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Research Note

From the Boardroom to the Chamber: Business Interests and Party Politics in Mexico

Steven T. Wuhs

Abstract: One of the lesser-acknowledged conclusions from analyses of the third wave of democratization relates to the importance of conservatives to democratic consolidation. Yet we know very little about the way that such interests are incorporated into the formal, institutional arena of parties and elections – especially as relates to business interests. This is true in spite of a clear, cross-regional rise in the presence of entrepreneurs themselves in politics. This article generates and evaluates a set of expectations for the political behavior of business interests. I focus my empirical attention on Mexico, where such interests are historically speaking very well organized internally, and analyze the incorporation of business-association members into the parliamentary delegation of Mexico's three major political parties. I conclude by considering where we might look for the political mobilization of business interests in the interest of establishing a research agenda for the future.

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Introduction

One of the lesser-acknowledged conclusions from analyses of the third wave of democratization relates to the importance of conservatives to democratic consolidation. Several landmark studies point to the centrality of protecting elite and business interests in democratic frameworks – for without that protection, it is posited, those interests may mobilize outside the democratic framework, destabilize politics, and support anti-democratic rule as they had in the past (Rueschemeyer, Huber Stephens, and Stephens 1992: 274; O'Donnell and Schmitter 1986: 70-72; Middlebrook 2000). Those early warnings seem to resonate with recent actions by business interests in Bolivia and Ecuador (and elsewhere; see Eaton 2007), suggesting that there are continuing reasons for us to be concerned about the place of conservative, traditional, and business interests in democratic politics.

Yet, in reality we know very little about the way that such interests are incorporated into the formal, institutional arena of parties and elections – especially as relates to business interests. This is true in spite of a clear, cross-regional rise in the presence of entrepreneurs themselves in politics. It is now time to step back and assess what is known about the organization of business interests and their relationship to electoral politics. In addition to reviewing that literature and exposing its inconsistencies and holes, this article generates a set of expectations for how we might see business interests behaving politically. I focus my empirical attention on Mexico, where business interests are historically speaking very well organized internally, to see what evidence that case offers to inform how we understand the political mobilization of business.¹ I conclude by considering where we might look for the political mobilization of business interests – for the purpose of establishing a research agenda for the future.

Business Interests' Organization and Influence

Firms tend to organize into larger units in order to express themselves politically, often in spite of significant barriers to collective actions (Olson 1965; Schneider 2004; also Drope and Hansen 2009). As a general rule, they do so when they fear political exclusion or defeat. For example, firms organize into larger chambers or associations when they are threatened by the organization of labor (Markus 2007) or the behavior of a particular govern-

1 I acknowledge, and appreciate, the valuable comments offered on earlier versions of this article by Kent Eaton, Will Barndt, and the Journal of Politics in Latin America. I am particularly grateful for Michelle Dion's collaboration on building the database this article draws upon and her insightful and critical comments.

ment (Schneider 2002). Firms also organize into larger units when they have (positive) access to government – the close consultation described by Schneider (2002) induced internal organization of business interests in order to influence economic policy-making. Beyond those incentive-based organizational decisions, firms also organize in response to state initiatives and mandates (Schneider 2004: 54-55; Shadlen 2004).²

Regardless of the impetus behind the organization of business interests, it is quite evident that once business organizations are formed they can have quite important political roles.³ Martin and Swank (2004; also Swank and Martin 2001) document how those employers' organizations influenced the development of labor market policies in Europe. Other works in comparative political economy focused on corporatism and varieties of capitalism also emphasize how influential business associations can be in bargaining with labor confederations and the state (e.g., Wallerstein, Golden, and Lange 1997; Katzenstein 1985). That said, several recent works in the political economy tradition devote substantial attention to the role of organized labor in policy reforms without offering the same treatment to employers' associations (Paczynska 2009; Cook 2007). And while comparative politics scholars have dissected extensively the historical (controlling and cooperative) relationships between trade unions and social democratic parties (Schmitter 1974; Collier 1995; Collier 1999; Rueschemeyer, Huber Stephens, and Stephens 1992) and their recent transformations (Kitschelt 1994; Levitsky 2001; Burgess 2004), relatively little is known about how business associations influence electoral politics to complement the depth of work on labor's political articulation.

Schneider (2004: 53) saw two possible reasons for this “notable lack of contact between business associations and parties.” While in many cases, business associations were in fact legally barred from the realm of party politics, they often remained neutral in electoral politics in order to ensure political access to the eventual winner. That does not mean business is apo-

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- 2 That there are multiple paths to business interest organization is not surprising, especially given the pendular swings of economic policy-making that areas in the developing world have experienced in the postwar period. That said, we should be mindful of the initial organization of those interests because of their likely after-effects on the political mobilization of business and how they operate in democratic settings.
 - 3 That firms organize does not necessarily make them politically powerful, of course. The influence of employers' associations derives from their internal unity, the consistency in their demands, and their ability to pose a threat to economic or political stability, in combination with the orientation of the economy and the sitting government (Cook 2007: 9). It also correlates positively with the strength of conservative parties, though Schneider (2004: 53) notes that the connection between the two is underspecified.

litical. Elsewhere, Schneider (2006: 7-12) identifies a portfolio of business investments in politics, including a public presence in the press, direct consultations with policy makers, participation in oversight councils, legislative lobbying, campaign donations, and corruption.⁴ Other observers note that when they have been integrated into the world of party politics, business associations are subject to manipulation by political entrepreneurs (Markus 2007), and that entrepreneurs themselves enter, transform, and perhaps manipulate parties to their own ends (Mizrahi 1994; Barndt 2009; chapters in Middlebrook 2000).

The extant literature contains comparatively few references to the sorts of political alliances described in the labor confederation/social-democratic party literature. Several reasons might exist for that lack of attention. It may be that there are indeed no established and enduring links between business associations and political parties. If that is so, the literature about capital's internal organization offers several insights. It may be that business interests needs no formal linkages because they are able to advance their political and policy agendas through direct access to government or through other peak-level negotiations – regardless of whether they are threatened or not. However, if business is excluded from government (especially by the Executive), the absence of partisan articulation of these interests suggests that they are able to protect their interests through their independent associations and without partisan partners – an insightful comment on the character of democratic rule.

Alternatively, it may be that business interests do maintain links with political parties, but they are indirect, unsystematic, and/or fluid. If that is the case, the relationships between parties and business interests may be important but at the same time present practical challenges for researchers while again raising important questions about programmatic representation under democratic rules – precisely the inference that Burgess (2004) drew about labor representation following neoliberal reforms in Spain, Venezuela, and Mexico. It could also be that links between business associations and political parties are recent developments. Rather than understudied, according to this logic those ties are not-yet-studied and have emerged as a result of contemporary shifts in politics – perhaps, even, shifts that are consistent with the reasons that business organizations themselves emerge (threat, exclusion, and the like). Latin America may offer an interesting test site for a proposition like this, given the relatively recent democratization of the re-

4 One contribution of this paper is its identification of business as a multifaceted political actor – including sectors, firms, associations, and networks – all of which may be mobilized politically, but which also may operate independently of one another. See also Burris (2001).

gion and the emergence of indigenous movements and left parties that may threaten business groups' pursuit of their policy goals.

Expectations for Business Association Behavior

Before turning to some of the available evidence to assess the character of party-business relations, I generate a set of initial "rational" expectations for the behavior of business associations. As a point of departure, I assume that business organizations (treated as a unitary actor⁵) need access to the state in order to advance their policy interests. That core assumption also underpins the literature noted earlier that suggested that threat and exclusion are the driving factors behind the formation of business associations. The same scholars suggested that those associations often prefer to remain outside the partisan arena because their associations offer better, "discrete and continuous" representation (Schneider 2004: 244-245), meaning that through their autonomous associations business interests' politicking is neither limited to election time nor subject to compromise and competition within parties that advance other conservative interests. If those statements hold, one can infer that business associations seek partisan representation a) only when under threat or subject to exclusion, and b) when those problems can only (or best) be remedied through party politics.

Given this assumption, we should expect the search for partisan representation to occur, first and foremost, in democratic contexts. In such contexts, not only should formal institutional processes dictate political outcomes, but citizens (especially poor citizens) also have political influence that may threaten the interests of business. Some particular types of democratic settings may be especially likely to see a party-mobilized business class. Where democracy is a recent development, we might expect new efforts to forge ties with parties by business. Transitions introduce new levels of political uncertainty that business and employers' associations may seek to remedy through formal institutional politics. If threat or exclusion is indeed central to the formation of business associations themselves, we might expect to see business-party ties in countries with weak national confederations of business and labor and a weak (or no) tradition of tripartite bargaining. In such cases, they may not have other political recourse. Additionally, national contexts with strong labor parties, leftist movements, and left ex-

5 This assumption merits some doubts, but the literature suggests that grouping associations by sector, for example, may not be fruitful either (Schneider 2004). For the purposes of this section of the paper I will operate under it, though in the analysis later I examine particular business associations' behaviors.

executives may drive business toward parties in order to diffuse political threats. That said, when left executives govern in non-democratic or weakly democratic systems, business associations may not seek partisan allies and continue to rely on informal means of advancing their interests.⁶

A Turn to the Mexican Case

I focus empirically here on Mexico, which represents a reasonable place to begin because its recent political dynamism involves a historically labor-based party, regime democratization, and left threat, all related to the expectations just specified. In addition, the Mexican case offers a fairly extensive secondary literature on the business class and its politics, and the availability of some data that can be brought to bear (Shadlen 2004; Schneider 2002; Thacker 2000; Camp 1989).

While the business sector was not formally incorporated into the party corporatist system tied to the “Partido Revolucionario Mexicano” (PRM) that Cárdenas constructed in the 1930s, his government did mandate the organization of those interests through the “Ley de Cámaras” (Chambers Law, 1936, revised 1941), which introduced compulsory membership for business interests in state-sanctioned chambers. Initially, this state corporatist effort took the form a single organization, the Confederation of Chambers of Commerce and Industry (“Confederación de Cámaras Nacionales de Comercio y de la Industria” – CONCANACOMIN), which consolidated two pre-existing associations, the Confederation of Chambers of Commerce (“Confederación de Cámaras Nacionales de Comercio” – CONCANACO) and the Confederation of Chambers of Industry (“Confederación de Cámaras Industriales” – CONCAMIN). While the state mandated chamber-based representation, however, at the time there was no single peak association for the representation of business interests. A pre-existing voluntary business association, the Mexican Employers’ Confederation (“Confederación Patronal de la República Mexicana” – COPARMEX), existed outside the state-supported CANACOMIN, and by 1941 an additional chamber, the National Chamber of Manufacturing Industries (“Cámara Nacional de la Industria de la Transformación” – CANACINTRA), was also built to repre-

6 It is also possible to specify further conditions for business association mobilization that cannot be evaluated in this article: they should avoid potential veto players in the interest of achieving their political and policy goals, consider the relative strength of parties in the Legislative, and weigh the relative strength of business-oriented factions within political parties (in their organizational power and their ideological character, particularly important in Christian democratic parties; see Mainwaring and Scully 2003).

sent interests outside the CANACOMIN's primary sectors, concentrated in small manufacturing (Schneider 2004: 63; Story 1983). In addition, the strong business communities in Guadalajara and Monterrey maintained their own associations independent from the Mexico City-based organizations – again, organizing according to the “Ley de Cámaras”. While none of these associations maintained formal ties or were incorporated into the structure of the PRM (later the “Partido Revolucionario Institucional” – PRI), the larger associations benefited from privileged access to government leaders and even smaller ones, like CANACINTRA, were loyal PRI supporters pursuing a strategy of “representation via accommodation” (Shadlen 2004: 60). COPARMEX was somewhat exceptional in its maintenance of distance from the PRI regime and its considerable sympathies with the Christian democratic “Partido Acción Nacional” (PAN) – though it never had formal ties to that party either.

As the PRI regime consolidated under import substitution and deconsolidated under economic crisis and neoliberal reform, its relationship to business interests continued to evolve. During the Golden Years, Mexico's business community grew increasingly organized, leading to the formation of the Mexican Businessmen's Council (“Consejo Mexicano de Hombres de Negocio” – CMHN), a very elite group of 35-40 business leaders formed in the early 1960s that had tremendous access to high-level policy makers during PRI rule (Shadlen 2004: 96). The Entrepreneurial Coordinating Council (“Consejo Coordinador Empresarial” – CCE), created in 1976, assumed the role of a peak association, integrating the key official chambers and confederations, drawing additional independent associations into its structure, and representing those interests to the state. The CMHN and the CCE remained the dominant voices of Mexico's business community through the 1980s, the former retaining access to high level policy makers and politicians, and the latter negotiating with the CTM and the state over a series of reform pacts in the mid 1980s. As the North American Free Trade Agreement (NAFTA) negotiations began in the late 1980s and into the 1990s, a new confederation of business interests, the Coordinator for Foreign Trade Business Associations (“Coordinadora de Organismos Empresariales de Comercio” – COECE), gained even greater power and influence. Its membership included:

- ABM (“Asociación de Banqueros de Mexico” – Association of Mexican Bankers)
- AMIS (“Asociación Mexicana de Institutos de Seguros” – Association of Mexican Insurance Institutions)
- CONCAMIN (“Confederación de Cámaras Industriales” – Confederation of Chambers of Industry)
- CONCANACO (“Confederación de Cámaras Nacionales de Comercio” – Confederation of Chambers of Commerce)
- CAN (“Consejo Agrícola Nacional” – National Agricultural Council)
- COPARMEX (“Confederación Patronal de la República Mexicana” – Mexican Employers’ Confederation)

Despite its increasingly hierarchical structure, Mexico’s business sector also found itself growing more divided during the 1980s, as abandonment of the import-substitution model benefited many business interests (e.g., commercial sectors) but threatened those that depended on the state for trade protection and subsidies (including many small firms), and as decision-making within the PRI government closed access points for many. Shadlen, for example, documents how CANACINTRA’s organizational base in capital goods and metal producers were divergently affected by structural changes in the economy associated with neoliberal reform (2004: 72-76). Those transformations called into question the enduring tacit allegiance of many business associations to the PRI, and while not producing a mass exodus from the party by business associations, they resulted in weaker representation of particular segments of the business community in the PRI. Those relationships were further transformed following the lifting of compulsory membership in business chambers through a reform to the Chambers Law in 1997. That reform did not just weaken the state’s influence over business interests, but also caused membership in smaller business associations to plummet and undercut their funding base (Shadlen 2004: 122).

Mexican business is well organized – especially in the Latin American context (Schneider 2004; Shadlen 2004; Gibson 1996; Camp 1989). But what is the relationship between the myriad business associations that Mexico has and the formal political arena? The key questions here, then, revolve around whether business associations continue to rely on informal access to political leaders or whether they have further “diversified their portfolios” into electoral politics and what routes they have followed in doing so (constrained though they are by the Chambers Law of 1997, which made formal participa-

tion of those associations in electoral politics illegal⁷). I begin by asking what evidence is present in the secondary literature that suggests a formal political role for business associations under authoritarianism and following the 2000 transition. I then turn to an original data set that explores the contemporary relationship between business associations and political parties.

During Mexico's authoritarian period (1929-2000), a single party, the PRI, maintained control at the national level through an elaborate system of corporatist control and other mechanisms (Greene 2007; Magaloni 2006). Its hegemony was so powerful that once the corporatist system was in place in the late 1930s, there were few reasonable opportunities for political elites to challenge the system (Langston 2002). Of the three schisms that occurred in the dominant party during the hegemonic period, none was led by an entrepreneur or had a significant base among entrepreneurs. However, it was during the construction of the corporatist system that the PAN was founded by a coalition of entrepreneurs, religious activists, academics, and liberals all of whom were threatened by the actions of the PRI-state under leftist President Lázaro Cárdenas (Wuhs 2008; Shirk 2005; Mizrahi 2001; Loeza 1999). As analysts of the PAN note, after the 1940 presidential election of Manuel Ávila Camacho, big business left the PAN and returned to the fold of the PRI.⁸ Many COPARMEX members held sympathies with the PAN's social doctrine, but few entrepreneurs were willing to publicly champion the PRI's only political opposition during the hegemonic period.

A second important episode of political mobilization by Mexico's business community occurred just after the long period of political liberalization began. While Mexico didn't experience its democratic transition until 2000, the process of political opening began almost 25 years earlier when the PAN failed to nominate a presidential candidate for the 1976 presidential election. The results of that contest exposed the nature of one-party politics in Mexico and led the regime to capitulate to opposition demands for changes in electoral law and legislature structure. Facing rising extra-institutional protest from the political left, the PRI passed several reforms designed to steer its opposition into the formal political arena (including most importantly legalizing parties to the PRI's left and creating 100 proportional representation seats in the Chamber of Deputies).

7 In addition to making membership voluntary, the Chambers Law prohibited chambers from engaging in political activities (Schneider 2004: 88), but at the same time made them responsible "to represent and defend the general interests of commerce or industry (Schneider 2004: 88, quoting from the law).

8 This ushered in a period of political isolation for the PAN during which the party experienced fierce internal battles between doctrinaire Catholic activists and more pragmatic opposition politicians (Loeza 1999).

It was following that aperture that Mexico's business class began their move into electoral politics. However, the move was not an immediate response to the changing institutional setting. The political awakening of business associations came in response to the nationalization of Mexico's private banking sector by President López Portillo in September 1982.⁹ In the years that followed, neopanismo emerged as a political force especially in the north of the country, where entrepreneurs encountered in the PAN some ideological sympathies paired with weak party organization they could use as their electoral vehicle (Mizrahi 2001). Unlike prior generations of PAN politicians, the entrepreneurs associated with neopanismo were aggressive and confrontational, and neopanista candidates were not PAN ideologues but instead viable popular candidates (Loaeza 2003). While much of Mexico's business community was in an uproar following the bank nationalization, Loaeza (2003: 225) notes that COPARMEX and CONCANACO, national associations of small- and medium-sized firms, were the main associations involved in the rise of neopanismo.¹⁰ Entrepreneurial candidates with ties to COPARMEX and the other confederations continued to mobilize through the PAN into the 1990s, earning the party its initial set of gubernatorial posts (Ernesto Ruffo in Baja California, Francisco Barrio in Chihuahua, Vicente Fox in Guanajuato), while also gaining control of the PAN's national executive committee with the election of COPARMEX member Luis Felipe Bravo Mena to the party presidency in 1999.

Despite the scholarly attention the events of 1982 and their legacies have attracted, little additional attention has been directed to the more general question of relationships between business associations and parties in Mexico. Given the emphasis the European corporatism literature places on tripartite bargaining and the influence of business associations through those mechanisms, the policy-making, political economy, and welfare state literatures on Mexico offer additional logical place to look for a partisan role for business associations. Yet recent work by Dion (2010, 2008) and Marier and Mayer (2007) make limited reference to coordinated political action by business groups particularly relative to the behavior of the organized working class. Dion's work comments on the power of labor to stall reforms to existing social insurance programs, and on the political independence (and de-

9 See Gibson (1996, especially chapter 7) for a comparative account of conservative mobilization related to similar financial crises.

10 The support bases of individual politicians/entrepreneurs were also involved. For example, the PAN's neopanista presidential candidate for the 1988 election, Manuel J. Clouthier, had a strong base in producer organizations ("Unión Nacional de Productores y Exportadores de Garbanzos" – the National Organization of Chickpea Producers and Exporters) as well as in COPARMEX.

pendence) of union confederations on parties, but steers clear of the legislative arena except for noting that labor's share of the PRI's candidate pool has dropped (seconding Langston 2008). Mayer and Marier's (n.d.) work on pension reform is similarly focused on labor as a political actor, and delves into legislative politics in the Chamber of Deputies as well as in the Legislative Assembly of the Federal District of Mexico City while exploring the strategies and behaviors of unions. In neither case is business mobilization examined in any detail. Indeed, the political agenda that is most often tagged to business associations (welfare retrenchment, economic opening, and the like) comes in these works not from legislative representation but instead from government. For example, Mayer and Marier refer to the PAN, PRI, and the Fox administration as "key proponents" of pension reform, but do not consider where that agenda came from politically. The same holds for Kurtz's (2002) comparative analysis of social policy provision in Mexico and Chile and Nacif's (2003) analysis of divided government's effect on policy-making. Lehoucq et al. (2005) suggest that business associations delegated power to the Federal Executive under PRI rule, and advanced their interests primarily through private consultations – as opposed to the public role of the PRI's sectoral associations in the policy-making process.¹¹

At least in these works, analysts did not identify formal representation of business associations through parties as a viable, or even potential, avenue of influence. The question is whether that is indeed the case. Mexican business associations', and their members', presence in parties may be underrepresented in the secondary literature because they are absent (in which case the response of entrepreneurs to López Portillo's bank nationalization was epiphenomenal). They could also be recent developments, or they might be fluid and difficult to study, and so underacknowledged. Presuming they do exist, we must also tease out the relationship between regime type and business association mobilization via parties.

The data presented here are drawn from an original database of Mexican legislators elected in 2003 and 2006 to the Chamber of Deputies, using biographical data to identify legislators' organizational backgrounds in business

11 The outcomes of that policy-making process (in terms of the interests favored by policy outputs) are not examined here, and offer one potential way to examine the influence of business.

(and labor) organizations.¹² As Table 1 below demonstrates, business associations and labor organizations figure notably in the profiles of successful legislative candidates. My analysis here examines these business-association-member (BAM) legislators and their shifting presence over time. While they are *not* organic representatives of the business associations of which they are members, my contention here is that to the extent we are able to identify and explain patterns of incorporation of these candidates into the parties, they suggest that even in the absence of organic links between business associations and parties, meaningful relationships may indeed exist.

Table 1: Legislators with Business and Labor Backgrounds, 2003 and 2006.

	2003	2006
Elected total with business association memberships	17	56
Elected total with labor confederation memberships	103	79
Elected total with data	332	424
Percent with business association memberships	5.1	13.2
Percent with labor confederation memberships	31.0	18.6

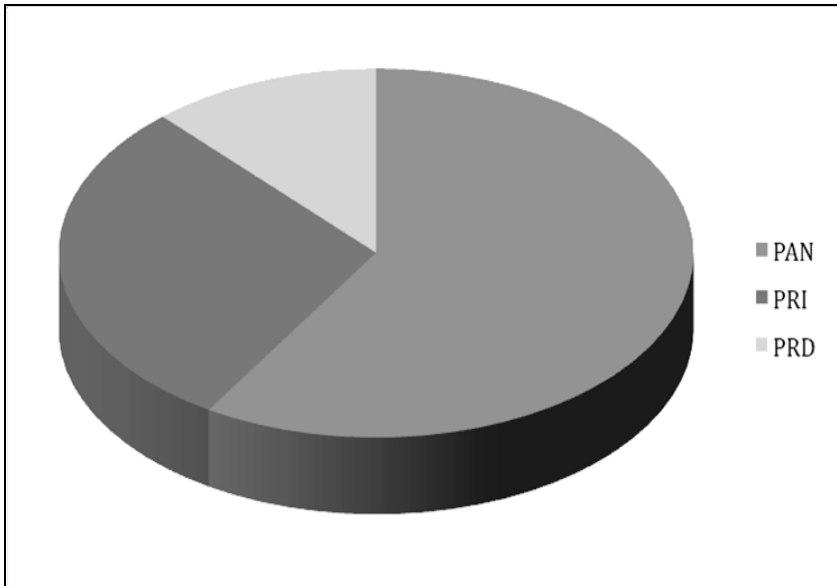
Source: Own elaboration, see footnote 12.

In that the overall percentages of legislators with a background in business associations are not spectacularly high, these data offer some confirmation to Schneider’s claim that the influence of business associations in politics is through less direct means than legislative representation. Especially compared with those successful candidates who have some evidence of involvement in labor associations in their profiles, business associations appear to be quite weakly represented. However, the dramatic increase of business-association-based candidates/legislators in 2006 suggests there may be something interesting occurring.

12 Several data sources were used to create a biographical database of candidates for the 2003 and 2006 elections (noted in the references section of the paper), and for the purposes of that paper focused only on candidates that were elected. There may be bias in the data as a result of that choice, but the laborious nature of data collection forced some choices. Invariably there are problems in coding. One particular problem in these data relates to history. Many of the primary sources simply listed organizational members of the deputies/candidates, but failed to specify the period of affiliation. In cases where candidates listed a single organization, it is likely that some representative linkage was present. But where multiple organizations were listed, it was impossible, at this stage, to distinguish which interest group was most proximate to candidates’ nomination.

The 2003 midterm election, as the first post-transition/alternation elections, was judgment day for the Fox government and in many ways for Mexican democracy (suffering under slow, divided government as it was). The PAN, which with its alliance partner the Green Party (“Partido Verde Ecologista de Mexico” – PVEM) held a slim plurality of seats in the Chamber of Deputies from 2000-2003, expected to be punished for the lack of forward movement on Fox’s agenda (stalled as energy, tax, labor, and education reforms were by the multiparty congress). Many observers expected the PRI to rebound significantly from its 2000 dip, and on the basis of Mexico City mayor Andrés Manuel López Obrador’s (AMLO’s) popularity, the PRD also aimed to improve its share of seats. It is in that context that we should more carefully examine the business-association-based legislators who joined the Chamber of Deputies, in the figures below.

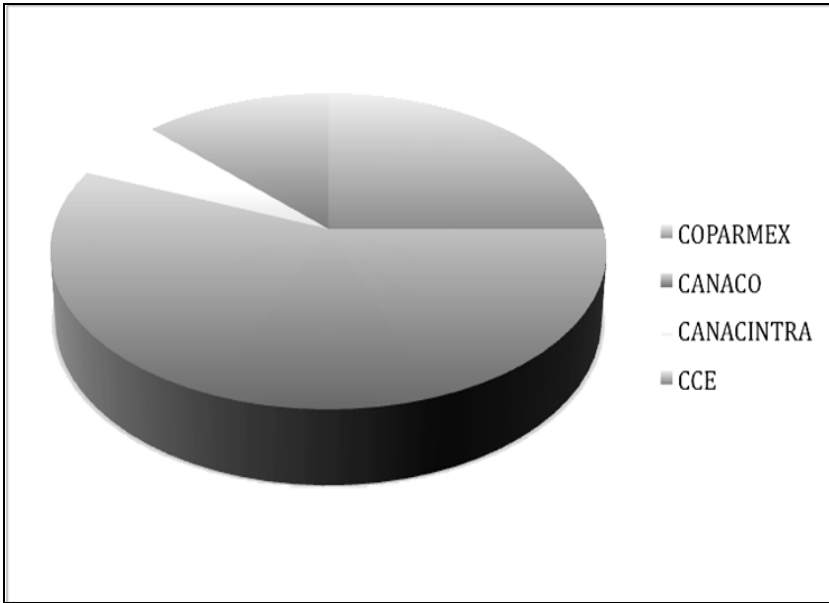
Figure 1: Proportion of Member-Legislators in Major Parties, 2003



Source: Own elaboration, see footnote 12.

In that contest, more than half of the BAM legislators who gained office did so through the PAN – though, bear in mind, the total numbers are quite small: ten of 17 BAM legislators were elected through the PAN. As Figure 2 below shows, a plurality of associations was represented within that group – though most BAM legislators had ties to CANACO.

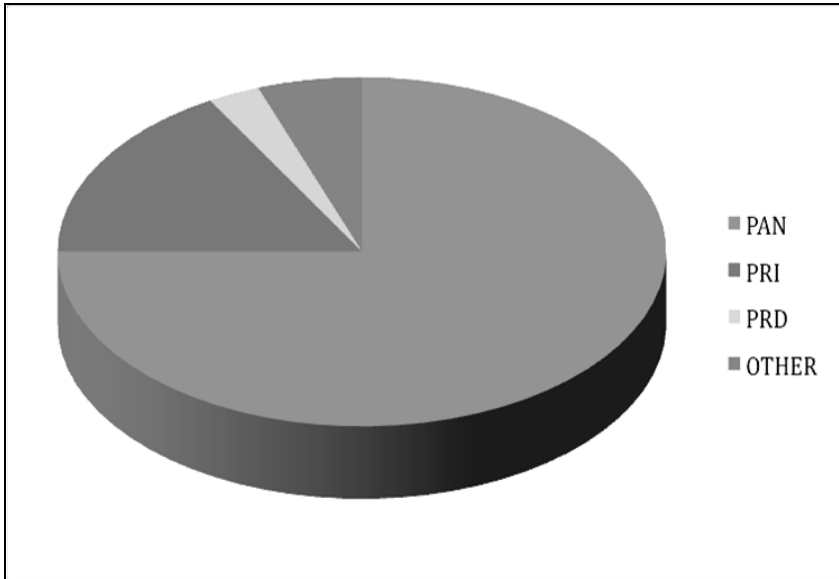
Figure 2: Proportion of Member-Legislators from Major Business Associations, 2003



Source: Own elaboration, see footnote 12.

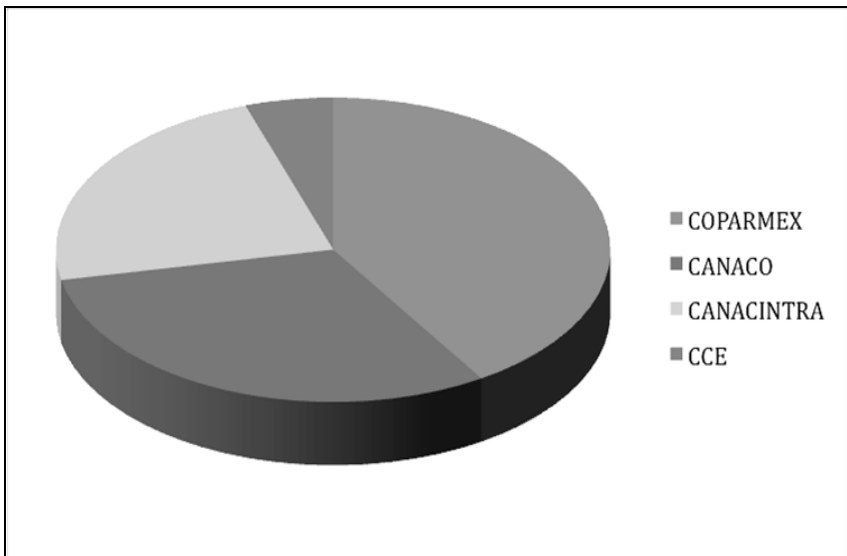
The 2006 contest presented a very different political reality – most crucially because of the strength of leftist Mexico City mayor and PRD alliance nominee AMLO’s candidacy at the outset of the contest. Fox’s government was still faulted for its lack of progress on the policy front, while the PRI’s also-ran presidential candidate Roberto Madrazo never mounted a serious challenge either to AMLO or to the PAN’s front-runner precandidates (Felipe Calderón and Santiago Creel). In that context, the absolute number of BAM legislators more than tripled (from 17 to 56, moving from 5.1 percent of legislators to 13.2 percent). And they didn’t merely increase in number. Figures 3 and 4 show a dramatic move by business associations to the PAN (27 of 36 legislators for whom data was available), while the PRI’s delegation included six BAM legislators and the PRD delegation one. Figure 4 shows considerable dynamism in the associations themselves. Whereas only four COPARMEX members were elected to the 2003-2006 Congress, the 2006-2009 Congress included 16. CANACINTRA moved from one legislator to nine. (CCE remained stable at two, and CANACO moved from nine to 11.)

Figure 3: Proportion of Member-Legislators in Major Parties, 2006



Source: Own elaboration, see footnote 12.

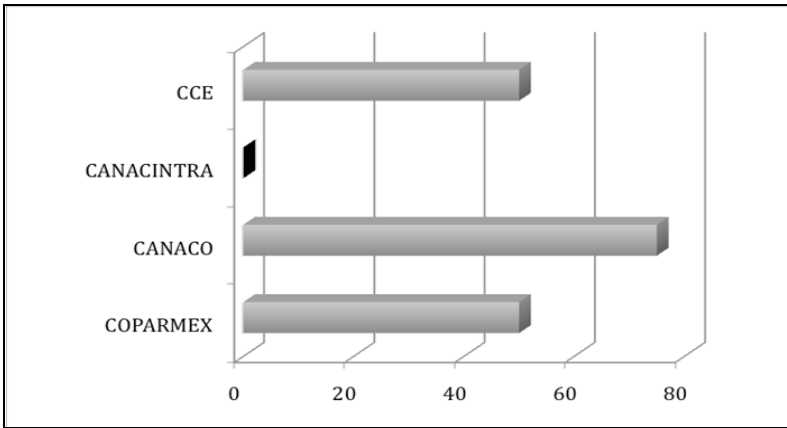
Figure 4: Proportion of Member-Legislators from Major Business Associations, 2006



Source: Own elaboration, see footnote 12.

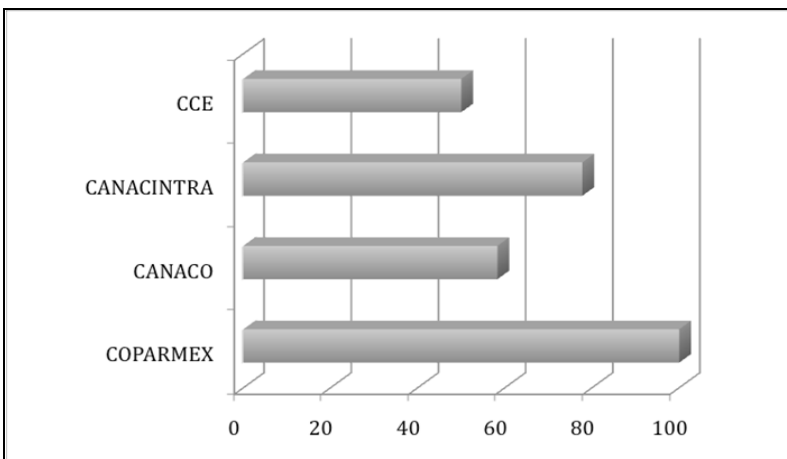
Given the role of entrepreneurs in the PAN's recent history, its support of free market economics, and the PRD's and PRI's self-proclaimed "social democratic" status, it also made sense to examine the presence of BAM legislators across the parties. Figures 5 and 6 below show the proportion of legislators in the PAN in 2003 and 2006, respectively. The data show an increase in BAM legislators in the PAN from CANACINTRA and COPARMEX, with small (absolute) reductions of BAM legislators from CCE and CANACO in the party.

Figure 5: Proportion of Business Member-Legislators in the PAN, 2003



Source: Own elaboration, see footnote 12.

Figure 6: Proportion of Business Member-Legislators in the PAN, 2006



Source: Own elaboration, see footnote 12.

Explaining the Mobilization of Business Association Members through Parties

The actions of PAN founders in 1939 and of northern entrepreneurs in 1982 and afterward suggest that existing typologies and explanations of business associations' political mobilization are incomplete. While not examined comprehensively in the literature, there are clearly times during which entrepreneurs do not rely on their informal access to governments and instead opt to use parties as mechanisms for representing their interests (Durand and Silva 1998). In 1982, for example, despite the existence of a peak association and several national confederations, many actors in the business community instead (or additionally) worked through party organizations – and specifically, an opposition party that initially had minimal congressional representation and virtually no influence over the federal executive or state government. The data from the 2003–2006 and 2006–2009 legislative delegations likewise suggest that business association members and parties have some sort of relationship. The question is what explains those relationships and their distribution across parties. Before proceeding, it should be recalled that associations themselves have remained outside formal politics (barred, as they are, from direct participation in electoral politics); the data presented here examine the entry of business association *members* into the electoral arena – still a significant change, but distinct from *organizational* entry. However, it should be noted that the post-corporatist nature of Mexican politics has complicated relationships between parties and interest groups. Whereas the establishment of formal linkages between the two types of organizations is commonplace in many consolidated and consolidating democracies, one legacy of PRI rule in Mexico is a profound suspicion of parties on the part of interest groups, and a reluctance by parties to forge links with groups like business associations. In order to avoid being likened to the corporatist PRI, parties have deliberately pursued individual overlapping memberships as a linkage strategy, and groups and their members are often opportunistic as they consider their partisan options (Wuhs 2008, chapter 6).

The overwhelming consensus in the literature is that business associations engage politically when they are threatened. Earlier, I suggested that they may mobilize through party organizations when threatened, and when the only effective remedy would be through democratic institutions, like the Legislature. The events of 1982 may have signaled the importance of programmatic positions to threat perception. Thacker (2000) argues that the objections of business in 1982 were two-fold: business resented what it perceived as arbitrary action by the state, and exporters supporting free trade resented the statist move by the government. Yet during Echeverría's (1970–

1976) populist period, the business community sought recourse through the construction of the CCE. Something made 1982 different. Was business so well organized internally and effective externally that, confronted by threatening state action in spite of that organization, they diversified their political investments into opposition parties? The threat of left action became more pronounced during the run-up and aftermath of the 1988 presidential election, which led to the formation of the PRD and raised the specter of left government and a direct threat to business interests (broadly construed). While the PRD's support fell between 1988 and 1991, mobilization by Zapatistas and social movements like the debtors movement *El Barzón* continued into the mid- and late-1990s (Haber 2006; Williams 2001), meaning a left threat was arguably persistent that might have propelled business associations to seek partisan allies. Certainly the data from 2006 can be seen in this light as well.

1982 was not an isolated incident. Instead, it represents the beginning of a move by entrepreneurs to the PAN over the course of the 1980s and 1990s. While the governments of Miguel de la Madrid (1982-1988), Carlos Salinas (1988-1994), and Ernesto Zedillo (1994-2000) are typically considered pro-business (and so, not threatening to business interests – again, broadly construed), a second force complementing persistent threat may explain the partisan mobilization of business: the increasing importance of democratic process in Mexican politics. From the vantage point of the 1980s, the PRI regime seemed unlikely to collapse in the short term, but the increasing power of the political opposition following the 1988 loss of constitutional prerogative by the PRI may have affected the long term calculus of business groups. Democracy may also have exacerbated the perception of left threat, as first Cárdenas and then AMLO were able to mobilize not just millions of poor Mexicans, but millions of poor Mexican *voters*. Taken together, it seems reasonable to suspect that increasing multiparty politics and a new left alternative/threat might propel business into party politics.

The transition in 2000 also changed the political game for interest groups in Mexican politics by ending the corporatist bargain – not by dissolving business associations and union confederations, but by removing the patron from the Federal Executive. It subjected business associations and other interest groups to the uncertainties of multiparty presidentialism – where legislative coalitions are unstable and are checked by presidential veto. The evidence from 2003-2006 and 2006-2009 suggests that business associations responded to that uncertainty by allocating their political assets strategically. For 2003, under a generally pro-business government, business associations worked through several parties – to introduce their agenda to multiple parties and improve their likelihood of policy success, or perhaps be-

cause the 2003 contest was opaque enough that they were reluctant to place their eggs in a single basket.

These logics are nicely evident in the 2006 data. AMLO's candidacy, and especially its strength during the nomination season, was a credible threat to business interests. Business associations needed to be positioned to defend those interests in the Legislature – as they anticipated that the Executive would not be open to the informal access business associations had in the past. The PRI's weak candidate made the PAN the optimal vehicle for business interests – despite the ideological conflict that continued among PAN factions.

Those data also reveal that business does not act in a unitary fashion, perhaps because threat perception varies across sectors of the economy. What explains the dramatic increase of BAM legislators from COPARMEX and CANACINTRA, and the slight decreases from CCE and CANACO? Certainly Shadlen (2004) would suggest that members of CANACINTRA are more vulnerable under the current economic model than members of other associations – that rationale for increased mobilization is consistent with what we know about how business mobilizes. COPARMEX is a different story – but clearly an interesting one given that all COPARMEX legislators were in the PAN delegation from 2006-2009. Given the plurality of partisan affiliations that COPARMEX members exhibited in the past, 2006 represents a significant departure and suggests concerted action on the part of the association to maximize its influence within the PAN.

Conclusions

I began this article by noting that while we know quite a bit about the conditions under which business mobilizes, and what the downstream political effects of business organization are, we know comparatively little about how business associations relate to the world of party politics. Crudely summarized, we know that business organizes when under threat, and that through a broad portfolio of political investments (from participation in tripartite bargaining to informal access to political leaders) business wields significant political influence; but not through parties, according to the literature. On the hunch that business associations were not, indeed, divorced from the arena of party politics, my goals here were to suggest and evaluate a set of expectations for how business associations should behave in that arena.

The data reveal several things. First, consistent with what Schneider and most others have argued, business organizes when under threat. Those associations may move into party politics when that threat exists and institutional politics is the best avenue for mitigating that threat. In that sense, it

may be that Schneider's (2002) "discrete and continuous access" to government may work best for business associations under less-than-democratic conditions. Second, they suggest (in a very preliminary way) that business is quite strategic as it considers partisan partners – diversifying their assets when appropriate, consolidating them when appropriate. Business associations seek to advance their political and policy objectives – and do what is best to advance those goals. Third, business does not operate as a unitary actor in the world of party politics – despite the presence of a peak association and other coordinating layers, sectors may operate independently, and a territorial dimension to business politics may also exist. Still, if the patterns evident in Mexico in 2003 and 2006 hold beforehand and since then, there may be a more complicated story about business associations and party politics out there than the one told here. While business associations may not have the reliable partisan partners that trade unions have (or once had, in many cases), it seems quite evident that when protection of their interests calls for parliamentary action, they are able to move from the boardroom to the Chamber.

In order to further substantiate that movement, more data are needed. Candidate profiles like those used here need to be complemented by additional data drawn from other sources that can also be used to measure the role of business associations in party politics: business-related legislative proposals (including their origin and their content); legislative debates (including the role of BAM legislators in those debates); and the presence of business association members in the leadership organizations of parties.

As Rueschemeyer, Huber Stephens, and Stephens (1992) and others argued, for democracy to persist conservative interests must be protected. Consistent with the expectations presented here, business interests have indeed organized to protect themselves, and the evidence presented here suggests that business associations are increasingly strategic and successful at gaining a parliamentary voice. On that level, one important set of "conservative interests" seems positioned to support continued democratic rule. That said, to the extent that the political articulation of business interests evidenced here is generalizable, it also raises a concerning questions about broader interest representation. Could it be that as trade unions are losing their political voice because of centrist shifts by social democratic parties, business associations are actually making political gains?

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Intereses empresariales y política partidaria en México

Resumen: Una de las conclusiones principales de los análisis de la “tercera ola de democratización” es la importancia de los intereses conservadores para los procesos de consolidación democrática. Pero poco se sabe de la manera en que aquellos intereses se incorporan a la política institucional de partidos y elecciones, particularmente en el caso de intereses empresariales – a pesar de un incremento internacional en la presencia política de la clase empresarial. Este artículo desarrolla y evalúa unas expectativas para el comportamiento político de los intereses empresariales. Se enfoca en el contexto mexicano, donde tales intereses son bien organizados históricamente. Se analiza la incorporación de los miembros de asociaciones empresariales en las bancadas legislativas de los tres partidos principales. Se concluye con una reflexión sobre una línea de investigación de la movilización política de estos intereses conservadores.

Palabras clave: México, asociaciones empresariales, partidos políticos, representación de intereses sociales