

The Federal Dilemma: Organizational Strategies and the Development of Conservative Parties in Mexico and Argentina

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The literature has stressed the importance of institutional settings in shaping the ways in which political parties organize. Certainly, issues such as the type of government and the electoral rules have been recognized for posing particular sets of incentives that affect parties' organizational efforts (Duverger 1969; Samuels 2002; Samuels and Shugart 2010). However, even if most political parties compete in multiple territorial arenas, little attention has been paid to understanding the impact of federalism on parties' emergence, survival, and eventual success. We find that given the particular distribution of prerogatives, resources, and representation in the national legislature associated with federal arrangements, federalism poses an inherent dilemma to political parties: it requires that they consider territorial specialization.

It is our argument that, in federal countries, parties' organizational efforts can be conceptualized in terms of three strategies based on criteria of geographic specialization: metropolitan, district-based, and federalist. While a 'metropolitan strategy' gives parties rapid visibility and a 'district-based' one helps them to consolidate territorial bastions, only political parties that adopt what we call a 'federalist strategy' are able to achieve a statewide presence. In the course of our analysis, we bring together two branches of literature— on party organization and on federalism— that are rarely brought into dialogue with each other.¹

We apply our conceptualization by analyzing the organizational evolution of conservative parties in two federal countries in Latin America: Mexico and Argentina. The absence of a

¹ An exception is Van Houten (2009) who analyzes the impact of multi-level structures within party organizations, that is, among party leaders located at different territorial levels. Interestingly, there is a growing body of literature on the relationship between decentralization and party politics (Garman, Haggard, and Willis 2001; Thorlakson 2009; Hopkin 2009).

traditional conservative party with strong penetration at different levels of the institutional government structure has been a characteristic of the Argentine political system. Even if, from 1995 to 2003, Argentine conservative parties have steadily increased their vote share, they have been less successful at winning offices and legislative seats. On the contrary, in Mexico the conservative *Partido Acción Nacional* (PAN) became in the late 1980s a serious contender to the hegemonic *Partido de la Revolución Institucional* (PRI). Since then, the PAN has been able to win a growing number of local and state elections, gaining control over municipalities and governorships, and ultimately defeating the official candidate in the 2000 presidential elections to end 71 years of continuous PRI rule.

Comparing the evolution of conservative parties in both countries (in particular since the 1980s) our article proposes that territorial organizational differences play a part in explaining these parties' success (Mexico) and failure (Argentina).² In the next section, we advance a theoretical framework that reconciles studies of party organization with an approach that stresses the effects of federal arrangements on party territorial strategies. In sections 3 and 4, we carry out a more empirical analysis focused respectively on Argentina and Mexico. We follow a

² We follow Gibson in defining conservative parties as those party organizations that “draw their core constituencies from the upper strata of the societies” (1996, 7). This should not be understood as if conservative parties do not draw support from other social groups, but rather that such core constituencies' interests are determinants for political parties' agendas. The focus on conservative parties is also relevant for methodological reasons. Since conservative forces in both Argentina and Mexico appealed to equally well-established constituencies, embraced similar ideological motivations, and gained momentum around the same time, we can control for these variables and turn to territorial organizational strategy as well as differences in the institutional environment as key factors that explain their dissimilar trajectories.

structured comparison approach (George and Bennett 2005) to compare both cases, identifying the different conditions that explain the divergent organizational strategies that Mexican and Argentine conservative parties embraced. Section 5 concludes and discusses the possibility of generalizing our theoretical framework.

Party Organizational Strategies in Federal Systems

A political party is a voluntary organization that pursues ‘the goal of placing its avowed representatives in political office, which it does by running candidates for office in competitive elections’ (Harmel and Janda 1994). Even though parties may have numerous goals, they tend to pursue one as their primary objective. This primary goal varies across party organizations, but it may also change within the same party over time. Specifically, the literature distinguishes between political parties that seek to maximize votes or offices and those that want to influence policy.³ A political party’s primary goal shapes the organizational strategy it follows, but political parties do not operate in an institutional vacuum. Certainly, different works have shown how particular institutional designs have an impact on party organizational strategies. However, a gap still exists in the analysis of how the territorial distribution of power shapes the fate of partisan organizations. In particular, the impact of federalism on party politics has remained understudied.⁴ The lack of academic attention to this relationship appears more surprising in the

³ Even though the quest for influence over policy is also underlined as an important party goal, we focus here on political parties that aim to maximize either votes or offices. In fact, the maximization of offices or of seats is a necessary precondition for any party that seeks to influence policy.

⁴ Some noteworthy exceptions are the seminal work of Lipset and Rokkan (1967), and the later works of Chhibber and Kollman (2004), and Filippov et al (2004). There is also a recent body of literature that has

context of Latin America, given the increasing consideration that issues related to federalism are receiving by scholars (Samuels and Abrucio 2000; Gibson 2004; Wibbels 2005, among many others).

We argue that a federal institutional design has direct effects on party organizational strategies because it poses an inherent dilemma. First, a federal setting involves the differentiation of national and subnational autonomous government structures and their distinct arenas of electoral competition. Parties operating in those contexts should then consider whether to compete for national or provincial elections and offices, or both.⁵ Second, the dilemma between the regional specialization and the drive to compete for national offices creates an unstable balance between sets of incentives that seem aimed in opposite directions. This tension is deepened by the fact that the particular layout of the federal electoral system determines that a correlation between votes and seats is not necessarily observable, since the conformation of at

focused on subnational politics, giving, in some cases, a central role to federalism (Gibson 2005; Fox 1994).

⁵ Even if the existence of regional parties in unitary systems cannot be denied, “[t]he multiple arenas of semi-autonomous decision-making found in federal systems provide parties and elites with special opportunities, not available in unitary states, to respond to regionally distinct electorates” (Chandler 1987, 151). The decision of remaining localized is qualitatively different in federal systems because of the access to subnational offices that are important in terms of resources and policy-making authority and which generally do not exist in unitary countries. The enactment of decentralization policies in most unitary countries and the institutionalization of regionalism in multi-national unitary states, however, might be creating similar incentives to the ones observed in federal scenarios.

least one of the national legislative chambers is decided by means of territorial representation.⁶

Third, a federal system opens desirable subnational offices to party competition that are valuable posts in terms of policy-making prerogatives, national relevance, and access to political and fiscal resources. In the end, the way in which parties deal with these organizational dilemmas determines their prospects: when parties are able to conceive of those different incentives as complementary rather than mutually exclusive, the chances to build statewide organizations increase.⁷

-Organizational Strategies: Metropolitan, District-Based, and Federalist

As a result of the incentives generated by this particular type of institutional design, parties competing within federal settings are faced with three different organizational paths based on criteria of geographic specialization: parties can follow a metropolitan strategy, a district-based one, or a federalist strategy. Each of them supposes a particular combination of costs and benefits and will also produce particular outcomes that will affect parties' prospects in both the short and long term. Territorial distribution of votes, location of party offices, distribution of

⁶ According to Snyder and Samuels (2001), malapportionment in the upper chamber is positively correlated to federalism; interestingly enough, the dummy variable 'Latin America' is positively correlated to malapportionment in the lower chamber.

⁷ Following Panebianco (1988), institutionalized statewide parties are able to effectively expand their coverage across the national territory by means of a successful organizational strategy (either originated by territorial penetration or territorial diffusion). However, his analysis does not consider the challenges that parties face in their own institutional environment.

party membership, and access to government offices are key indicators in recognizing the geographical concentration/dispersion of party organizational efforts.

Aiming to maximize votes, parties may find it more cost-effective to limit the scope of their territorial organization to the densely populated metropolitan areas –adopting what we call a metropolitan strategy. Presence in those territories provides political parties with higher visibility and increases their chances to exercise influence on the national agenda. In federal countries –characterized by high levels of malapportionment– a territorial organizational strategy focused purely on metropolitan electorates leads to a negative consequence: parties embracing this strategy will find that, even if they are successful at maximizing votes, they will most certainly end up failing at conquering a significant number of offices and seats. Votes obtained in metropolitan areas suffer from political underrepresentation in the territorial chamber, and in some cases in the lower chamber as well; therefore, high levels of electoral support do not necessarily grant the party significant institutional presence.

On the contrary, federal settings provide parties aiming to maximize offices with incentives to organize on a district basis –embracing what we conceptualize as a district-based strategy–and thereby giving priority to the consolidation of territorial structures where institutional presence is easier to achieve. This type of strategy supposes that parties concentrate their organizational efforts on particular electoral districts that, in the case of federal countries, tend to coincide with the limits of subnational units. This course of action will give parties greater chances to conquer subnational offices and seats, and also will increase the likelihood of controlling the district's delegations to the federal chambers. This institutional presence turns district-based parties into attractive partners for statewide parties looking for political allies. However, a negative

consequence of only relying on this strategy is the difficulty faced by these parties to transcend the limits of their subnational bastions.

Parties that follow a federalist strategy tend to lay out territorial organizational roots as a first step to achieve a statewide structure.⁸ Therefore, organizations that embrace a federalist strategy do not remain confined to a particularly subnational unit and aspire to have a statewide institutional presence. In addition, the federalist path assures that parties count with established congressional blocs as well as access to and control of offices in charge of resources. This strategy is inherently costly because it entails long-term investment at its forefront; several years may pass before a party that embraces such strategy becomes a serious contender at the national level.

However, the costs of adopting a federalist strategy can be higher or lower depending on the way in which federalism is also shaped by other institutional frameworks. Among the factors that increase the cost of adopting a federalist strategy are, for example: the existence of already institutionalized and entrenched regional parties that cater to the same electorate; the existence of a fluid party system with very low costs of entry that discourages the deployment of long-term organizational strategies; and a parliamentary design that creates less costly institutional ‘shortcuts’ such as the possibility of regionally based parties to be part of national coalition governments. On the other hand, the costs associated with a federalist strategy will decrease when: parties are in close relation with pre-existing organizations that already have a consolidated territorial structure (i.e. national trade-unions, regional business networks, religious organizations); specific institutional rules reward bottom-up nationalizing strategies (i.e. the

⁸ The concept of federalist strategy is an adaptation from Lujambio (2001)’s reference to the PAN’s “municipal-federalist strategy.”

existence of legal clauses that require parties to have national presence in order to be officially recognized, the indirect election of national offices via regionally based electors –the electoral college, the congressional election of presidents, etc.); and a presidential system is in place, making national institutional representation particularly difficult to achieve for those parties that create only either regional-based or metropolitan-based structures. A summary of the characteristics of the strategies is presented in Box 1.

Box 1: Characterization of Organizational Strategies

Strategy	Territorial presence	Indicators	Advantages	Disadvantages
Metropolitan	Metropolitan areas	Votes, party offices, and membership concentrated in metro areas. Control of executive offices and legislative seats from metro areas.	Short-term strategy with high visibility. Chances to win the presidency. Less costly.	Votes do not translate into offices. Reduced institutional presence.
District-based	Limited to one district (province, state)	Votes, party offices, and membership limited to one electoral district. Control of executive offices and legislative seats from one district.	Access to sub-national executive offices and legislative seats in a given province/state. Control of district delegations to the National Congress. Less costly.	Difficulties to transcend district boundaries.
Federalist	Nationwide	Votes, party offices, and membership all over the country. Control of executive offices and legislative seats across the territory.	Access to sub-national executive offices and legislative seats across the country. Significant presence in the National Congress	Long-term strategy. More costly.

In sum, in federal countries political parties need to account for all of these interrelated institutional features in addition to the usual calculations of the costs of entry imposed by the electoral system and other institutional rules.⁹ In the next sections we start to disentangle these dilemmas by analyzing the divergent fates of conservative parties in Argentina and Mexico. Our argument advances the idea that in contemporary Argentina conservative parties have been incapable of –and unwilling to– bear the costs of pursuing a federalist strategy and, therefore, have been unable to maximize their institutional representation. They have either opted for a metropolitan path, receiving increasing levels of electoral support without reversing the constant decrease in the number of seats and offices they hold; or a district-based one, remaining confined to particular provinces. On the other hand, in Mexico, the PAN became strong at the local territorial level following a two-step federalist strategy, gaining control of numerous municipalities and governorships since the beginning of the democratization process. In due time this allowed the party to become a serious contender at the national level, winning two consecutive presidential elections. As a result of these contrasting strategies, conservative parties in Mexico and Argentina have achieved different degrees of nationalization and territorial

⁹ The analytical framework advanced here requires further nuances. For example, parties that initially pursue metropolitan or district-based strategies can decide later to adopt a federalist strategy to continue with their expansion. In this sense, a federalist strategy can be also thought of as the second step of a sequential strategy, because the dispersion of a political party across territory is usually achieved gradually over time. On the other hand, political parties can be said to be locked into one strategy if they do not show intent –for instance, by opening party offices in other districts or outside metropolitan areas– to transcend their original territorial specialization.

presence: while the PAN has extended across the country, conservative parties in Argentina have remained geographically concentrated.¹⁰

Argentina: The Lack of a Statewide Conservative Party

For much of the 20th century, the traditional setting of the Argentine party system left statewide conservative parties out of the picture. Two main political parties extended their competition to most districts, the Peronist Party (PJ) and the Radical Party (UCR), and profoundly shaped party competition during the intermittent polyarchic periods (Abal Medina and Suarez-Cao 2002).

Indeed, the ongoing interruptions of the constitutional order advanced the role of the military as an institutional substitute for the lack of a statewide conservative party as a serious contender for national elections—i.e. the ‘military party’ (Rouquié 1987). During the polyarchic periods, the political struggle between the PJ and the UCR monopolized party competition in national elections, making it extremely difficult for new party organizations to emerge and consolidate as viable political forces.

¹⁰ By account of the measurement advanced by Jones and Mainwaring (2003), the PAN scores a high nationalization value in the 2006 lower house and presidential elections (0.82) whereas the Argentine conservative parties score a low nationalization value in the 2007 lower house and presidential elections (0.30 and 0.57, respectively). This indicator is an interesting hint towards the unevenness of the territorial electoral support in the case of Argentine conservatives in comparison with that of the PAN. For the latter, the evolution of nationalization values confirms that the party’s range of territorial support grew over time: while the PAN scored a 0.64 for the 1991 lower house election, this value increased to 0.79 for the 2003 lower house election, before reaching the 0.82 already reported. The index was calculated from data available at the Mexican Electoral Federal Institute (IFE) and the Electoral Office of the Ministry of Interior, Argentina.

However, conservative parties were very strong contenders in some provinces, and in this sense they were truly examples of a successful district-based organizational strategy. Even though “no conservative party’s presidential vote in a free and fair election has ever exceeded 16%’ during the 20th century,” (Gibson 1996, 39) conservative parties were nonetheless major political forces in several provinces, controlling gubernatorial administrations and sending representatives to the national legislative chambers. Oddly enough, instability at the national level was not mirrored at the subnational one: provincial conservative parties managed to remain in office and collaborate with the different non-democratic administrations, and therefore provided stable provincial regimes even during periods of military rule. In democratic periods, provincial conservative parties tended to ally in national elections with either the PJ or the UCR - they were coveted partners due to the Electoral College system in place for presidential elections and the indirect election of national Senators through provincial legislatures.¹¹

National institutional rules therefore encouraged provincial conservative parties to specialize in territorial arenas and whether in free and fair elections or under military rule, provincial conservative parties survived the ups and downs of Argentine politics (Tula 1999; Alonso García 2007). Their regional specialization was a crucial asset for their national projection and provided them enough leverage to affect national politics. In addition to the easy access that these parties had to the national government during military administrations, their regional specialization also discouraged the formation of statewide conservative political parties.

Nevertheless, while provincial conservative parties were important forces in their regions with few incentives to extend their organizational borders, other conservative parties emerged

¹¹ Before 1994, the president was elected through an Electoral College based on the provinces as electoral districts. It was a highly malapportioned institution.

after the 1950s to contest for the support of the conservative electorate at the national level . These new political organizations advanced technocratic goals and were in close relationship with the military governments to which they supplied their technical staff. For a political party aspiring to design and implement national policies, the best organizational strategy was to focus on metropolitan areas in order to maximize votes at the national level and cater to a larger portion of the national electorate. The most important party of this new right, the *Unión del Centro Democrático* (UCeDe), was mainly an urban force that lacked substantial territorial organization and revolved around their leaders rather than constituting a bureaucratic structure of power (Mansilla 1983).

Leaders from the party's minority faction understood that both the absence of a territorial structure and the homogeneity of the party's leadership were serious obstacles to reach office. As it is shown in party reports, the challenging faction argued that:

[n]ow the task before the UCeDe is to reach power. Are we in a condition to accomplish this? We sincerely believe that, with the present party structure, that goal will not be possible. We must create conditions for new leaders to emerge at all levels. (Quoted in Gibson 1996, 150).

This position, however, never achieved the necessary consensus to affect the organizational strategy of the UCeDe, which continued to be primarily concentrated in large cities (Gibson 1996, 182-6). While this concentration in metropolitan areas showed to be successful in terms of electoral support (the UCeDe became the third electoral force only behind the PJ and UCR), it did not provide the party access to important electoral offices.

After the dissolution of the UCeDe in the 1990s, the new conservative parties that emerged have proven to be quite ephemeral as party organizations even if achieving increasing electoral

support. In 1999, Domingo Cavallo, the former Minister of Economy under Menem, received ten percent of the vote for president with his short-lived party, *Acción por la República*. In 2003, Ricardo López Murphy, the former Minister of Economy under Fernando De la Rúa garnered 16% of the vote for president under the banner of *Recrear para el Crecimiento*, being the most voted party in the metropolitan district of Buenos Aires city. In the local Buenos Aires election, Cavallo got 33% of the vote in 2000. In the 2007 gubernatorial elections in the province of Buenos Aires, two conservative ballots came in second and third place, leaving the traditional UCR in a shameful fourth place. The Argentine case shows that newly created conservative parties have followed a metropolitan organizational strategy. That is, they concentrate their organizational efforts in metropolitan areas (the most populated cities and their suburbs) and obtain their larger share of support from them –as shown in Table 1.

Table 1: Conservative Vote by Province in Argentina (2003 Presidential Election)

Province	Votes	Larger Metro Areas	Province	Votes	Larger Metro Areas
Buenos Aires City	0.18	1st*	Corrientes	0.06	
Cordoba	0.12	2nd	San Juan	0.05	
Mendoza	0.1	4th	Chubut	0.04	
Santa Fe	0.1	3rd	Tierra del Fuego	0.04	
Buenos Aires	0.09	1st*	Misiones	0.04	
Tucumán	0.09	5th	Chaco	0.03	
La Pampa	0.09		Santiago del Estero	0.03	
Neuquén	0.09		Formosa	0.03	
Salta	0.09		Jujuy	0.03	
Entre Rios	0.08		La Rioja	0.02	
Rio Negro	0.08		San Luis	0.02	
Catamarca	0.06		Santa Cruz	0.02	

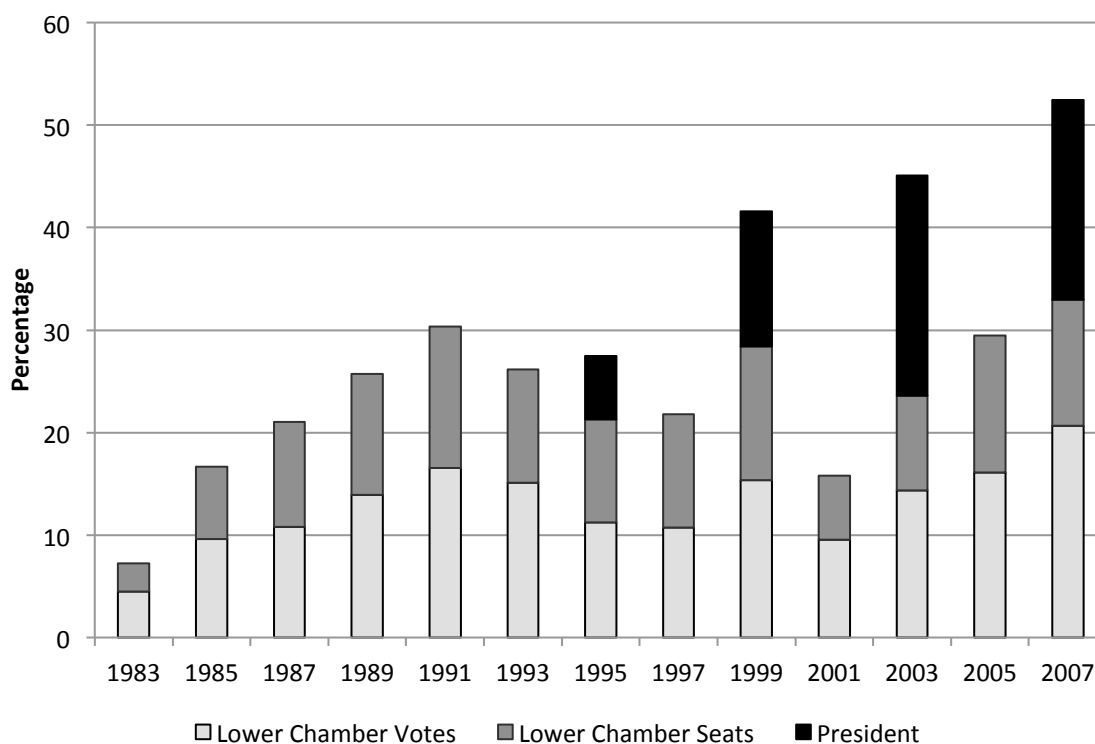
*The city of Buenos Aires and Greater Buenos Aires share the same metropolitan area yet represent different electoral districts.

Source: Data from the Electoral National Office, Ministry of Interior <www.mininterior.gov.ar/elecciones> and the Instituto Nacional de Estadísticas y Censo (INDEC) <www.indec.gov.ar>.

However, has this metropolitan strategy been the most efficient model of organization? Figure 1 shows that the electoral support for conservative presidential candidates has been growing. The trend for national deputies has been more erratic. Strikingly, this growing electoral support did not translate into a more effective institutional control either of offices or of legislative positions. An increase in the percentage of the vote is actually accompanied by a decrease in the percentage of the seats held by conservative parties in general. Figure 2 shows that this apparent paradox can be explained by the growth of conservative parties of the “new right” type at the expense of the provincial party type.¹²

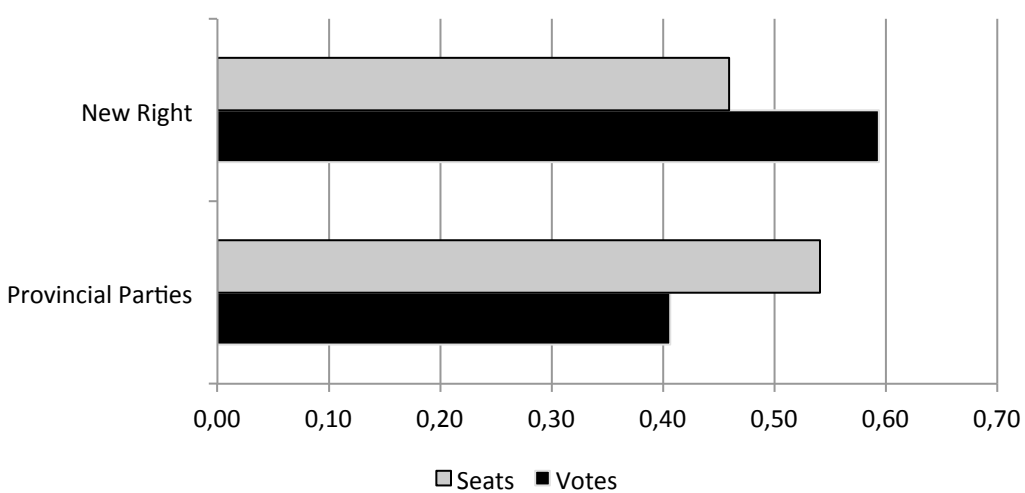
Figure 1: Votes and Seats for Conservative Parties in Argentina (1983-2007)

¹² Even though conservative parties presented candidates in all federal elections since the democratic restoration in 1983, only presidential elections after the 1994 constitutional reform were considered in Figure 2. The elimination of the Electoral College in that year altered strategic considerations for both conservative voters and party leaders.



Source: Data from the Electoral National Office, Ministry of Interior <www.mininterior.gov.ar/elecciones>

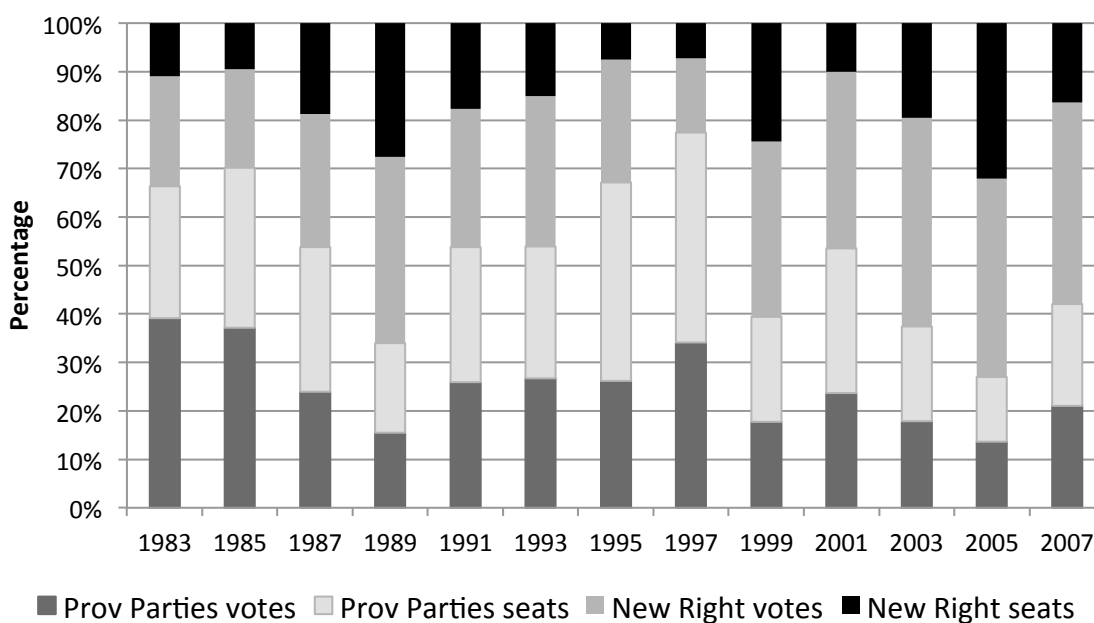
Figure 2: Votes and Seats for Type of Conservative Party (1983-2007 National Deputies)



Source: Data from the Electoral National Office, Ministry of Interior

Provincial conservative parties are more successful at obtaining legislative representation than new conservative parties because of the combination of their organizational strategy and the way in which the electoral system is laid out in federal countries. Figure 3 helps to visualize this trend.

Figure 3: Votes and Seats (1983-2007 National Deputies)



Source: Data from the Electoral National Office, Ministry of Interior

Provincial conservative parties were able to survive because their strategy of regional specialization is rewarded by the federal features of Argentine political institutions despite their partial reversal in 1994.¹³ New conservative parties are more successful in terms of popular

¹³The constitutional reform of 1994 abolished the indirect elections for president and national senators. However, the territorial bases of electoral politics in Argentina remained largely unchanged. In fact, studies have underlined a growing trend towards the provincialization of politics (Calvo and Escobar 2005).

support in visible districts, but they fail to translate this support into real positions of institutional power.¹⁴ Currently the strongest party organization of the new right, *Compromiso para el Cambio-Propuesta Republicana* does not have party offices in half of the electoral districts yet there are over 25 offices in Buenos Aires City (information available at <www.pro.com.ar>). Six out of the nine provinces in which they have an organizational presence are at the top of the list of most populated districts in the country.¹⁵ Even though it is conceivable that they could win important offices in the future, they still lack the kind of territorial organization that would secure them a sizeable legislative bloc in the National Congress.¹⁶ The new conservative parties have chosen to follow the failed strategy attempted by the UCeDe decades ago: the combination of a metropolitan strategy with contingent electoral alliances.¹⁷ This strategy hinders the construction of a viable conservative alternative of government in Argentina.

¹⁴ *Compromiso para el Cambio* is part of a legislative group in the national congress with Recrear and other conservative parties composed by 11 members (less than 5% of the chamber). Information available at <<http://www.diputados.gov.ar/>>.

¹⁵ These districts are Buenos Aires City (population 2,776,138), and the provinces of Buenos Aires (13,827,203), Santa Fe (3,000,701), Córdoba (3,066,801), Mendoza (1,579,651), and Entre Ríos (1,158,147). Together they represent the 70% of the country population (Instituto Nacional de Estadística y Censos de la República Argentina, demographic data available online at <www.indec.mecon.ar>).

¹⁶ In 2007 an alliance of *Compromiso para el Cambio* and *Recrear para el Crecimiento* won the Buenos Aires City government; yet they were unable to replicate this victory in the national legislative elections in which they obtained a 13.5% for national senators, and 13.4% for national deputies (data from the Ministry of Interior available at <<http://www.mininterior.gov.ar/elecciones/>>).

¹⁷ These new conservative parties are active in an average of 11 districts (out of the 24 total). In 2007 more than 58% of their members proceed from Buenos Aires city, Buenos Aires province, and the

Mexico: The Success of a Statewide Conservative Party

In Mexico during most of the 20th century, the PRI assumed a hegemonic position and most of the "opposition" parties were only minor organizations, usually allied with the PRI and tolerated as an attempt to make the regular —and fraudulent— elections appear as competitive. Even if the PAN was created at the end of the 30s as the only conservative political organization with the explicit purpose of proposing a real alternative to the PRI, for years this goal did not materialize, and the party remained only as a testimonial political force.

The rapid growth of the PAN since the late 70s and its consolidation as a statewide competitive force was the result of the capacity of the party to develop a ‘federalist strategy’ that took advantage of the transformations of the Mexican political system and the revitalization of the federal institutions: a plan to consolidate PAN’s local strongholds as a first step to later achieve a relevant role in the national scene. By gaining institutional power at the local level the party was able to consolidate its own structures, increase membership, and show experience in government.

Different reformulations of the Mexican electoral rules paved the way for this federalist strategy to succeed. The electoral reform enacted in 1946 established, that parties had to be officially recognize by government authorities as a pre-condition to participate in elections. The new law stated that the most important requisite that parties had to fulfill in order to get official approval was to have representation in the majority of the states. One of the main results of this

province of Cordoba (the two largest metropolitan areas); and 73% of their total members live in one of the five Argentine metropolitan areas (data from the Argentine Cámara Nacional Electoral available at <<http://www.pjn.gov.ar/cne/index.php>>).

measure was the nationalization of the party system because regional parties either disappeared or had to ally with a national organization (Mizrahi 2003, 52). In addition, the new law ended up eliminating local political forces—that could compete with the PAN for the same electoral niche—from the Mexican party system. At this time the PAN party consolidated as one of the few statewide opposition forces: a statewide organization with local ramifications, as well as one of the players that the PRI needed in order to sustain the pluralistic façade.

Later on, in the absence of opposition presidential candidates in the 1976 elections, and facing a crisis of legitimacy, the PRI leaders promoted an extensive reform aimed to increase the level of effective political competition. The result was the 1977's *Ley Federal de Organizaciones Políticas y Procesos Electorales* (Lujambio 2001) that allowed opposition parties to get public funding; increased the number of seats in the Chamber of Deputies elected on the basis of proportional representation; and introduced proportional representation at the municipal level (Lujambio 2001, 75; Mizrahi 2003, 78). These transformations increased the incentives for competing at the local level, reinforcing the reasons to follow a federalist strategy. The PAN's participation in local and federal elections started to grow during the 1980s, and the victories attained at local electoral contests (especially in the Northern states) allowed the party to expand its territorial presence and strengthen the idea that gaining offices at the local level had to be the first step to become a statewide competitive force. Party leaders were aware of the importance of this territorial strategy.¹⁸ In fact, during those years the PAN not only accepted public funding

¹⁸ As a report submitted by the party's most pragmatic faction to the National Central Committee (CEN) in the early 1980s reads: '[t]hese partial electoral victories have a value in themselves but are also important steps to reach the summit [of power]. These are positions of action, visibility and political projection that improve our chances to have access to power...' (our translation). Redefinitions of the

for the first time but also channeled the most important portion of that money to fund local branches (Wuhs 2001).¹⁹

The fruits of this strategy became increasingly visible after the controversial 1988 presidential elections: PRI's national leaders convinced themselves that in order to re-gain legitimacy they had to be ready to accept opposition victories at the local level (Mizrahi 2003).²⁰ The PAN's organizational structure even if nationally conducted, granted high levels of autonomy to the party's local branches. This positioned the party to fight local battles, while its strength in Congress gave the party leverage to negotiate with the Executive. President Salinas began to recognize PAN's victories in gubernatorial elections, forcing the PRI local candidates to accept their defeat when electoral results were contested, and encouraging negotiations that ended up in a new electoral reform in 1989 (Loaeza 1999, 32; Middlebrook 2001).²¹ The PAN's

balance of power within the party in favour of more pragmatic local leaders from the Northern states reinforced this view (Quoted in Reveles Vázquez 2003, 115). As a survey shows, by the mid 1990s all national PAN's leaders believed that gaining offices at the local level was essential to compete for the presidency (Wuhs 2001; Shirk 2005).

¹⁹ By 1985 60% of the funds received from the Federal Government went to the state branches while only the 24% was directly channelled to the National Central Committee (Lujambio 2001, 80).

²⁰ Even if the PRI won the presidency, the party lost its two-thirds majority in the lower house of Congress—a majority that Salinas needed for reforming the Constitution in order to enact most of his new economic agenda. With its 101 seats in the Chamber of Deputies the PAN appeared as Salinas's natural ally (Wuhs 2001).

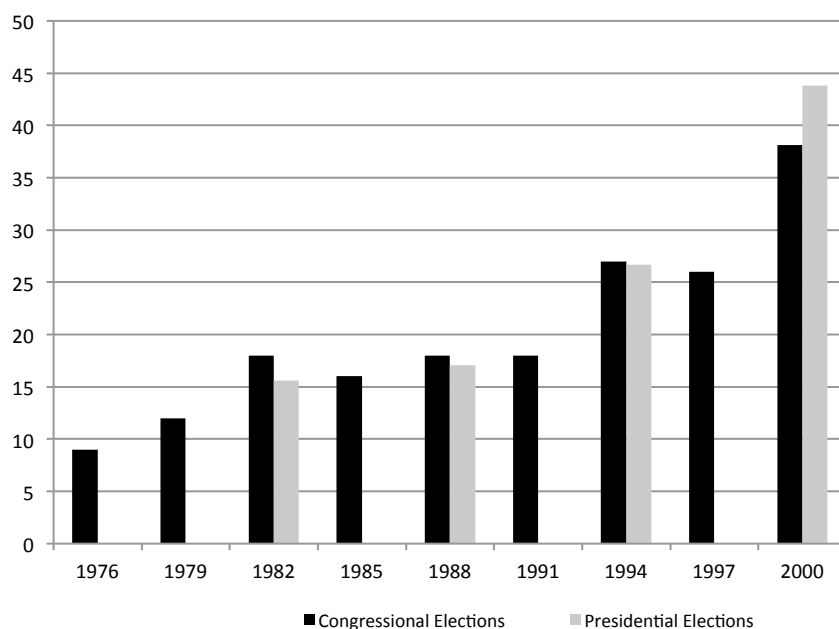
²¹ In 1988, federal authorities recognized the PAN victories in eight municipalities, and in 1989 the PAN's candidate was declared the winner in the Baja California state elections, becoming the first non-PRI governor in 70 years. During all of Salinas' administration (1988-1994), the PAN won 185

elected governors and mayors began to gain power within the party and confirmed selection of the federalist path.

The events that followed only confirmed both the failure of the PRI leaders to control the liberalization process (in 1997 the PRI for the first time lost its majority in the federal Chamber of deputies and in 2000 the presidential elections) and the success of PAN's strategy. First, the PAN's percentage of vote in Congressional elections most than tripled during the period 1976-2000, rising from less than ten percent to more than 35% of the total votes. A similar trend was witnessed in the electoral support for PAN presidential candidates: in 2000 the party obtained almost 45% of the total vote, more than three times the PAN's share of the total vote in 1982 (Mizrahi 2003). By 2000, the party controlled more than 300 municipalities and held 156 out of 500 seats in the National Congress. Figures 4 and 5 show the growing institutional presence of the party since the mid 1970s.

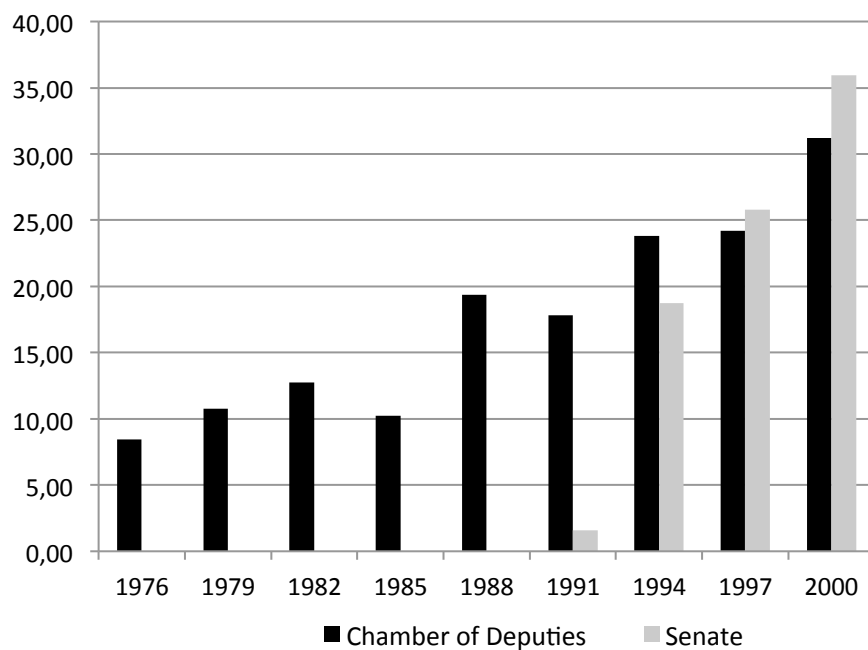
municipalities, two governorships (Baja California in 1989 and Chihuahua in 1992) and one interim governorship (Guanajuato in 1991).

Figure 4: Percentage of the Vote for the PAN in federal elections (1976-2000)



Source: Mizrahi (2003); and the Political Database of the Americas (Georgetown University and Organization of American States).

Figure 5: Evolution of PAN's seats in the Senate and the Chamber of Deputies (1976-2000)



Source: Mizrahi (2003); and the Political Database of the Americas (Georgetown University and Organization of American States)

Second, the PAN consolidated as a party organization with wide territorial presence. The number of active members more than doubled between 1989 and 2000 and the number of adherents (a new category created in 1996) increased nine times between 1997 and 2000 (Greene 2007; Shirk 2005).²² Party offices are also wide-spread: the party has state committees in all 32 Mexican states and municipal committees in 2007 municipalities (97% of the total). In addition, by 2008 the PAN held 8 state governorships and 496 municipalities (data available at <www.pan.org.mx>).

Third, in 2000 the PAN candidate Vicente Fox was elected president defeating the PRI after 71 years of continuous rule. The victory of PAN candidate Felipe Calderón in 2006 presidential elections confirmed that the party had become a major contender in Mexican politics. Despite the fact that Calderón's electoral victory was obtained by a close margin, an analysis of the territorial distribution of the PAN's voter confirms the statewide scope of the party presence. As Table 2 indicates, the PAN candidate obtained more than 30% of the votes in 2/3 of the Mexican states and 40% of the vote or more in almost 45% of the states.²³

²² Interestingly, although PAN members remain concentrated in the Northern states, this growth was not only limited to the North of the country; a significant increase in membership was also experienced in the South and Centre areas (Shirk 2005).

²³ For the less polarized 2006 Deputy Elections, Klesner (Shirk 2005) shows that the PAN appeared as a competitive force in 26 out of the 32 Mexican states, even in places like the Southern states of Quintana Roo, Campeche and Veracruz that went for the PRD in the presidential race.

Table 2: Distribution of the PAN Vote by state in Mexico
(2006 Presidential Election)

Votes	States	Frequency
up to 3%	0	0
4 to 9%	1	0.03
10 to 14%	0	0
15 to 19%	4	0.13
20 to 24%	0	0
25 to 30%	3	0.09
31 to 34 %	8	0.25
35% to 39%	2	0.06
40% and more	14	0.44
	32	1

Source: Data from the Instituto Federal Electoral (Federal Electoral Institute) <www.ife.gov.mx>

Table 3 shows that the ratio of the PAN's votes to the population was greater in peripheral states, with the exception of the states of Jalisco and Nueva León.²⁴ Indeed, Calderón was unable to obtain more than 30% of the vote in the Greater Mexico City area, where almost 20% of the total Mexican population is concentrated.

²⁴ In Jalisco, 4.1 million people are concentrated in the greater Guadalajara area. In Nueva Leon, 3.66 million people live in the greater Monterrey area. Even though they are respectively the second and third most important Mexican metropolitan areas (as it can be observed in Table 2), in relative size both greater Guadalajara and greater Monterrey are far smaller than the greater Mexico city, which concentrates 19.23 million people. Data from the Census 2005, INEGI. <www.inegi.gob.mx>

Table 3: The PAN Vote by state in Mexico (2006 Presidential Election)

State	Votes	Larger Metro Areas	State	Votes	Larger Metro Areas
Guanajuato	0.24		Morelos	0.14	
Jalisco	0.21	2nd	Sinaloa	0.14	
Nueva Leon	0.21	3rd	Puebla	0.14	4th**
Queretaro	0.2		Campeche	0.13	
Yucatan	0.2		Tlaxcala	0.13	4th**
Sonora	0.2		Michoacán	0.13	
San Luis Potosi	0.19		Estado de Mexico	0.13	1st *
Colima	0.19		Zacatecas	0.12	
Aguascalientes	0.18		Baja California Sur	0.12	
Durango	0.17		Hidalgo	0.11	1st *
Tamaulipas	0.17		Quintana Roo	0.1	
Chihuahua	0.16		Nayarit	0.07	
Coahuila	0.16		Oaxaca	0.06	
Baja California	0.16		Guerrero	0.05	
Mexico City	0.15	1st *	Chiapas	0.05	
Veracruz	0.14		Tabasco	0.02	

* The greater Mexico City area also extends to the states of Estado de Mexico and Hidalgo; ** the greater Puebla area also extends to the state of Tlaxcala

Source: Data from Instituto Federal Electoral (Federal Electoral Institute) <www.ife.org.mx> and Instituto Nacional de Estadística, Geografía e Informática (INEGI) –Census 2005 <www.inegi.gob.mx>.

To conclude, PAN strategy gave its party an advantage over other national opposition forces and enabled the party to better deal with a process of political liberalization based on a revitalization of the federal political arrangement (Lujambio 2001, 79-81). The initially unsatisfactory experience of the Partido de la Revolución Democrática (PRD) –the other main opposition party

that originally disregarded local electoral competition—provides a counterfactual that proves the adequacy of the federalist path.²⁵

Concluding Remarks: Notes for a Comparative Analysis

Federalism should not be ignored when understanding the organizational trajectories followed by parties, because it imposes structural constraints and shapes parties' strategies as well as their prospects. The comparative analysis of the divergent organizational trajectories and the fate of conservative parties in Mexico and Argentina provides empirical evidence that illustrates the applicability of our theoretical framework. Even if the institutional arrangements in place in both countries share numerous similarities—a presidential system, an established federal linkage, and the legacy of populist politics and parties—Mexican conservative forces have been successful at gaining institutional presence and power and therefore challenging the central position of more established parties, while the opposite has been the case for their Argentine counterparts.

Paradoxically, the lack of political competition at the national level that defined the evolution of the Mexican political system for most of the 20th century enabled the successful evolution of the PAN, generating “greenhouses” at the local level—where electoral competition started to be slowly but progressively tolerated—in which opposition parties could grow. On the contrary, it is not only the constant political instability that characterized the evolution of the Argentine political system during the 20th century but also the openness of the party competition after 2000 that has reduced incentives for new political parties to give priority to long-term

²⁵ Interestingly, the organizational path followed by the PRD is similar to that of the Argentine PRO. In the case of the PRD, however, important reasons account for its metropolitan strategy. According to Cuauhtémoc Cárdenas, the PRD attempted to build territorial anchors first, but the PRI literally killed their militants, a fate that was spared to the PAN militants thanks to President Salinas' *concertaciones* (personal communication with Juan C. Olmeda, 18 November 2009).

institutionalization. That is, newer party organizations in Argentina, regardless of their ideological orientation, have found it difficult to maintain mid or long-term goals when the status of national party competition offers them an opportunity to be serious contenders in presidential elections. In this sense, they tend to value short-term considerations of national presence over the construction of territorial organizations, even though such strategy is far from effective in the long-run.

Thus, an important part of these dissimilar outcomes can be explained in terms of the territorial strategies embraced by conservative parties in both countries and the context of competition that new parties faced when entering the political arena. A federalist strategy based on engendering strongholds at the local level was possible for the PAN because of the absence of regional parties in Mexico. Meanwhile, the presence of institutionalized provincial parties that catered to the same conservative electorate helps explain the elusive attention paid to the local arena for the new right in Argentina, which impeded those parties from developing stable organizational arrangements. Even if partially explained by the conditions of the party competition structure, the reluctance to adopt such a federalist strategy is also a choice made by party leaders.²⁶

Our focus has been on conservative parties, but the use of this theoretical framework can be extended to explain the organizational evolution of parties with other ideological motivations and core constituencies, such as the “federalist” *Partido dos Trabalhadores* (PT-Workers’ Party) in

²⁶ Even in the context of hegemonic Argentine provinces (2007), the major provincial cities are usually controlled by opposition parties. Therefore, a municipal-based strategy such as the one deployed by the PAN in Mexico is a viable way for opposition parties that wish to break into an otherwise hegemonic political environment.

Brazil and the “metropolitan” *Frente Grande* in Argentina (Abal Medina 2009). A future research agenda that includes cross-national comparisons of the territorial organizational strategies of political parties in federal settings can be envisioned in order to test our argument in a more comprehensive framework.

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