

## Chapter Seven: Parties' "Presidential Dilemmas" in Brazil and Mexico

As we suggested in Chapter Two, the extent to which the executive and legislative branches of a party part ways is a function of party organizations' ability to rein in their agents—both on the campaign trail and in government. Managing the principal-agent relationship between party and leader is an ongoing challenge, one that all parties in separation of powers systems inevitably confront. To illustrate these challenges empirically, in Chapter Five we explored the extent to which presidents' and their legislative parties' electorates diverge, and in Chapter Six we explored the impact on parties of constitutional reform away from pure parliamentarism and towards a hybrid constitutional format.

To further illustrate the empirical implications of our theoretical framework, in this chapter we explore the tension between the executive and legislative branches of parties in two very different pure presidential systems: Brazil and Mexico. We focus on Brazil's center-left *Partido dos Trabalhadores* (PT, Workers' Party) and Mexico's conservative *Partido de Acción Nacional* (PAN, National Action Party), although we also briefly consider Brazil's centrist *Partido da Social Democracia Brasileira* (PSDB, Party of Brazilian Social Democracy) and Mexico's centrist *Partido de la Revolución Institucional* (PRI, Revolutionary Institutional Party) and leftist *Partido de la Revolución Democrática* (PRD, Party of the Democratic Revolution).

Brazil has a highly fragmented party system, while Mexico has emerged with stable three-party competition. In comparative perspective, Brazil's president is institutionally powerful and its parties organizationally weak, although the PT is an exception to this characterization. In contrast, Mexico's president is institutionally weak but its parties are comparatively strong. Thus

the PT and the PAN are ideological opposites, compete in different political contexts, and their social and political support bases vary widely. If the executive and legislative branches of such different parties in such different party systems can “go their own ways,” then we have good reason to believe that such divergence could happen in any separation of powers system.

In fact, evidence we present here suggests that quantitative analysis of electoral separation of purpose presented in Chapter Five tends to *understate* the true extent of intra-party conflict. Recall that in Chapter Five we showed that all Mexican parties exhibit relatively low electoral separation of purpose. However, evidence in this chapter reveals that these numbers do not tell the whole story. The PAN is thus a particularly important case for our argument about the impact of the separation of powers on party politics, because if parties confront uniquely “presidential” strategic dilemmas in Mexico, where the combination of low electoral separation of purpose and weak presidential powers suppresses means parties might resemble parliamentary parties about as much as in any pure presidential system,<sup>1</sup> then the separation of powers is presumably a factor parties must reckon with in all presidential systems.

## **PRESIDENTIAL DILEMMAS IN BRAZILIAN PARTIES**

Our exploration of the presidential dilemmas that parties confront begins with Brazil. In this section we explore the impact of separation of origin and survival on two parties that have recently alternated executive power in Brazil, focusing mainly on the PT or Workers’ Party, and then turning our attention to the PSDB.

### **Separation of Origin and the PT**

The PT has roots in union, social-movement, and Catholic Base Community mobilization

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<sup>1</sup> Leaving aside those with fused ballots.

during Brazil's redemocratization (1979-85). In a system dominated by "inchoate" parties and party competition, the PT has emerged as Brazil's most cohesive and organizationally strong political party (see e.g. Keck 1992; Mainwaring 1999). Since the late 1980s the PT has had the highest proportion of partisan identifiers among all of Brazil's parties, by a considerable margin (Samuels 2006). Although the party has moderated its political radicalism considerably since its early days (Samuels 2004; Hunter 2007), the party's policy-oriented roots, relative organizational strength, and deep roots in the electorate might imply that the PT is a relatively "parliamentarized" political party. However, this is not the case. In fact, the PT exhibits many of the features that typify presidentialized parties. By implication, to the extent that we observe presidentialization in a party like the PT, we have good reason to expect similar dynamics in organizationally "weaker" political parties.

In what follows we detail the growing separation between the PT and its long-time leader, Luis Inácio Lula da Silva. Lula, as he is generally known, helped found the PT in the late 1970s, led the party for many years as its president, and served in Brazil's Congress from 1987-90. He ran for president in 1989, in Brazil's first direct election following the end of a long military dictatorship. He ran again in 1994 and 1998, finally won on his fourth try in 2002, and then won reelection in 2006. Despite being the leader of a union-based party and its only presidential candidate through five consecutive elections, Lula is by no means a stereotypical Latin American populist leader in the vein of Argentina's Juan Perón or Venezuela's Hugo Chávez. Lula has always taken a reformist path, working through existing institutions rather than attempting a radical transformation of Brazil's political system. Thus it would be wrong to characterize Lula as the sort of political leader who from the start has sought to use his party merely as a tool to advance his personal vision of politics.

Nevertheless, since at least his second presidential election defeat in 1994, Lula sought to pull the PT towards the political center in order to enhance his own electoral viability. Up through the mid-1990s, the PT held steadfastly to its original leftist ideological principles (Azevedo 1995; Árabe 2001). That is, up through that year the PT remained a good example of what Strøm (1990) called a “policy-seeking” party. For example, in 1993, as leftist parties the world over were rethinking and reforming their principles, the PT’s 1993 National Meeting reaffirmed the party’s “revolutionary and socialist character” (Azevedo 1995, 209), condemned a “conspiracy of elites” to subvert democracy (Partido dos Trabalhadores, 1998, 545), affirmed the party’s advocacy of “radical agrarian reform and suspension of the external debt” (ibid., 556), and concluded that “capitalism and private property cannot provide a future for humanity” (ibid., 561). In 1994, party resolutions echoed this radical rhetoric yet again, condemning the “control by the dominant classes over the modes of production” (Azevedo 1995, 212) and reaffirming the PT’s commitment to socialism (Partido dos Trabalhadores 1998, 581). Thus as of 1995--after Lula had been defeated twice--the PT had not altered its official ideology (Azevedo 1995, 243).

Although the PT resisted moderating its policy-seeking stance, Lula and his supporters fought to broaden the party’s appeal and tone down the party’s rigid platform positions. After his 1994 loss, Lula demanded greater autonomy from the PT and sought to make his electoral viability dependent on his own charisma and political positions rather than the party’s positions and its organization. He also urged the PT to adopt a more “pragmatic” alliance strategy, primarily to boost his presidential candidacy rather than help the party elect more legislators (Samuels 2004). The party thus confronted a classic partisan dilemma under the separation of powers: delegate more autonomy to Lula, which would essentially make him a free agent, or seek to maintain control over the content of Lula’s platforms and over PT alliance strategy,

which might limit his electoral viability. Up through the year 2000, the PT statutes even contained a provision designed to hold its presidential nominees formally accountable to the party: specifically, PT candidates for executive offices were subject to party executive committee “guidance.”<sup>2</sup> This meant that candidates technically lacked autonomy from the group that controlled the PT’s national executive committee. This dependence was problematic for Lula in 1989 and 1994, when he had to submit his decisions to a council on which his allies did not hold a majority (Alves 1998b).

Parties in presidential systems *ought* to impose such rules, if they want to minimize moral hazard and thus keep their presidential candidates true to the party line. However, this form of contract design inevitably led to repeated conflicts between Lula and his party (Alves 1998c); Lula complained that a key factor in his two electoral losses was his lack of political autonomy (Alves 1998a). Consequently, prior to the 1998 campaign Lula demanded *carte blanche* from his party (Alves 1998c) and made a take-it-or-leave-it demand: total autonomy to run his campaign or he would refuse the party’s nomination (Alves 1997). These events mark an early phase in the PT’s presidentialization.

Given that Lula was the PT’s only viable candidate, the party had little choice but to let him adopt a vote-seeking strategy. This agreement did not involve *coordination* over a joint presidential and legislative electoral strategy; it merely let Lula and the PT part ways. Lula’s third presidential campaign platform thus cut out many proposals he considered too radical, and completely eliminated any mention of socialism (Árabe 2001). For its part, the PT did not repudiate Lula’s platform, but its leaders gave a nod to the emerging distance between the party and its candidate by lamely noting that Lula’s personal campaign platform “should not be

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<sup>2</sup> See article 76 of the party’s 1980 statutes and article 103 of the 1995 version of the statutes. Article 103 was simply deleted from the statutes in 2000.

confused with the socialist program of the PT” (Partido dos Trabalhadores 1998, p. 675). This sort of statement is unthinkable in a parliamentary system.

Lula also cemented his autonomy by demanding that the PT create an independent institutional vehicle for his presidential campaign. This became the *Instituto Cidadania* (“Citizenship Institute” (IC)), created in 1996. Lula presided over the IC from its creation until he assumed Brazil’s presidency in January 2003, at which time it became moribund. The IC enhanced Lula’s autonomy by putting him in control of an organization independent of the PT bureaucracy, staffed by his hand-picked associates rather than party bureaucrats. This let him prepare his platform and develop his public image free of party influence. In 2002, when the IC released Lula’s preliminary campaign proposals, the media discussed the document for two months *as if* it was a party document, even though it was not. Only after Lula and his advisors gauged public reaction did they present the document for internal party debate. Not surprisingly, many PT members accused the IC of “usurping party functions” (Alves 1997.).

Lula’s strategy paid off in 2002, when he won the presidential election handily. Again, although the PT has a reputation as Brazil’s most cohesive political party, Lula and the PT have never gained votes from the same sets of voters. Recall from Chapter Five that the median Electoral Separation of Purpose index (*ESP*) in all concurrent presidential elections was 8.58.<sup>3</sup> As Table 7.1 reveals, the PT has never come close to this level, with its lowest ESP being 16.44 in 1994. From that point, the PT’s ESP scores have increased. By 2006, when Lula won his second term, it reached almost 40, the second-highest value in our data for any party in a concurrent election.<sup>4</sup> The fact that the PT’s ESP increased over time suggests that Lula’s strategy of deliberately distinguishing himself from his own party paid off--for him. This strategy did not,

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<sup>3</sup> Ignoring cases with fused ballots.

<sup>4</sup> The highest value, 46.64, also belongs to a Brazilian party, the PSDB, when it won its first presidential contest in 1994.

however, translate into close correspondence between the party's and the president's electoral bases. Electorally, Lula and the PT have parted ways.

#### **Table 7.1 Here**

We can provide more precise information about Lula and the PT's distinct bases of support by exploring Brazil's 2002 National Election Survey. Samuels (2006) considered the factors associated with partisan identification with the PT. We repeated Samuels' analysis, seeking to discover the extent to which the factors that predicted PT partisanship *also* predicted a vote for Lula in the 1<sup>st</sup> round of the 2002 presidential election.<sup>5</sup> Doing so permits us to identify the nature of divergence between the Lula's and the PT's vote bases. This approach reveals that the issue in presidential systems is not simply that presidential candidates typically adopt *broader* vote-seeking appeals than their party, but that presidential candidates make *different* sorts of appeals--their campaigns can diverge in substantive content from their party's campaign platform, and thus appeal to quite distinctive electorates.

Table 7.2 thus compares the results of two similar regressions, one seeking to identify the correlates of "*Lulismo*" (a vote for Lula in the presidential election) and one seeking to identify the correlates of "*Petismo*" (self-declared partisan identification with the PT). This sort of analysis could be conducted in any presidential system, and could be used to identify the sources of tension or divergence between a president and his or her party. The Brazilian case is illustrative. To keep the discussion simple, we report only whether coefficients were significant or not, and their direction.

#### **Table 7.2 Here**

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<sup>5</sup> While these are not precisely comparable dependent variables, we do not consider this an egregious case of comparing "apples versus oranges." Both dependent variables involve multiple-choice options and thus involve the use of multinomial logit regression analysis. Results are available upon request from Samuels. The 2002 Brazilian National Election Study is available through the Comparative Study of Electoral Systems website.

Consider first the variables associated with *petismo*. First, *petistas* self-identify as “leftists” on the typical scale electoral surveys employ. Several variables also confirm the conventional view of the PT: it does best among better-educated Brazilians who actively participate in politics and/or social movements. Such Brazilians are also more likely to live in one of Brazil’s more developed municipalities (using the UNDP’s “Human Development Index” as the proxy for development). In addition, PT identifiers tend to believe voting can make a difference, and dislike clientelism. Note, however, that *petistas* appear no more or less likely to dislike corruption than other Brazilians.

Now consider the factors associated with a vote for Lula. The contrast is stark. Only two of the eleven variables in the regression returned similar results--political activism and leftism. *Petismo* and *Lulismo* had no other factors in common. Lula supporters are actually less likely than average Brazilians to be involved in “non-political” forms of social action such as a social movement, church group, neighborhood association or NGO, and they are more likely to declare themselves religious Catholics than *petistas*, who tend not to be religious. In short, the profiles of the average PT supporter and the average Lula supporter are distinct. This is not simply a function of the fact that Lula is a presidential candidate in a multi-party system, but of Lula’s strategic efforts to portray himself in a particular way, and of the PT’s strategic choice to retain greater emphasis on policy-seeking rather than moderate its platform.

### **The Impact of Separation of Survival on the PT**

Not surprisingly, given Lula’s efforts to distance himself from his party, once he had finally won a presidential election he and his party repeatedly came into conflict. The results of the 2002 legislative elections shaped Lula’s options: the PT became the largest party in Brazil’s

Chamber of Deputies, but it still only had 17.7% of the seats (and even fewer in the Senate). (The parties in Lula's electoral coalition won only 25.3% of the seats.) To get anything done, much less to reach the 60% threshold required to pass constitutional amendments for important reforms, Lula had to bring other parties into his cabinet--including parties that had supported the prior administration and his opponent in the presidential election.

Although Lula had sought to win on his own terms, the PT regarded Lula's administration as *its* chance to rule, and expected not only to dominate Lula's cabinet but also to have extensive influence in the policy process. Yet in addition to inter-party squabbling over the distribution of cabinet portfolios, *intra-party inter-branch* clashes soon emerged over policy proposals, plum political appointments, and the distribution of pork-barrel budgetary funds. For example, Lula maintained the conservative fiscal and monetary policies of previous president Fernando Henrique Cardoso of the PSDB, leading many critics from within the PT to complain that the president was ignoring the PT's longstanding goals of increasing spending on social policy (see e.g. Sallum Jr. and Kugelmas 2004; Hunter and Power 2005; Hochstetler 2006).

Specific proposals also further alienated Lula from the PT. For example, soon after taking office Lula proposed cutting public-sector pensions, in order to reduce a massive social-security system deficit. Cardoso had tried a similar reform, but the PT had opposed it because public-sector unions comprise an important element of the PT's vote base. Nevertheless, once in office Lula fought to pass this reform, distancing himself from his party's policies and from its powerful organized-labor supporters. Lula won passage of a social security reform only because he reached out to conservative opposition parties that had supported the previous administration.

Lula's focus on macroeconomic policy continuity and his attack on several PT sacred cows came at a high political cost, at least temporarily. Perceiving a growing disjuncture

between the administration's policies and its political and social support bases, many *petistas* publicly criticized Lula's pragmatism and reacted viciously at his perceived betrayal. Lula's choices alienated many of his closest political allies and weakened the government's support in the legislature. For example, when the PT was in opposition its cohesion on roll-call votes was extremely high. However, the party's legislative unity declined rapidly immediately after Lula's inauguration, spoiling the new president's "honeymoon" (Carey 2009, 155-57). Such lack of consensus when a party has just entered government is very rare in parliamentary systems, but the PT's experience is emblematic of the tensions inherent to party presidentialization. After passing the social security reform, the PT even expelled several members who had refused to support the government proposal.

Coalition government in any political system strains both intra- and inter-party relations. However, in a parliamentary system a prime minister who heads a coalition does not enjoy the legitimacy of winning a direct national election. And of course, a PM's party can lose control of the national executive if a coalition collapses. A president, by contrast, commands the executive from a position of relative autonomy and personal legitimacy, and faces no such threat of removal if a coalition collapses. The separation of survival means that the president can choose to pay relatively less attention to the demands of both his allies as well as his own party. This intra-party tension is the source of the facts that in presidential systems both party cohesion (Carey 2009) and legislative productivity (Cheibub, Przeworski and Saiegh 2004) are lower than in parliamentary systems. Lula's first term clearly illustrates that in multiparty situations the separation of origin and survival strains intra-party relations in different ways than under parliamentarism. (We discuss other implications of this tension for governing in Chapter Eight.)

## **The Impact of Lula's Reelection on the PT**

A president can survive in office without consistent support from her own party, and can even successfully seek and win reelection while pushing the party further aside. Parties are loath to deny renomination to an incumbent president, because incumbency offers such a powerful electoral advantage – for example, retrospective voting studies typically include a dummy variable for “incumbent running for reelection” because incumbency of an individual has such a powerful effect on presidential election outcomes (e.g. Samuels 2004).<sup>6</sup> This fact says a great deal about parties’ (as principals) inability to use the threat of “not renewing the contract” when making a deal with a prospective presidential candidate (as agent).

Thus although Lula helped found the PT and spent years leading it and building up its organization, as his first term drew to a close Lula sought to distance himself even further from his party, relying on his administration’s successes and his personal appeal. As Table 7.1 showed, Brazilian voters responded to Lula’s efforts: the gap between Lula’s and the PT’s electorate was larger in 2006 than ever. The PT’s base remained rooted in Brazil’s middle-class, found mainly in Brazil’s better-developed municipalities (Samuels 2008b), while Lula’s support increasingly came from voters in the lower classes, who live in Brazil’s poorer municipalities (Hunter and Power 2007).

Evidence of this “divorce” between Lula’s and the PT’s electorate can be found by simply correlating the percent of the vote Lula and the PT received with the level of human development in Brazil’s 27 constituencies (UNDP 2003).<sup>7</sup> Table 7.3 provides the results: the correlation between the PT vote in legislative elections and a state’s level of human development

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<sup>6</sup> Indeed, we know of no cases of a party explicitly denying renomination to an incumbent president. Two of the rare cases that we know of when incumbents withdrew their candidacies due to intra-party challenges are Lyndon Johnson in 1968 and Finland’s Martti Ahtisaari in 2000. However, both of these presidents withdrew well before the party’s final decision was due and were thus not explicitly “denied” renomination.

<sup>7</sup> The inspiration for this paragraph comes from Power (2006).

is always higher than for the correlation between Lula's vote and state-level human development, even though both vary over time.<sup>8</sup> Lula has always done better among Brazil's poorer citizens than the PT. The correlations for 2006 reconfirm what Table 7.1 showed--that electoral divergence between Lula and the PT had reached its greatest level that year.

### **Table 7.3 Here**

After Lula's reelection, leaders of the PT meekly requested a meeting with the president in order to "fashion a re-approximation."<sup>9</sup> Lula responded by encouraging the party to rotate out all of its leaders. The party's former president acknowledged that different forces drove the destiny of Lula and the PT--that "the success of Lula's government does not guarantee the permanence of the PT as an alternative for this country." Given that the party and the president had chosen different paths, the PT still had to learn how *not* to damage its own president's political project. Lula's presidency muted the PT's role in the Brazilian party system and short-circuited its efforts to construct its own image (Samuels 2008a). Indeed, by 2007 Lula's centrism had placed the PT in the uncomfortable position of lamely claiming "autonomy" from the president and reaffirming its right to adopt a critical stance regarding Lula's administration, a position hardly imaginable in a parliamentary system.<sup>10</sup>

### **Intra-Partisan Dilemmas in the PSDB**

To illustrate that the intra-partisan dilemmas derived from the separation of origin and survival in Brazil are not limited to the PT, we briefly turn to the PT's main rival the PSDB, and focus on the legislative arena. Given the separation of origin and survival--and the potential that

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<sup>8</sup> Variations over time are due to the different nature of inter-party and inter-candidate competition in each election.

<sup>9</sup> Vera Rosa, Clarissa Oliveira, and Vanice Ciocari, "PT articula reaproximação com o presidente." *O Estado de São Paulo*, October 31, 2006.

<sup>10</sup> Ricardo Amaral and Natuza Nery, "PT tem de ceder espaços ou vai se isolar, diz Tarso." *O Estado de São Paulo*, January 8 2007.

presidents and their parties sometimes will have different vote bases and thus divergent incentives--parties and their presidents will sometimes work at cross-purposes when the time comes to put proposals to a vote. A way to measure the degree of divergence between a president and his or her party is by analyzing roll-calls. Using Poole and Rosenthal's w-Nominate method, scholars can impute actors' positions in policy space. Thus for example analysis shows US Presidents Kennedy, Johnson and Carter further to the left than the median House Democratic legislator, while Nixon and Reagan were more conservative than the median House Republican.<sup>11</sup> A similar pattern emerges for Brazil. Leoni (2002) revealed that Brazilian presidents are typically some distance in policy space from the median member of their party. Figure 7.1 illustrates this for the PSDB in Brazil's 1995-98 legislature.

#### **Figure 7.1 Here**

In a "parliamentarized" party, the prime minister should be located close to the center of his or her party's position in policy space. However, the separation of origin and survival (and varying rules regarding presidential vetoes) open up the possibility that a president's position will not align closely with his or her party's median member. As Figure 7.1 shows, Brazilian President Fernando Henrique Cardoso sat far to the right of the median member of his party. (Cardoso sat to the right of his entire legislative coalition as well.)

Figure 7.1 actually reveals only the tip of the iceberg: roll-calls represent the final stage in a long and complex cross-branch negotiating process. By the time a vote is called, much intra- and inter-party conflict has been bargained away. Thus if we observe a clear difference between a president and his party at the *last* stage of the policy-making process, we have good *a priori* reason to expect that such divergence characterizes the entire policy-making process. In short,

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<sup>11</sup> Compare the figures "Presidents, and House and Senate Means, 1<sup>st</sup> Dimension of Joint Space" and "Figure 3A: House, First Dimension" from Keith Poole's website, [www.voteview.org](http://www.voteview.org), accessed November 15, 2006.

although tension may exist between prime ministers and their parties, in separation of powers systems intra-party tension has different roots: electoral separation of purpose due to voters' ability to split their tickets, and the separation of survival.

## **PRESIDENTIAL DILEMMAS IN MEXICAN PARTIES**

We now turn our attention to the presidential dilemmas that parties in Mexico have faced. We focus primarily on the National Action Party (PAN) and its two very different victorious presidential candidates, in 2000 and 2006. The PAN is an especially good case to contrast against the PT. The PT's experience showed that presidentialization can occur in a leftist party that deliberately organized itself to counteract the incentives of Brazil's institutional environment, which promotes the personal vote (Samuels 1999). This suggests that presidentialization is not simply a characteristic of personalistic or organizationally weak political parties. When we turn to Mexico, we see that presidentialization can also occur in a conservative party in a system with considerable overlap between a party's legislative and executive constituencies (as in Chapter 5). By exploring the center-right PAN in its very different institutional context, we increase the variance in our comparative analysis. After discussing the PAN, we turn briefly to an examination of the two other main Mexican parties.

### **Separation of Origin in the PAN**

The PAN formed in 1939 as a voice for Mexican conservatives and religious Catholics alienated from the leftist rhetoric and populist policies of the ruling party, the forerunner to the PRI, which dominated Mexican politics for most of the 20<sup>th</sup> century. Although the PAN participated in Mexico's controlled elections under PRI hegemony, it eschewed a vote-seeking

strategy and instead signaled that its primary motivation was pursuit of principle and not power (Ard 2003, 10). Electoral participation let the PAN play the role of the “conscience of the regime,” and its quixotic policy-seeking strategy attracted support only from those convinced of the righteousness of the party’s doctrine. This choice meant that the party approached nominations and campaigns with an acute sense of ambivalence: although many *panistas* wanted to compete against the PRI, others believed that elections in an obviously authoritarian regime were not for winning but rather for political and social theater.<sup>12</sup> These principled *panistas* feared that broadening the party’s appeal would compromise its ideals (Mizrahi 2003, 8).

In the early 1970s, the PAN’s president sought to make the party more competitive. This effort to reshape the party’s profile caused severe internal dissension (Shirk 2005, 80). Parties everywhere face trade-offs between policy-seeking and vote-seeking, between adhering to the party’s ideology and wanting to actually win the election. Factional battles or leadership struggles typically resolve these debates one way or another. The PAN’s experience illustrates the particular way in which parties in presidential systems confront this fundamental strategic dilemma: not through the selection of a party leader, but through the selection of a presidential candidate, who may or may not be the party’s *de jure* leader. This process does not occur in parliamentary systems—and its political consequences are unique to separation of powers systems.

As we have suggested, *presidential* nomination processes tend to exacerbate intra-party tensions over *legislative* electoral strategy. For example, in 1975, the PAN’s national convention failed to agree upon a candidate for the 1976 presidential election. The “pragmatic” candidate, who urged the party to broaden its appeal, obtained a majority of the votes at the nominating convention. However, the party’s internal threshold for winning nomination was set at 80% of all

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<sup>12</sup> Mexico’s Polity IV score only began exceeding ‘5’ in 1997.

delegates.<sup>13</sup> The losing candidate, a PAN “traditionalist,” refused to step aside, alleging that doing so would violate the party’s “moral integrity” (Shirk 2005, 83). As a result, the PAN failed to nominate anyone for president. Not surprisingly, this decision proved disastrous for the party in congressional elections because of the lack of coattail effects from the presidential race (Ard 2003, 102). (It is worth noting that parties in parliamentary systems never choose *not* to have a “nominee” for prime minister.)

The PAN has long imposed unusually restrictive rules for rank-and-file membership and even tighter ideological qualifications for selection to the National Executive Committee (Shirk 2005, 117). Such rules seek to prevent dilution of the party’s ideology. However, this self-imposed purity has repeatedly forced PAN presidential nominees to distance themselves from the party organization. Once nominated, candidates faced the inevitable tradeoff between adhering faithfully to the party line (and thereby alienating the majority of Mexican voters) and appealing to voters across the spectrum (and thereby alienating faithful *panistas*). The party’s 1988 campaign exposed this rift: the party’s candidate, Manuel Clouthier, adopted a broad campaign platform that ignored PAN doctrine (Shirk 2005, 104). Clouthier expressed “discomfort” with his connection to the party on several occasions (Mizrahi 2003, 86; see also Loaeza 1999, 447), and his campaign alienated PAN activists, who wanted him to toe the party line.

### **Vicente Fox and the PAN’s 2000 Campaign: Winning While Divided**

The gulf between the PAN and its presidential candidate widened considerably in the run-up to the 2000 election, which resulted in Mexico’s first democratic transfer of power from one party to another. In 1997, the PAN’s leader Felipe Calderón (currently president of Mexico) implemented even more stringent party membership rules. Not surprisingly, these changes

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<sup>13</sup> This rule was changed in the 1990s to a simple majority (Ard 2003, 13).

worked to reduce the party's membership rolls (Shirk 2005, 117).<sup>14</sup> The PAN also chose to refuse its allotment of public campaign funds for that year's mid-term legislative elections, and decided to centralize campaign operations for all its congressional candidates. Both actions were designed to keep candidates "on message" (ibid. 119), and suggest that the PAN's leaders had opted for a policy-seeking strategy at that time; David Shirk concludes that "The PAN made strategic decisions that favored activists who were loyal to party leaders and principles and isolated the party's more pragmatic elements (ibid. 118). Yet what seemed desirable to hardcore party activists proved counterproductive in the electoral arena, as the party sank from 2<sup>nd</sup> to 3<sup>rd</sup> place in the Chamber of Deputies after the elections (ibid. 119).

At precisely the moment the PAN's leaders were tightening the party's membership criteria, turning down campaign funds and generally seeking to implement a policy-seeking strategy, Vicente Fox was plotting behind the scenes. After winning the gubernatorial election in the state of Guanajuato in 1995, Fox immediately began preparing the ground for a presidential bid, independently of the PAN's central organization (Shirk 2005, 123). Fox's ambitions encountered resistance from party officials, and he soon realized that if he were to let the process run its traditional course he would have no chance of winning the nomination (Mizrahi 2003, 100). He therefore sought to cut the party organization and its leadership out of the process by publicly declaring his candidacy immediately after the 1997 congressional elections. This gave him a head start and intimidated other potential candidates (Ard 2003, 180). Fox focused on fortifying his support outside the PAN's "narrow conservative base" (Shirk 2005, 125), for example by organizing a US-style political action committee called *Amigos de Fox* (Friends of

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<sup>14</sup> Given the membership decline following the tightening of the rules, in 1998 the party encouraged recruitment of "adherents," a new category one step below full-fledge "member." A 2001 party reform allowed adherents to become full members after six months, but candidates for party membership still had to endorse the party's principles, take a "doctrinal course," and agree to comply with a series of prerequisites, such as "having an honest way of life" (Mizrahi 2003, 98).

Fox), which amassed huge campaign contributions independently of party constraints.

Eventually *Amigos de Fox* became “larger” (Mizrahi 2003, 101) and “more formidable” (Ard 2003, 181) than the PAN itself. Fox’s organizational success discouraged all other PAN aspirants from placing their hats in the ring, and Fox arrived at the nominating convention as the sole candidate. Members of the PAN’s executive committee discussed ways to block Fox’s candidacy, knowing that Fox’s candidacy created a difficult trade-off: the party could win the election with him and thus gain dramatically in the short term, but doing so might risk indelibly compromising the party’s ideological profile over the long term. Yet they also knew that if they impeded Fox’s candidacy they might not have a candidate at all, which could be politically suicidal in both the short and the long term. After all, predictions pointed uniformly towards 2000 as a good year to finally defeat the PRI (Shirk 2005, 125). Such tradeoffs are never so intense in pure parliamentary systems, because the danger of moral hazard is far lower: party leaders know that they can always rid themselves of a wayward prime minister, and are far less likely to select an outsider like Fox to begin with.

Fox’s success at gaining the nomination by circumventing his party meant that he and the PAN would inevitably have an ambivalent relationship after the election. Party insiders saw Fox as an interloper, and they knew Fox’s strength did not lie with his links to party faithful or in his commitment to PAN’s principles, but rather with his carefully-crafted media image, broad popular appeal, and ability to build an independent campaign organization (Mizrahi 2003, 88). Given his “outsider” status, during his campaign Fox drew little support from PAN leaders, its organizational structure, or even its membership base (Shirk 2005, 176); he even confronted the “open hostility of some of the most prominent leaders of the party” (Mizrahi 2003, 88). Such feelings were mutual: Fox largely ignored the PAN organization during his campaign (Romero

2005, 10) and appealed to voters “over and above” the party (Mizrahi 2003, 145).

Of course, many candidates for president or for prime minister hire outsider campaign consultants. What is distinctive and paradoxical about this story is that Fox announced his candidacy and organized his campaign autonomously from the PAN *at precisely the same moment that the PAN’s national executive committee moved to restrict membership, centralize control over candidate nomination, and narrow the party’s message*. That is, Fox adopted a vote-seeking strategy while his party adopted a policy-seeking strategy. In the end, the PAN’s leadership disagreed with the thrust of Fox’s campaign, but--much as we saw in the case of the PT and Lula--the party could do very little about it (Romero 2005, 10). This case reveals that even highly structured party organizations that tightly control their nominations for legislative office confront entirely different strategic dilemmas when nominating and electing a presidential candidate.

### **The Impact of Separation of Survival: Divergence in the Governing Arena under Fox**

We argued in Chapter Three that adverse selection problems are worse in separation of powers systems because the profiles of successful presidential candidates differ from the profiles of successful prime ministerial candidates in pure parliamentary systems. Adverse selection suggests that parties face a tradeoff in selecting their agents: a candidate who is more likely to win is also more likely to later act adversely to the principal’s interest. The PAN illustrates this tradeoff well. Fox won the election, but he also epitomized a party outsider--someone distant from the party’s organizational leaders as well as from his copartisans in the legislature (Mizrahi 2003, 102). After the election, Fox fulfilled this agency theory prediction by doing little to minimize tension with his party.

Indeed, in many ways Fox acted to exacerbate the tension between the executive and legislative branches of the PAN. For example, three days after winning and already facing pressure to nominate PAN members to his cabinet, Fox reaffirmed his independence and simultaneously lowered his party's expectations by explaining, "The PAN must respect the president's authority to choose his own cabinet. At the end of the day, the one who governs is Fox, not the PAN" (Romero 2005, note 2). The distribution of cabinet posts is a clear indication of the relative weight of each party in a government administration. It is also an important indicator of the degree to which a party can monitor and control its agent, whether a prime minister or a president. Although Fox had incentives to reach out to other parties because the PAN did not hold a legislative majority, he nominated far fewer PAN members to the cabinet than its legislative weight would have predicted. In parliamentary systems, parties almost always hold cabinet portfolios in direct proportion to their weight in the legislative coalition. However, Fox named only three *panistas* to his first cabinet, which had 23 posts. This pattern of discrimination continued throughout his administration. Fox's diffidence towards his party angered PAN leaders and legislators (Shirk 2005, 189) and fed the tension between Fox's government and the PAN organization (Romero 2005, 17).

In response to Fox's perceived slights, PAN legislators significantly modified Fox's 2001 fiscal reform proposal as well as an important presidential proposal on indigenous rights that was designed to end the longstanding conflict in the state of Chiapas with Zapatista rebels. Tension between Fox and his party pervaded the administration's first year to such an extent that PAN president Luis Felipe Bravo felt compelled to remind attendees at the party's annual convention that "the PAN is President Fox's political base." At the same event, Fox had to beg for the PAN's help in governing (Romero 2005, 2).

Following a comprehensive exploration of president-party conflict in recent Mexican history, Romero (2005) concluded that although such tension has always been present, a qualitative difference distinguished conflicts between Fox and the PAN from earlier episodes. Conflicts during PRI administrations were *factional* or *individual*, yet when push came to shove the party always officially supported its president. In contrast, during Fox's administration open conflict emerged between the president and the PAN's highest institutional organ, the National Executive Committee, and also emerged between Fox and the party's legislative leaders, including between Fox and Felipe Calderón, the PAN's--but not Fox's--choice for party leader in the Chamber of Deputies. President-party conflict was far more problematic under Fox because *the party as a whole*--as opposed to a subgroup or an individual--was coordinating to oppose its own elected president.

Nevertheless, Romero concludes that the PAN ultimately gave more to Fox than it received in return (2005, 20). The party agreed to such an imbalanced exchange because like all governing parties in presidential systems, it had little choice. Under the separation of powers, a party is better off supporting its president and getting little in return than not supporting its president and getting nothing—which might be possible, given the separation of survival. Parties in parliamentary systems never find themselves in such situations. For his part, Fox incurred relatively little cost by keeping his party at arm's length. The PAN suffered at the mid-term elections, but Fox remained in office. A party in a parliamentary system could replace such a demanding and unresponsive leader, but the PAN could not.

### **Separation of Origin in the PAN's 2006 Campaign: Winning through Unity**

Perhaps the PAN's dissatisfaction with Fox served as a learning experience, because in

2005 the PAN nominated a very different type of candidate for the 2006 presidential election. The contrasts between these two nominating processes and their results illustrate our point that under the separation of powers delegation problems can vary considerably over time within a single political party, depending on how party leaders weigh the tradeoffs between different goals, and depending on whether they resolve contracting problems with their agents.

In 1999 Vicente Fox successfully skirted the party bureaucracy and won the nomination in an uncontested primary. In 2005, the PAN's internal primary was highly competitive. Three candidates sought the nomination: Fox's Interior Secretary Santiago Creel; former governor Alberto Cárdenas; and Felipe Calderón, who ultimately emerged victorious. How did Calderón win the nomination? Many factors were at work, but we should first note that the internal nomination process did not differ much from 2000 to 2006. In both years the PAN employed a closed primary in which only fully-accredited party members could vote. A closed primary in a party with comparatively strict membership criteria should produce "policy-seeking" candidates who pledge to protect the party's image and ideals. It should also favor insider candidates over outsiders. Given the result in 2000, when Fox preempted the process and undermined the incentives of the party's institutions, it should be clear that nomination rules cannot always predict the type of candidate a party will nominate (cf. Morgenstern and Siavelis 2008).

Calderón was the consummate party insider, and partly for this reason he was not a well-known public figure, particularly relative to Creel. Calderón had served a term in the legislative assembly of the Mexico City Federal District, and two non-consecutive terms in the Chamber of Deputies (1991-93 and 2001-03). As noted, in his second legislative term also served as the PAN's leader in the Chamber of Deputies. He lost a gubernatorial election in his home state in 1995, but he also served as the PAN's Secretary-General (1993-95) and party President (1996-

99). After his second term in the Chamber of Deputies he served briefly in Fox's administration as director of a public credit agency and as Secretary of Energy.

In contrast to Fox, Calderón had no independent electoral base. Observers even suggested he had the *least* electoral appeal of the PAN's three presidential aspirants. Also working against him was the fact that both Fox *and* the PAN's president preferred other candidates (Shirk 2006, 7). Nevertheless, a decades-long history of involvement with the PAN's organization at the highest levels had given Calderón time and opportunity to cultivate extensive personal connections to *panista* activists. This credibility as a committed partisan worked in Calderón's favor as he built support for the internal primary. Ultimately, the fact that he was not Fox's favored candidate worked in his favor (and against Creel)--because many *panistas* held a grudge against Fox (Shirk 2006, 10). Many *panistas* were eager for a candidate who would represent and uphold the party's ideals.

Still, parties that nominate candidates who embody the preferences of the median party activist undertake a significant risk, since that candidate's attractiveness to party members may not translate into widespread popular support. Indeed, voters may perceive such a candidate as too ideologically extreme. Still, in 2006, many *panistas* opposed nominating a candidate with external appeal but who had a weak attachment to the party. Instead they chose a candidate who offered the chance of "winning the election without losing the party" (Romero 2005, 16).

Calderón therefore knew that unlike Fox, he could not depend on his personal popularity and financial independence to win the election. His career history helped him win the party's nomination, but placed him in a strategic situation vastly different from Fox's in 1999: in 2000 Fox knew that he could win *without* the PAN's organizational support, whereas in 2006 Calderón knew that he could only win *with* his party's support. Thus in a significant departure

from Fox, Calderón thus actively sought to portray himself as a party insider and signaled that he “intended to serve as a devout standard bearer” for his party if he won (Shirk 2006, 11). In contrast to Fox in 2000, he was heavily involved in preparing the PAN’s 2006 electoral platform.<sup>15</sup> To demonstrate his loyalty, shortly after winning the nomination he enjoyed a Christmas feast at a Mexico City hotel, at which he signed a “unity agreement” with PAN cabinet members, legislators, and high officials.<sup>16</sup>

Parties in separate powers systems face a dilemma: by nominating an insider and aligning the executive and legislative races, as parliamentary parties do, a party may nominate a sure-fire loser. Yet in nominating an outsider, a party risks selling its soul if its candidate wins. Parties in separation of powers systems confront this dilemma repeatedly--at each presidential election. In contrast, but leadership selection bias towards insiders (Chapter Three) and intra-party accountability mechanisms (Chapter Four) attenuate this problem in parliamentary systems. In Mexico, the PAN had luck on its side in both 2000 and 2006, winning both times after pursuing a vote-seeking strategy in 2000 and a policy-seeking strategy in 2006. The latter strategy, however, clearly entailed greater risk: whereas Fox had won by a margin of 6.4 points (42.5%–36.1%), Calderón won a tight three-way race by less than one point (36.7%–36.1%).

The contrasting experiences of the PAN’s 2000 and 2006 campaigns illustrate that tension between the executive and legislative branches of a party emerges partly as a function of how well that party balances its vote-seeking and policy-seeking goals in the presidential nomination process. A presidential candidate who stakes a claim as being larger than or above the party (à la Fox) may be more likely to win, but such cases are likely to generate considerable intra-party tensions in the electoral and governing arenas. Outsiders of this sort rarely rise to the

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<sup>15</sup> Lilia Saúl, “AN se reúne para aprobar plataforma electoral.” *El Universal*, 12 November 2005.

<sup>16</sup> Daniel Pensamiento, “Cierran filas los panistas y candidato.” *Mural*, 7 December 2005.

top of parties in parliamentary systems, and in any case a PM who strays from the party line risks being ousted from power via an internal leadership challenge. In contrast, when presidential candidates admit they are “smaller” than their party (à la Calderón), separation of purpose is likely to be low—even though the party runs a greater risk of losing the election. The PAN managed to eke out a victory in 2006, but it took the riskier path to Los Pinos, the Mexican White House.

### **Separation of Origin in Mexico’s 2006 Campaign: the PRD and the PRI**

The PAN illustrates that tension between executive and legislative branches of a party can vary within parties, over time. A brief comparison of the PAN against Mexico’s other two main parties--the PRI and the PRD--reveals that the degree of tension can also vary from party to party at the same election. In 2006, while the PAN was nominating an insider who pledged to stick to the party line, a different dynamic emerged in the PRD and PRI. Following the procedure developed for the Comparative Manifestos Project for European parties, Kathleen Bruhn (2006) compared the party platforms of the PRI, PRD and PAN against the campaign platforms of those three parties’ presidential candidates.

In 2006, the tension between PRI and its candidate Roberto Madrazo and between the PRD and its candidate Andrés Manuel López Obrador (known by his initials as “AMLO”) echoed the PAN’s experience in 2000. For example, López Obrador expressed no interest in helping to formulate the PRD’s platform, and actively distanced himself from his party’s organization during the campaign. According to one interviewee, “López Obrador did not participate actively in the assemblies held by the party to debate the content of its platform, responding ‘that is your business, not mine’ when asked to do so” (Bruhn 2006, 16).

During the campaign the PAN desperately (and successfully) sought to portray AMLO a radical firebrand. However, as Figure 7.2 reveals, AMLO's own campaign document was actually far more *conservative* than his party's, as was Madrazo's. In truth, AMLO wanted to position himself as a centrist--which meant that his stated platform resembled the PAN's more than the PRD's! For example, AMLO's platform mentions economic orthodoxy eighteen times more often than his party's platform. Given facts like these, Bruhn concludes, "López Obrador intended to campaign as a moderate, against his party's expressed preferences." (ibid, 17).

### **Figure 7.2 Here**

Clearly, intra-party conflict in Mexico is not simply a function of the degree to which voters split their tickets. As noted in Chapter Five, electoral separation of purpose in all three main Mexican parties is comparatively low, but intra-party conflict emerges nonetheless. Moreover, intra-party tension is not unique to the PAN's experience in 2000, when a party outsider gained the party's presidential nomination. In 2006, the PAN managed to contract with an insider candidate (Calderón released no independent platform, signaling the degree to which his positions aligned with his party's), but internal strife plagued the other main parties. The candidates of the PRD and PRI both sought to distance themselves from their parties. This strategy almost worked for AMLO, who polled consistently ahead of his own party. Attempting a supra-partisan appeal was probably the only way that a PRD candidate could win--and AMLO lost to Calderón by the narrowest of margins.

As in Brazil, separation of purpose can characterize Mexico's main parties both at elections and in government. The fact that the PAN and the PT are so unlike each other further supports our point that separation of purpose can characterize parties with any sort of sociological profile in separation of powers systems. The PAN also illustrates that tension

between the executive and legislative branches can vary over time within the same party, without any change in the institutional context that might alter the incentives that shape the relationship between the party and its agent.

## CONCLUSION

When leaders are autonomous from or even gain ascendance over their parties--to the point where some presidential candidates prepare their own platforms!--then parties lose their place as standard-bearers of representative democracy, and not only when those candidates' platforms are at odds with or even contradict their parties' platforms. It is certainly true that intra-party tension divides all political parties, regardless of constitutional format. However, parties in parliamentary systems simply do not experience the same sorts of problems as described in this chapter. Parliamentary systems permit little preference divergence between executive and legislative branches of the same party,<sup>17</sup> and intra-party tension in pure parliamentary systems can never follow from different vote bases. Prime ministers cannot offer separate and/or different platforms from their party's legislators; and their preferences in the legislative arena cannot diverge so starkly from their party's. In contrast, considerable divergence can emerge between branches of a single party when executives enjoy separation of origin and survival.

What does the research in these two chapters tell us about the *sources* of intra-party contracting problems? First, this chapter's case studies revealed that divergence between the

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<sup>17</sup> Even cases that evince tension between a party and a prime minister are telling. For instance, Japanese PM Junichiro Koizumi--sometimes said to embody a case of presidentialization--famously vowed to "destroy" his own Liberal Democratic Party in his pursuit of economic and other structural reforms. Yet he rose to his position precisely by having been voted in by the rank and file, and when he called a snap election in an effort to garner support for a pet project in 2005, he still had to appeal for voters to support LDP candidates--after all, there was no way to reelect Koizumi's authority without giving the LDP itself an expanded mandate. And of course, after Koizumi resigned, the LDP remained in power under a new leader, with no new election called. This experience is nothing like what we have seen in this chapter and elsewhere in this book for truly presidentialized parties.

executive and legislative branches of a party can emerge in any kind of party, irrespective of ideological profile or social base. Second, institutional variables do not exert a consistent effect on the degree of intra-party tension. For example, although non-concurrence tends to increase presidents' distance from their party, such distance can also arise in concurrent elections, as the Mexican examples illustrate. Third, intra-party institutions also do not exert a consistent effect on the type of candidate selected and thus have an uncertain effect on intra-party contracting problems. Presidential candidates in both the PT and the PAN are nominated via closed primaries, but the depth of each party's internal problems has varied over time.

Finally, the "type" of candidate does not necessarily predict the extent of contracting problems. Fox was a relative outsider while Calderón was an obvious insider, and the degree of intra-party tension paralleled these characterizations. Yet while Lula counts as an insider, he gradually grew convinced of his need to *become* an outsider because he had lost three consecutive presidential elections. We might also note the experience of US presidential candidates in this regard: generally speaking, US presidential candidates are outsiders, but tension between presidents and parties has varied over time. In fact, the idea that insiders should have good relations with their parties does not seem to hold in the US: for example, Lyndon Johnson was a relative insider, but he and his party deeply clashed on the campaign trail and during his presidency. In contrast, George W. Bush was an outsider yet he fit the Republican Party's increasingly conservative profile very well in 2000.

Our research has merely scratched the surface of the ways that the separation of origin and survival impact intra-party politics. Several additional avenues cry out for investigation. First, comparativists could measure presidents' positions in policy space relative to their parties, using any of several potential sources of information, including the content of legislative

proposals, content analysis of speeches, or positions on final roll-call votes. We predict the following: to the extent that presidents and their parties clash over the content of campaign platforms or electoral alliance strategy, or receive votes from different groups or for different reasons, they are likely to clash in the legislative arena and over the allocation of resources such as cabinet portfolios. These sorts of intra-party squabbles may exist in parliamentary systems, but not to the extent as under the separation of powers, and not for the same reasons.

Kathleen Bruhn's analysis of presidential and party campaign platforms in the 2006 Mexican elections also carries broad comparative implications for the study of party politics. No research similar to the Comparative Manifestos Project exists for presidential systems (but see Bruhn 2004 for a small sample of leftist parties in Latin America). Should some group of scholars undertake such a project, the evidence in this book serves as fair warning not to assume that parties and presidential candidates (or elected presidents) occupy the same "location" in political space. Any comparative study of the evolution of parties' ideological and/or policy positions will need to assess not only parties' but also presidents' positions.<sup>18</sup> Similar efforts could employ expert surveys (e.g. Wiesehomeier and Benoit 2007) or voter surveys such as the CSES.

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<sup>18</sup> Another way to explore this facet of separation of purpose would be to use CSES survey results to explore how voters place presidents, prime ministers, and parties in political space, e.g. on a left-right continuum. If we are correct, all else equal we ought to see greater variance (not necessarily a greater absolute difference) in the placement of *party leaders* versus *parties* on the continuum in presidential versus parliamentary systems, with semi-presidential systems representing a middle ground. In parliamentary systems, voters should recognize that party leaders represent the median member of the party – but are less likely to perceive or believe this in a pure presidential system.

**Table 7.1**

<b>Electoral Separation of Purpose (Average % Difference), PT</b>	
1994	16.44
1998	18.18
2002	30.33
2006	39.98

**Table 7.2:**

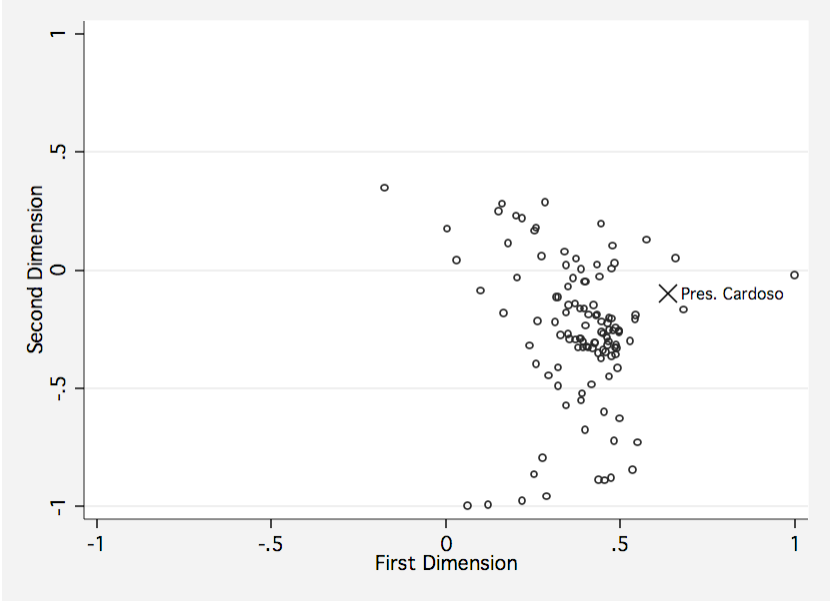
<b>Factors Associated With...</b>		
	<i>Petismo</i>	<i>Lulismo</i>
Active in politics?	+	+
Leftist?	+	+
Active in social movements?	+	-
Knowledgeable about politics?	+	
Believe in efficacy of the vote?	+	
Dislike clientelism?	+	
Dislike corruption?		
Educated?	+	
Live in developed municipality?	+	
Catholic?		+
Income		

**Table 7.3:**

**Brazil: Correlations with State-Level Human Development**

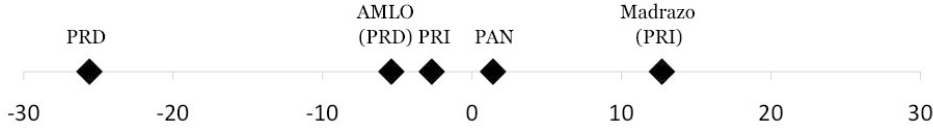
Year	PT vote	Lula vote
1994	0.68	0.16
1998	0.38	0.15
2002	0.51	0.32
2006	0.30	-0.57

**Figure 7.1: Placement of PSDB legislators and President Cardoso in two-dimensional policy space (derived from w-nominate scores)**



Source data: for Leoni (2002), provided by Eduardo Leoni

**Figure 7.2: Left-Right Placement, Mexico 2006**



Source for placement data: Bruhn (2006)