Organizational Brokerage of Social Benefits: Evidence from Mexico

Candelaria Garay
Harvard University
candelaria_garay@hks.harvard.edu

Brian Palmer-Rubin
Marquette University
brian.palmer-rubin@marquette.edu

Mathias Poertner
University of California, Berkeley
mathias.poertner@berkeley.edu
1. Introduction

In recent decades, several Latin American countries have seen an unprecedented expansion of social policy for low income populations. Aside from reaching millions of recipients, a surprising aspect of new benefits is that they are largely non-discretionary, which contrasts with a long tradition of clientelism in social benefits for the poor (De la O 2015; Garay 2016). This is the case in Mexico, a young democracy in which initiatives such as the conditional cash-transfer program Oportunidades-Prospéra,¹ which by 2018 reached roughly 6 million households—about 25 million low-income people—have been established (De la O 2015; Díaz-Cayeros, Estevez and Magaloni 2016; Garay 2016).

While these social policy innovations have helped reduce the political manipulation of low income populations, a broad universe of less far-reaching social benefits, many of which are discretionary, exists. For example, in 2014 there were close to 2000 social and development programs operating across Mexico, the vast majority of which covered a small fraction of those eligible, were little known, and were executed by subnational governments.² Discretionary programs deliver a wide variety of benefits to citizens, spanning farm implements, small-business loans, home building materials, and scholarships³ and represent an important welfare effort. At the national level, almost one-third of overall social expenditures are allocated to these less visible and smaller-scale social programs while large-scale non-discretionary programs—Oportunidades-Prospéra, non-contributory pensions, and the health program, Seguro Popular—represent 68 percent of federal social expenditure.⁴ Furthermore, state and municipal governments—which have ample autonomy in Mexico’s federal system—also allocate substantial funds to such discretionary benefits.

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¹ A small cash transfer program conditional on school attendance and health checkups was inaugurated in 1997 under the name PROGRESA. It was renamed Oportunidades in 2001; coverage was increased and broadened with more social interventions—e.g., an electricity subsidy and an allowance for seniors. In 2012, Oportunidades was marginally transformed again and renamed PROSPERA. We use “Oportunidades-Prospéra” to refer to this program throughout.
³ Calculated with data from www.programassociales.org.mx; government websites; CONEVAL and IPRO 2013. See also indep.gesos.org.mx
⁴ Oportunidades-Prospéra represents 29.5 percent of overall federal spending followed by Seguro Popular, 24.7 percent. Non-contributory pensions receive 14.1 percent of total spending.
Recent scholarship has advanced our understanding of the politics of non-discretionary benefit expansion and their political impact; yet a neglected question concerns how these smaller-scale benefits are allocated. The vast literature on clientelism has addressed benefit distribution by highlighting the importance of party machines selectively targeting core or swing voters with social benefits (Magaloni, Díaz-Cayeros & Estevez, 2007), or analyzing how party brokers dispense government provisions on the ground based on the electoral needs of political parties and their ability to manufacture support though clientelistic exchanges (Stokes, 2005; Stokes, et al, 2013; Szwarcberg, 2015).

However, research in Latin America and elsewhere has frequently uncovered cases where the brokerage of discretionary state benefits operates not solely through party brokers, but oftentimes through community associations or interest organizations (Holland & Palmer-Rubin, 2015; Auerbach & Thachil, 2018). While much of this organizational brokerage results in clientelistic exchanges, studies have also shown that social organizations can be instrumental in helping communities and individuals access selective benefits and pushing for programmatic policy expansion as well (Garay, 2007; Palmer-Rubin, 2016).

Drawing on systematic evidence from Mexico, we analyze how citizens perceive access to discretionary social programs. Do citizens perceive that the distribution of these programs follows technocratically defined criteria—as typically laid out in their Rules of Operation—or that their allocation is politically mediated? If the latter, what factors are citizens more likely to perceive as conditioning access—electoral support through campaign involvement or participation in interest organizations? To what degree does prior experience as a beneficiary of social programs—either non-discretionary cash transfers or other programs—condition these expectations? Aside from drawing our attention to the submerged universe of social benefits, these questions are important because they point to forms of state-society interactions other than those established by non-discretionary benefits that may potentially shape citizens’ expectations about social policy and politics. Attention to different forms of social policy linkage at the national and subnational levels—

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5 See Díaz-Cayeros, Estevez & Magaloni (2016); Garay (2016); Huber & Stephens (2012).
discretionary and non-discretionary, mediated and unmediated — will further enhance our understanding of the sources of citizens’ (mis)trust and (dis)satisfaction with politics.

To address these questions, we employ a list experiment embedded in an original survey of 1,400 citizens conducted in Mexico City and Chiapas, two states that reflect variation across urban and rural Mexico, and in which both machine parties and social organizations are active. The list experiment offers a non-intrusive way to measure behaviors or attitudes that may be susceptible to social desirability bias (Blair & Imai, 2012), which often occurs in studies of political exchange (Gonzalez-Ocantos, et al 2012; Greene, 2015; Nichter & Palmer-Rubin, 2015). We are interested in detecting whether—in the experience or perception of the respondent—housing benefits or subsidies for productive activities (proyectos productivos) are allocated on the basis of partisan campaign support or organizational membership. We focus on these two types of benefits because these encompass the two largest categories of social programs that are widely understood as discretionary, in the sense that access is not determined by eligibility criteria alone (Hilgers, 2009; Rizzo, 2018).6

The findings from the list experiment demonstrate that membership in interest organizations (e.g., neighborhood associations, unions, indigenous organizations) appears to be at least as important as participation in campaign events organized by parties. Aside from confirming the importance of campaign participation for accessing benefits, which has been the focus of the existing literature (see Szwarcberg, 2015) our main contribution in this paper is to demonstrate the relevance of interest organizations for access to social benefits. Organizations may operate as pressure groups, as support for individuals who would otherwise lack the knowledge or skills to fill out an application, or as mechanisms through which social benefits are exchanged for political support. While our study does not clarify such different roles, the centrality of organizations relative to the much-studied role of partisan machines is underscored. This finding holds up for both members and non-members of such organizations as well as for beneficiaries and non-beneficiaries of social

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6 In 2017, federal housing programs represented close to 5.6 percent, and production-related support equaled 11.3 percent of total federal social spending. Together they received 16.9 percent of overall federal spending. Comparable data for Mexico City and Chiapas are not available.
programs, suggesting that it reflects both the experience of those who access these benefits as well as the perception of those who do not.

A second finding is that beneficiaries of Oportunidades-Prospera report organization membership as a condition for access at a much lower rate than the general population. At the same time, however, these beneficiaries do identify party activity as relevant to access housing and productive subsidies at the same rate as other respondents. We interpret this finding as suggesting that participation in Oportunidades-Prospera does not disabuse citizens of the notion that other social programs are the currency of clientelism, but rather individualizes citizens’ experience of welfare politics. This effect may result from the programs’ explicit goal of circumventing the organizations that previously dominated local communities and clientelist brokerage in Mexico.

1. Background: Social Policy, Clientelism, and Interest Organizations in Mexico

Over the past two decades Mexico has seen a dramatic expansion of social benefits to low-income “outsiders”—the roughly 60 percent of the population excluded from welfare programs designed for formal-sector workers or “insiders”—which, as in much of Latin America, unfolded within democratic regimes. In Mexico, expansion was driven by electoral competition for low-income voters and began with the arrival of the National Action Party (PAN) to the presidency in 2000, after seventy-one years of rule by the Institutional Revolutionary Party (PRI) (Garay, 2016). New programs for outsiders have comprised not only conditional cash transfers but also non-contributory pensions and health insurance. Prior to this social-policy expansion, social programs and productive benefits for low-income outsiders had been highly discretionary, reaching a fraction of potential beneficiaries.

Twentieth-century agrarian policy constitutes a notable example of discretionary provisions. In the 1930s, the Lázaro Cárdenas administration executed a widespread agrarian reform, following through on a promise enshrined in the post-Revolutionary 1917 Constitution. The reform program established communal landholdings and the organization of peasants into the National Peasant Confederation (CNC), which operated
as a channel for the representation of interests and the distribution of benefits to the rural sector. Affiliated with the PRI, the CNC over time became a source of patronage and manipulation of rural voters, as the PRI developed into a dominant-party within an increasingly authoritarian regime (see Collier, 1992; Collier & Collier, 1991; Grayson 1998; Magaloni, 2006).

The emergence of new peasant organizations that challenged the CNC and demanded responses for small producers (Grammond and MacKinlay 2006) led the Echeverría (1970-76) and López-Portillo (1976-82) administrations to launch a new wave of land distribution and establish rural credit systems, food assistance programs, and COPLAMAR, a program that aimed to improve development and infrastructure in rural areas but that was eventually dismantled during the debt crisis of the 1980s. The allocation of these benefits featured clientelist exchanges (Trejo, 2002; Fox, 1994) and organizational cooptation, as the PRI sought and eventually managed to neutralize and absorb the leadership of the new peasant groups into the PRI (Collier & Collier, 1991; Kurtz, 2004).

In large urban centers, benefits for squatters followed a similar trajectory, featuring the cooptation of community leaders with the promise of discretionary benefits for housing and services in exchange for quiescence and campaign mobilization (Cornelius, 1975). Party-mediated access to benefits for low-income people in both rural and urban areas has been extensively documented and the exchange of discretionary resources for involvement in campaign activity and/or vote-buying has been found to contribute to the PRI’s party dominance during most of the 20th century (Magaloni, 2006; Greene, 2007).

As electoral competition increased in the 1980s,7 social policy underwent important changes. The Salinas administration (1988-1994) initiated the National Solidarity Program (PRONASOL), which was administered by the office of the President and targeted directly to communities, bypassing the organizations and local brokers that had previously mediated state resources. The program’s implementation sought to increase support for the PRI (Magaloni, 2006) by connecting directly with communities and identifying new local leaders who could renew the party’s linkages with society.

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7 See Magaloni (2006); Bruhn (1997).
With the defeat of the PRI, president Vicente Fox of PAN (2000-2006), sought to consolidate support among lower-income voters—now courted by different parties—by expanding large-scale non-discretionary social programs (Garay, 2016). In the next years, many low-income households— which comprise close to half of the households in Mexico⁸—came to receive cash transfers and/or non-contributory pensions and health insurance, marking a clear watershed in social provision.

Alongside these large-scale formula-based programs run by the federal government exists a wide spectrum of much more discretionary programs, some of which emerged with the new democracy and others that were decentralized as the country democratized and subnational authorities gained increasing power. Despite the fact that most of these social programs generally have publicly available rules of operation, benefit distribution is discretionary in practice. These programs include a broad array of interventions spanning from food assistance distributed either through subsidized stores, direct food provision to households or via communal soup-kitchens, temporary social assistance to families in need, as well as different programs offering support for microenterprises and peasants, subsidies for the temporarily unemployed and production oriented loans.

Under democracy, partisan machines no longer dominate the distribution of discretionary social benefits. However, vote-buying and clientelism still exist and thus a key question concerns whether access to smaller-scale social benefits is subjected to such practices to some extent. For example, in a survey by Alianza Cívica on the day of Mexico’s 2012 presidential election, 28 percent of respondents reported that they or someone they knew were exposed to vote buying or pressured to vote in a particular way.⁹ The 2012 Mexico Panel Study also found evidence of vote buying in that election (Dominguez, et al., 2015). While 7.7 percent of respondents reported receiving offers of gifts, 63 percent said they believed political parties were trying to buy votes in their communities and 62 percent reported that they believed citizens were willing to sell their votes (Nichter & Palmer-Rubin, 2015).¹⁰

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⁹ http://www.alianzacivica.org.mx/archivos/pub/4434Informe%203%20de%20julio%202012.pdf
¹⁰ Previous iterations of the Panel Study for the 2000 and 2006 elections found similar practices. See Cornelius (2004); Diaz-Cayeros & Magaloni (2009).
Interest organizations linked to the PRI and involved in dispensing social benefits in the past also underwent important changes with democratization. A large number of dissident groups emerged both in rural and urban areas, some of which challenged the PRI’s dominance and its manipulation of state resources (Bruhn, 1997; Grammont & Mackinlay, 2009). Many of these organizations have used contention or pressure politics to access benefits. And while some have succumbed to the clientelistic practices they once condemned, others have sustained mixed strategies of using discretionary benefits and pressing for benefit expansion (e.g., Palmer-Rubin, 2019). These complex practices are observable among organizations engaged in housing and productive projects in rural and urban areas and in the studied states of Mexico City and Chiapas.

In Mexico City, social organizations and tenants’ and squatters’ groups have engaged in pressure politics and developed linkages with factions within the PRD, which governed the city from 1997 to 2018, to gain policy responses. In exchange for providing political support, organization members often obtain better access to social housing credits than citizens who are not represented by these organizations (Hilgers, 2008). While clientelistic linkages are thus prominent among some of these organizations, others have generated solidarity, increased social and political participation, and developed community assistance networks (see Hilgers, 2008,146).

Organizations of poor rural populations have also grown during the democratic transition, especially among small-scale producers and indigenous populations (Delfín-Fuentes et al, 2011). In Chiapas, scholars have identified a wide range of organizations many of which have economic goals, use state resources, and are often connected with religious organizations (Harvey, 1998; Vargas, 2002). Some of these organizations have succumbed to clientelism, while others interact with the state with greater autonomy. Scholars highlight that organizations are key to access production subsidies (Costedoat, et al. 2016; Eisenstadt, 2009), that small-scale rural producers themselves believe organizations are important to gain access to state resources, and that such benefits are allocated by state officials through rural organizations in arbitrary ways (Castellanos-Navarrete & Jansen, 2017). In the 1990s, the Zapatista insurrection resulted in the formation of an indigenous movement out of peasant-led contention (Trejo, 2008), which changed the relationship between its members and the state and increased development.
funds targeted to Chiapas, some of which are administered by Zapatista organizations (Eisenstadt, 2009).

This overview of the evolution of social policy and state-society linkages reveals the emergence of unmediated programmatic social policy linkages and as well as the continuity and renewal of some partisan and organizational mediation of discretionary resources. To explore access to these benefits, we focus on two sets of programs that exist for both rural and urban populations and are subject to discretionary distributions: state-administered housing programs and proyectos productivos, which offer subsidies and support for farmers, small entrepreneurs, and small and medium-sized businesses.

2. Accessing Social Benefits: Political Party and Organizational Brokerage

In contexts of weak institutions—characterized by rule instability and/or weak or non-enforcement of the law (Levitsky & Murillo, 2009)—access to social benefits such as transfers, services, housing, or production-related subsidies follows one of two broad logics: these programs can be programmatic such that they are guided by clear eligibility and treat similarly situated individuals in identical terms (see Liberman, 1998, 16); or they can be discretionary in that their distribution is driven by political logic. Buttressing programmatic implementation are three additional features. First, these programs are broad, such that the number of those eligible does not significantly outnumber supply—which could easily open the door to discretionary allocations in contexts with deep histories of clientelism. At the same time, these schemes are publicly known due to their size and the visibility granted to these benefits by the state. A final aspect that further reduces selectivity in benefit distribution is the use of geographic targeting, often consisting of phased inclusion of the most vulnerable localities first.11

In contrast, the distribution of discretionary programs is based on unwritten and often politically driven decisions. Even when programs have explicit eligibility criteria, these rules may be not specific enough, involve onerous paperwork requirements, the very existence of schemes may be poorly publicized, and/or provisions may suffer from short

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11 For further reference, De la O (2015); Diaz-Cayeros, Estevez & Magaloni (2016); Garay (2016).
supply of funding relative to demand. In context of weak institutions, these circumstances make allocation selective. Some of the individuals who qualify for benefits do not receive them, and whether they will ever receive them is hard to predict. Housing programs as well as proyectos productivos are two such classes of programs in Mexico.  

Scholarship has shown that the creation of programmatic and discretionary benefits is driven by different political dynamics in Latin America (e.g., Garay, 2016) and that their welfare effects also diverge (e.g., Diaz-Cayeros, Estevez & Magaloni, 2016). In terms of individual perceptions, access to programmatic benefits is expected to generate or buttress views about self-worth, efficacy and entitlement among recipients (Soss, 1999; Borges Sugiyama & Hunter, 2013). Programmatic benefits should also create or reinforce trust in the state and increase support for redistribution (Rothstein, 2011). Experience with discretionary provisions, by contrast, likely generates a sense of mistrust in the state as not being the legitimate representative of some common good or legitimate order (see Rothstein, 2011), and fuels a politics of pressure for accessing benefits through non-institutional channels—as institutional ones are perceived as useless or inadequate.

Access to discretionary benefits may be mediated by brokers or leaders who have the power to a) determine who receives benefits by virtue of getting them directly from the state for their distribution; b) contact politically powerful people in the state and influence allocation decisions; c) mobilize in the streets or pressure state officials to demand benefits collectively on behalf of groups of citizens. Scholarship has typically described such brokers and leaders as agents of political parties, allocating benefits conditionally on the electoral behavior of beneficiaries—such as participation in campaign rallies. However, an overlooked mode of access is that which depends on the beneficiaries’ participation in an interest organization. Below, we generate theoretical predictions for citizen attitudes and behaviors generating from party-mediated and organization-mediated access to discretionary programs.

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12 For example, the productive supports for agrarian areas program (FAPPA), which was eventually discontinued, reached 12 percent of the target population in 2016 and 7 percent of the eligible population. Similar coverage data from 2012-2016.
**Political-Party Mediated Access**

The vast literature on clientelism presents discretionary benefits for low-income people as primarily party-mediated. Party agents may occupy positions in key agencies in charge of distributing benefits and subject the allocation of these benefits to political calculations: privilege certain areas or individuals over others depending on expected electoral payoffs (Novaes, 2018). Party brokers or politicians may write up or modify lists of beneficiaries (Weitz-Shapiro 2014) and invest disproportionally in core or swing constituencies (Dixit & Londregan, 1996; Magaloni, Diaz-Cayeros, and Estévez, 2007). In such contexts, benefits are distributed with electoral messages or with explicit requests to support particular candidates thus constituting a clientelist exchange or *quid pro quo* (see Auyero, 2000).

Social benefits or goods that increase welfare are fundamental in clientelist relationships, as these improve—even if meagerly—low-income citizens’ day to day lives marked by deprivation (see Kitschelt & Wilkinson, 2007). Brokers may intermediate requests for specific particularistic benefits, such as production-related benefits, and sometimes provide public goods that benefit the community as a whole to ingratiate with voters and win their trust (Zarazaga, 2014). Ethnographic research in low-income communities also shows that clientelism is an important means for less-privileged citizens to influence the distribution of social programs and to access information about benefits and provisions they are eligible for but lack the ability to access on their own (e.g., Hagene 2015).

Party agents or local brokers that mediate the relationship between party politicians and voters utilize several methods to enforce this exchange. They may employ coercion or instill fear of retaliation for non-compliance (Kitschelt & Wilkinson, 2007), monitor voters to enforce deals or make voters believe that they can do so (Kitschelt & Wilkinson, 2007; Stokes, et al, 2013) or demand that citizens publicly “declare support” for the party patron in advance (Nichter, 2018; Nichter & Palmer-Rubin, 2015). Brokers may also rely on loyalty and reciprocity (e.g., Auyero 2000), reputation for delivering (Zarazaga, 2014) or expectations about their performance (Baldwin, 2013) as substitutes for monitoring.

If party-mediated access to these programs is the norm in Mexico, we would expect to find a high percentage of respondents mentioning participation in campaign events as a
condition or strategy to receive discretionary programs from the government. There are two plausible—and not mutually exclusive—mechanisms through which we may observe such an effect. This may occur because certain groups of citizens are informed that they will receive these benefits upon delivering electoral support (either at the ballot box or in easier-to-observe campaign events). Under this scenario, we would expect to find beneficiaries of discretionary programs reporting that campaign participation is a condition for access.

**H1a (party-mediated access):** Beneficiaries of discretionary programs report that participation in campaign events is a condition for accessing such benefits.

Alternatively, politicians may target citizens with benefits based on their partisanship—studies have typically identified cases of core-voter targeting (Diaz-Cayeros et al; Stokes et al, 2013)—with or without informing them of the distribution criteria. In the latter scenario, we may expect to find a high percentage of non-beneficiaries (perhaps bitterly) reporting that electoral participation or partisanship is a condition to accessing benefits, but not necessarily a high percentage of beneficiaries, who could plausibly be unaware that they are receiving preferential treatment.

**H1b (party-mediation perception):** Non-beneficiaries of discretionary programs report that participation in campaign events is a condition for accessing such benefits.

A third theoretically relevant category of citizens are those who are beneficiaries of non-discretionary programs. As discussed above, these citizens’ experiences with programmatic distribution may alter perceptions about government functioning more broadly, causing such beneficiaries to discount the probability of partisan bias in the distribution of other benefits.

**H1c (programmatic empowerment):** Beneficiaries of non-discretionary programs (e.g. Oportunidades-Prospera) report that participation in campaign events is a condition for accessing such benefits at a lower rate than beneficiaries of discretionary programs or non-beneficiaries.
Given the highly reported nature of partisan allocation of social benefits in Mexico, we certainly expect to find a significant report of such conditioning. This result would serve a benchmark as we gauge the less-studied organization-mediated access.

**Organization-Mediated Access**

Interest organizations constitute an important—yet relatively understudied—set of actors mediating access to discretionary and scarce state resources. Studies have shown that organizations participate actively in the implementation of programs for low-income citizens and communities (e.g., Collier & Handlin, 2009). Social organizations may or may not form part of larger clientelist networks or be aligned with political parties, but they constitute important and undertheorized vehicles through which citizens may influence their chances of receiving individual or collective benefits. Focusing on the distribution of workfare benefits in Argentina, for example, scholars have found that organizations emerging out of community groups in low-income neighborhoods challenged local machines by mobilizing for benefits in the streets (Garay, 2007). These groups could eventually access scarce resources and pushed for programmatic policy expansion.

Large social-movement organizations typically challenging the state and mobilizing for social change as well as groups that are centrally patronage-driven, stand to benefit from gaining access to state resources for their members (Eisenstadt, 2014; Palmer-Rubin, 2019). Organization leaders can use state resources as selective benefits to sustain an active membership. Further, organizations may gain a percentage of funds for organizational expenses, allowing them to expand their reach. While organizational membership is rarely a formal requirement to access social benefits, it may informally mediate access owing either to allocation decisions by partisan politicians, the organization’s capacity for pressuring public officials, or the political connections and information that the organization lends to members.

Politicians may also seek out organizations as intermediaries for clientelist benefits for several reasons. First, newly formed political parties may lack their own clientelist networks and look to organizations as “ready-made” networks for the distribution of
electoral benefits. Second, organizations are particularly well-suited to alleviating the commitment problem endemic to clientelism (Stokes, 2005), owing to internal bonds of solidarity and trust. Third, parties may be interested in sustaining linkages to organizations for reasons other than their role as clientelist intermediaries—such as their role in sustaining a party “brand” (Lupu, 2014). Research has shown that party appeals to social organizations for campaign support are pervasive in Latin America, especially in countries that have weaker party systems (Poertner 2018); yet, while several organizations do succumb to clientelist appeals, others manage to sustain more complex or issue-based linkages to political parties (Garay, 2009). If politicians allocate these discretionary benefits preferentially on the basis of partisan behavior or allegiance of organizations, we would expect to see high reports of organizational conditioning by beneficiaries in addition to above-described conditioning on campaign participation.

\textit{H2a (partisan organizational access): Beneficiaries of discretionary programs report that both organizational membership and campaign participation are conditions for accessing such benefits.}

Finally, our expectations differ for the perception of beneficiaries of non-discretionary programs, such as \textit{Oportunidades-Prospera}. Access to these programs is formula-based and individualized, and thus it exposes citizens to allocation procedures that are not conditional on organizational support. Therefore, such beneficiaries may expect the same processes to apply more broadly and report that organizational membership is not a condition for access. Designers of Oportunidades-Prospera in fact cited the motivation to exclude clientelistic organizations as driving the non-participatory nature of this program upon its adoption in 1997 and when original Progresa was transformed into Oportunidades in 2001 (Garay, 2016, 234-5).

\textit{H2b (individualized empowerment): Beneficiaries of non-discretionary programs (e.g. Prospera) report that organizational membership is a condition for accessing such benefits at a lower rate than beneficiaries of discretionary programs or non-beneficiaries.}
4. Methods and Data

To address the question of whether citizens perceive organizations and parties to play important roles in access to discretionary benefits, we conducted a list experiment in Mexico City and Chiapas. The list experiment was embedded in a survey that was administered through door-to-door canvassing on a representative probability sample of 1,400 voting-age Mexicans, equal numbers drawn from each state.\textsuperscript{13}

The goal of the list experiment is to detect whether—in the experience or perception of the respondent—housing benefits or support for productive projects are discretionarily allocated on the basis of campaign support or organizational membership. Given that the conditioning of social benefits on political behavior is an illegal and socially undesirable behavior, we use a question design that allows respondents to disguise their personal behavior to the enumerator. In order to construct an unobtrusive measure of the proportion that believe that these factors condition access, we did not directly ask the respondent, but rather how many of a list of items are true.

All participants were presented with the following question: “In general, what do you think people have to do to get access to these benefits for productive and housing projects? I am going to read a list of three (four) things and want you to tell me how many of these a person has to do. Please do not tell me which options but how many. The three (four) activities are...”

As shown in Table 1, participants in the control group were offered a list of only three non-intrusive items—submitting an application, being an elected politician, and not having a criminal record.\textsuperscript{14} Two separate treatment groups received lists with an additional item:

\textsuperscript{13} The only inclusion criteria are age and citizenship, i.e. only adults (18 years of age and older) who hold Mexican citizenship are eligible to participate. In order to ensure that respondents of different ages and socio-economic backgrounds were well represented in the sample, we stratified the randomization by census districts. In the absence of a sampling frame with information on age and class on an individual-level, this stratification serves as a proxy for these factors as there is a fair amount of geographic clustering based on these characteristics. Within each cluster, a random sample of households was selected using an interval sampling method. Within households, respondents were chosen by quota sampling to approximate population-level distributions of age and gender.

\textsuperscript{14} In order to avoid “floor effects,” we include an item that we expect will have a high percentage of positive responses (submitting an application) and to avoid “ceiling effects,” we include an item that we expect will have a very low percentage of positive responses (be an elected politician).
one group with the sensitive item “participate in electoral campaign events” and another with the sensitive item “have the support of a social organization.” The answer options were designed to be relevant for both program beneficiaries and non-beneficiaries. We then obtained an estimate of the portion of respondents that reported affirmatively for each of the sensitive items by calculating the difference between the average number of items reported for each treatment group and the average number reported for the control group.

Table 1: Answer Options for List Experiment

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<th>Control Group</th>
<th>Campaign Treatment</th>
<th>Organizational Treatment</th>
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<tr>
<td>1. Submit an application</td>
<td>1. Submit an application</td>
<td>1. Submit an application</td>
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<tr>
<td>2. Be an elected politician</td>
<td>2. Be an elected politician</td>
<td>2. Be an elected politician</td>
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<tr>
<td>3. Not have a criminal record</td>
<td>3. Not have a criminal record</td>
<td>3. Not have a criminal record</td>
</tr>
<tr>
<td>4. Participate in electoral campaign events</td>
<td>4. Have the support of a social organization</td>
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</tbody>
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5. Analysis and Findings

The list experiment and the survey yield important insights into the underexplored relevance of interest organizations in citizens’ expectations about access to social benefits. In both Chiapas and Mexico City, citizens are highly likely to believe that the support of an organization is a requirement to access discretionary social programs. This belief seems at least as important as the widespread belief that participation in campaign events organized by parties is required. This finding holds for both beneficiaries and non-beneficiaries of discretionary programs. However, beneficiaries of non-discretionary programs perceive a high degree of partisan conditioning, but not a high degree of organizational conditioning. This last finding suggests that exposure to programmatic benefits such as Oportunidades-Prospera individualizes citizens’ state ties by circumventing organizational brokerage, but does not disabuse citizens of the notion of partisan favoritism relative to non-beneficiaries.
Table 2: Raw Values for List Experiment

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</tbody>
</table>

Table 2 demonstrates the raw values of responses to each of the three versions of the list experiment. The average number reported by respondents in the control group was 1.27, while the averages for the campaign treatment and organization treatment conditions were 1.49 and 1.52, respectively. These values calculate to an estimated share of 22.1 percent of respondents who claim that participating in campaigns is a requirement to access these social programs and 25.4 percent who claim that having the support of an organization is necessary to access these benefits.

These figures are encouraging regarding the success of the experimental design. List experiments may suffer from floor effects—if all of the non-sensitive items are quite rare, respondents may feel reticent to respond “one” in the treatment condition, instead responding “zero” and biasing the estimate downward (Blair and Imai 2012). However, in the control condition, only 11 respondents (2.2 percent) reported zero, allaying such concerns. An even more frequent problem is the existence of ceiling effects, where all control options are quite common. Given that responding “four” in the treatment conditions is tantamount to revealing an affirmative response to the sensitive item, ceiling effects also tend to bias estimates downward. However, only 30 respondents (6.1 percent) in the control condition responded “four,” alleviating concerns about such an effect. By far, the most common response in the control condition was “one,” and the higher estimates for the two treatment conditions resulted in large part from a higher proportion of respondents reporting two items.
Table 3: Overall Treatment Effects

<table>
<thead>
<tr>
<th></th>
<th>Campaign Treatment</th>
<th>Org. Treatment</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDMX</td>
<td>0.326 (0.072)***</td>
<td>0.349 (0.073)***</td>
</tr>
<tr>
<td>Chiapas</td>
<td>0.116 (0.059)**</td>
<td>0.159 (0.060)**</td>
</tr>
<tr>
<td>Total</td>
<td>0.221 (0.047)***</td>
<td>0.254 (0.048)***</td>
</tr>
</tbody>
</table>

Difference between CDMX & Chiapas

|                 | 0.210 (0.093)**    | 0.191 (0.094)**    |

Note: * p < 0.1, ** p < 0.05, *** p < 0.01. Cell entries are estimated proportions of positive responses to sensitive item on subsets corresponding to Mexico City and Chiapas. Difference calculated using t-test.

Table 3 breaks down the overall treatment effects by state. For the subsamples in both Mexico City and Chiapas, both treatment conditions yield significant results with slightly higher treatment effects for the organizational treatment than for the campaign treatment (although these differences are not statistically significant). In both states, at least as many people think that having the support of an organization is a requirement to access discretionary social programs as those who think that participating in campaign events is required.

Treatment effects are significantly higher in Mexico City compared with Chiapas for both treatment conditions. An estimated 33 percent of residents of the national capital report conditioning on campaign participation, compared with only 12 percent of Chiapas citizens. And a robust 35 percent of Mexico City residents report organizational mediation of benefits, compared with 16 percent in Chiapas. Three factors may explain these differences. First, the higher density of clientelist operatives in Mexico City, both representing parties and organizations, yielded higher estimates in Mexico City. Second, a greater cynicism about politics may prevail in the capital, producing higher estimates of unsanctioned discretion in benefit allocation among non-beneficiaries. Third, the vast majority of Oportunidades-Prospera beneficiaries in the sample reside in Chiapas. See Appendix C for disaggregated versions of the rest of the analysis between Mexico City and Chiapas.
Table 4 reports differences in treatment effects between different classes of social program beneficiaries and non-beneficiaries. The figures in this table can be interpreted as the difference in treatment effect from the overall findings. Thus, the “campaign treatment” estimate for social program beneficiaries is 11.3 percent (10.8 percentage points lower than the overall treatment effect of 22.1 percent). Similarly, the “organizational treatment” estimate for beneficiaries is 18.6 percent (6.8 percentage points lower than the overall treatment effect of 25.4 percent). None of these differences are statistically significant, with the notable exception of Prospera beneficiaries’ response to the organizational treatment.

<table>
<thead>
<tr>
<th></th>
<th>Campaign Treatment</th>
<th>Org. Treatment</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Beneficiaries</td>
<td>-0.108 (0.099)</td>
<td>-0.068 (0.103)</td>
</tr>
<tr>
<td>Prospera Beneficiaries</td>
<td>-0.078 (0.112)</td>
<td>-0.280 (0.094)***</td>
</tr>
<tr>
<td>Non-Prospera Beneficiaries</td>
<td>0.082 (0.120)</td>
<td>0.149 (0.133)</td>
</tr>
</tbody>
</table>

Note: * p < 0.1, ** p < 0.05, *** p < 0.01. Cell entries are the multivariate regression coefficients with standard errors in parentheses, generated using “ictreg” function from list package in R.

While there is evidence for both perception and experience for partisan conditioning, results are slightly stronger for non-beneficiaries (H1b) than for beneficiaries (H1a). This could perhaps be explained by a “sour grapes” cynicism among non-beneficiaries, who believe that the system is rigged against them. Alternatively, beneficiaries who do in fact benefit from campaign participation or organizational membership are deluded into thinking that they may have accessed such benefits without such conditions. A similar level of reporting of organizational conditioning and partisan conditioning supports the notion that organizational brokerage occurs through clientelistic bargaining with political parties (H2a) rather than through non-partisan lobbying.

Results vary for beneficiaries of non-discretionary programs, such as Oportunidades-Prospeira. In fact, those who receive Prospeira benefits do not perceive that having the support of an organization is important to access the more discretionary programs that the

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15 Appendix D presents Tables 4, 5, and 6 distinguish between respondents who are organization members (including those that have an organization member in their immediate social circle) from non-members. When interpreting results for the organizational treatment, this distinction determines whether the respondent is speaking from their personal experience or simply from their perception.
question asked about (*proyectos productivos* and housing benefits). This finding supports the individualized empowerment hypothesis (H2b). Yet such beneficiaries do report partisan conditioning at a roughly similar rate to other respondents, refuting the programmatic empowerment hypothesis (H1c). One way to interpret this contrast is that the individualized nature of *Oportunidades-Prospera* may lead beneficiaries to see that organizations are not relevant in access; however, respondents may hold the suspicion that voter manipulation during the campaign continues to be prominent and may condition access to more discretionary social benefits.

Tables 5 and 6 report heterogeneous effects by income level of the respondent. This analysis serves two analytical purposes. First, we are interested in detecting heterogeneity across social groups in exposure to or perception of these two modes of social-benefit conditioning. Second, this analysis allows us detect whether differential effects for Prospera beneficiaries are confounded by income, a plausible threat to inference given that this program is means-tested.

Table 5 compares the main effects for lower- and higher-income respondents. The two income groups are distinguished on the basis of whether respondents reported income below or above the median in a categorical income question (Higher income respondents are those with incomes above 4200 pesos per month, roughly $230 USD.)\(^{16}\) Both treatment conditions yield positive results for both lower and higher income respondents. Estimates are higher for high-income respondents, although not significantly different from those for low-income respondents, suggesting that conditioning of social benefits on campaign participation or organizational support is not the exclusive purview of the poor.

\(^{16}\) See Appendix E for replication of this analysis using alternate specifications of class, including an income measure relative to state-specific income medians, education, municipal poverty rate, and urban versus rural.
Table 5: Comparing Low and High Income Respondents

<table>
<thead>
<tr>
<th></th>
<th>Campaign Treatment</th>
<th>Org. Treatment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Income</td>
<td>0.176 (0.072)**</td>
<td>0.273 (0.071)***</td>
</tr>
<tr>
<td>High Income</td>
<td>0.226 (0.078)***</td>
<td>0.339 (0.083)***</td>
</tr>
<tr>
<td>Difference between low and high income</td>
<td>0.051 (0.106)</td>
<td>0.066 (0.110)</td>
</tr>
</tbody>
</table>

Note: * p < 0.1, ** p < 0.05, *** p < 0.01. Cell entries are estimated proportions of positive responses to sensitive item on subsets corresponding to low-income and high-income respondents. Difference calculated using t-test.

Finally, Table 6 reports the same coefficients as in Table 4 but disaggregating the sample into lower- and higher-income groups—respondents who reported incomes below/above the median income in the sample. Notably, the divergence between Oportunidades-Prospera beneficiaries and non-beneficiaries in estimates for the organizational treatment condition are more pronounced for lower-income than for higher-income respondents. Given eligibility criteria for Oportunidades-Prospera based on income, very few of our higher-income respondents access this program. Low-income Oportunidades-Prospera respondents report no conditioning of social programs on organizational membership. However, we also encounter a very large positive coefficient for low-income non-Prospera beneficiaries. Among the poor, those who access non-Oportunidades-Prospera social programs are more than twice as likely to report that having the support of a social organization is necessary to access non-discretionary programs than non-beneficiaries.

Table 6: Conditional Effects of Income and Beneficiary Status

<table>
<thead>
<tr>
<th></th>
<th>Campaign Treatment</th>
<th>Org. Treatment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low-Income Beneficiaries</td>
<td></td>
</tr>
<tr>
<td>All Beneficiaries</td>
<td>0.057 (0.145)</td>
<td>-0.070 (0.154)</td>
</tr>
<tr>
<td>Prospera Beneficiaries</td>
<td>0.003 (0.146)</td>
<td>-0.362 (0.132)***</td>
</tr>
<tr>
<td>Non-Prospera Beneficiaries</td>
<td>0.103 (0.155)</td>
<td>0.375 (0.202)*</td>
</tr>
</tbody>
</table>

|                      | High-Income Beneficiaries |                |
| All Beneficiaries    | -0.108 (0.186) | 0.037 (0.197) |
| Prospera Beneficiaries | -0.159 (0.248) | -0.298 (0.230) |
| Non-Prospera Beneficiaries | -0.111 (0.209) | 0.190 (0.233) |

Note: * p < 0.1, ** p < 0.05, *** p < 0.01. Cell entries are the multivariate regression coefficients with standard errors in parentheses, generated using “ictreg” function from list package in R.
This contrast among low-income beneficiaries, the majority of *Oportunidades-Prospeera* beneficiaries, regarding organizational brokerage provides additional evidence in favor of the “individualized empowerment hypothesis.” It would appear that that the social policy arena in Mexico has bifurcated since the advent of programmatic and unmediated programs. In line with these the purported objectives of *Oportunidades-Prospeera*, a subset of the poor have come to realize that they do not need to go through an interest organization to access state benefits. However, another segment of the population—those left off the *Oportunidades-Prospeera* roles—have received the opposite message, as organizations continue to play a powerful gatekeeping role for submerged cornucopia of discretionary programs.

*Additional Evidence: Organizational Brokerage for Discretionary vs. Non-Discretionary Program Beneficiaries*

We have demonstrated that citizens perceive that interest organizations play an important role in accessing discretionary social programs, such as for housing and productive projects. Table 7 provides additional evidence to support our interpretation of these findings: namely, that those who are beneficiaries of *Oportunidades-Prospeera* tend not to rely on organizations to access these benefits, whereas beneficiaries of more discretionary programs do rely to a greater extent on organizations to access such benefits.

**Table 7: Organizational Participation by Beneficiary Status**

<table>
<thead>
<tr>
<th></th>
<th>Non-Beneficiaries</th>
<th>Prospera Beneficiaries</th>
<th>Non-Prospeera Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Org. Member</td>
<td>.404</td>
<td>.621***</td>
<td>.462*</td>
</tr>
<tr>
<td>Org. Frequency</td>
<td>1.45</td>
<td>1.66*</td>
<td>1.60</td>
</tr>
<tr>
<td>Org. Services</td>
<td>.228</td>
<td>.264</td>
<td>.268</td>
</tr>
<tr>
<td>Org. Gestión</td>
<td>.092</td>
<td>.132</td>
<td>.197*</td>
</tr>
<tr>
<td>Org. Collective</td>
<td>.524</td>
<td>.571</td>
<td>.536</td>
</tr>
<tr>
<td>Linked Fate</td>
<td>.391</td>
<td>.314</td>
<td>.500**</td>
</tr>
</tbody>
</table>

First, the low level of organizational conditioning reported by *Oportunidades-Prospeera* beneficiaries is not attributable to lower rates of organizational membership or intensity of participation by these respondents. In contrast, as shown in the first two rows
in Table 7, \textit{Oportunidades-Prospera} beneficiaries are actually organization members at higher rates than the other two beneficiary groups, and those who are members attend organization activities at least as frequently as members in the other groups.

Second, respondents were asked a series of questions regarding the types of activities that they engage in with the organization. (Respondents that belonged to multiple organizations were asked to respond in reference to the organization that is most important to them.) Org. Services includes social events and meetings with politicians, Org. Gestión refers to negotiating for benefits from the state, and Org. Collective refers to activities that generate non-exclusive benefits, including collective bargaining or demand-making and community improvement. The only one of these types of activities that reflected a difference across beneficiary groups was Org. Gestión, confirming our finding that organizational brokerage is a common phenomenon for beneficiaries of more discretionary non-Prospera programs than for organization members in the other two beneficiary categories.

Finally, the Linked Fate variable refers to whether respondents respond that what happens to the organization affects what happens in their own lives. Here, we find a notably high percentage of non-Prospera beneficiaries responding in the affirmative—one-half of respondents in this group, compared with 39 percent of non-beneficiaries and only 31 percent of Prospera beneficiaries. This last finding confirms that beneficiaries of these discretionary programs rely on organizations to a greater degree, likely because their the benefits intermediated by the organization are especially relevant to them.

Appendix A compares these three classes of respondents on a variety of other socio-demographic and political traits. These data reveal notable contrasts between the three categories. \textit{Oportunidades-Prospera} beneficiaries—in comparison to these other two groups—tend to be clustered among the rural poor in Chiapas, not surprising given the low income required to qualify for this program. Less predictably, however, we find higher rates of political participation for \textit{Oportunidades-Prospera} beneficiaries, across several types of participation. In comparison to the other two groups, \textit{Oportunidades-Prospera} beneficiaries are more likely to participate in protests, volunteer in political campaigns, vote, identify with a party, and to identify with the PRI in particular.
While these results are intriguing, and perhaps point to a political empowering effect of participating in *Oportunidades-Prospera*, they also raise a troubling specter of confounding. Beneficiary status was not randomly assigned in this study, and thus perhaps our comparisons above between different classes of beneficiaries reflects a selection effect. That is, perhaps it is not the experience of being a *Oportunidades-Prospera* beneficiary that disabuses people of the notion of organizational conditioning, but rather that *Oportunidades-Prospera* beneficiaries are essentially different from the other groups because of the other traits that qualify them for this program. In order to address this concern, we conduct several robustness checks in the appendix. Appendices C, D and E recreate the analyses of Tables 4, 5, and 6 for subgroups of respondents (Chiapas vs. Mexico City, organization members vs. non-members, plus several demographic and socio-economic traits). These subgroup analyses consistently confirm our main findings.

Second, we conduct multi-variate analysis using Blair and Imai’s (2012) *list* package in R. This method allows us to analyze the statistical relationship between beneficiary status and the predicted probability of an affirmative response to the sensitive question about organizational conditioning while controlling for other variables. In particular, we confirm that *Oportunidades-Prospera* beneficiaries remain statistically less likely to report organizational conditioning than non- *Oportunidades-Prospera* beneficiaries, even while controlling for traits of the respondent, such as state, class, partisanship, and organizational participation. In contrast, multivariate analysis predicting positive responses to partisan conditioning do not reveal different predictions based on beneficiary status, in line with results presented above.

### 7. Conclusion

We have inquired into the ways in which citizens access discretionary programs in Mexico, a transitional democracy that has taken important steps to institutionalize non-discretionary social programs, but also where clientelist practices remain quite common. We employed a list experiment—a type of survey question designed to measure the incidence of socially sensitive actions—to ask respondents about the formal and/or informal factors that condition access to housing benefits and funds for productive investments, two well-known
types of discretionary programs operated by federal and subnational governments in Mexico.

We found empirical support for two distinct modes of conditioning. First, in line with a large body of research on clientelism in Mexico and other young democracies, we found strong evidence for the presence of electoral conditioning of such benefits. Over 20 percent of respondents in the pooled sample—and almost one-third of respondents in Mexico City—reported that participating in electoral campaign events was necessary to access these programs. Given that both social program beneficiaries and non-beneficiaries reported electoral conditioning at high levels, we surmise that these reports reflect actual practice in clientelistic distribution as opposed to “sour grapes” gripes by non-beneficiaries.

Second, we explored a less well-understood mode of conditioning: through membership in a social organization. Organizations may facilitate access in at least three ways: by providing information for applying, mobilizing potential beneficiaries to demand access, or by brokering clientelist ties. Over one-fourth of respondents—and over one-third of respondents in the national capital—reported that such conditioning takes place. The fact that at least as many respondents report organizational conditioning as those that report electoral conditioning constitutes a novel discovery as disproportionate attention has been paid to the former. These results held up across representative samples in both Mexico City and in the poor, rural state of Chiapas and were also reproduced across both beneficiaries and non-beneficiaries of social programs and across distinct class groups.

We found, however, a significant difference in treatment effects when it came to beneficiaries of Oportunidades-Prospera, Mexico’s flagship conditional cash transfer program. Such beneficiaries did not report organizational conditioning of social benefits but did report electoral conditioning. Perhaps these respondents’ exposure to an individualized and formula-based social program disabused them of the notion that organizational brokerage is essential to gain access to state programs. However, such exposure appears not to have disabused citizens of the notion that there are benefits for which access is preferentially obtained according to partisan criteria.
These findings highlight the importance of focusing on the submerged mass of discretionary benefits that represent an important share of national spending on social programs for individuals outside the formal sector. On the one hand—in the Mexican case at least—we have evidence that the advent of non-discretionary social policy has produced in beneficiaries the expectation that they can access government programs themselves, without the technical assistance or political connections of social organizations. On the other hand, perception of electoral conditioning of discretionary programs remains high, across all categories of beneficiaries and non-beneficiaries. A key question concerns how discretionary social-policy linkages shape individual perceptions about the state and politics more generally. Our data show Oportunidades-Prospera beneficiaries as being more active politically—participating in protest, elections and in organizations.

Future research should address the specific mechanisms through which participation in Oportunidades-Prospera alters citizens attitudes about social policy more broadly. We may suggest two (non-mutually exclusive) possibilities, focusing on capacity building and state perception. First, participation may engender in beneficiaries greater knowledge of state institutions or a personal sense of efficacy in one’s ability to access state programs by oneself. Second, the experience of receiving these benefits may improve citizens’ image of the state as an impartial actor in making allocation decisions.

Considering whether these findings hold in other third-wave democracies, we expect that in countries where traditional structures of patronage politics have collapsed, such as Uruguay, we may find that the adoption of non-discretionary social programs cleanses citizens of the notion of electoral conditioning. With regards to organizational mediation, Mexico’s conditional cash-transfer program was adopted with the explicit objective of circumventing a party-dominated civil society. Other countries have followed a different trajectory. In Brazil, for instance, Bolsa Familia was designed to feature a more active role of grassroots organizations, which were historically more excluded from clientelism than in Mexico. Unlike Mexico, where the incorporation of rural and lower class groups into politics under the wing of the PRI in the 1930s later evolved into machine politics, grassroots surged in Brazil during the democratic transition of the 1970s and 1980s seeking a more autonomous role for lower class organizations. An avenue of future
research concerns cross-country differences in how organizational brokerage works across cases with diverse histories of civil society-state linkages.
Bibliography


