

Making Welfare Fair:
Tackling Corruption and Clientelism within the Welfare Programmes of
Developing Countries
The Cases of Mexico and Brazil

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Part I

1. Introduction

The welfare state was for much of its existence a Western phenomenon, the reserve of countries belonging to a group of the most economically “advanced” nations on the planet. Now, however, welfare programs are being rolled out across the developing world as well, and with these programs comes a different set of challenges. Not only do these countries face the challenge of hitherto unseen levels of inequality within a welfare system, but also a history of corruption and clientelism that can serve only to undermine the development of social progress. The eradication of abuse by recipients and the officials charged with distributing welfare efficiently and, on a another level, manipulation through the political process using welfare programmes to increase votes, became a secondary challenge for many governments designing social programmes in economically developing countries.

There are a number of ways to tackle the problems of corruption and clientelism within the welfare system. I intend to explore these first through a theoretical examination of the arguments, followed by an empirical investigation into the effectiveness of schemes known as Conditional Cash Transfers (CCTs) started in Mexico but now extremely popular across the developing world and beyond, particularly in Latin America and growing in popularity by the year.

Much work has been completed into the effectiveness of such programmes for dealing with poverty, with positive correlations found. But their secondary function, the mitigation of corruption and clientelism, is the concern of this study. Significantly,

whilst some work has been carried out into ascertaining whether these welfare programmes are still being exploited by political parties or by bureaucrats, little or no consensus has been reached. Some studies have concluded that this new design of welfare programme is still being used for abusive purposes, whilst some deny the link and believe that either the design of the scheme itself has helped to reduce corruption, or what we traditionally understand to be clientelistic is in fact being conceptually stretched in order to fit a certain preconceived idea. In order to understand these varying conclusions, I propose to examine the make-up of the programmes themselves, the programme design, and the degree to which it has dealt with the possibilities for abuse to take place. Through this I hope to demonstrate the power that government institutions and good policy planning can have over the behaviour of citizens and highlight why some consider abuse to still be happening and others not.

The lynchpin for assessing this issue is the existence of the opportunities that allow or lead to abuse taking place. CCTs have been specifically designed to undermine corrupt and clientelistic practices, but the answer to why varying degrees of success have been measured may lie in whether the opportunities they sought to remove actually still exist. If the programmes have only been partially successful then some incidences of abuse may have been mitigated whilst others have been allowed to continue flourishing. The policies, however, have been successful in many circumstances, and it is possible to see this as result of smart policy planning.

This is, I believe, a vitally important area of study as many developing economies, imbedded with typically high levels of corruption and clientelism, are currently experiencing astonishing levels of economic growth. This growth is causing a disparity in wealth that will prompt many governments to begin implementing welfare policies and the efficiency of these welfare programs and their smooth,

unadulterated implementation is a key part of their success in tackling poverty. Corruption and clientelism are two such abuses that could render the programs at best inefficient, and at worst ineffective. It is also important to note that throughout the developing world CCTs in particular are becoming progressively more popular, and whilst their primary function is to deal with poverty, the success of current programmes to deal with corruption is an important consideration. Each country has its own individual circumstances to consider, but understanding the successes and failure of existing programmes to deal with abuse, will help other countries effectively design their own programmes to address their own individual circumstances. If current CCT programmes are successful, then they may act as blueprints, and if they are not, then we will better understand the pitfalls and failures and prevent them being integrated into future CCT programmes.

I shall begin by exploring the existing literature, looking in depth at previous solutions to the problem of clientelism and corruption and their causes, before concluding that the existence of opportunity is a key component of those phenomena. I will do this by first exploring how other theorists and welfare state programmes have been successful in removing abuse from their systems. I will then demonstrate the nature of CCTs and how in theory they have been designed to remove these opportunities. Following this, I will explain why I believe the case study method via a method of comparison is the most acceptable way to assess this problem. Then, using Mexico and Brazil and examples, explore and analyse the design and implementation of their respective CCT programmes, before comparing the two programmes and discussing how both have come across major logistical problems in implementation. I find that despite a concerted effort by both governments involved and a relative degree of success, they have run up against large scale problems with removing all the

varying degrees of opportunity. Significantly, the problems faced by both countries are very similar which lead directly back to the way in which the their respective welfare programmes have been designed. My sincere hope is that the future development of this line of study will help one to understand how welfare policy can be a powerful tool in tackling the instances of corruption and political manipulation.

2. Removing Abuse from the Welfare State: Previous Examples

The idea that opportunity is a vital component in the practice of corruption and clientelism is not new and many scholars have researched this possibility. Two significant questions surround these ideas though, what constitutes opportunity and how should these opportunities be mitigated? I shall outline the views of some of the major theorists in this field to demonstrate some of the relevant arguments.

One of the most influential scholars in this field is Susan Rose-Ackerman (1999, 2002) who argues that competition is the key to prevent bureaucrats from extracting or accepting bribes. In doing so, Rose-Ackerman is asserting that the role of the state as the sole distributor of welfare is creating the opportunity for corruption to exist and persist. She goes on to use the example of buying stamps to illustrate her point. She argues that we do not have to pay a bribe in order to buy stamps as the product is available from a variety of sources. If we extend this to receiving welfare payments, the argument follows that offering a variety of welfare providers will remove the discretion of bureaucrats, and their ability to take advantage of their monopolistic powers, in other words, it will dismantle the opportunism that allows corruption to flourish (ibid, 1999).

This line of argument very much flows from the rational choice, interest maximising branch of economic study. The discretion given to officials in the distribution of goods and services creates the opportunity for corruption to take place. This is especially true when considered with two other leading reasons put forward for the development of corruption. First, a lack of cost for taking part in corruption, in other words, either the likelihood of being caught and punished for taking part corruption is low, or if one is caught and punished, the sentences are not stringent enough to deter future activity. Secondly, a policy of deterrence is encouraged by

raising the wages of public sector employees thereby reducing the incentive to extract bribes (Ades and Di Tella, 2009; Mauro, 1998). The latter of these two recommendations outlines a troubling precedent for developing economies as it involves a great deal of expense, which is often not available to governments, and the discrepancy in wages between the public and private sectors is often vast. The former, however, is very much possible, although it may be something that can only happen over a long period of time and after a concerted effort by all the authorities involved, from legislation, right down to the lowest levels of enforcement on the street corner.

Similar reasons have been posited for the existence of clientelism within certain political systems. The exchange of benefits for political support is very much an interest maximising activity. Once again, where there is little risk of being caught, or being found to be taking part in clientelistic behaviour is of little consequence, the opportunity exists for a client – patron relationship to develop.

Additionally, it is important to consider the role that transparency and accountability play in the generation of opportunity. They are both widely considered to be key areas to address when tackling both corruption and clientelism (Alcázar, 2010). When individuals know what they are entitled to by law and this has been clearly communicated to them, it reduces the chance that a bribe may be extracted and the possibility of people feeling as though they have to pledge political support in order to receive a government service.

Whilst this rational choice approach is in the most part compelling, the implementation of it creates a whole new set of problems to overcome as few realistic ways of implementing such a policy exist. Proponents of an economic approach are clear advocates of a competition based system of welfare and the most commonly agreed upon way of creating this competition is to privatise government services and

social policy. This is an extremely controversial solution however, and the process of privatisation is itself renowned for being extremely vulnerable to corruption (Kaufman and Siegelbaum, 1996). One then has to look at alternative ways of mitigating the opportunity for abuse and a variety of institutionally based ways to do this have been proposed and practiced in many countries.

Another possibility, one at direct odds with those advocating a market based solution, is the implementation of a universal welfare system. In doing so, a government removes the selectivity of the program and therefore the discretionary power of those responsible for distributing the welfare payments. If everyone is entitled to a benefit, it becomes extremely difficult, if not impossible, for a government official to seek a bribe in order for the recipient to receive the benefit. It is also clear to the recipients that everyone is entitled to that benefit and whether a bribe is being extracted or political allegiance is being requested, the beneficiary is in no doubt that their rights are being impeded. This is the view of Kumlin and Rothstein (2005) who add that a means-tested system creates a web of complex rules that can be interpreted in a variety of ways leaving it vulnerable to abuse.

Whilst this is another possible solution to the problems that street level bureaucrats pose, it is not one that is appropriate for the large majority of economies. Rothstein and Uslaner (2005) are convinced that universal welfare policies are considerably more likely to combat inequality and poverty, but they are nearly impossible to implement in societies wherein a chasm exists between the rich and the poor. This creates a perpetuating dilemma, countries that are in dire need of the most comprehensive redistributive social policies due to high levels of inequality, are also far more prone to widespread corruption and are not in the economic position to implement universal social welfare.

There are three main reasons given by authors for this difficulty in implementation, besides the most obvious obstruction of cost. First, corrupt societies have developed a society whereby loyalty and a close circle of entrusted individuals operate with one another. This has created an attitude likely to repel such socialised and large communitarian values as are inherent in universal welfare programs (Rothstein and Uslaner, 2005). Second, universal welfare requires high levels of taxation which is hard to gather in societies where skirting the rules, especially through corruption, is the norm (Mauro, 1997). Finally, universal policies are hard to implement in countries with such a disparity between the rich and the poor because of the tribalism and class orientation that arises from it. The poor call for more radical forms of wealth distribution and the rich resent and reject any attempts to snatch away their capital (Rothstein and Uslaner, 2005).

Alternatives, however, do exist and a programme has been designed that allows the government to retain control over social policy, but also allows the country to prevent high spending on a universal system of welfare. Conditional Cash Transfers (CCTs) offer a system whereby welfare payments are made to identify poor groups in society based on a number of stipulations being fulfilled by the recipients. The details and stipulations of the scheme are left to individual governments to decide, and depending on the nature of the requirements, they can alter the nature of the scheme significantly. For the purposes of this study, the most significant element of CCTs is the way in which they are organised in order to combat corruption and clientelism.

The scheme attempts to combat corruption in two distinct areas: the selection of beneficiaries and the dispersion of funds. Beneficiaries are picked not by local bureaucrats, but rather each community is assessed by members of a government institution from a central or federal level. This is sometimes free from party political

interference, and at others it is part of government ministry. However, this distance from the recipients makes it much harder for either citizens to influence the selection process or for bureaucrats to extract bribes or create client-patron relationships (Grimes and Wängnerud, 2010). There are many other guards against manipulation incorporated into the programmes' designs, all differing slightly, and which will be demonstrated with regards to the individual cases later in this study.

The dispersion of funds is also organised to prevent direct contact between the recipients and those who are responsible for distributing the welfare payments. The money is paid directly to the recipients by the federal government avoiding layers of bureaucracy and assessment of whether the conditions that are required of the recipients are monitored by a separate organisation to that which distributes the welfare payments (Grimes and Wängnerud, 2010).

It is intelligent policy design, such as this, that attempts to remove the opportunities for political manipulation and bribe extraction to take place. The efforts are certainly visible, but it is very difficult to completely mitigate all opportunities for abuse to take place. Whilst much has been done, there is still the possibility that the programmes have not been completely successful in removing all the opportunities that exist within CCT programmes, and in some cases, where well intentioned caveats have been implemented, they have debilitated the programmes and prevented them from working efficiently or effectively.

I propose that the removal of opportunity is the key to eradicating corruption and clientelism within the welfare state. As a result of this belief, which I shall demonstrate with reference to previous literature, the research question is as follows:

RQ: To what extent have CCT programme designs removed the opportunities for corruption and clientelism to take place?

The intention of such a question is to enable this research to explore the degree to which programmes have been well designed in order to not only distribute welfare efficiently, but also tackle the problems of corruption and clientelism. This will, it is hoped, answer what I believe to be an important question and help with the understanding of how developing countries can implement welfare policies whilst limiting levels of corruption and political manipulation.

In order to test such a question, it is important to have a hypothesis that considers not the effects of the programmes but rather explores their implementation and design. My belief is that the reason for such a variety of conclusions in this field of study lies in the fact that the opportunities that lead to abuse have not been fully removed and this allows for previously common practices to continue flourishing. I have therefore developed the following hypotheses:

H1: While efforts have been made to remove the opportunities for corruption and clientelism to take place, they still remain within CCT programme design.

A second hypothesis is also necessary in order to measure the effectiveness of each programme in eradicating opportunities and their weaknesses in failing to do so. Where the same opportunities are present in both cases and follow from the same element of the programme design, a more valid answer will be generated. Therefore, I have developed this second hypothesis:

H2: The elements of the programme design that have led to opportunities remaining or being eradicated will remain the same in both cases.

3. Research Method, Data, and Case Selection

For the purposes of this research, I have deemed it acceptable to use the case study method in conjunction with the comparative method. Initially, there are a number of practical reasons for this choice. First, whilst the CCT program has now been rolled out across a great number of countries, this has only happened in the last ten years or so. As a result of this, the information available is sparse, and in the countries where the programmes has been in place for a short period of time, not enough time has passed to draw any significant conclusions about the validity of the theory I have outlined above. This makes it far more sensible to find countries that have had the CCT program in place for the longest periods in order to reliably evaluate the design of the programme along side full implementation and development.

Second, the majority of CCT programs have been implemented in developing economies for whom data collection difficult or impractical. Similarly, it is not practical to attempt to collect data myself meaning secondary data and information will have to be the basis of this research. This makes it hard to carry out a large-N study taking into account many countries' welfare systems when very little comparable data exists. As a result, it would be sensible to choose cases where the data and information required is readily available.

These practical concerns limit the number of cases it is possible to choose from, they do not, however, render the research impossible to complete. They also affect the type of case study that I will be carrying out. As the number of cases to choose from are few, it is hard for this research to transcend the boundaries of a case study that intends to illustrate a theoretical idea. John S. Odell (2001) describes this particular method as “the preliminary illustration of a theory” (163) and argues that its purpose is to place “concrete flesh on the bare bones of an abstract idea in order to

help readers see its meaning more clearly, and to convince them that the idea is relevant to at least one significant real-world instance” (163).

The comparative method as put forward by prominent thinkers such as Lijphart (1971) and Sartori (1970), will provide me with the guiding principles for the latter part of this study. The cases, which will be outlined below, have been chosen for a variety of reasons. They are similar in many respects but have their own unique political histories and the way their social policies and societies operate are very different. I will be attempting to implement the method of agreement. To do so, I will highlight the dependent variables, represented in this study by the existent opportunities to commit abuse, by studying the two countries. I hope to demonstrate the reasons why a very similar social policy has elicited varying results and types of opportunity in each of the cases.

This research will also follow the tenets set by the method of structured, focussed comparison. The study is guided by a research question and hypothesis, which will be at the centre of the research throughout and will be the same for both cases. In addition to this, data collection will be as similar as is possible for both cases, as it will mostly be the use of secondary data collected previously and an analysis of the CCT programme design in both cases. The study will also be focussed in its attempt to highlight the existent variables within the CCT programmes of the cases chosen and will concentrate on corruption and clientelism and measurement will take place at the same two stages of the programme design in each case, highlighting similarities and differences.

The case study method will be used in this research for a number of important reasons. First, it allows the researcher to explore the specific details of any given system and draw his or her conclusions from observing the relevance of the theory in

a real life example. Second, the particular circumstances and idiosyncrasies of each case can be taken into consideration and used to draw a more accurate conclusion.

For the purposes of this study, Mexico and Brazil have been chosen as the cases to be studied. These two cases have been chosen as they represent two countries with very similar social policy designs and implementation. Where opportunities exist in both, it is hoped will be traceable to similar variables. Whilst the cases are both similar and different in many respects, the method of agreement is deemed most acceptable as I am looking for common variables in both in order to support the idea that the design of these programmes has had a profound effect on the level of opportunity that exists to commit abuse.

Both countries have had a CCT system of welfare in place for a number of years. Mexico introduced a CCT program in 1997 under the name Progresa, but in 2002 it was reintroduced under the name Oportunidades and has operated there ever since on a national level. Similarly, Brazil has had the system in place for a number of years. CCT type program was initially introduced on a regional level in 1995, but then rolled out nationally in 2003 after the election victory of President Lula and named Bolsa Familia. The length of time these policies have been in place is significant in being able to draw conclusions (Sewall, 2008). Furthermore, since their introduction in Mexico and Brazil, many other countries have decided to adopt them and have very much modelled their own CCT policies on Mexico and Brazil resulting in possibly extrapolating the results of this study and least beginning to assess the possibility of applying them to other countries with CCT programs. In short, Mexico has the world's longest running CCT programme and Brazil has the world's largest.

In addition to these facts, both Mexico and Brazil have a federal political system whereby power is handed down from national level, to municipal and

community level. Such systems create considerable problems for governments attempting to reduce corruption and clientelism and overcoming these problems is a major part of the programmes.

Finally, according to the IMF, both Mexico and Brazil are considered developing economies, Brazil of course being part of the famous BRICS, and both have relatively high levels of corruption, 34 and 43 out of 100 hundred respectively ranking them at 105th and 69th in the world (Transparency International, 2012). Furthermore, both countries have strong histories of clientelism. These factors have meant that the design of their respective CCT programmes has been geared towards reducing abuse. In order to judge the effectiveness of these controls, it is vital to have chosen programmes where an attempt has been made to mitigate such circumstances. In essence, I am assessing the influence of programme design on levels of corruption and clientelism. In order to do this, I require two programmes that have been designed with exactly this purpose in mind. Both Mexico and Brazil's CCT schemes have attempted to tackle their problems with abuse and I have undertaken to assess why or why not they have been successful.

4. Concepts: Corruption, Clientelism, and Others

This study will deal with a number of concepts in order to analyse the hypothesised relationship as outlined above. Despite not measuring corruption and clientelism directly, understanding what they are is a crucial part of identifying the opportunities that lead to them taking place.

One of the most significant concepts to this study is that of corruption. Corruption is complex to define and is the subject of much debate among scholars on the subject. As a result, I believe it is necessary to briefly and succinctly consider some of these arguments and the appropriateness of them for the purposes of this study.

A legal definition of corruption is understood as the distinction between legal and non-legal behaviour. This is a significant definition to consider as much of the behaviour I am studying would very much be classed as illegal. The process of offering bribes to receive services that one is not eligible for is considered illegal under the law of most, if not all countries. Furthermore, the rent-seeking by officials either to offer services to those who are not eligible for them, or perhaps more concerning, asking for bribes so that those who are entitled to certain services may receive them, is also undeniably illegal. With this in mind, measuring what is understood by corruption is not difficult to do and a number of indexes have compiled numerous surveys and studies into illegal activity, such as bribe paying, in both the public and private sectors.

Certain acts considered as corrupt do not necessarily have to be illegal though, and therefore when they take place within the confines of the law, they are not, according to the legal definition of corruption, corrupt. When politicians appropriate government projects and funding for their own constituencies (an act of pork

barrelling) it is not necessarily a corrupt act. Similarly, it is not necessarily corrupt for Italian parties to hand out packets of pasta to the electorate in order to influence their voting behaviour (clientelism). However, both of these things may either be considered morally wrong, or against what is considered as acceptable by the public, and therein lie two more understandings of corruption.

The simplicity of a legal definition of corruption is appealing, but even those responsible for carrying out much of the discourse in its favour are ready to concede that one cannot always consider acts that are lawful as being morally or ethically sound (Gardiner in Heidenheimer and Johnston, 2002). It is with this in mind that one has to consider a moral or public interest conception of the problem. A classic example referred to by Gardiner in his attempt to distinguish a variety of definitions, is that of a Nazi border guard. He suggests that should a Nazi passport inspector accept a bribe in order to help a Jewish family escape the Third Reich, despite being illegal, it would not be corrupt as forcing them to stay would be the greater evil over breaking the law and allowing them to leave (Gardiner in Heidenheimer and Johnston, 2002). The curious thing about this example is the fact that the passport inspector accepts or asks for a bribe in the first place. Surely, if the ultimately moral thing to do is assist a Jewish family to leave a life of persecution, and the possibility extermination, then no bribe should have been extracted. What in fact takes place could be considered a form of exploitation, just as we see in modern times when refugees and asylum seekers are offered passage away from danger in the back of a lorry for an extortionately high price.

That is an example of the law being broken to perhaps more moral ends, there are other examples that *do not* include a legal infraction but may be considered by some as corrupt. Instances of a congressman or woman voting in favour of a bill that

would directly benefit an organisation that had donated money to their campaign at a previous election is a popular example used to demonstrate something that some many consider to be immoral.

It is not hard to see that there is a great deal of difficulty surrounding what exactly constitutes a moral action and how to differentiate between ethical and unethical acts. Some may judge this by the manner in which it affects people, and the links between economic development, equality, and corruption are well established (Leys, 2002). But this concept of public interest requires someone to argue what is and what is not in the interest of the general population.

It is from the deficiencies of the previous two definitions that one can draw the final definition of public opinion. This draws its conclusions from the view of the general population and their perceptions of what is corrupt and what is not. It may be illegal and it may be morally wrong (in terms of the real impact as well as in principle) to offer jobs to your family members upon being elected to political office. In many parts of Africa, however, such practices are the norm and it would be unusual for such a system of nepotism to be considered wrong by many (Leys, 2002). Perhaps then it is better to follow what Leys calls the British approach:

“The wrong that is done is done in the full knowledge that it is wrong” (Leys in Heidenheimer and Johnston, 2002: 61)

This definition follows a very broad understanding of the concept as it depends on a form of moral relativism and the idea that a person can be wronged within a society simply because that is “the way things are done”.

For the purposes of this study it is most necessary to look for a simple and broad explanation of the phenomenon. The most obvious and widely used definition is that provided by Transparency International for their research into the practices of corruption globally. This organisation defines corruption as: “the abuse of entrusted power for private gain” (Transparency International, 2012). This is by no means the broadest definition available, nor is it the narrowest but it makes no definitive assertions about which definitional category it fits into to. Furthermore, the notion of clientelism will be included as a form of corruption in this study, and this definition provides for that if one is to assume that private gain can also be defined as to include holding on to power and re-election by cutting deals with the electorate.

For the purposes of measuring corruption, it is no coincidence that I will also be relying upon Transparency International’s Corruption Perceptions Index. Whilst not without problems, it provides one of the most comprehensive measures of corruption available drawing upon the data provided in other indexes and also data it has itself collected (Transparency International, 2012). Further to this, I will be using data gathered by numerous other studies into the effectiveness of CCTs in combating poverty as well as inspecting the reported way in which the system of CCTs has been organised in the particular cases of interest to this study. It is hoped by doing this that a well rounded and comprehensive picture can be drawn of whether CCTs have indeed helped to combat corruption within the welfare sector.

The idea of street level bureaucracy will be one of the numerous opportunity structures this study will explore. Street level-bureaucracies represent the state on a micro-level. That is to say, they are the members of society responsible for enforcing policy at the lowest level, that of the street and have everyday interactions with the large body of citizens for whom these laws are most relevant. These bureaucrats

include a variety of public officials including police officers, fire fighters, teachers, and public facing civil servants. It is this last group with which this study is most concerned as their role in the welfare state is key to most selective systems of benefit distribution. Even more importantly, the discretion with which they are charged creates the opportunity structures for abuse (Rose-Ackerman, 1999).

Probably most relevant form of abuse that this study will focus on that is distinct in many respects from corruption but also shares a number of overlapping features with it. Clientelism is an additional phenomenon which CCTs have been designed to remove. There are many similarities between clientelism and corruption, and drawing clear definitional lines between the two can be complex, however, there are some key characteristics which are acknowledged to distinguish one from the other.

Clientelism has similar problems to corruption in that there are many definitions of it. A good starting point, and a broad definition that includes a base understanding of what the term entails is given by Scott (1972) who defines it as a relationship:

“...in which an individual of higher socioeconomic status (patron) uses his own influence and resources to provide protection or benefits, or both, for a person of lower status (client) who, for his part, reciprocates by offering generous support and assistance, including personal service, to the patron.”

(92)

There are further elements of clientelism that are important when considering the opportunities that exist for it to take place. The existence of a variety of nuances

are important elements of this research in determining whether CCT programmes have been successful in their secondary objective of tackling clientelism. Roniger (1990) takes Scott's definition further and defines clientelism as a:

“Two-person (dyadic), voluntary, reciprocal, face-to-face link between individuals of unequal status who exchange non-comparable goods and services in a relationship that may involve affectivity, is based on norms of reciprocity and obligation, and plays out over time and across a broad series of interactions” (2).

Roniger's definition is unique in many ways because it points out an imbalance in the central relationship. There is also a significant contradiction between ideas of coercion and exploitation, and a voluntary aspect and mutual obligation. This is a fine distinction though that should be considered when assessing the type of clientelism taking place.

The imbalance in the central relationship is also the concern of Legg (1975) who suggests that:

“Resources do not have to be equivalent, but have to fill mutual expectations”
(4, 2008)

In all of the above definitions, the key to the relationship is the reciprocity that exists between the patron and the client, the benefit is granted on the condition that something is given in return. Even though this is not explicitly stated in Legg's understanding, the idea of mutuality is enough to infer reciprocity. This is where one

can draw a clear distinction between the concepts of clientelism and phenomena such as pork barrelling, appropriating government funds for projects specifically within the politician's own district or constituency. The practice of pork barrel politics does not include a promise of a reciprocal relationship, rather the politician grants a set of benefits to a certain group with the hope that they will return the favour at the ballot box (Hicken, 2011). Similarly, it is important to distinguish clientelism from vote buying, a distinct phenomenon in politics. The significance of this difference comes in the fact that vote buying involves a one time arrangement for the exchange of a commodity, usually money, in return for a vote at the ballot box.

Another important distinction one must consider, not entirely unrelated to reciprocity, is the line that must be drawn between policy programmes favouring a certain element within society and a clientelistic tool designed to reward or encourage those who have pledged or given political support, particularly at the ballot box. This is made especially difficult with the example of welfare distribution. The poor are targeted by the programme and what can often appear as a form of political manipulation may be little more than a genuinely beneficial government policy designed to improve the lot of those in with the least in society. It is also believed from an historic understanding of clientelism, that the poorest in society are also the most likely to be targeted by political parties for manipulative purposes (Zucco, 2011).

This distinction is possible to draw however, by remembering that the existence of a degree of reciprocity or an exchange is a vital component of clientelism. For redistribution, the policy exists to transfer resources from one defined group of individuals to another and within that group, no individual is excludable.

However, clientelism implies that the benefits of a policy will be delivered in response or after a promise has been made to vote in a certain way.

Furthermore, for these political exchanges to continue to take place over many elections, and in order for those responsible for distributing the benefits to those who were loyal to the party, partisan networks must exist. These allow parties to identify, cultivate, monitor and reward voters for their loyalty and they are a crucial part of clientelism, especially in isolated or rural communities. It is no doubt likely that those who receive benefits will be more likely to vote for the party that initiated a policy of wealth redistribution in their favour, but where no selective targeting and no monitoring of individual electoral behaviour takes place, it would be hard to define the activity as clientelism (Zucco, 2011).

Finally, it is also important to note that clientelism does not just have to involve a reward but can be a threat as well. Similarly a member of authority with party connections would be required to issue such a threat, and it clearly highlights how sinister and how much of an obstacle clientelism can be to the progressive forms of redistribution some governments try to implement.

Understanding both the concepts of clientelism and corruption is an important part of identifying the most crucial element of this study, the existence of opportunity, as this is what the study has been designed to measure.

Defining what constitutes an opportunity is difficult to do without direct reference to the circumstances involved in the CCT programmes being investigated. A good starting point perhaps is to consider a basic definition of opportunity.

“A time or set of circumstances that makes it possible to do something”

(Oxford English Dictionary, 2013)

With reference to CCTs, this can mean a number of things. As demonstrated, the act of extracting a bribe or developing a political deal with someone is contingent upon the circumstances allowing it to happen. Where weak deterrents exist or abusive practices are seen as historically normal, an opportunity exists for abuse to take place. When assessing the ability of CCT programmes to remove these opportunities, one must look at a number of factors. First, the attempts that have been made to remove opportunities from the programmes and whether they have successfully achieved this or not. As an example, strong rules and strict deterrents may have been introduced for government officials who are seen to be extracting bribes or promising the delivery of benefits for those who grant a certain party or candidate political support. However, it may be that whilst deterrent have been accounted for, there is no way of enforcing such rules, the policy has failed to remove the opportunity for abuse to take place.

The second component of such study, is not the failure of certain aspects of programme design, but a failure to consider them all together or a practical cause for avoiding implementing them within the programme. An example of this would be completely failing to design any rules or deterrents for abusive behaviour further allowing it to take place.

Finally, one can perhaps most obviously identify opportunities for corruption and clientelism where those two activities still take place, so where exchanges of bribes or political support for benefits has taken place, the opportunity clearly still exists and such transactions could take place in the future.

With these factors in mind however, identifying opportunities is dependent upon an understanding within this area of study that certain rules restrict certain types of behaviour whilst others do not. In other words it very much depends on the

examples provided in the cases below and an academic understanding of their implications.

In order to measure the existence of opportunity clearly, I will identify opportunities at two levels of government. Whilst Mexico and Brazil have very different governmental arrangements in many respects, they both operate a federal system. For this reason, one is able to clearly identify different levels of government and the institutions therein. With regards to CCTs, the programmes have been specifically designed to tackle abuse at these different levels in different ways. Taking these factors into account, I will split the analysis of opportunity into two sections, the federal level and the municipal and community level. With this arrangement it will be possible to clearly highlight where opportunities do and don't exist and simplify the presentation of the research.

What I hope I have included here is a brief but important overview of the main terms and themes of this study and how they will be approached throughout. Many of the debates surrounding the semantics of these terms still rages on, but these conclusions are broad enough, I hope, not to upset too many and provide the following empirical work with its backbone.

Part II: The Cases

5. Mexico

5.1 Corruption and Clientelism in Mexico

Like much of Latin America, Mexico has had a long and arduous relationship with corruption. It is a problem in many areas of society and whilst much has been done recently to rectify its existence, it is clearly deeply ingrained and a problem that will take generations to solve.

Mexico sits at number 105 in the world on the Transparency International Corruption Perceptions Index (CPI) and scores 34 out a possible 100¹. This fact is supported by some other revelations made by Transparency International's work. According to their Global Corruption Barometer, 31% reported paying a bribe in the previous year and 26% said that they had to pay a bribe in order to receive a service they were entitled to, which may have included welfare benefits (Transparency International, 2011). This I believe demonstrates that, at the very least, Mexicans consider their society to be corrupt.

It is also significant to consider which elements of Mexican society are considered corrupt and to whom the bribes have been paid. 82% of those sampled viewed political parties to either corrupt or extremely corrupt and 79% said the same about public officials and civil servants (Transparency International, 2011). Latino Barómetro, a Latin American opinion polling group, asked two questions of significance for this study to a Mexican sample. They asked:

¹ As a point of reference Denmark, Finland and New Zealand all sit at the top of the table with scores of 90, and Somalia, North Korea and Afghanistan foot the table with scores of 8 (Transparency International, 2012).

“Imagine that the total of public servants in your country was 100 and that you should say how many of among these 100 would say are corrupt?”

The average response to this question was 73 (Andrews, 2011).

They then asked:

“Do you think there is more, the same, or less corruption among politicians than the rest of society?”

In reply to this question, 54% of those asked answered more (Andrews, 2011). Whilst these questions do not reveal the genuine levels of corruption taking place within Mexico, they do inform us of people’s perceptions and therefore what people expect from their public officials and politicians.

Indeed, Mexico’s political history is dominated by one political party who from 1929 to 2000 never lost a national election and had the entirety of public resources at their disposal to use as electoral tools. The Partido Revolucionario Institucional (PRI) consolidated an almost unbelievable string of victories and developed what Mario Vargas Llosa, the Peruvian Nobel Laureate, called “the perfect dictatorship” (Andrews, 2011). This was made possible by networks of partisan groups on the ground and corrupt practices at all levels of government for many years including forms of patronage, clientelism, and old fashion bribery (Andrews, 2011).

A time did come, though, when PRI’s stranglehold Mexican politics became uncertain, and at the end of the twentieth century, it became clear that corruption had become an electoral issue. This prompted a series of institutional and legal changes to

try and alter the status quo, but something so deeply ingrained in society takes time to change and so corruption and clientelism persisted. In 2000, Vicente Fox became the first non-PRI president since the Mexican Revolution and the leader of the Partido Acción Nacional (PAN) introduced further changes to tackle corruption at all levels.

In 2002, the Federal Law on Transparency and Access to Public Information was passed and the Federal Institute for the Access to Public Information was founded. With these came tough penalties for public servants who risked breaking the law. But changes were also made at an institutional level, and one of the foremost concerns of the Fox administration, and the preceding PRI administrations for that matter, was the abuse of the large scale welfare schemes that the country had put in place to help its most disadvantaged.

Welfare programmes in Mexico have a long history of being used to further the electoral goals of the leading political party, PRI. This was specifically facilitated with the assistance of community organisations with partisan interests.

Mexican clientelism in welfare has its roots in the 1980s when the introduction of PRONASOL necessitated the use of community groups to distribute funds and ensure that the benefits were going to the right people. Reports of the programme being used a tool of political manipulation were widespread and academics generally agree that it was used as a way for PRI to hold on to power (Menocal, 2001).

5.2 Oportunidades: History and Programme Design

As with most government programmes and policies, Oportunidades has a protracted but evolutionary history. The necessity of a major welfare programme initially targeted at Mexico's rural poor was first recognised in the 1980s when much of Latin America was coming to the end of its era of Import Substitution Industrialisation (ISI) and witnessing a shift towards the worldwide dominant politics of neo-liberalism.

President Salinas introduced a number of programmes designed to channel funds to the poor of the country. Chief among these was the Programa Nacional de Solidaridad (PRONASOL) and the foundation La Compañía Nacional de Subsistencias Populares (CONASUPO). PRONASOL was a programme designed to fund basic infrastructure projects in rural communities and CONASUPO was a government funded network of food stores and supermarkets that provided food at a subsidised price. Both of these programmes were extremely vulnerable to political abuse, and at a time when PRI felt their power threatened by an increasingly popular PAN, they were used for just that. Infrastructure projects were handed to loyalist PRI areas as a reward and incentive during election times and CONASUPO stores were similarly distributed according to political support. The programme earned itself a reputation as a tool of clientelism and consequently the name "PRInasol" (Ansell and Mitchell, 2011). As Peter Ward says, PRONASOL was "a key source of potential patronage with which to win friends and influence people" (1994: 61).

Throughout the 1980s, CONASUPO food stores were specifically placed in loyal PRI areas and upon their privatisation in the mid-1990s, were given to loyal PRI supporters (Andrews, 2011). It was then decided by the new Zedillo administration to abolish PRONASOL, CONASUPO and the other programmes of welfare, and replace them with one overarching policy. This was extremely unpopular and led to a great

shift of voters from PRI to the centre-left opposition PRD. After all, the benefits of subsidised supermarkets and money for infrastructure had been used as a way of keeping poor communities on side. The news that they were to lose their rewards for electing PRI was inevitably going to illicit a dramatic electoral response in an allegedly ingrained system of clientelism.

President Zedillo abolished PRONASOL in 1997 and replaced it with a programme called Progresa. The significance was that it was the first CCT programme to be implemented anywhere in the world and provided the blueprint for much of Latin America, and the rest of the world, to follow. Progresa was not only supposed to combat poverty through conditional payments to household heads, but also increase the efficiency of the programme and, significantly for this study, combat corruption and clientelism that had by then become as much a part of Mexican welfare as the programmes themselves. There is some debate as to whether measures that Zedillo introduced as safeguards of Progresa, which will be outlined below, were effective, but whether or not clientelism was still prominent in the distribution of government aid, it did not help PRI maintain power at the 2000 national election.

Vincente Fox made a number of changes to Progresa and renamed it Oportunidades. These were by and large the same programme but with slight tweaks here and there, and a large expansion of the programme to include not just rural areas, but the cities as well.

I believe that this provides a very brief history of the welfare programme and with this knowledge, I can now discuss how the programme attempted to tackle both corruption and clientelism through careful, and not so careful, institutional design.

Oportunidades grants a payment worth between 20%-30% of their household income per month provided that the family meet the requirements the government has

set them (Grimes and Wängnerud, 2010). These conditions ensure that children attend school, which is by far the main priority of the programme, oblige families to have regular health checkups and attend hygiene courses, and recipients must attend community meetings regarding the implementation of Oportunidades. Because of the element of conditionality, however, these schemes can only run in communities with adequate health and social care and education facilities and this had provided one of the most prominent criticisms of the programme. Significantly, discretion in defining and withdrawing eligibility is limited and transparency and clarity during the selection process was granted a great level of attention during the programme's design.

These institutional arrangements all had far reaching consequences for the opportunities to commit offences related to this programme. Below is an analysis of the Oportunidades programme in an attempt to establish which areas of the programme have been most effectively or ineffectively designed in order to remove the opportunities for corruption and clientelism.

5.3 Oportunidades: Corruption, Clientelism, and Opportunity Structures

5.3.1 Federal Role

The body with the responsibility of applying and supervising Oportunidades is the Secretario de Desarrollo Social (SEDESOL). SEDESOL in turn created the Commission for Transparency and the Combat on Corruption. SEDESOL then appointed the National Population Council (CONAPO), who are also responsible for carrying out the Mexican census, to develop an index by which the eligible communities for the programme would be chosen based on a criteria of need. It was then ascertained which of these communities had access to the relevant educational and health facilities and were therefore able to comply with the conditionality aspect of the scheme. Finally, each family within the chosen locality was designated a points rating based on requirement and all those who met the points total required were granted access to the programme.

The most significant element of this part of the programme is the fact that it is completely free from political interference as both SEDESOL and CONAPO are distinct from any government ministry. This makes it difficult, although not completely impossible, for the programme to be allocated on political criteria.

The distribution part of the programme was a little more troublesome at first. Initially, the programme designers wanted to avoid using local liaisons so as to avoid, as much as possible, an opportunity for exploitation. As a result of this, money was transferred directly to the recipients by SEDESOL, who were the only group permitted to include or exclude people from the programme.

This process of centralisation was directly designed to tackle bribe paying and abuse by local government officials. In that respect, the most important development was the move away from civil servants in the localities determining who is eligible and who is not. The initial results with regards to bribery are promising. 5.9% of Transparency International's respondents in Mexico reported paying a bribe in order to receive a welfare payment² in 2001. When the study was repeated in 2003, 2005, and 2007, this had fallen to around 2.8%. These statistics are supported by figures from the rest of Mexican society, who did not fare so well. 12% reported having to pay a bribe for in order to receive a building permit, 23% had to pay bribes in order to have rubbish collected, and 30% had to pay a bribe in order to receive a stolen vehicle. Even more compelling is the fact that the average for paying bribes in the public sector was 10% at the time each of these surveys were conducted (Grimes and Wängnerud, 2010).

Grimes and Wängnerud (2010) use their study on this subject to suggest that:

"...any positive effect of CCTs on quality of government might be due to the cumulative effects of this new emphasis on audits, evaluation and monitoring, on a substantial number of doors being closed to grabbing hands, and on the enhanced ability of citizens to resist dubious transactions as a result of improved standards of living and reduced vulnerability." (677)

The early developments of the programme are certainly consistent with this as the opportunity to pay bribes was eradicated by the structure of Oportunidades. All money was paid from the SEDESOL central office in Mexico City, and eligibility was

² This study included not just Oportunidades, but other welfare programmes too.

also dealt with by officials many, many miles away from the beneficiaries making it at least extremely difficult and complicated to attempt to request kickbacks for the safe transfer of a benefit payment.

Whilst this fight against bribery was important, it was a dedication by a succession of government to see social programmes used for genuine social purposes rather than political ones. This involved a number of measures beginning with a spending restriction. It became illegal to increase the reach of the programme six months before a National Election to prevent the tactical allocation of funds or vote buying. This is one of the most successful elements of the scheme and is virtually impossible to circumnavigate, primarily of the depoliticisation of the selection and distribution process (Grimes and Wängnerud, 2010; De La O, 2013).

Transparency and accountability are fundamental parts of avoiding abuse of any government policy. It was vital to let the recipients of Oportunidades know how the programme worked and what it entailed. Armed with this information, it would be much harder for local officials to mislead or lie to recipients about non-existent criteria if they knew as much about the programme as possible before its implementation.

Santiago Levy, the chief architect behind Progresa, was determined to break the cycle of clientelism and placed transparency and objective qualification criteria amongst his primary goals for development of the programme. The fact that following data collection and selection, this information was passed on to the communities involved to comment, and the documented history of the programme was made available in the public records, supports this notion of transparency.

Progresa had a very clear a fixed set of criteria that were required in order to become a recipient of the programme. It was eligibility based on poverty and not party loyalty. At the time of foundation, Levy said this to the recipients:

“We remind you that your participation in Prgresa and receipt of benefits are in no way subject to affiliation with any specific candidate running for public office. No candidate is authorised to grant or withhold benefits under the programme. Eligible beneficiary families will receive support if they show up for their doctors’ and health education talks, and if their children attend school regularly. Any person, organisation, or public servant that makes undue use of programme resources will be reported to the competent authority and prosecuted under applicable legislation (2006: 107).

This not only gives a succinct but solid description of the programme, but also disseminates a message to the Mexican people about what is expected from them and what they should be wary of when receiving welfare payments from the government.

President Zedillo conveyed a similar message to the people upon launching Progresa in Chiapas in January 2000:

"The Progresa programme belongs to all of you; Progresa is a programme that the government has created with resources that the Mexican people have given to it. It is not fair that Progresa or any other government programme to be used for electoral purposes... The government has its responsibilities, and political parties have theirs. Let us keep those separate. If someone tells you that in exchange for the benefits of the programme you have to vote for this or

that party, report that person because he or she is committing a crime."

(Menocal, 2001: 522)

Voicing this message to Mexico was the important first step in creating transparency and accountability. With this information, recipients knew where they stood and were better placed to understand that the extraction of bribes or the exchange of benefits for political support was not a legitimate part of the programme.

Later when the programme changed its name to Oportunidades under the Fox administration, campaigns were initiated to generate a system of public oversight and provide information regarding the programme to communities all over the country. In addition to this, the selection criteria and mathematical formula used to do this were made publically available and the role of the private sector, traditionally the shadiest quarter of social policy, was removed (de la Jara, 2008). Finally the complaints system allowed for accusations of wrongdoing to be reported by both telephone and letter.

A concerted effort was made to help people understand what their responsibilities and those of public officials were. But however loud the politicians shouted, they were not able to reach everybody and, as we shall see, circumstances of abuse and misinformation were perpetrated by local officials despite the hard work to help recipients realise that this was not legitimate.

Despite this, clientelism was still reported, especially in those states with a strong history of it. Many were asked to guarantee their vote for PRI in exchange for benefits and asked to sign their name on a list along with their electoral card ID number (Menocal, 2001).

The role of the federal government in Oportunidades is central to removing the opportunities for abuse to take place. Only the central authorities have the ability to select areas and candidates and exclusion of any beneficiary cannot be done without their say. This limits the role that government officials play on a local level and the face-to-face interaction of those with discretionary powers is removed. However, changes were still required within local communities, and whilst much of the good work was done in removing power from local politicians, municipal and community involvement remained vital.

5.3.2 Municipal Role

Despite the fact that some corruption scholars believe that the extension of red tape can be detrimental to the fight against abuse (Rose-Ackerman, 1999), a complex system of checks and balances was introduced to Oportunidades in order to prevent exploitation by the public officials charged with operating the programme as well as wrongful claims by those who wish to receive it. So what results is a system design that tackles both the supply and demand side of the programme.

The centralisation of the programme was key to this process and created an important link between the federal government and the people, a link that had not before existed. However, that the stream of communication only travelled in one direction, from the government down to the people and in order for the scheme to be successful, there had to be a two way system of communication. And, even with the one stream of communication, the government were struggling to disseminate the relevant information efficiently.

Because of the remote localities often involved in the scheme, recipients were often not being informed of selection criteria and whether they had met the required conditionalities to receive their payments, a key element of the envisaged transparency of the programme. The remote locations of the beneficiaries also created problems for the most important element of the programme, the payment, the dates of payment were frequently unknown and many recipients did not have bank accounts so therefore had to have the money delivered to them by mail or by hand, a clear opportunity for bribe extraction or political manipulation to take place. In addition, SEDESOL were struggling to carry out accurate beneficiary surveys without local interference. As a result of this a complaints system known as Sistema de Atención

Cindadana was established by which recipients could contact SEDESOL via the telephone or mail without local interference (de la Jara, 2008).

This meant it became necessary to rethink the direct government link to the people without intermediaries. It was decided that a "transmission belt information system" was to be set up. Two types of intermediary were created. First a Enlace Municipal (Municipal Liaison) who was paid by the locality to provide advice to beneficiaries on issues such as payment dates, and ensure the safe delivery of funds to beneficiaries without a bank account. Second, a Promotora (Community Promoter) whose responsibility it was to represent the beneficiaries and transmit information to the Enlace Municipal regarding receipt of payments and their proper use (de la Jara, 2008). In time, their powers increased and they became responsible for such duties as helping to update survey information. As an attempted safeguard, these intermediary roles had to be appointed by the local council and were bound to be:

"...guided by the principles of non-partisanship, transparency, and honesty, and must not be a representative of any political or religious organisation, and should not be assigned to the duty if under investigation for electoral crimes" (Andrews, 2011: 220).

As with the programme's controls against bribery, the lack of discretion at the lowest levels is key to preventing the programmes being used a political tool. As I have explained, initially no discretionary powers were handed down from the central government to community level, but this created inefficiencies and prevented the smooth running of the programme. The additions of Promotoras and Enlace

Municipals became problematic and it appeared that old habits were struggling to be disposed of. The Enlace Municipals were being appointed by Mayors to ensure that credit for Oportunidades was being associated with them and thus they became political tools (de la Jara, 2008). In addition to this, Promotoras were seen as having too much discretionary power in their reporting role.

In 2002, the Promotoras were eventually replaced with Committees of Community Development (CPC) which consisted of three, and later four, beneficiaries of Oportunidades and were elected by their peers. They acted as representatives of CONAPO and carried out certain monitoring and advisory responsibilities, but lacked discretionary powers (de la Jara, 2008). The CPCs, however, only appear to have made this problem worse. Those elected to the boards frequently abused their positions and asked beneficiaries to carry out extra community work or provide kickbacks, in addition to completing their conditions, before receiving their welfare payments (de la Jara, 2008).

Despite this, community assemblies were given strong powers and were able to offer their opinions on those who were undeservedly receiving the benefits and those who were in need of them but were excluded from the programme, although, it is important to note that the final decisions still remained with SEDESOL and no actual discretion was handed to the CPCs (de la Jara, 2008). Whilst it became necessary to increase the involvement of communities in social policy, it is clear that doing so opened up a set of possibilities to commit abuse that had been removed by the complete centralisation of the programme.

Other areas of vulnerability are also still present at a local level, not least in the process of confirming conditionality, the least well regulated part of the scheme. Doctors, nurses and teachers are responsible for reporting whether the recipients are

complying with the conditions they are required to in order to receive their welfare payments. This provides an opportunity for abuse on both the demand and supply side. Teachers have reported feeling pressurised to report that children are attending school despite frequent absences and health care workers are reporting similar pressures with regards to checkups. It also provides an opportunity to extract bribes from recipients, although this has not been widely reported as a problem (de la Jara, 2008).

A controversial area of Oportunidades is the involvement of civil society groups. Some, such as de la Jara (2008) believe that their involvement in such scheme promotes clientelism and bribery. However others, such as Grimes and Wängnerud (2010) argue that their involvement helps to mitigate the opportunities for abuse by government employees. Regardless of this, the Mexican government decided that one way in which the stream of communication could be improved upon, was to include civil society in the programme. In 2005, the Programme of Incentive for Civil Society Organisations was set up in order to help monitor the programme. In Mexico, however, the relationship between the government and civil society is a little more complicated than perhaps most, and many groups were reluctant to take part. Peasants' associations, workers' unions and community associations had all been removed from the initial programme design because of such a strong link between them and clientelism. There was a hope by Levy (2006), the aforementioned architect of Progresa, that regular welfare payments and compulsory opportunities for members of the community would encourage civil responsibility (Adato, 2004). However, there are allegations that rather than bringing communities closer together, they have in fact been driven apart by jealousy and resentment from the families that are not receiving the benefits (Adato, 2004). Additionally, community members were reluctant to form

new civil groups for fear that they this would be seen as questioning the government's programme and they would lose their welfare payments as a result (Grimes and Wängnerud, 2010).

Not only were new groups not forming, but existing groups were reluctant to take part in the programme and a year later, 2006, only 58 had signed up to be part of the Oportunidades process. There are number of reasons this is believed to be the case. First, the programme is aimed specifically at women, they receive the payments and are responsible for ensuring complicity. Many of the existing civil groups however, were workers' groups aimed at agricultural and factory employees, very much male professions in socially conservative rural Mexico. They also had little to gain from supporting the beneficiaries of the programme, especially now that their involvement was being encouraged by PAN, the old enemy, and the opportunity for exchanging welfare for votes was being closely scrutinised (de la Jara, 2008).

The initial design of Progresa and Oportunidades appeared to be near to watertight in preventing corruption and clientelism with the notable exception of monitoring that beneficiaries were meeting the required conditions in order to receive payments. The direct link between government and the people was well intentioned, and matches the ideas of some corruption scholars who believe that dismantling the structure of discretion is a very forceful way of eradicating abuse. However, this proved to be inefficient, and it became increasingly difficult for the government to distribute information and payments to remote areas. From there it was decided to begin to reintroduce the community groups and intermediaries that had been the problem in the first place, and even if things had changed and community groups were more honest than before, they did not want to be involved anyway. In addition, the complaints procedure, whilst far more advanced than it had ever been under

PRONASOL, still meant negotiating a goliath government organisation with a remote possibility that action will be taken right down the line from central office to the person involved (de la Jara, 2008). These actions increased the opportunity structures that are seen as so poisonous in the fight against corruption and clientelism.

6. Brazil

6.1 Corruption and Clientelism in Brazil

Brazil does fare slightly better than Mexico in the Transparency International CPI. It falls into 69th place in the world with a score of 43 out of 100 (TI, 2012). When the Latino Barómetro surveyed Brazil and asked “imagine that the total of public servants in your country was 100 and that you should say how many of among these 100 would say are corrupt?” the average answer was 61. However, 31% of people surveyed for Transparency International’s Global Corruption Barometer said they believed public officials and civil servants to be corrupt (Andrews, 2011). In addition, Brazilian respondents scored their public institutions at 3.2 on a scale between 1 and 5 (5 being extremely corrupt) creating a solid picture of a society perceiving itself as corrupt.

Despite the fact the Brazilians consider their country to be so incredibly corrupt, very few report paying a bribe. According to Transparency International’s Global Corruption Barometer, only 4% of those questioned reported paying a bribe within the last twelve months, and only 3% said they had paid a bribe in order to receive a service they were entitled to. And yet, in 2009, a survey carried out by the University of Brasília found that 18.8% of public employees admitted to receiving a bribe (Andrews, 2011). Furthermore, between 2003 and 2012, 4,000 government employees were fired for corruption or dishonesty (TI, 2013). This perhaps demonstrates that there is a disconnect between actual incidences of corruption and perceptions, and even then the figures appear to be contradictory. Efforts have been made to fix this apparent problem and the 1994 Código de Ética Profissional do Servidor Público Civil implemented a code of ethics across all areas of government

and detailed strict and strong reprimands for those found to be contravening them. It is important to remember, however, that bribery is not the only form of corruption and perhaps the Brazilian people's view of their political parties reflects this.

As in Mexico, political parties are seen as the single most corrupt institution in country, and are given a score of 4.1 out of 5 for corruption (5 once again being extremely corrupt). In answer to the Latino Barómetro question "do you think there is more, the same, or less corruption among politicians than the rest of society?", 66% answered more (Andrews, 2011).

Brazil's political parties have earned this reputation for good reason. A strong history of clientelism at a local level and recent scandals, such as 2005's mensalão (big monthly stipend), have undoubtedly served to strengthen this conviction. It was genuinely believed that going into the 2006 presidential election, that the corruption scandals of high profile politicians had rendered a Lula victory nearly impossible. However, Lula was able to convince the people that things would change.

Authors such Avritzer (2000) and Hilgers (2008) place a great deal of emphasis on the clientelistic links that are necessary for politics to operate effectively in such a large and disparate country. Politicians' success in Brazil is frequently measured on their engagement with local issues, infrastructure projects, and personal favours, making generating a rough understanding of how clientelism became so important (Nylen, 2003). There are also beliefs that Lula's charismatic presence and political factionalism are important for understanding Brazilian clientelism.

The instances of corruption in Brazil are often very creative and audacious. On one occasion, voters were given one half of a pair of havaianas (sandals) and then received the other half when the candidate won the election. On another occasion in 2007, the Governor of Paraíba was removed from office after it was discovered he

had distributed R\$3.5 million to over 35,000 people in exchange for political support (Fried, 2012). Specific examples aside, what is clear from Brazil's political traditions is that trying to mitigate the instances of corruption and clientelism through programme design was never going to be an easy task.

6.2 Bolsa Família: History and Programme Design

CCTs evolved in Mexico over the course of many years, whereas in Brazil, they were very much following Mexico's lead. Initially, as in many other areas of Latin America, Brazil had attempted to implement universal welfare policies, but the policies were extremely expensive and the pressure of neo-liberalism from elsewhere in the world was enough to force the government to rethink. The universal policy was also extremely poorly managed and the wealthy became the biggest beneficiaries of the programme. The wealthy were better informed and mobilised and therefore received the bulk of benefits in the areas of education, health and pensions (Hall, 2006).

The Cardoso government initiated the first CCT programme in 1999 as a response to the neo-liberal ascendancy and the success of Mexico's Progresa programme in tackling poverty. It was later under the guidance of Brazil's popular leader, President Lula, that a new welfare programme was founded called Fome Zero (Zero Hunger) and the food parcels that had traditionally been distributed to Brazil's poorest families were scrapped. Instead, they were replaced with an electronic card containing a number of credits that could be spent on food. Fome Zero was initially only trialled in a small number of localities in order to effectively consider its functions.

Fome Zero was largely seen as a failure and after 2004 it was replaced with Bolsa Família. The new programme proved to be extremely popular, especially with wealthier voters who saw it as a productive form of wealth redistribution, and along with improvements to the economy, it is said to have been instrumental in Lula's re-election in 2006 (Zucco, 2011).

The selection process is very much similar to that of Oportunidades, but with the added complication of a variety of layers and cut offs within the means testing. For example, those considered “very poor” receive more money than those simply considered as “poor”. Also the number of children within a family incurs an extra stipend per child, on the condition that the child attends school 85% of the time, has vaccinations, and regularly attends health clinics and participates in nutrition classes. In addition to a means tested payment, beneficiaries also receive a gas subsidy worth R\$15 every two months and a food card worth R\$50 every month (Hall, 2006).

The model followed in this Brazilian CCT is very much based upon the standard set by the Mexican programme only a few years previously; a strong role for a central government agency, an element of conditionality, and a design to deter clientelism.

6.3 Bolsa Família: Corruption, Clientelism, and Opportunity

6.3.1 Federal Role

There is a very strong history of welfare programmes being used for abusive purposes in Brazil. Before their abolition in 2003, for example, food parcels had been traditionally used to buy votes. In 1998, an election year, 30 million food parcels were distributed across the country, which was nearly double the amount that had been distributed in previous non-election years (Hall, 2006).

The role of distributing these new benefits was given to a new organisation, the Ministério Extraordinário de Segurança Alimentar (MESA). Local mayors were unhappy with this new organisation as they had previously seen distribution of goods and services to be part of their responsibilities (Ansell and Mitchell, 2011). As a result of this, MESA was scrapped after the 2004 and distributive powers were handed back to mayors. The Lula administration also decided to combine all of Cardoso's existing CCT programmes and Lula's food cards³. This created Bolsa Família, the world's largest CCT programme covering around 40 million people and 13 million families which equates to around 20% of the population of Brazil (Zucco, 2011).

After 2004 and the foundation of Bolsa Família, the Ministério do Desenvolvimento Social (MDS) became responsible for the programme. This government ministry administers the programme, sets the targets, determines eligibility, monitors and rewards municipalities that perform well, and pays beneficiaries where it can through the banking system. The programme is audited as part of a randomised executive branch auditing programme which is carried out by the

³ Bolsa Escola (Education), Bolsa Alimentação (Maternal nutrition), Cartao Alimentação (Food card), and Auxílio Gás (Subsidised gas)

Comptroller General and the constitutionally independent auditing authority (Zucco, 2011).

One notable difference in the design of Bolsa Família to that of Oportunidades is that the responsibility for deciding eligible municipalities is the responsibility of a government ministry, which has as its head a party political figure. Fried (2012) acknowledges some irregularities in the distribution of eligibility. In some areas, the number of families being enrolled was deemed to be greater than the number of families that were actually eligible. In other areas, some families failed to be enrolled all together. This latter problem may be explained by the rapid expansion of the programme and as an anonymous government official admitted, the capacity did not exist for such rapid expansion and the municipal governments of Brazil were unable to monitor new recipients (Hunter and Power, 2007). This in itself is problematic as this rapid expansion took place three months before the 2006 election, a manipulative possibility that is taken into consideration in Oportunidades, but not, it seems, in the case of Bolsa Família. Understanding Fried's first concern however, that of more families being registered than officially eligible, is less easy to explain away and demonstrates a possible example of political manipulation. Whether it is actually happening or not, the opportunity certainly exists.

Some areas where Lula is very popular have a much greater proportion of recipients than those areas where he is not. This was most obvious in the Northeast of the country leading up to the 2006 election. Lula's vote in this region, where around half of all households receive payments under Bolsa Família, was between 56-80% (Hall, 2008). There are some debates about whether Lula rewarded voters or not by expanding Bolsa Família to areas that supported him in 2002 in the months preceding the 2006 election. It is certainly true that vote swings in Bolsa Família heavy regions

were dramatically in Lula's favour, and even turnout was dramatically improved upon (Hunter and Power, 2007). However, it is important not to conceptually stretch the idea of clientelism in what much evidence suggests was a systematically distributed social policy (Fried, 2012; Hunter and Power, 2007; Hilgers, 2008; Hall, 2008). A social policy such as Bolsa Família was clearly going to be popular with the country's poor and therefore vote returns were always going to be good in areas with a large number of beneficiaries. One could be accused of cynicism for calling this clientelism. In addition to this, it would be hard to argue that Bolsa Família had a purely vote winning purpose due to another of its unique factors. For the first time in Brazilian social policy, the government developed a welfare programme that involved individuals and groups that were usually excluded from the country's democratic process. These groups included street dwellers, quilombola communities (descendants of runaway slaves), and indigenous groups. These groups historically have little electoral value in Brazilian society and therefore their inclusion could partly be used as evidence that the programme had much more than the power grabbing purpose some have suggested (Hall, 2008).

Ultimately, the federal government makes the bulk of the most important decisions and little discretion is allowed to creep into lower levels of bureaucracy. The federal government set the quotas, pay for transfers, develop and operate the computerised systems that select, register and distribute the welfare (Fried, 2012). These are the elements of the programme that are most vulnerable to political manipulation and whilst there is room for manipulation at a federal level, the opportunities for a more targeted and specific form of clientelism would be far greater were these responsibilities to belong to municipal and local officials. At that level of

government, the propensity to either extract bribes or develop a client – patron relationship is far greater (Zucco, 2011).

To conclude, two considerations stand out from the federal role in Bolsa Família. First, the department in charge of its implementation are a government ministry with a political figure at its head. This means that it is possible for the programme to be manipulated from on high and many have accused this of being the case prior to and following the 2006 Presidential election. This leads to the second consideration, there is no safeguard against such abuse and no controls regarding the timing of programme expansion have been built in to Bolsa Família. This leaves two distinct avenues for clientelism to continue in a similar vein as it historically has in Brazil.

6.3.2 Municipal Role

Municipalities have an important role to play in Bolsa Família and it was discovered early on that efficiently and effectively operating the programme without their cooperation was extremely difficult. Municipal authorities are specifically responsible for identifying families that the federal government has deemed eligible and enrolling them into the programme. Significantly however, municipal officials have no power to include or exclude particular families. This also means that local politicians are unable to guarantee particular families that they will be included following election, or offer any Bolsa Família related perks as a consequence of their electoral support (Fried, 2012).

This said, Bolsa Família has granted a significant number of powers to groups at municipal level. Certain aspects such as data collection, registration and monitoring of adherence to conditionality are all carried out by a Conselho de Controle Social (Social Council). The members of this council are appointed by the mayor and come from the public and civil society groups.

The transition from Fome Zero to Bolsa Família was initially troublesome with regards to who was responsible for distribution. The grumblings of mayors who saw welfare distribution as their responsibility caused major problems. Cynically, one could argue that this was due to fact that mayors wanted to use the programme as a clientelistic tool and increase their stranglehold on power. Perhaps more realistically, it was due to the fact that they wished to take credit for the programme and ensure election victory next time round. This is perhaps a fine distinction, but it is an important one to make. Significantly, in the latter of those two scenarios, no form of monitoring or exchange need take place and if one is to follow certain criteria set fourth for clientelism, this would not qualify.

Municipalities are also responsible for encouraging and establishing the means by which civil society is to have a role in Bolsa Família. Civil society groups are very much involved with the planning, evaluation and oversight parts of the programme, all of which is believed to be more effective if carried out at a local level. Whilst discretion is limited, there certainly still exists a possibility for abuse at this level. There are 5,500 municipalities in Brazil and the level of responsibility granted to municipalities means that each area has its own different approach to their responsibilities. Enrolling potential beneficiaries and ensuring that conditions are met are the two most vulnerable areas of such responsibility. This may be one of the reasons for Fried's concerns with eligibility and enrolment disparities (2012).

Little data appears to be available on the extent to which bribes have been paid within Bolsa Família. There have been many reports in the Brazilian press, though, of corruption and resource misuse, perhaps explaining why perceptions of corruption amongst public officials are so high (Hall, 2006). But many of the same opportunities that exist to make clientelism a possibility at a local level, also serve to maintain the possibility of bribery taking place.

One of the most severe problems regarding the conditionality of the programme and certainly an opportunity for bribery to take place, exists in the fact that teachers and doctors have become reluctant to report when pupils absent from school or families decline to attend health check-ups, knowing that the consequences for the family of losing the welfare payments are severe (Hall, 2006).

A concern also exists with the registration programme, which is also a responsibility of the municipal authorities. Whilst municipalities are unable to prevent people from registering it is possible that they can target the registration of certain families for political purposes. There are very few occurrences of this taking place

though, and qualitative research suggests that proper oversight and enforcement combined with the well publicised facts of the programme being federal and available to all who meet the requirements have largely mitigated this avenue of abuse (Fried, 2012).

Nevertheless, political manipulation is said to have taken place in 10% of all cases and goes to show that perhaps transparency does not necessarily lead to accountability and mayors' offices are seen as being very much pivotal in such cases. Although Social Councils were a compulsory part of Bolsa Família, one third of municipalities did not have any following the 2006 election and it was here where the worst abuses took place. Occurrences of beneficiary registration and selection were associated with the highest levels of local government, and in some circumstances these procedures took place in the Mayor's office (Hall, 2006).

Where Social Councils did exist, there were problems too, and opportunity for abuse still remains. The selection of the members of social councils is open to politicisation as they are selected by the mayor of the town and come from members of the public and civil society groups meaning that the possibility for patronage strongly exists. In addition to this, one quarter of those who sat on the Social Councils were also beneficiaries creating a conflict of interest (Hall, 2008). This also creates a breeding ground for clientelism to take place. It is also the case that Social Councils were extremely reluctant to provide a policing role for the programme and therefore the design of Bolsa Família became compromised. Without proper enforcement, the programme lacks the ability to be able to properly monitor and punish those accused of wrongdoing. This provides one of the foremost opportunities for abuse to take place in the form of weak or non-existent enforcement and punishment procedures (Hall, 2006).

The local level of any social policy certainly represents its Achilles heel. This is where abuse can take place on an individual level away from protocol and restrictions. The failure of government centralisation has meant a move to a more localised projects and the degree to which local organisations are charged with responsibility has left the door wide open for bribery and client – patron links to form with suggestions that the latter is still taking place.

7. Comparison and Discussion

I hope the evidence provided explains adequately how each programme was designed and to what degree opportunities have remained and been eradicated due to the strengths and weaknesses of the programme design. I would like to now compare the two programmes highlighting key differences, and demonstrate that the similarities in the programmes' respective designs have led to the same opportunities for abuse existing. In addition to this, I will discuss some of the possible reasons for the failure to completely remove all opportunity structures and the implications of the programme design as it is.

The difficulty, it is argued, in eradicating clientelism from the systems of both of these countries is the fact that it is so deeply ingrained in their political cultures. And the fact that clientelism is very much a part of the political make up is significant in understanding why some opportunities for political manipulation still exist. However, the nature of the clientelism is argued to differ and that may help us to understand why each government has had difficulty in removing it by using a very similar programme design.

Ansell and Mitchell (2011) argue that Mexico and Brazil are distinguished, in terms of political exchange at least, by two varying types of clientelism, corporatist and bossist.

Corporatist clientelism exists where the people of a given country view the state as their main benefactor and hold it accountable for welfare distribution. This of course means that the success of a programme is seen to reflect upon the state. Mexico certainly falls into this category, and when one considers the domination of PRI over the affairs of that country, it makes perfect sense that PRI would wish for

such a state of affairs to exist. Indeed, according to Ansell and Mitchell (2011), corporatist clientelism is more likely to take place under hegemonic party rule and it is expected that people develop a sense of loyalty to the large, national institution. It also means that when designing a welfare programme that would attempt to mitigate corruption and political manipulation, the government were more than likely aware that its success or failure would fall on their shoulders. This may also perhaps explain why the Mexican government were so reluctant to entrust their new scheme to anybody working at a local level. Not only would this increase the possibility of abuse, but the central government would be blamed for it if clientelism or bribery continued to take place.

The second type of clientelism is bossism. This variety exists where the population of a country view local figures (mayors, land owners, local politicians etc.) as being responsible for distributing resources and therefore hold them accountable for any successes or failures and, Ansell and Mitchell (2011) assert, that bossism is far better equipped to resist centralisation. This is the case in Brazil and would go some way to explaining why the mayors of various localities in Brazil were so aggrieved by the foundation of MESA and the removal of their responsibility to distribute resources. Traditionally it had been their responsibility and they wanted to reap the political rewards from the programme. Under a system of bossism, it is expected that people develop close, personal ties with local figures and, therefore, the distribution of policy information and the opportunities for political manipulation become strong.

In Brazil, however, because of these links, it became easier to share the problems of the scheme with local figures and the logistics of spreading the programme nationwide were assisted by pre-existing foot soldiers. In Mexico, however, the programme took longer to roll out and the government were unwilling to

pass responsibility into the hands of the unknown knowing that the consequences would become the national government's problem.

The problem that bossist clientelism creates is that it increases the possibility of political manipulation and provides the opportunities for local officials to take advantage of individuals involved in welfare schemes, either for political purposes, or for the purposes of extracting a bribe. This would also be the case under a corporatist system when the dominant party is dedicated to dishonest practice. However, in Mexico, because of the change of power from PRI to PAN, and the dedication of the government to prevent corruption, especially through the use of a central depoliticised agency, opportunities for abuse are more limited. Had this remained the case in Brazil, then perhaps the studies conducted into this matter would be more conclusive. However, the initial design was inefficient and unfeasible.

The types of clientelism perhaps represent some of the differences between the countries and the way that CCT programmes were implemented. The solution for both countries was, in many ways, very similar and that was to introduce local committees to take some role in the CCT programmes. Although the purpose of these committees in each country was different, the effect was largely the same on clientelism and corruption. In Brazil, they were introduced as a way of policing local figures and preventing their abuse of the programme, a positive development for those who wished to see the programme used to reduce clientelism. In Mexico however, they were used as a way of granting some control of the programme back to the local areas as the solution to a logistical problem, and this increased the opportunity for abuse. However, in both programmes, the power to select beneficiaries was seen as the operation most vulnerable to abuse and that remained squarely in the hands of a central government agency.

This highlights one of the biggest quandaries for programme designers. There existed a catch-22 problem, in that probably the most effective way to remove the opportunities for abuse was to give the non-politicised federal government as much control over the programmes as possible, but this created huge inefficiencies and rendered the programme ineffective. Schwartzman sums up the dilemma here:

“The federal government is unable to supervise the behaviour of poor families throughout the country; local governments and municipalities are either inefficient or tied up with local elites, or both; and community grass roots organisations are easily captured by political parties and movements” (2005, 25)

These forms of clientelism bring us to a central over hanging debate in this study, were CCTs introduced and subsequently used as a tool of clientelism or simply just a way of garnering the support of the poor? Or, is it possible to call what took place clientelism, or is it in fact systematic welfare policy rewarded at a later date by voters. It appears that under both systems of clientelism, the national governments were keen to take credit for the work done, and in both cases the schemes proved to be very popular and a vote winner. In both Mexico and Brazil, the incumbent party at the time the programmes were fully implemented won second terms. Felipe Calderón replaced Vicente Fox in 2005, continuing PAN's first ever period of control in Mexico. And, in Brazil, the Partido dos Trabalhadores (PT) won their second spell in power when Lula was replaced by the country's first female president, Dilma Rousseff.

In their studies, Ana L. De La O (2013) and Wayne Cornelius (2004) demonstrate that those receiving welfare were considerably more likely to vote PRI

than any other group, in the 2000 election at least. De La O claims that this is not evidence of clientelism as no pre-existing arrangements were in place and it was not possible for the party to punish voters for renegeing on promises. I believe, however, the evidence highlighted above, demonstrates that in actual fact the opportunity for abuse was very much present at time of the 2000 election and beyond. In Mexico, it is likely that the propensity to vote for PRI was down to a beneficial policy, which would of course mobilise voters to do what they could to prolong the policy. The evidence, however, suggests that in some circumstances, Oportunidades was still being used as a tool for political mobilisation or support, and this was facilitated by weaknesses in the programme design.

Another not inconsiderable aspect of both Oportunidades and Bolsa Família that is believed to have an impact upon incidences of abuse therein is the role played by women in both programmes. In the vast majority of circumstances, the welfare payments are made to the woman of the household as its head. There is strong evidence to suggest that the an increased role for women in society reduces rates of corruption and it is believed that women are less likely to offer bribes (Grimes and Wängnerud, 2010). Even if one is sceptical about such claims, it is hard to undermine the significance of women in the programmes. The CCT programmes of both Mexico and Brazil prioritise the role of women believing them to be key in the success of the poverty alleviation aspect of the welfare programmes. Their role in combating corruption comes as an added bonus. This theory, however only affects the supply side of corruption and not the demand, which is perhaps of greater concern. The most popular incidence of supply side corruption in welfare takes place when an individual is seeking to involve themselves in a welfare programme they are not entitled to be a part of. This is less of a problem than abuse by the party on the demand side, but it is

concerning when a public servant asks for a bribe in order to distribute the benefit to those who deserve it. Here we can see another example of how the opportunity for abuse has been mitigated in one area and left untouched in another. The role of women in the circumstances of Mexican and Brazilian welfare is seemingly constrained to beneficiary and no effort has been made to increase the role of women in the distribution. This may be a reason why results regarding the efficacy of such programmes to tackle corruption are mixed.

the role of civil society in the implementation of welfare programmes has the greatest potential to split the debate. There is evidence to suggest that their involvement will provide accountability, but also to generate even greater opportunities for abuse. It certainly appears true that societies with stronger civil societies experience less corruption and clientelism (Grimes, 2008). This was certainly taken into consideration when the CCT programme was formulated. Santiago Levy (2006), the main architect of Progresa, and in many ways the person who provided the blueprints of the CCT for the rest of the world to follow, saw it as a central part of the programme. It was his belief that the introduction of benefits would enable people to turn their attention to matters of community but, as I have noted, this did not necessarily happen. Well intentioned though it was, the involvement of community groups in the distribution and policing of the welfare programmes perhaps caused more harm than good and certainly created opportunities for abuse.

The selection process for both the CPCs in Mexico and the Social Councils in Brazil left a lot to be desired in terms of transparency and the groups themselves created some of the most obvious opportunities for bribe extraction, exploitation and political manipulation (Adato, 2007). We know that not only did the opportunities exist, but that abuse was frequently reported particularly with regards to clientelism

and that a lack of information meant that beneficiaries were willing to conform for fear of losing their welfare payments. Additionally, well founded civil groups in both countries had a long history of working with political parties in order to help generate votes for them. This makes it unlikely that the involvement of civil society in monitoring or taking any responsibility in the schemes would have helped to improve the situation unless they themselves were closely monitored, a situation which by that point would become farcical.

The governments of both countries have refrained from passing down discretionary powers to community groups, something that would certainly help to prevent exploitation of beneficiary families or the inclusion of undeserving recipients. However, it is clear that the use of local organisations and a utilisation of local knowledge is a significant part of governing countries like Mexico and Brazil where there exist many communities, some of which are living in extremely remote locations, often untouched by anything close to a nationwide institution. In Mexico the exclusion of local officials and groups created great inefficiencies and in Brazil the exclusion of mayors and local officials in the distribution process met with hostility. Whilst the benefits of creating a direct link between the state and the people seems desirable, and seems to be one of the best options for limiting abuse within the welfare system, it appears that such a direct relationship is not logistically possible. The implication of this is that the opportunities for abuse will have to be mitigated in other ways.

Another element of both the CCT schemes that allows opportunity structures to persist is the existence of conditionality. The conditional part of CCTs is central to their design and requiring beneficiaries of welfare payments to attend school and health checkups is considered to be an essential part of breaking the cycle of poverty.

However, with regard to opportunity structures, the conditional element causes a problem. The monitoring of conditionality can only be done at a local level and must involve the educational and health care providers. This has created an obvious Achilles heel to the programme as doctors and teachers can be bribed into reporting participant compliance without it having taken place. Equally, it is possible for these service providers to extract bribes in order to report favourably, even if conditions have been met. The monitoring of these aspects is extremely inadequate in both Mexico and Brazil with little or no supervision at all and as has been demonstrated has additionally resulted in teachers feeling reluctant to report absence knowing full well the consequences. Indeed, the conditionality element is considered controversial by those concerned with the effect of the schemes to reduce poverty. Many argue that removing benefits because of failure to meet conditions is unfair and that welfare of this sort reduces recipients' dignity and is paternalistic. With regards to reducing corruption, it has the potential to provide one of the biggest problems for the programme and could severely affect its efficacy.

What I believe this has demonstrated, is that certain elements of the policy design of both Oportunidades and Bolsa Família have led to the same opportunities for corruption existing highlighting common variables. The mitigation of these opportunities could be achieved in other such schemes were they to learn from the examples that Mexico and Brazil have set.

8. Conclusion

The existence of opportunity is a key reason why corruption and clientelism take place. If one believes that in a truly opportunistic world people will seek to maximise their party's success, or line their own pockets, then I believe the above evidence suggests that the CCT programmes of Mexico and Brazil have done a lot to both mitigate and encourage this.

The programmes have, to a large degree, been successful in removing opportunities for corruption and clientelism to take place. To begin with, both countries have put in place a strong set of laws and punishments, and although these do not necessarily remove opportunities, they do affect the balance of costs and rewards of taking part in bribery or clientelism.

Secondly, the main responsibilities of the programme lie with central authorities. This includes the responsibility to select programme areas and beneficiaries and this has certainly had the most marked effect on opportunities. The Mexican Oportunidades programme has done this more successfully than Bolsa Família however. This is due to the fact that the central authorities responsible for implementing the programme in Mexico are completely depoliticised, as opposed to Brazil. Mexico have also been able to implement a spending and expansion ban on the programme six months prior to an election preventing the programme being used as a vote-buying tool or being handed out as a tool of clientelism at the whim of local politicians.

It is important not to read too far into the actualities of Bolsa Família's expansion prior to the 2006 election, though. The evidence from this period does not suggest that a wide spread programme of clientelism took place. The reality is far

closer to either vote-buying or just a grateful Brazilian poor thanking their government for making them wealthier, the kind of practice that takes place in democracies the world over without a hint of suspicion.

Despite this progress, the federal level failed to take complete unadulterated command of the CCT programmes primarily for practical reasons; either they did not have the political support required or the programme was not being implemented efficiently enough. This has resulted in a shift of some responsibilities away from the central government and into the hands of local community organisations. This has provided an opportune set of circumstances for those wishing to abuse the programmes and evidence suggests that this has in fact happened frequently in both countries.

Despite this, there are still questions regarding the role that civil society groups can play in the welfare programmes of both countries. Some believe that their inclusion will encourage abuse whilst others suggest that they provide a vital element of oversight and organisational assistance. This is certainly an important avenue for further study and Mexico and Brazil may not be bad cases for such research. Civil society groups have been far more willing to involve themselves in the Bolsa Família than Oportunidades and this may have had an effect on the number of opportunities that have arisen for malign behaviour to take place.

Finally, the issue of conditionality has provided the programme with perhaps its greatest weakness, it also happens to be the element of the programme that has received the most support from the World Bank. The monitoring of recipients' compliance gives a good deal of scope for abusive behaviour to take place and the oversight of it is something that requires a great deal more careful planning in order to make it entirely watertight.

Whilst both Oportunidades and Bolsa Família have been carefully designed to tackle some of the biggest historical political problems that both Mexico and Brazil face, they have only been partially successful. With these factors in mind I believe I have found a great deal of evidence to support my first hypothesis. I also believe that the evidence demonstrates that the failures of one programmes have in many respects been replicated in the other, perhaps for different reasons, but leading to the same opportunities. This provides support for my second hypothesis.

There is scope for a great deal more work to take place with regards to both these programmes and understanding how they can help to mitigate opportunities for corruption and abuse. I believe that specifically, more needs to be done in order to ascertain whether civil society groups are a positive or a negative addition to the programmes. Also, the role that women play could be explored in more detail.

The implications of these programmes could prove to be a continuation of old habits or the beginnings of eradicating clientelism and corruption within two rapidly growing economies where this is an essential part of their transition to economic efficiency. What the evidence does demonstrate is the power and importance that government policy has in tackling these problems and that with intelligent, well thought out policy design, a government can help their people without being accused of political manipulation or bribe extraction. I no doubt believe that both governments will continue to monitor the situations within their social programmes, but in order for all opportunities for abuse to be mitigated, further planning and restructuring of both Oportunidades and Bolsa Família will have to take place.

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