

Conditions for Competition

The Necessary Electoral Reforms

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Non-partisan polling station officials counting votes.

In 2006, Mexico's young democracy faced the complex situation of having to process a very close election, in which governing National Action Party (PAN) presidential candidate Felipe Calderón Hinojosa led by only 0.56 percent of the vote. This was the result of a long electoral campaign characterized by the clash between the federal administration, headed by Vicente Fox and his party, and left candidate Andrés Manuel López Obrador of the Party of the Democratic Revolution (PRD), who has refused to recognize the elections as valid. Paradoxically, the Mexican electoral system could only be proved legitimate thanks to the existence of a series of rules and institutions that guarantee that democracy will be open and that authentic parties and candidates will com-

pete with real possibilities of winning and in which there is room for uncertainty about the outcome. In this way, the 2006 vote, more than questioning whether Mexico is democratic, is in and of itself an objective confirmation that its vast political pluralism can—and does—express itself through the elections.

However, it cannot be ignored that the election has been impugned, that the Electoral Tribunal of the Federal Judiciary (TEPJF) had to weigh many complaints from the contenders and that, in the end, electoral processes in Mexico are viewed with suspicion, or, at least with certain distaste, by broad sectors of the population. But, at the same time, there must continue to be elections in which, most certainly, there will be stiff competition, and only they can be the source of legitimacy of those in government and of popular representatives in a democracy. Therefore, Mexico's electoral system

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must be strengthened as a condition for democracy itself to survive.

Mexico must undertake a new generation of electoral reforms. In this article, I will refer specifically to the issue of pertinent reforms about conditions for electoral competition in light of recent political events.

GENERAL CONSIDERATIONS

To have genuine elections, it is not enough that the votes be counted honestly: the citizenry must have real alternatives to choose from. That is, political parties —plural— must exist. In a phrase: no modern (formal, representative) democracy can exist without political parties. Parties are so important that many countries enshrine them in the Constitution itself. Mexico is no exception and, according to our Constitution's Article 41, political parties are "bodies in the public interest."

At the same time, in today's complex, mass societies, radio and television

are indispensable channels for parties to reach the citizenry and try to get its votes. It is through the media that the citizenry gets most of its information about public matters in general and elections in particular. The media have become indispensable for democratic competition. For that reason, the presence of parties and their candidates in the media also becomes indispensable to ensure authentic, truly democratic elections.

THE LEGAL FRAMEWORK

In Mexico, current rules for electoral competition are the result of an agreement arrived at in 1996 by all the political parties, which translated into changes in the Constitution and electoral legislation. In that year, it was determined that political parties would receive public funding to carry out their activities and that it would predominate over private financing. In addition, the law dictated that public resources apportioned

to political parties would be distributed in the following way: 30 percent to be distributed equally among all the parties with congressional representation and 70 percent according to the number of votes they had received in the election for federal deputies; the newly registered parties would receive 2 percent of the total amount. In a federal election year, public funding would double to cover campaign expenses. The legislators' intentions when they included this provision can be divided into three complementary aims: a) to insure equitable campaigns; b) to safeguard political parties' independence *vis-à-vis* powerful economic groups; and c) to foster transparency in the origin, management and destination of political parties' finances.

Parties have access to radio and television in two ways: a) as part of official state time slots; and b) through direct purchase of airtime.

Parties have three kinds of programs in official state time slots: a regular 15-minute program once a month for

TABLE 1
FEDERAL FUNDING OF POLITICAL PARTIES IN MEXICO (2006)
(MEXICAN PESOS)*

PARTY	REGULAR FUNDING	CAMPAIGN FUNDING	TOTAL	PERCENT OF TOTAL FUNDING
Nacional Action Party (PAN)	555'866,537.74	555'866,537.74	1,111,921,342.67	27%
Institutional Revolutionary Party (PRI)	613,405,424.52	613,405,424.52	1,226,999,116.23	30%
Party of the Democratic Revolution (PRD)	360,710,804.15	360,710,804.15	721,609,875.49	17%
Labor Party (PT)	135,071,426.34	135,071,426.34	270,331,119.87	7%
Green Ecologist Party of Mexico (PVEM)	190,667,799.64	190,667,799.64	381,523,866.47	9%
Convergence	133,100,713.12	133,100,713.12	266,389,693.43	6%
Social Democratic and Peasant Alternative	39,776,454.11	39,776,454.11	79,741,175.41	2%
New Alliance Party	39,776,454.11	39,776,454.11	79,741,175.41	2%
Total	2,068,375,614.00	2,068,375,614.00	4,138,257,365.00	100%

* The average exchange rate in 2000 was 10.5 pesos to the dollar.

Source: Lorenzo Córdova and Ciro Murayama, *Elecciones, dinero y corrupción* (Mexico City: Cal y Arena, 2006).

TABLE 2
PRESIDENTIAL CAMPAIGN PUBLICITY SPENDING (2006)
(MEXICAN PESOS)*

	TOTAL	RADIO AND TV	PERCENTAGE
National Action Party (PAN)	257,837,990	218,876,202	85%
Alliance for Mexico (PRI and PVEM)	444,844,810	346,933,916	78%
Coalition for the Good of All (PRD, Convergence and PT)	383,612,118	357,794,733	93%
New Alliance Party	26,416,538	22,069,653	84%
Social Democratic and Peasant Alternative	6,633,511	6,633,511	100%
Total	1,119,344,967	952,308,014	85%

* The average exchange rate in 2000 was 10.5 pesos to the dollar.

Source: Created by the author using information found at www.ife.org.mx.

each party, a special monthly debate and complementary programs during election campaigns. The law stipulates that during campaigns, parties may freely and directly buy radio and television airtime as long as they do not exceed campaign expenditure ceilings defined for each election by a formula specified in the law, and that third parties may not purchase airtime to campaign in favor or against any party or candidate. In addition, during electoral campaigns, the Federal Electoral Institute (IFE) purchases radio and television spots whose cost shall not exceed 12.5 percent of its year's public financing, to be distributed among the parties according to criteria established in the law. The legislators' intention when prohibiting direct private funding for purchasing radio and television airtime was to safeguard the principle of electoral equality.

Private funding is allowed in Mexico, but under certain conditions. For a start, as was already mentioned, it cannot exceed the amount of public funding a party receives, precisely so that private monies do not unbalance the conditions of competition. It also can-

It is not easy to imagine anything that could generate more ads than elections or any other single source that would provide more income to Mexico's radio and television consortia.

not be anonymous: all donors must be identified by the party and reported to electoral authorities. It is limited: no individual can contribute more than the equivalent of 0.05 percent of public funding to parties, and all contributions from party sympathizers cannot exceed 10 percent of party income. There are other express prohibitions: donations may not be accepted from the branches of government except whatever the law provides for, from foreign governments, individuals or institutions, or from abroad (including from Mexican citizens), from churches or from companies. This rule seeks to insure transparency, accountability, the sovereign exercise of politics and avoid influence peddling.

Nevertheless, in the past, some of these rules have been broken. For exam-

ple, when the Institutional Revolutionary Party (PRI) failed to notify all the private funding it was receiving in parallel financing (the so-called "Pemexgate" case in the 2000 elections), or when the National Action Party and the Green Ecologist Party of Mexico (PVEM) took monies from banned sources (the case of the "Friends of Fox", also in 2000). In these instances, electoral authorities fined the parties involved. Their conduct has also shown the need to introduce changes in the law to improve monitoring of party resources, particularly to provide electoral authorities with information from the banking system in their investigation into unreported private funding.

THE RESULTS OF THE 2006 ELECTIONS

One of the most repeated criticisms of the way electoral competition played out in 2006 has been the abuse of the media in spreading negative publicity about opposing candidates. The so-called "black" or negative campaign, especially resorted to by the two main pres-

TABLE 3
PRESIDENTIAL CANDIDATES' RADIO AND TV ADS (2006)

PARTY OR COALITION	TV	RADIO
National Action Party	11,904	106,960
Alliance for Mexico	10,425	59,414
Coalition for the Good of All	16,316	60,410
New Alliance Party	206	3,199
Social Democratic and Peasant Alternative	1,454	3,368
Total	40,305	233,351

Source: IFE, "Final Report on Promotional Spot Monitoring," 2006.

idential candidates and their respective parties, took the place of an informed confrontation of analyses and proposals.

The public perception that politics is not very honorable and that huge sums of money that could be used more productively are wasted on it was undoubtedly reinforced by the kind of campaign we saw in Mexico.

This year, political parties in Mexico received more than 4 billion pesos (almost U.S.\$400 million) in funding (Table 2). Given that there are no restrictions on parties using their regular funding for electoral campaigns, it is possible that most of their resources went into the federal electoral campaign for president, 500 deputies and 128 senators.

According to preliminary information from the IFE based on party publicity expenditure reports, an average of 85 percent went into radio and television ads (see table 2). This information must be verified by the electoral authorities themselves who are obliged to present their findings about campaign spending by political parties and electoral coalitions by April 2007. Thus, the 2006 campaigns confirm the fact that political parties' main expenditure is the broadcast media. Taking into account that in Mexico, the telecommunications market is highly concentrated,

we can say that parties' media spending, to a large extent paid for by public monies, implies a transfer of public funds to a small number of companies.

The IFE's monitoring of party presence in the media shows that in 2006, all together the parties and coalitions bought 142,358 television ads totaling 841 hours of airtime (35 complete days of ads), and 562,144 radio ads, totaling 3,155 hours (equivalent to 131 days of ads). Of these amounts, the presidential campaigns accounted for 40,305 television ads and 233,351 radio spots (see table 3). It is not easy to imagine anything that could generate more ads than elections or any other single source that would provide more income to Mexico's radio and television consortia.

THE COMING REFORMS

With regard to the conditions for electoral competition, it seems opportune to review the three objectives behind the current design of campaign funding: a) equality; b) party autonomy *vis-à-vis* powerful economic groups; and c) transparency in resource management. It is indispensable, then, to maintain the stipulation in the Constitution that public funding must predominate over

private contributions and the regulations about parties' income from private sources.

At the same time, it is feasible to respond to allegations of excessive campaign costs. The alternative is to reduce excessive spending precisely where most party monies go: in the broadcast media.

And, since it is indispensable to guarantee that parties and their candidates can reach the public through the media, it is perfectly viable to follow the model used in France, Spain, Brazil and Chile: banning parties' purchase of airtime for publicity on radio and television and the state's insuring their presence in the media during electoral campaigns. Of course, this would imply significantly shorter campaigns, which would by no means be bad news in Mexico.

Once the parties cannot spend on the media, their need to amass exorbitant amounts of resources also decreases, which tends to mitigate the temptation to resort to illicit funding.

But it is not a matter of just saving money—a rational aim in and of itself—but also a question of the quality of the campaign: excessive numbers of ads and spots mean that campaign management is in the hands of advertising companies rather than party ideologues, that the campaign is more centered on media mud-slinging, on slogans and not content, that the look of the campaign is more important than the logos.

Introducing the criteria of republican austerity in party campaign spending, eliminating the transfer of public funds to media consortia at election time and increasing the quality of political debate could be the coordinates for conditions of competition in the electoral reform Mexico requires to strengthen its democracy. ■■■