera, Santiago, 3 December 1999, p. 3.

Mr. Fox's veto should in fact have occurred within his first month in office, but Mexican presidents, who do not enjoy a pocket veto as their Anglo-American peers, have to wait until the beginning of a new legislative session in order to return a bill passed immediately before Congress adjourned. Within a month of change in one independent variable of substantive interest to anyone who studies institutions – the partisan makeup of Mexico's government – there was a consequential change in the way branches relate to each other.

The veto looked and felt rather odd for anyone who has observed the Mexican legislative process since the 1950s, the epitome of executive-legislative harmony. To be fair, the business of Mexican politics had been changing in recent years, but it hadn't reached this level of confrontation. Senator Raymundo Cárdenas (PRD-Zacatecas) was among those expressing stupefaction. "If the lack of dialog and agreement [between the branches] is repeated," he warned, "the country risks serious legislative stalemate because opposition parties, in reciprocity for the President's posture, can reject the initiatives he presents in Congress".<sup>24</sup>

Mr Cárdenas was among those who supported the Rural Development Law bill whose fate was now in jeopardy; his impression thus comes as not too much of a surprise from someone hurt by the veto. Yet many in Mexico with no stakes on the issue aligned with the senator's view, taking the veto as evidence that Mexico keeps crawling towards chaos. Despite the smoothness that characterized the discharge in 1997-2000 of the longest ruling party in the world, most political observers share an inclination to tell apocalyptic stories of life after the PRI. Old habits die hard.

The fading regime, of course, was in no small part responsible for this mood. In an attempt keep the ranks of the risk-averse populous, its agents undertook, or at least endorsed and

<sup>&</sup>lt;sup>24</sup> Reforma, Mexico City, 17 March 2001, p. 5A.

publicized, much of the effort of pessimistic prognosis.<sup>25</sup> "If the PRI happens to lose its majority in the Chamber of Deputies", a political operator and close ally of incumbent president Ernesto Zedillo underscored in a campaign debate towards the 1997 mid-term congressional election, "government paralysis and ungovernability will ensue inevitably".<sup>26</sup>

And yet, the nightmare seems to have had a false start. The PRI lost majority status in one chamber of Mexico's bicameral Congress in 1997, then in both in 2000 when it also failed to win the presidency. In this section I claim that, despite many signs of belligerence between the parties – within Congress in a first stage, between branches more recently – Mexico is far from a situation of gridlock and paralysis, increased polarization, and chaos.

I set my argument by questioning what Mr. Fox's veto should be taken as evidence of. Is it an early Linzian sign of the fatal systemic overheating soon to be brought by politicans' unwillingness or incapacity to bargain out moderate policy? Or did the veto simply result from a Cameronian misjudgment of Mr. Fox's tolerance for pork? Was it a reputation-building ploy? Or perhaps the episode was merely a publicity stunt, an attempt by some politicians to adopt a clear stand in policy?

A case study of the proceedings that led to the adoption of the Rural Development Law bill suggests that uncertainty and position-taking interacted in the episode, although the advertisement component was prevalent. The story goes something like this: I will produce populist policy for you to reject; if you do not reject it, my constituents win; if you do reject it,

<sup>&</sup>lt;sup>25</sup> Of course, not all the blame for this pessimistic mood belongs to the PRI intelligentsia. Renowned political observers and participants of all breeds shared similar beliefs. Eloquent expressions of what was then termed the *Train Collision Hypothesis* surrounded the 1994 presidential election. Fuentes 1996 compiles much of this thinking. Also see Ramírez 1995.

<sup>&</sup>lt;sup>26</sup> Esteban Moctezuma Barragán, quoted in Meyer 1998, p. 94.

you take the blame. There is uncertainty as to whether or not the rejecting part will engage his or her negative power, but the structure of the situation is one of publicity-hunting.

The narrative uncovers the coalitions that supported the bill at different stages of negotiation. The changing alignments in committee and the floor of the two chambers, we will see below, are hard to explain from a perspective of ideological polarization or one of pure uncertainty. The case looks very much like an attempt to embarrass the incumbent executive and his party.

### 2.1 The wearing down of the PRI

Few must have guessed, back in 1929, that the deal struck by incumbents at all levels of government would, in time, become one of the most amazing pieces of institutional machinery designed to perpetuate a clique in power. The National Revolutionary Party was born out of the deal coordinated by Plutarco Elías Calles, so called maximal boss (*jefe máximo*) of the main Revolutionary faction. The PNR was reorganized a couple of times, eventually becoming the Institutional Revolutionary Party (PRI) that ruled Mexico until 1997-2000.

A central piece of the PRI's exceptionality was the unusual degree to which it managed to unify what an SOP constitution meant to keep separate. No less remarkable is that it managed to do so for 60 years (1937-1997). A hegemonic and tightly disciplined partisan structure, with the incumbent president seating at its top, was the secret formula rendering inter-branch relations as smooth as anyone predisposed against executive-legislative conflict might wish (see Weldon 1997c). The president played the role of chief legislator in this orchestration – at times the role of unique legislator – every bill or constitutional reform submitted by him to Congress being

approved in timely fashion and at most with only minor amendments by the PRI supermajorities.<sup>27</sup>

Mexico's amazing post-revolutionary regime began losing its resemblance to a Swiss high-precision clock under the corrosive effects of a gradual, but steady, increase in electoral competition. This slowly undermined the party's hegemonic condition (see Díaz Cayeros, Magaloni, and Weingast 2000; Molinar 1991).

The PRI lost its grip on power gradually. In 1988 the PRI was unable for the first time in 36 years to contain the defection of a prominent 'out' faction. As a result PRI lost the two-thirds majority in the lower house of Congress. As Carlos Salinas, the newly elected president, was to quickly find out any policy change of middle to high significance would require, under the new situation, the support of at least one major opposition party. The reason for this need to engage in coalition building is that (absolute) majorities do no suffice to govern in Mexico (Lujambio and Vives Segl 2000). The constitution regulates rather intricate details of government activity, so any important change in policy typically requires one or more article of the constitution to be amended, especially when change involves a major economic reform such as that envisioned (and eventually implemented) by Mr. Salinas.

The conservative National Action Party (PAN), Mexico's oldest electoral opposition to the PRI, became Mr. Salinas' legislative partner. Under the leadership of Diego Fernández de Ceballos, PAN traded its votes for economic reform for Mr. Salinas' support in increasing electoral and procedural transparency.<sup>28</sup> An even harsher assault on the PRI's capacity to mobilize voters resulted. PRI managed to retain the presidency and majorities in Congress in the

<sup>&</sup>lt;sup>27</sup> There were rare exceptions to this rule, see Weldon (1997a; 1997b).

<sup>&</sup>lt;sup>28</sup> The electoral authority was made independent in 1991 with the creation of the Instituto Federal Electoral. Previously elections were administered by the Interior ministry.

Table 8 Partisan composition of Mexico's Congress, 1997-2003

		gislature 7-2000)		egislature 0-2003)					
Part A: lower house (Cámara de Diputados)									
PRI	239	(48%)	211	(42%)					
PAN	121	(24%)	207	(41%)					
PRD	125	(25%)	52	(10%)					
PVEM	8	(2%)	16	(3%)					
PT	7	(1%)	8	(2%)					
Other			6	(1%)					
Total	500	(100%)	500	(100%)					
Part B: upper ho	ouse ( <i>Cám</i>	ara de Sei	nadores)						
PRI	76	(59%)	60	(47%)					
PAN	32	(25%)	46	(36%)					
PRD	15	(12%)	16	(13%)					
PVEM			5	(4%)					
CD			1	(1%)					
Other	5	(4%)							
Total	128	(100%)	128	(100%)					

Sources: Lujambio (2000), p. 9; http://gaceta.cddhcu.gob.mx/

(accessed April 3, 2001); Lujambio (2000), p. 75; http://www.senado.gob.mx/ (accessed April 3, 2001).

1994 general election. It unprecedently lost majority status in the lower house of Congress in the 1997 mid-term election.

## 2.2 Having to share one's houses with strangers

The plural composition of the 57<sup>th</sup> Legislature (1997-2000) opened a new chapter in interbranch relations in Mexican politics, a period of non-unified government which invalidated one of the necessary conditions for presidential dominance of the legislative process (Weldon 1997c). As can be seen in Table 8, it was not divided government as we usually know it because no single

party managed to gain a majority of seats in the *Cámara de Diputados*. The PRI actually preserved a plurality in the lower house (with 48% of seats) and it retained majority control of the upper house (with 59% of seats). Yet the novelty of the situation made political commentators of all breeds anticipate chaos, immobilism, and further polarization resulting from clashes between the branches.

Evidence would soon show how wrong apocalyptic interpretations of the end of PRI's hegemony had been. The evidence, it must be recognized, was rather silent and came rather unperceived; the public image was one of partisan confrontation and intransigence. The inauguration of 57<sup>th</sup> Legislature, in fact, was accompanied by a (failed) attempt from the PRI plurality to seize control of the lower chamber's leadership. The united opposition frustrated what they termed "the bad smell of a coup attempt (*un tufillo golpista*)" by imposing its procedural majority; PRI eventually accepted their new status.<sup>29</sup> Instances of confrontation, with violence in some occasions, spurred every time Congress was in session. Simultaneously, but attracting less the attention of the media, the 57<sup>th</sup> lower house legislated policy into law.

A notorious episode took place on September 11, 1997 – ten days after the start of the session where the PRI no longer held the majority – when deputy Maximiano Barboza (PRD-PR), leader of a large society of debtors who chose to default on their banks was denied by his party leadership an intervention to respond to Finance minister Guillermo Ortiz appearance before the lower house. Mr. Barboza chose to voice his furious response from the floor, but his screams and shouting dissolved in the cacophony of insults produced by so-called *Bronx* deputies (PRI representatives of industrial suburbs North of Mexico City). Mr. Barboza's became brutal: he jumped onto deputy Rafael Oceguera (PRI-6<sup>th</sup> district of Sinaloa), hitting him repeatedly in the

<sup>&</sup>lt;sup>29</sup> La Jornada, Mexico City, 31 August 1997, p. \*.

head. "Stop that bully! or he'll destroy him (*¡Paren a ese cabrón... párenlo o lo va a destrozar!*)<sup>30</sup>" The fight was stopped fast, but Mr. Oceguera wore a profusely-bleeding veil as other Bronx members carried him to get medical attention. Rather incredibly, only three years after this bloody episode Mr. *Tyson* Barboza – a some began calling him afterwards – was defecting his party in favor of... the PRI.<sup>31</sup>

#### 2.3 Parties as unitary actors that unite

There are two pieces of evidence of bargaining between the parties. One piece confirms that the image of parties as cohesive units – an image implicit in all accounts of the legislative process in Mexico – is accurate indeed. The other piece projects an image of unanimous consent backing the production of legislation.

Weldon (n.d.) observed roll call votes in the Chamber of Deputies from October 1998 to October 1999 as a way of verifying party discipline. In order to summarize a large amount of information into some meaningful indicator of discipline, he developed a statistic of cohesion.<sup>32</sup> Weldon thus computes the modal behavior that each party's contingent had in every roll call vote in a given set. The resulting cohesion measure result is bounded by <sup>1</sup>/<sub>3</sub> (when a party is completely divided in the vote, one third voting yes, one third no, one third abstaining) and one (when all party members vote the same). A given party's cohesion for the set of roll calls held between October, 1998 and October, 1999 results from averaging this measure across the set of votes in the period.<sup>33</sup>

<sup>&</sup>lt;sup>30</sup> La Jornada, Mexico City, 12 September 1997, p. \*.

<sup>&</sup>lt;sup>31</sup> El Economista, Mexico City, 12 September 1997, p. \*; La Jornada, Mexico City, 11 January 2000, p. \*.

<sup>&</sup>lt;sup>32</sup> Conventional cohesion indexes are not suited to handle three voting options available to legislators in Mexico, hence the need for a new one.

Let  $yes_{i,j}$  stand for the share of party j's members that voted 'yes' on roll call i, i = 1,...,N and j = 1,...,P. Define  $no_{i,j}$  and  $abstain_{i,j}$  in similar fashion, such that  $(yes_{i,j} + no_{i,j} + abstain_{i,j}) = 1$ . For each vote compute  $mode_{i,j} = max($ 

Table

Weldon's index of party cohesion in Mexico's Chamber of Deputies, Oct. 1998-Oct.

1999 (number of votes in parentheses)

	PRI	PAN	PRD	PT	PVEM
All votes	.99	.93	.9	.96	.96
	(158)	(158)	(158)	(158)	(133)
Votes on public bills only	1	.93	.92	.96	.98
	(120)	(120)	(120)	(120)	(98)
Votes where the majority of one major party opposed majorities of one or both other major parties	1 (75)	.9 (75)	.9 (75)	.95 (75)	.95 (56)

Source: Reprinted (and excerpted) from Weldon (n.d.), Table 3.

Table 9 documents the impressive degree of discipline among Mexico's parties during one full year of sessions in the lower house of the 57<sup>th</sup> Legislature. The left-wing PRD signaled the most problems in unifying its contingent, and yet this was but a minor problem: 9 out of 10 *perredistas* voted the same way in an average roll call vote. This level of PRD cohesion practically did not change if we only look at votes on public bills or votes where one of the major parties (PRI, PAN or PRD) voted against at least one other major party. On the other extreme of observed cohesiveness PRI manifested nearly perfect discipline, cohesion reaching almost unity across all subsets of votes. Parties in Mexico, Weldon's evidence strongly confirms, can be taken with confidence as the relevant unit of analysis in studying the legislative process.

Now that we know that we can look at parties as cohesive units, how did they oppose each other in the passage of policy? Table 10 sheds some light to the pattern of coalition-

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 $yes_{i,j}$ ,  $no_{i,j}$ ,  $abstain_{i,j}$ ). For the set of N roll calls, Weldon's measure of cohesion for party j is defined as  $cohesion_j = \sum_{i=1}^N \frac{mode_{i,j}}{N}$ .

Table Observed coalitions in the 57<sup>th</sup> Congress, Oct. 1998-Apr. 1999

	Parties in the coalition	Number of votes where a majority in each party in the coalition voted yes	(Percentage)
Minimal winning coalitions	PAN+PRD+PT PAN+PRI	2 16	(2%) (12%)
Oversized coalitions	PAN+PRI+PT PAN+PRI+PVEM PRI+PRD+PT PAN+PRI+PT+PVEM PRI+PRD+PT+PVEM PAN+PRI+PRD+PT PAN+PRI+PRD+PVEM	1 15 2 14 1 1	(1%) (11%) (2%) (11%) (1%) (1%) (1%)
United opposition	PAN+PRD+PT+PVEM	5	(4%)
Unanimous consent	PAN+PRI+PRD+PT+PVE M	75	(56%)
	Total	133	(100%)

Source: Reprinted (and excerpted) from Lujambio (2000), p. 12.

building that took place in portion of the 57<sup>th</sup> lower house. The table lists all coalitions that formed from October 1998 to April 1999 to pass 133 pieces of legislation, as reported by Lujambio (2000). The first striking fact from Lujambio's evidence is that, in a storm of partisan fury, 133 pieces got passed in seven months. Since Congress was in session only four and a half of those those months, the resulting average is about one piece of legislation for every day in session. Lujambio also reports that at least a dozen of the 133 bills passed corresponded to which bills of unquestionable relevance (pp. 12, 16n).

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A second striking fact in the table is the enormous degree of consensus that parties reached in the observed period. Only 12% of bills passed with the support of a minimal-winning coalition, while 56% of bills aligned all five parties represented in the chamber.

Thirdly, PRI and PAN frequently supported each other, as they have been doing since 1988; they represented the nucleus of most legislating coalitions in the period of observation. Whether in a minimal winning coalition or accompanied by extra partners, these two parties accounted for 123 successful votes, 92% of the total. Subtracting unanimous consent votes leaves the figures in 48 votes, or 83% of all.

Finally, only 7 bills (5% of all) were passed by coalitions excluding the PRI. The united opposition established a procedural coalition at the beginning of the session to impede the PRI from controlling the chamber. This alignment was not repeated often afterwards to produce legislation. One probable reason has to do with ideological differences between the right (PAN and PVEM) and left (PRD and PT) of opposition. Another no less important reason is that any deal between the opposition, excluding the PRI, was bound to be killed elsewhere. The PRI, we must remember, still held a majority in the Senate, and also controlled the executive; anything passed in the lower house could be vetoed in one of these two instances. Anticipation of this veto probably made parties include the PRI in most deals.

The evidence reported so far suggests that Mexico's parties were, in a sense, simultaneously playing in two fields. This dual game had also been observed at the sub-national level in the state government of Chihuahua in 1992-1996 (Aziz Nassif 1996). One was a field of public confrontation, where parties actively engaged in belligerent outburst of confrontation; position-taking was the dominant motivation here. The other was a field of elite negotiation in smoke-filled backrooms, where parties anticipated the vetoes that each other held in the non-unified status of Mexico's SOP government; anticipation and policy outcomes dominated

motivation here. Sound and silence coexisted side to side; many observers took this as a sign of genuine fury.

As seen above only 5% of bills in Lujambio's data corresponded to position-taking exclusions of the PRI. One of them was an initiative to further liberalize the electoral process sponsored by the unified opposition, an attempt that was in fact vetoed by the PRI in the Senate. A question remains open: Why wasn't the position-taking route used more frequently? Opposition parties in Mexico seldom engaged in publicitary maneuvers in the observed period. I will address this question in the final chapter. I now turn to the study of one piece of legislation in contemporary Mexico.

## 2.4 The Rural Development Law bill

I now analyze one event that took place a year or so after the periods observed above in Mexico. The Rural Development Law offers one example of inter-branch relations where partisan behavior is hard to account from the perspective of Linzian ideological polarization or Cameronian uncertainty, while the search for publicity provides a plausible explanation of observed behavior.

This narrative is set in 2000-2001, in the final year of Ernesto Zedillo's presidential term and Vicente Fox's first. Mr. Fox, charismatic former PAN governor of the state of Guanajuato, was victorious in the July 2, 2000 general election, displacing the PRI from the executive office it held for about 70 years. The PRI's defeat had been heralded by the 1997 mid-term election that gave place to the 57<sup>th</sup> Legislature discussed above.

A bill to regulate fraction XX of article 27 of the constitution was being concocted in the lower house in the midst of the presidential campaign. On April 11, 2000, three months before the general election, the Agriculture Committee decided to conflate three initiatives into a single

bill reported to the floor of the chamber of Deputies.<sup>34</sup> In time, the reported bill was to become the Rural Development Law (*Ley de Desarrollo Rural*).

Stripped to its fundamentals, the RDL bill set policy in the following stylized fashion.<sup>35</sup>

- (1) It would become mandatory for every state and municipality to set apart 10% of monies they receive from the federal government (*participaciones federales*), and allocate a matching amount from their own resources (art. 146). The pooled resources would result in rural development funds, one for each state.
- (2) Agricultural Councils would then be formed in each state in order to "define regional priorities, plan and distribute" the monies from the state's rural development fund (art. 23).
- (3) Agricultural Councils would be filled up with appointees of the federal and state governments, in addition to "representatives of social and private organizations of the economic and productive character of the rural sector" (i.e. peasant interest groups) (art. 24).

In short, the RDL gave large subsidies to peasant organizations. A good deal of each state's budget would be placed in the hands of Councils packed with the leaders of the organized peasantry. Concentrated benefits with diffuse cost for all the state's taxpayers. The LDR bill fall in the tradition of pure distributive politics, pork barrel style.

Who was responsible for this bill? Given that (a) the largest peasant organization in Mexico is, by far, the CNC;<sup>36</sup> that (b) by its size CNC would be the chief winner of subsidies; and that (c) CNC is the official "peasant sector" of the PRI's organizational structure, the

<sup>&</sup>lt;sup>34</sup> One initiative had been co-sponsored by *diputados* of PAN, PRD, PT, and PVEM; another was sponsored by the PAN; one more by members of the PRI. *Gaceta Parlamentaria*, Mexico City, year III, number 490-I, 11 April 2000. <sup>35</sup> *Gaceta Parlamentaria*, year III, number 490-I, 11 April 2000.

Table 11 Partisan vote on LDR in Mexico's Chamber of Deputies, April 27, 2000

Vote	PRI	PAN	PRD	PT	<b>PVEM</b>	Indep.	Total
In favor Against	219	107 1	110	7	3	2	229 220
Abstained Absent	26	1 8	6	5	2	1 2	2 49
Total	245	117	116	12	5	5	500

Source: Gaceta Parlamentaria (2000).

expectation is quite transparent. PRI should have been the chief sponsor of the LDR bill. Wrong.

The bill reported by the Agriculture Committee was accompanied by a report by PRI members. The PRI considered that the RDL bill reported was plagued with inconsistencies and flaws.

The regulation... proposed in the [Agriculture] Committee's report is not operative and is confusing, and for this reason, if it were approved, it would not only fail to bring benefit whatsoever to the Mexican agricultural sector, it is on the contrary possible that it would worsen its condition.<sup>37</sup>

The PRI would have wanted to report its own version of the bill instead, making it clear that it recommended rejection of the bill in the floor. It also makes it clear that the opposition was responsible for reporting LDR.

LDR was passed in the Chamber of Deputies in a 229-220 vote on April 27, 2000. As reported in Table 11, voting followed clear partisan lines. The whole PRI contingent present the day of the session voted together, adding 219 of the 220 votes against LDR; the other vote came from a *panista* who defected from his party's line. PAN also had one member abstaining, but the

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<sup>&</sup>lt;sup>36</sup> Confederación Nacional Campesina, or National Peasant Confederation.

<sup>&</sup>lt;sup>37</sup> Gaceta Parlamentaria, year III, number 490-I, 11 April 2000.

107 reminder members present voted in favor. All 110 present members of PRD voted in favor as well.

# 2.5 Furious politicians

The vote gave rise to public excoriation between the parties. A prominent member of PRI's leadership in the Chamber called the opposition "mechanical, irresponsible, authoritarian, and revengeful" in passing LDR. President Zedillo condemned the "demagogical outbursts (desplantes demagógicos)" motivated by an "evident, albeit badly conceived, electoral interest" of opposition legislators. Mr. Zedillo referred to the passage of both LDR and a bill to legalize illegally imported cars from the U.S., passed simultaneously in the lower house by the same partisan alignment. On the other side, Carlos Medina Plascencia, leader of the PAN in the Chamber, lamented Mr. Zedillo's "political autism" which rendered him insensible to the demands of the citizenry; Mr. Zedillo constantly lobbies U.S. Congressmen, Medina cried, yet is "incapable of discussing... the problems affecting Mexico's population with his very country's Congress." "Childish" was Pablo Gómez's, leader of the PRD, choice of epithet for Mr. Zedillo.<sup>38</sup>

LDR shuttled to the Senate, where it still had to be discussed and voted. PRI senators, who still had a comfortable majority in the upper house, anticipated their rejection of the bill, denouncing that "opposition legislators are trying to make the PRI pay a political and electoral cost." PAN senators, on their side, all expressed that the bill "would never pass in the Senate given the line drawn by president Zedillo for his party" to align.<sup>39</sup> There was little uncertainty as

<sup>&</sup>lt;sup>38</sup> La Jornada, Mexico City, 28 April 2000, pp. \*.

<sup>&</sup>lt;sup>39</sup> El Universal, Mexico City, 28 April 2000, p. \*.

to what the fate of the bill looked like. And, in case the Senate failed to stop the bill, "the last resource for a case such as this is the presidential veto" threatened the Secretary of Commerce.<sup>40</sup>

The PRI kept its threat in the Senate, using its negative agenda power to prevent the bill from being discussed, much less from being voted. The LDR bill was sent to the Agriculture, Cattle, and Rural Development Committee of the Senate where it remained dormant for the remainder of the 57<sup>th</sup> Legislature. The PRI thus exercised a tacit veto on the Rural Development bill before the general election.

### 2.6 Resurrecting the dead (for someone else to kill)

December is budgetary month in Mexico. Since 1997 budget bargaining, with its press reports, threats, closed-door meetings, and poignant declarations from members of the parties captures most of the attention paid to the legislative process. In the middle of the controversy leading to the passage of the budget for FY2001, an event took place in the Senate with not too much notice. The Senate's (revamped) Agriculture, Cattle, Rural Development, and Legislative Studies Committees united to report the RDL bill to the floor on December 19, 2000.<sup>41</sup> The text reported to the floor was identical to the version passed in the lower house eight months earlier. In the meantime, however, Mexico's political landscape had changed beyond recognition. A panista now sat in the presidential office of Los Pinos since December 1, 2000; neither house of Congress had a majority party.

Since no party controlled the new Senate, a coalition necessarily had to be formed for this report to make it to the floor. Which parties joined efforts? The history of the RDL bill endorses one more transparent expectation in this respect. RDL had suffered the veto of the PRI in the

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<sup>&</sup>lt;sup>40</sup> La Jornada, Mexico City, 28 April 2000, p. \*.

Senate, but PRI had now lost its capacity to continue doing so. We would thus expect PAN and PRD once again joining efforts to have the bill they jointly passed in the lower house reported. The PRI should have again opposed the report of a bill they had considered to be fatally flawed. Wrong again, try harder.

This time round it was the PRI who coupled with the PRD to report LDR, against the objections of the PAN. It is less easy to document partisan reactions to the event because the Senate is less open in what it reports to the public, and the press overwhelmingly covered the budgetary battles instead of LDR. The bill was passed with no amendments in a 72-44 vote on December 27, only four days before Congress adjourned.<sup>42</sup>

Senate proceedings do not report roll call votes, but journalistic accounts mention that all *panistas* voted against the bill in the floor, while PRI and PRD coalesced.<sup>43</sup> If all PRI and PRD senators had been present in the session and had voted favorably, LDR would have obtained 76 'yea' votes; if all PAN members had been in session and teamed in the negative, 46 'nay' votes would have resulted (as per Table 8). These additions closely match the actual vote balance.

Senator Juan José Rodríguez Prats (PAN-PR) was in charge of proposing an (unsuccessful) suspension of debate to return the bill to committee. "Why should we approve a law when we are all recognizing it is wrong", he argued from the tribune.<sup>44</sup> This appears to be an argument of prudence; with one odd caveat, though: Mr. Rodríguez Prats had been a deputy in the 57<sup>th</sup> Legislature. He, in fact, voted in favor of the exact same bill back then.<sup>45</sup> "We hope that

<sup>&</sup>lt;sup>41</sup> A bill that fails to get a committee report before the end of a Congress does not really die in Mexico. The bill does not need to be reintroduced in the floor for the committee(s) to reconsider it.

<sup>&</sup>lt;sup>42</sup> \*Cite versión estenográfica. Senadores. 2000. Versión estenográfica de la sesión pública ordinaria de la H. Cámara de Senadores celebrada el miércoles 27 de diciembre de 2000. (Downloaded from <a href="http://www.senado.gob.mx/">http://www.senado.gob.mx/</a>, accessed March 17, 2001).

<sup>&</sup>lt;sup>43</sup> La Jornada, Mexico City, 28 December 2000, p. \*.

<sup>44</sup> La Jornada, Mexico City, 28 December 2000, p. \*.

<sup>&</sup>lt;sup>45</sup> Gaceta Parlamentaria, year III, number 490-I, 11 April 2000.

the change that PAN and president Fox [whose campaign slogan had been 'vote for a change'] offered us is not the kind of change we observe in senator [Rodríguez Prats]" ironized senator Lauro Díaz Castro (PRI-Sinaloa), president of the Agriculture Committee, in debate.

Asked to explain the PAN's schizophrenic behavior, senator Carlos Medina Plascencia (PAN-PR) – who was in the same uncomfortable position as Mr. Rodríguez Prats, with the extra inconvenience of having been PAN's deputy leader – engaged in abstruse argumentation. Unlike Mr. Zedillo, Vicente Fox's opposition to RDL was not a symptom of "political autism." Towards the end of his intervention, however, he pointed out to one evocative reason behind his party's behavior: position-taking. By passing the LDR "we [the PAN in the 57<sup>th</sup> lower house] wanted to exhibit in front of the people of Mexico that the PRI did not want to discuss the issue in the Chamber of Deputies". The roles of good and bad guys were now reversed between the PRI and the PAN.

Shortly upon passage of LDR, Congress recessed until March 15, 2001. On that date Mr. Fox opted to return the RDL bill to Congress instead of publishing it into law. The executive veto faculty had not been relied upon since 1969 under president Díaz Ordaz (Carpizo 1978, p. \*). A new episode of partisan excoriation began.

A denial to promulgate [the Rural Development Law] condemns 25 million Mexicans, whose families live in the countryside, to remain in abandonment and backwardness... This gesture shall not be forgotten by future generations of the CNC, <sup>47</sup>

warned Heladio Ramírez López, secretary general of the PRI's peasant sector. As mentioned above CNC was the big loser with the veto, since it would have received the bulk of peasant subsidies. PRD members were no less alarmist.

<sup>&</sup>lt;sup>46</sup> Reforma, Mexico City, 17 March 2001, p. 5A.

<sup>&</sup>lt;sup>47</sup> Reforma, Mexico City, 14 March 2001, p. \*.

This is a national security issue, since a veto will cause an upsurge in our country's food dependency with the exterior, increase the flow of migration, and favor drug traffic... due to a lack of real alternatives to promote development in the countryside, <sup>48</sup>

suggested deputy Silvano Aureoles Conejo (PRD-3<sup>rd</sup> district of Michoacán), chair of the Rural Development Committee of the lower house. Mr. Aureoles did concede to reporters that the bill had inconsistencies, but he suggested that the president should have signed it into law with a commitment from Congress to immediately amend it.

I believe that a veto will give us all extra time to think [about a bill that is flawed and full of inconsistencies]. Of course, PRI and PRD feel this as an attack and in a way would like to say that what's really going on is that PAN refuses to support the countryside and things of that sort, <sup>49</sup>

retorted deputy Francisco Chico Goerne (PAN-9<sup>th</sup> district of Guanajuato), secretary of the same committee of the lower house.

## 2.7 Making sense of the episode

Can Linzian polarization explain the veto? It seems hard. Polarization involves ideology. As hard as this concept is to define (Campbell et al. 1960), one of its basic features is a minimum consistency of elements in the system. Most of the evidence collected by the Michigan school indicated that people often support elements that cannot possibly fit together in a coherent ideology. The least we should expect, however, is that people, in the short run, are consistent visà-vis the *same* element. The switching of PAN and PRI behavior is contrary to this view of ideology. Polarization is not the element here.

Can Cameronian uncertainty account for the veto? Again, this seems implausible. Many PRI members at all levels of the hierarchy voiced the party's full opposition to RDL as it was being bargained in the lower house. President Zedillo, the de facto leader of the party, expressed

<sup>&</sup>lt;sup>48</sup> Reforma, Mexico City, 14 March 2001, p. \*.

his opposition, directly and indirectly, in several occasions. His party's objections in debate could be taken as a credible commitment that the party would reject the bill in the Senate. So there was no real uncertainty in the first stage.

In the second phase PAN objected the bill as hard as the PRI had. There could be some uncertainty of whether or not Mr. Fox would use his veto on the bill. He actually failed to veto another pork-ridden bill that legalized illegally imported cars. Yet the shift in coalitions, one of the central pieces of the bills congressional transit, is hard to account from the perspective of uncertainty and strategic reputation-building.

The most plausible interpretation of the episode is that it was a bill of the sort 'I'll pass populist policy for you to veto; if you do, you take the blame; if you don't, my constituents win and I take the credit".

#### 3 Conclusion

Studies of presidentialism in the last decade have shifted attention from the dysfunctionality of gridlock (e.g. Linz 1990; Sundquist 1986) to the wide range of tactical maneuvers that separation of power offers politicians (e.g. Cameron 2000; Kernell 1993). I follow the recent literature in analyzing a richer, livelier breed of executive-legislative relations. This paper has offered two case histories of vetoes as publicity stunts, developing the contrast between a Cameronian perspective on the legislative process, a Linzian perspective, and my own.

The two stories presented provide substance to the claim that a perspective of inter-branch conflict as publicity stunts offers a way of interpreting Linz (Magar 2001, chapter 7). In Linz's

<sup>&</sup>lt;sup>49</sup> Reforma, Mexico City, 14 March 2001, p. \*.

view, vetoes are simply blocking devices, not bargaining ploys (as in Cameron's view) nor publicity stunts. In this Linz approaches the separation of power constitution as *The Federalist* papers (1788) did. Linz, however, does not explicitly say *why* there are vetoes. Vetoes as blocking devices, after all, are subject to Hicks' paradox (1932) – strategic anticipation of a veto presses actors to either propose a more moderate proposal to avoid a veto or abandon the project of changing policy altogether, hence deflating veto incidence. Perhaps a continuum runs from Cameron (vetoes are bargaining ploys) to Magar (vetoes are publicity stunts intended to gain votes at the next election) to Linz (vetoes are signals of ideological purity to followers that may be intended to boost votes or to rally the troops for civil war). In Cameron's view, vetoes are safe and normal elite politics. In the Magar view, vetoes are 'going public' and might spiral into the darker side of the Linzian view (vetoes as polarizing calls to arms).

The two case histories fall close to the middle of the hypothetical continuum. Mr. Frei seems to have pushed labor reform for electoral reasons, not for revolutionary ones. The same can be said from the opposition's behavior in Mexico. Were Salvador Allende's vetoes in 1970-73 effective (in which case they were not merely publicity), followed by bargaining (Cameronian), or hopeless gestures of opposition (Linz)? Did Mr. Allende's vetoes follow a pattern that is demonstrably more confrontational or polarized than Mr. Frei's?<sup>50</sup>

Answering these precise questions will require more field research. In the next chapter I return to the bigger picture and develop of the beginnings of a model of the continuum described above.

<sup>&</sup>lt;sup>50</sup> The starting question seems to be the following: Were there any vetoes by Mr. Allende in 1970-73?

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