Overlapping Jurisdictions: Social Program Delivery and Multilevel Governance *

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Abstract

In decentralized states, what level of government is responsible for deploying different social policies when there is an absence of specific rules that define their jurisdictions? The absence of clear rules that delimit jurisdictions over social policy gives rise to a potential overlap in delivery. I understand an overlap of jurisdictions as those cases where more than one level of government deploys a social program that is intended to address the same need on a corresponding population. I propose a theoretical framework to think about how the interaction between national and subnational governments explains the variation in this overlap. I use the case of Mexico to study this phenomenon, using both administrative data and elite interviews to motivate the mechanisms. Leveraging on an original dataset of the whole universe of social policies in Mexico, I operationalize the concept of overlapping social programs in terms of the definition of the programs. Using the statutes, objectives, and description of each program, I quantify duplications in the type of services offered by different levels of government. Then, I show that variation in overlap is associated with (i) the type of benefit delivered (monetary/non monetary) (ii) issue area (iii) electoral cycles (iv) and partisanship. Programs that offer monetary benefits, in the health and social development areas, and are implemented close to election years, are those with higher overlap. Moreover, opposition municipalities within opposition states are more likely to observe an overlapping policy.

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In decentralized states, what level of government is responsible for the delivery of social policy? How are these policies delivered in the absence of specific rules that clearly define the prerogatives of different levels of government? Can these jurisdictions overlap, especially if we consider that both national and subnational governments are accountable to the corresponding constituencies? And does this potential for overlap affect the reach and coverage of these policies? This set of questions motivates my research.

In the past decades, two trends were commonplace in different regions of the developing world. The third wave of democratization was characterized by a transformation of the political panorama of different polities across the globe. A decrease of the legitimacy of a prevalent authoritarian rule and a steady growth of the economies in these states contributed to the rise and consolidation of more democratic institutions in countries from Latin America, Africa, and Europe. (Huntington [1993]). One of these institutional changes is the decentralization of political, fiscal and administrative power. Decentralization, as a broad concept, conferred subnational governments with a larger set of prerogatives over the implementation of policies, the design of processes of electoral and political competition, and the task for collecting taxes, among others (Falleti [2005]). Subnational units gained a greater autonomy and by consequence, their relationship with the central government was imminently reshaped.

At the same time, many of these countries embarked on a transformation in their welfare regimes, leading to greater coverage of their populations with different state interventions intended to improve their living standards. Both in terms of numbers and coverage, governments in Latin America, South East Asia, South Asia, the Middle East, and North Africa extended the forms and degree in which they reach their constituencies (Haggard and Kaufman [2008]). Previously unprotected sectors of the population gained access to various forms of state protection (Garay [2016]), and new forms of coverage were designed and deployed attending to the specific needs of these regions (Esping-Andersen [2013]; Gough et al. [2004]; Segura-Ubiergo [2007]). The reasons explaining the birth and increase of social regimes are diverse, as well as the study of their consequences both in economic and political terms.

While there has been plenty of work devoted to the understanding both the effectiveness of a policy in addressing populations’ needs ¹ as well as the potential for political use of these programs ², less attention has been paid to the political process that takes place in

¹For instance Baird et al. [2013], Lagarde et al. [2009] and Rawlings and Rubio [2005] show a collection of evidence on the effectiveness of conditional cash transfers for poverty alleviation, health, and schooling outcomes.

²Specifically, I refer to the literature on politics of redistribution and clientelism, where social policies,
decentralized states that determines who delivers which social program and how. New social programs have emerged and others have increased their coverage both in terms of the populations that have access to them as well as by the type of issue areas being covered. But, what level of government has been responsible for designing and implementing them? How can we understand the deployment process in decentralized settings, where different levels of government not only hold but also defend their role over different tasks? So, given the intrinsic strategic nature of the interaction between levels of government, which policies are delivered by each level of government? And how does this interaction manifests?

I answer these questions by relying on the strategic interaction between levels of government. The national and subnational governments have their own set of incentives to provide (or not provide) certain social policies. Specifically, subnational governments face two types of trade-offs. The first one, which is an economic trade-off, refers to the incentive to not provide a costly social program when the national government is already doing so. However, in the absence of effective coverage by the national government, the subnational unit will be interested in complementing the shortcomings of the center. On the other hand, subnational units observe a political trade-off. In one regard the subnational unit can opt to “behave” according to the prerogatives of the center. However, social policy can be seen as an area where the local governments vindicate their control over their corresponding geographies. Moreover, the delivery of goods can also represent an opportunity for credit claiming. Because of these reasons, local governments can also have an interest in providing some form of social programs despite the presence of the national government. The interaction of these incentive structures leads to my hypothesis and a set of observable implications which I further discuss.

I use the case of Mexico to answer these questions empirically. First, since the early nineties, the Mexican political system experienced a deep transformation towards democratization. Paired with an increase in political competition at all levels of government, Mexican subnational units experienced an increase in prerogatives and roles in terms of political, administrative and fiscal responsibilities. Second, Mexico’s social policy environment has exhibited a noticeable increase in the forms and number of social programs intended to reach previously unprotected populations regardless of being programmatic or clientelistic, have been studied as vehicles to raise electoral support.

Collier and Collier [1977] respond these questions in the specific case of state-labor relations in Latin American countries in order to categorize different types of corporatism.
The lack of clear specifications on the jurisdictions over realms of social policy delivery can shed light on some empirical observations. The predictions from the literature on decentralization help us understand why certain administrative areas are delegated to certain levels of government (Falleti [2005], Dickovick and Eaton [2013], Dickovick [2006]) and how subnational units react to the implementation of national policies at the local level (Niedzwiecki [2018]). However, empirically I observe not only the delegation of policies or resistance from the subnational government, but a different reality: multiple national policies have mirroring subnational policies, with similar definitions and objectives, that operate in parallel to the operation of the national government efforts. Why?

The rest of this document is structured as follows. The next section gives a brief overview of the literature on social policy and decentralization. The third section develops a theoretical framework and presents my hypotheses. Then, I discuss the empirical setup that will be used to answer my research questions. Here, I explain the operationalization of my dependent variable, which is the overlap of social policies between levels of government, and the data used to measure it. I understand as overlap as the existence of more than one social program with similar objectives, operating on a specific area and that are administered by two different levels of government. Then, I show some preliminary evidence on what covariates predict overlap. I finish with some further steps and a discussion on the relevance of this project.

Welfare, social policy and decentralization.

The first body of literature to which this project relates is the welfare states and social policy literature. Starting with a definition, I understand welfare states as the collection of state’s activities oriented to improve the living conditions of their populations and that are usually grouped in - but are not limited to - four broad areas of social policy: cash benefits; health care; education; and food, housing and other social benefits (Lampman, [1984]) . Not all states count on the same set of policies, and not all welfare regimes emerged from the same set of conditions. The explanations for the surge of welfare states are varied and have been attributed to both historical, political, economic, and sociological reasons. (Flora [1981], Haggard and Kaufman [2008], Esping-Andersen [2013]) These regimes emerged as a response to long term processes and basic development problems, where a system of power consisting of distributing elites, service bureaucracies, and social clienteles. With the rise of the notions of citizenship, the objectives of security, economic freedom, and equality were increasingly replaced by a new objective that was the provision of secure social services and
transfer payments in a standard and continuous way, that was not restricted to emergency assistance. (Marshall and Bottomore [1950])

Some of the explanations for the rise of the welfare state have to do with the structure of the party system. For example, Huber and Stephens [2010] argue that partisan politics, as well as the relationship of the state with the working class, are the determinants that shape the development of the welfare state through time, and that explain varieties of types of welfare states. Similarly, Iversen and Iversen and Stephens [2008] show that there is strong evidence that left-controlled governments tend to support redistributive policies. Other authors have conceptualized why while Europe has experienced the rise of welfare in many forms, other developed countries such as the United States remained conservative in terms of welfare provision. In his work, Pontusson [2005] investigates the determinants of welfare in different European countries and the United States. He focuses on dimensions such as the dynamics of the labor market, the distribution of income, and the structure of the private markets to understand why some countries engage in welfare-enhancing regimes and others do not.

While they had a rising ubiquity, Western welfare states did have variations between them. In this regard, Esping-Andersen [2013] offers a three-level classification of welfare state regimes. First, the liberal welfare states, who offered means-tested assistance and a modest set of universal transfers. Second, the corporatism welfare states that came from a tradition of granting social rights, and preserved some statutory differentials between social groups. The last one is the social democratic regime, where universalism and decommodification were extended to a new rising middle class.

Some other scholars have recognized that the emergence of welfare states in developing countries has followed different trends, both as a result of the reasons that push for its emergence, as well as for the package of goods offered by these systems Carnes and Mares [2009]. For example, in the Latin American context, in recent decades electoral competition in the midst of democratization has explained an increase in social policy (Diaz-Cayeros et al. [2016b]; Garay [2016]) In a similar vein, other works have documented different actors that have been involved in the pursuit of expanding social policy benefits. For instance, the work from Nam documents the healthcare expansion experiences from Thailand and South Korea. Contrary to the expectations of a period of austerity and privatization, these countries experienced a push for progressive welfare policy initiatives. She argues that the rise of new welfare actors, denoted as solidarity coalitions, were those in charge of brokering alliances among societal and state actors to advance health reforms. These coalitions where conformed,
in the case of Thailand, by professionalized bureaucrats from the Ministry of Health that worked together with a network of NGOs, while in Korea the NGOs worked with labor unions to enhance the effectiveness of the pressures for universalization. Similarly, Harris [2017] argues, in the realm of healthcare, labor unions tend to oppose universalistic reforms that diminish members’ existing benefits. In this context, he argues how professional movements played an important role in the expansion of healthcare benefits in industrializing contexts. As opposed to mass movements, that are formed by laypeople, professional movements are composed of networks and have access to state resources that allow them to push forward for universalization.

Overall, the welfare state and social policy literature has provided a wide range of explanations on when, why and how welfare regimes have emerged across the globe. Special emphasis has been paid to the actors that pushed for the emergence of this set of policies, but after the establishment of the package of benefits and the recognition of social rights, it is still imperative to understand the political and economic processes which state actors need to go through to deliver those services.

The present project investigates how the relationship between levels of government in federal systems affect the attributions of social policy provision. This delivery decision has come in many cases, in a context of decentralization, where different attributions of governance are divided across levels of government. In the last decades, decentralization emerged as one of the most common policy trends in development, and Latin America was one of the world regions where this phenomenon was more ubiquitous. Across the region, national governments increased automatic revenue transfers, devolved control over important services like healthcare and education, and surrendered the right to appoint subnational officials. All told, decentralization broke with the centralist traditions in the region, delegating power to lower levels of government.

Decentralization is not a singular and even process. Rather, it embodies a series of transformations to the balances of power and responsibilities between the national and subnational governments. Moreover, how decentralization unravels is not homogeneous but can follow different paths. In this sense, Falleti [2005] conceptualizes the processes through which states decentralize, by identifying three main areas of decentralization as a whole. These three dimensions of decentralization are: political decentralization, that refers to the sphere constitutional amendments and electoral reforms designed to open new spaces for the representation of subnational polities; fiscal decentralization, which entails the ability to increase
the revenues or fiscal autonomy; and administrative decentralization, which comprises the set of policies that transfer the administration and delivery of social services such as education, health, social welfare, or housing to subnational governments. Administrative decentralization may entail the devolution of decision-making authority over these policies, but this is not a necessary condition. Falleti argues that these three dimensions of decentralization take place sequentially and that each specific sequence is differently preferred by either the subnational or national government. For example, the least preferred part of decentralization for subnational units is administrative decentralization, since it implies the responsibility to deliver social policy, while political representation is the most valued one since it gives more autonomy over who and how rules the subnational territory. My work focuses on the implications of administrative decentralization.

A venue through which federalism manifests more clearly is through fiscal federalism. However, as Garman et al. [2001] argue, theories of fiscal federalism explain the efficiency and other economic gains from decentralization but do not explain its extent and nature in practice. In their work, the authors develop a political theory of decentralization that focuses on the lines of political accountability between politicians at different levels of government. The authors show that the more accountable central-level politicians are to subnational leaders, the greater the extent of decentralization and the more it will conform to the preferences of subnational politicians, for instance, concerning the degree of the center’s discretion. This argument helps explain some problems governments have encountered in decentralizing, including subnational debt crises and a mismatch between responsibilities and resources. For the sake of this work, decentralization poses a challenge where subnational units may opt to not align with the central government, and where misalignment may not be limited to the realm of fiscal policy but other areas such as administrative tasks such as social policy deployment.

Decentralization can be seen as a relative loss of power for the central governments. In this context, in most Latin American countries central governments seek channels to regain presence at the subnational level. In their work Dickovick and Eaton [2013] document four types of strategies that central governments have implemented in their aim to regain presence at the local level. First, they can implement policy strategies, where policy measures such as Conditional Cash Transfers have increased the center’s prominence relative to the subnational governments. Second, they can pursue bureaucratic strategies, where central officials have used their powers over national bureaucracies to advance centralizing objectives, through the suppression or side-lining of certain bureaucratic agencies, the creation,
and funding of others, and the use of decentralization to check independent action by sub-national governments. Third, they can deploy institutional strategies, that can take the form of reorganizations of the executive branch bureaucracy. For instance, these can take the form of attempts to use national institutions like judicial bodies and the military to limit the subnational governments’ autonomy, and experiments with institutional layering that fragment the subnational authority. The fourth type of strategy is societal initiatives, where national officials have sought to activate, support and bolster certain subnational civil society groups, either with the expectation that these groups would then force subnational governments to adopt behaviors sanctioned by the central government or in the attempt to build public support for the recovery of central authority.

Subsequently, Dickovick [2006] analyzes how central governments have used decentralization to weaken intermediate levels of government. He carried out an analysis of three countries: Peru, Brazil, and South Africa in the nineties. The author addresses why central governments opt for municipalization -understood as the delegation of prerogatives to the municipalities- and how these processes proceeded. The author argues that the decision of municipalization is completely political since the central government has the incentive to counter the power of the intermediate level of government. Among the strategies used for that purpose, countries have opted for expenditure delegation to municipalities, and juridical changes to strengthen the local power vis-a-vis the state governments. These cases show that central governments can make tactical decisions in intergovernmental relations to favor one level of subnational government to the detriment of another.

But in the story of decentralization, the central government is not the only one with a repertoire of strategies to balance its power at the local level. On the other end, subnational units have incentives to react to the actions of the center. In the realm of social policies, Niedzwiecki [2018] explores why social programs in some regions of Latin America have produced uneven results in terms of coverage. The answer to this unequal reach of national policies relies on the local political context. Specifically, the implementation of national policies is jeopardized by the nature of the political alignments across territorial levels. When a subnational unit is governed by opposition parties, we can expect a hindered implementation of national policies. However these limitations occur when there is clear attribution of responsibilities on who is delivering the good. The argument is tested in both Brazil and Argentina, analyzing the reach of the national conditional cash transfer programs and universal healthcare. A policy such as a cash transfer, where the recipient gets the benefit directly from the government, faces a hindered implementation in opposition states. On
the other hand, a policy such as healthcare, where the inducements are delivered to health facilities rather to individuals, seems to be less threatened by the behavior of subnational governments.

**Overlapping jurisdiction. Social policy delivery in decentralized states**

The literature on social policy and administrative decentralization offers a theoretical framework to analyze the relationship between national and subnational governments. In the face of administrative decentralization, subnational governments are either bestowed with the responsibility to provide certain goods, or not. However, this framework does not allow us to study another type of dynamics between the central and local governments. Expanding the theoretical framework from Niedzwiecki [2018], I argue that subnational units engage in a strategic interaction with the national government regarding the delivery of social programs. This interaction can manifest differently, such as subnational units blocking or mirroring national social programs.

The work from Niedzwiecki [2018] allows us to understand why national social programs exhibit heterogeneous coverage across different subnational units. The author argues that this uneven reach of social policy can be explained as the result of the politics of administrative decentralization, where local governments block the deployment of national programs as a way to claim their autonomy over their geographies. This blockage manifests as an increase in the cost of bureaucratic procedures. However, the present work documents how blockage is not the only strategy available to subnational units, but a possibility among a broader repertoire of actions.

Using the work from Niedzwiecki [2018] as the main theoretical compass for this project, some questions arise. Specifically, in the story of uneven reach of the state, the subnational governments seem to vary only in terms of their political alignment with the central government, which fully determines their behavior vis-a-vis health and cash transfer programs - or programs with low and high attribution of responsibilities-. This setup seems useful to understand how opposition subnational governments can react and counteract the center presence. However, it is unable to explain variations in behavior between opposition units. Moreover, it prevents sub-national units from having differential preferences over policies, which can be driven not only by the political misalignment between the center and the periphery, but
also by local needs, or local state capacity.

My argument is that in the absence of a clear definition of jurisdictions, subnational governments may opt to not block but to deliver their own set of social policies. The decision to do so is not unequivocal but is determined by a different set of costs and benefits. On the one hand, social policies as a form of programmatic policy have been understood as a tool for incumbents to use in tactical ways in the context of electoral competition, even though the evidence remains mixed on the link between tactical redistribution and electoral benefits. (De La O [2013], Zucco [2013], Weitz-Shapiro [2012], Wantchekon [2003]). Moreover, the incentives of the subnational agencies may not be limited to tactical reasons, but relies on the core of democratic accountability. Local governments may exhibit a higher degree of knowledge of the needs of their constituencies. In a context of increased political competition, the form that social policy takes represents the result of the claims of voters vis-à-vis their local governments.

An overlap in the delivery of social policies takes place as a sequence. A policy needs to exist first and then an overlap takes place when a subnational government duplicates the preexisting effort. Hence, an overlap is part of a broader setup of sequences of policy deployment, where the moving variable is the shifts in the delivery agency. I understand a delivery agent as the level of government that is in charge of delivering a determined social policy. Policy delivery agents are neither unique nor permanent. On the one hand, empirically we observe that certain policies are delivered by more than one level of government. On the other hand, while certain policies emerge at a certain level of government, after some periods this same policy can become a responsibility of other spheres.

The next table shows the possible combinations of the aforementioned sequences – $P_0$ refers to who is the first actor in the design and implementation of a policy. It can be either the national government or the subnational government. $P_1$ is which is the level of government that ultimately delivered it. $P_0$ could be understood as either the designer of the policy or also the designer and first agent that delivered it. $P_1$ is the agent that continued the administration of the program.

<table>
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<tr>
<th>$P_0$/$P_1$</th>
<th>National</th>
<th>Subnational</th>
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<tr>
<td>National</td>
<td>$A$</td>
<td>$B_1$, $B_2$</td>
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<td>Subnational</td>
<td>$C_1$, $C_2$</td>
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The previous setup gives place to 6 scenarios. The simple cases – A and D – correspond to those where the designer or first implementer of the policy remains equal. In case A, a policy designed by the national government, is implemented by the national government, similarly for D where a subnational government designs and implements a given policy, without any interaction with any other government level.

For cases B and C the dynamic is a bit more complicated. In the B case, the first mover is the national government. Then \( P_1 \), the subnational government is the actor that delivers the service. But this can happen in two ways. The first one \( B_1 \) is one in which the national government does not interfere in the delivery of the good. This can happen as a result of a delegation of responsibility, such as in the context of decentralization. The second case, \( B_2 \) is a case in which both the national and subnational governments deliver the good. This can be because the subnational government “challenges” the national government by delivering a similar (substitute) good or just claims credit for delivering the good. The second scenario can be that the subnational government adapts a national policy, or adds a local component that works as a complement to the national policy.

In the case of C, we face a similar setup. \( C_1 \) corresponds to those cases where a policy starts at the subnational level, and then the national government takes over the control of it. This can happen as a result of the success of a local policy, for example. The second scenario \( C_2 \) represent cases where a policy starts at the local level, the national government takes over it, but the subnational level continues to deliver it, either as a duplicated program or adding a local characteristic.

In the present work, I focus on the cases where the subnational actors mirror national policies. To be more specific, I present the following scenarios, illustrated in Fig 1. The national government deploys a program. Then, the subnational government can either cooperate or not with the national government. Cooperation takes two forms: either by allowing the national program to be deployed in its territory \( (\theta^c) \) or by complementing the national program \( (\theta^{nc}) \). Non-cooperation from the subnational units takes place in two ways. The first is by blocking the deployment of the national program \( (\theta^n) \). This scenario is the one described by Niedzwiecki, 2018. The second form of non-cooperation is by implementing an equivalent policy that mirrors the activities and goals of the national counterpart \( (\theta^{nc}) \). This is the case where an overlapping social program takes place.
Figure 1: Subnational government strategies vis a vis national policy implementation. Subnational governments can either cooperate or not with national program deployment: Cooperation can manifest in either allow national policies to be deployed or complementing the national program. Non cooperation can be seen as either block the national program by increasing the transaction costs (Niedźwiecki, 2018), or also by creating a mirror subnational policy (overlap).

**Observable implications**

The aforementioned setup gives rise to some observable implications. I am conceptualizing when certain governments spheres are more prone to deploy a policy that mirrors an existent policy from another level of government. It is important to clarify the actors making these decisions. Social policy is generally designed and implemented by members of the executive power working in specific ministries. These groups tend to be a combination of political appointees (ministers) who may dictate the priorities from either the governor, the president, or both, and bureaucrats from the corresponding ministries. These bureaucrats can be either appointed directly by the ministers or be part of a civil service career path. Hence, the incentives within these decision-making groups are potentially both driven by political reasons as well as programmatic reasons.

When are subnational governments more likely to mirror national policies? I group these explanations into two groups: (1) programmatic reasons and (2) political incentives. Pro-
grammatic reasons refer to those explanations where the local government is better suited to cover the population’s needs. This overlap can arise when national intervention falls short of satisfying the subnational unit needs, hence the local government designs a local program to compensate for the center program shortcomings. Another explanation in this realm is that the national policy is not being adapted correctly to the specific needs of the subnational population. Hence, the first hypothesis is

**Hypothesis 1: Subnational programs overlap with the national policy when the national policy is not meeting the local needs**

The political incentives reasoning encompass considerations that depart from the pure programmatic logic. In this category, I elaborate on different sub hypotheses. The first hypothesis refers to the likelihood of cooperation between the subnational and national governments. This cooperation is more prone to take place when there is a party alignment between the two levels of government. Hence

**Hypothesis 2a: Overlap of policies is more likely to happen in opposition subnational units**

However, and recovering the logic of attribution of responsibility described by Niedzwiecki [2018], some programs are more likely to be subject of overlap than others depending on the type of good distributed. Attribution of responsibility refers to the ability of individuals to recognize who is delivering the good or service from a certain program. In this sense, material benefits, such as cash transfers, unemployment benefits or senior pensions -all direct material inducements- tend to exhibit greater attribution of responsibility than a health campaign aiming to educate a population on certain sanitary issue, or programs trying to reduce gender violence in households - or programs with a non-material benefit to society-. Hence, holding constant the specific needs of a state, a subnational government has a greater incentive to create a program with overlap if there is clear attribution of responsibility of the good or service to be delivered.

**Hypothesis 2b: Overlap of policies is more likely to happen in policies that offer tangible material benefits**

Finally, if the expectation is that social programs imply a prospect of credit claiming, we would expect that the emergence of social programs is greater closer to election periods. Hence, the last hypothesis is
Hypothesis 2c: Overlap of policies is more likely to happen in years closer to elections

Scope conditions and case selection

I expect these dynamics to take place in states where (1) local governments have both administrative power to create and implement social programs (2) local governments have a certain degree of fiscal capacity to fund these programs (3) electoral competition takes place at both the national and the local levels.

I use the case of Mexico to test my theory empirically. Mexico represents a useful case for this study both for theoretical and empirical reasons. Since the early nineties, Mexico has experienced both the processes of democratization and social policy expansion. There has been growing political pressures at the local and national levels from opposition parties both to the left and the right of the long-standing ruling party the Partido Revolucionario Institucional (PRI). Despite the efforts from the ruling party to keep control with a strategic delivery of goods, the image of invincibility that kept the opposition dis-articulated, and the alleged efforts to manipulate local and federal elections, (Magaloni [2005]) the seventy-year rule came to an end. With this, Mexico entered a phase of a transformation of its political institutions towards a more democratic setup. It is worth noting for the interest of this project that the first electoral victories of the opposition at the state levels –from the PAN in the northern states, and the PRD in Mexico City– exhibited not only how the political power started to be shared among more sectors of the population, but also how the interaction between the national and the subnational became of a different nature. This relationship departed from the monolithic authoritarian rule across all levels to one characterized by an inherent strategic interaction between misaligned interests.

Amid increased political competition and the consequences of economic policies implemented in the eighties, Mexico joined - and in some cases led- the implementation and design of new policies intended to reach unprotected populations. Scholars have argued that as a consequence of the process of democratization, where previously unheard voices became more relevant in the political arena, it became imperative for the Mexican government to address realities such as the rising rates of poverty, and a high and increasing level of economic inequality (Diaz-Cayeros et al. [2016a]). The birth of Progresa in 1997 as the first national conditional cash transfer program inaugurated a new era on social policy in Mexico. In the
following years, the transformation of the social policy panorama was not limited to large national policies such as the expansion of Seguro Popular, the vehicle for universal health care of Prospera, but was extended to a constellation of thousands of social policies administered at the national, state and municipal levels. Hence, the Mexican case represents a useful setup to test my argument empirically, due to the multilevel nature of its administration, and the diversity and types of policies delivered in this country.

The universe of social policies in Mexico is not limited to the conditional cash transfers program or universal healthcare. The annual number of programs at the national level ranges from 1200 up to 3800 at the state level, and from 3000 to 5000 at the municipal level. Figure 2 shows the variation in the number of national and state-level programs in recent years. It is worth noting not only the huge variation in the number of social programs but also that these numbers are not stable across time. Each year new social policies are implemented, others disappear, and some others may change their name.

To identify the universe of social policies, I use an original dataset on the national, state and municipal social programs. This census contains information regarding each social policy including but not limited to: the objective, description, the social right that it addresses, the targeted population, sex of the target population, the item in the national budget which the funds correspond to, a link to the statutes that rule the operation of the program, among others. This information exists since 2010

Social programs in Mexico are organized in nine thematic areas, that are called social rights. To be considered a social program, the policy, in turn, needs to have as an ultimate objective to safeguard one of these nine social rights. These categories are education, health, income, nutrition, housing, a healthy environment, labor, social security, and no discrimination ¹⁴

Measuring overlapping attributions.

The challenge now is to find a way to compare overlaps in social policies between levels of government. In the lack of a clear definition of responsibilities, we could observe that more than one level of government is providing the same good or services. To identify this, we face the challenge of choosing which characteristic or aspect of a policy to use to classify similarity between different programs. I use the following approach which I argue affords the

¹⁴mentioned in order of number of programs for each category, note that these social policy areas are broader than the four areas mentioned in the literature review.
Figure 2: Number of social policies at the national and state level. Source: Inventario de Programas Sociales, CONEVAL

best opportunity to identify overlap. I use the descriptions and objectives of social policies to track whether a set of a national policy and a state-level policy are mirroring each other, by whether they are accomplishing the same objective in the same social right area.

I use the information from the census of social policies to achieve this goal. I categorize the sample of policies as depicted in Figure 4. That is, for each year and social right area, I try to find a match between each national-level policy with the set of subnational level policies. If there is a policy at the subnational level, in the same year, in the same social right area, and with similar objectives and descriptions of the program, then I consider it to be an overlap.

I construct a measure of overlap in two ways. First, I conservatively construct this measure, by coding by hand the match between national and subnational policies. By reading the descriptions, objectives and social right areas of each policy at the national level, I track whether there exists a mirror policy at the subnational level. For obvious reasons, this first exercise was made only in a sample of policies in a given year. After that, I automate the process using an algorithm to identify the similarity between documents.
Figure 3: Social policies by state and social right
Hand coding a sample

I start classifying the elements from the census of social policies in four categories regarding the overlap between the national and subnational governments. I classify the policies in four categories. If the social policy is a state-level policy, it can take two values: “1” if it is a state-level policy without a clear counterpart at the national level, and “2” if it is a subnational policy with a clear counterpart at the national level. Then, if the policy is a national one it can be coded as “3” which indicates a policy with a subnational government providing a similar good, or “4” which corresponds to a policy without a clear subnational policy counterpart. To assign the corresponding values, I read the “objective” and “description” from the program and compared it with the counterpart set.

This exercise was made with a sample of 10 percent of the policies contained in the census of social policies for 2016. The following figures show a first cut on the categorization of policies. Out of the total number of national policies, 16.7 percent of them do not have a similar local policy and 83.3 percent of them had at least one local counterpart (potential cases A and either B/C correspondingly). In the case of the local social policies in the sample, 44.1 percent had no clear national counterpart while 55.9 percent had a national counterpart (potential cases D and B/C correspondingly).
It seems that there is a considerable percentage of overlap between national policies and subnational policies. To give an example of what overlap looks like, let us see Figure 5. This figure shows two programs that were classified as a match. One program is at the national level (left) and the other corresponds to a subnational program (for the state of Aguascalientes). Ignoring the fact that the programs are named the same, the descriptions of the programs are very similar. First, the national program objective reads:

- **SEDESOL, SCT, SEMARNAT and STyPS participate in the Temporary Employment Program (PET).** The PET contributes by offering social security schemes that protect the socioeconomic welfare of people 16 years or older in poverty situations, who see their status worsened their incomes or wealth for adverse economic events, emergencies or disasters, by offering economic inducements (not permanent) as a pay for their participation in projects of public interest […]

While the objective for the subnational counterpart reads:

- **The Temporary Employment Program (PET) offers economic inducements equivalent to 99% of the minimum wage to people 16 years or older who see their status worsened their incomes or wealth for adverse economic events, emergencies or disasters by offering economic inducements (not permanent) as a pay for their participation in projects of public interest, not exceeding more than 132 wages per fiscal exercise. The program has a priority focus on municipalities with high poverty levels or due to the effects of an emergency for their populations, offering alternative sources of income to improve their quality of life, temporally**

This pair of programs is an example of a match.
Figure 5: Overlap identification

**Automatization of comparison between National and Subnational policies**

Now I need to systematize the categorization of policies. To do so, I rely on a document similarity procedure. Document similarity consists of creating a measure of how alike two texts are. For documents, this measure computes the similarity based on the content overlap between documents, as the number of common terms in each document over the total sum of terms contained in both vectors. For this we will represent documents as a bag-of-words, so each document will be a sparse vector. Hence, we define a measure of overlap as the angle between two vectors

\[
sim(n_i^{y,r}, m_j^{y,r}) = \cos(\theta) = \frac{n_i^{y,r} \times m_j^{y,r}}{|n_i^{y,r}| |m_j^{y,r}|}
\]

where \( \text{sim} \) denotes the similarity between national policy \( n_i^{y,r} \) and subnational policy \( n_i^{y,r} \) and subnational policy \( m_j^{y,r} \). In terms of notation, I compare a set of \( N \) national policies...
\[ n_i (\{n_1, n_2, \ldots, n_N\}) \] against a set of \( M \) subnational policies \( n_i (\{n_1, n_2, \ldots, n_N\}) \) in year \( y \), for a total of \( Y \) years (\( y = 2010 - 2016 \)). Moreover, the comparisons are limited to policies belonging to the same social right area \( r \), where \( r \) corresponds to one of the \( R = 9 \) social right areas: health, nutrition, income, education, labor, housing, social security, no discrimination, and clean environment.

This procedure produces a similarity matrix for each year and social right area. These measures are illustrated in Figure 6, corresponding to health policies in 2016. These figures are read as follows. The \( x\)-axis corresponds to each of the total of 41 national health programs. Each of them is compared to the 440 subnational programs. The comparison is made using cosine similarity, which takes the set of common terms between two documents and divides them over the total set of terms from both documents. Consider two documents that share the exact same terms, this measure would be equal to 1. If there is not a single match in the terms used, this measure would be equal to 0. Hence, the value of this variable lies between 0 and 1 (or 0 and 100 percent). I run this algorithm both with comparison of terms as well as bigrams.

With this algorithm we obtain a set of \( Y \times R \) distance matrices. I recover some quantities of interest for each \( N \) and \( M \) national and subnational policies such as the mean similarity, the maximum similarity and the number of policies that share similarity levels for thresholds 10, 20, 30, 40 and 50 and more percent.

**Correlates of overlap**

I examine how economic and political variables are correlated with the overlap measure. In Figure 7, ?? and ?? I show the distribution of overlap as a function of certain covariates.

The dependent variable is whether a state policy overlaps with national policy. To determine whether two policies match, we need to define a threshold that depicts that two documents correspond to similar policies (e.g. documents with a similarity of 30 percent or more correspond to an overlap). I ran the analysis with different thresholds, finding that 40 percent is the threshold that resembles the most the hand-coding of the similarity between programs. However, the results remain consistent for thresholds ranging between 30 and 50 percent.

First, it seems that certain social right areas are more prone to exhibit overlaps, such as health and education, while others such as social security and environment exhibit fewer
Figure 6: Similarity between documents (policies). X axis corresponds to a national policy. The Y axis corresponds to how similar the national Policy X is to each of the subnational level policies. The greater the similarity, the more alike the policies are in terms of their descriptions and goals. Colored circles correspond to policies with a similarity of 40 percent or more.

duplication at the local level. Second, in terms of the type of inducements and contrary to my expectation, policies that offer non-monetary inducements tend to exhibit greater duplication. Finally, these overlaps seem to change over time, with 2012 being the year with the greatest variation and a high number of overlaps. Interestingly, 2012 was a year with presidential elections.  

Mechanisms

The previous exercise allowed me to identify the extent to which a set of national social policies have a local policy that looks similar. Moreover, I have some preliminary evidence that certain types of policies are more likely to exhibit duplication between levels of government. However, this first quantitative assessment does not allow me identify the mechanisms at

---

6A non linear model specification of the correlates of overlap is presented in the Appendix section
Figure 7: Ratio of national programs overlap by category. Forty percent of overlap is considered as the benchmark of overlap, level that replicates the results from the training set.

play. To disentangle this, I need to reach the people in charge of designing and implementing these policies. Is the duplication of policies a result of a lack of planning, the need to compensate the absence of the central government or a way to defy the center and establish a set of local policies despite the presence of the center?

To shed some light on this, I carried out a series of elite interviews during the summer of 2019 to subnational level policymakers in two states in Mexico. I chose two issue areas in Mexico — health and food programs— since they exhibit the greatest variation in the dependent variable, and two states - Yucatan and Chiapas - since those are two areas with similar socioeconomic outcomes, similar degrees of overlap, but differ in terms of their political alignments. I further describe the nested analysis procedures in Appendix A (Lieberman [2005]).

The subjects of study are bureaucrats working on the relevant ministries (health and social development) in the chosen states. Specifically, for both states and both issue areas, I met with bureaucrats working in the team of the minister, in the finance areas, and in the planning areas. In some cases, I also interviewed people in charge of specific programs. Some of these positions are directly tied to the electoral cycles, especially those in the team of the
ministers, while those in lower ranks have something closer to civil service logic. This can represent a threat to the evidence that I recover from the people with higher ranks in the local bureaucracy since some had only been in their position for less than a year. For that reason, I also interviewed people that worked in the previous terms.

In the following paragraphs, I describe the general dynamics that I identified. The semi-structured interviews had as general topics the design of a new program, the coordination with the central government, and the sources of funding. From these guiding topics, with specific questions within each, I was able to identify the following patterns. I discuss each of them and how they differ, if it’s the case, by my relevant variables of interest (the type of good, and political alignment with the center).

- **Design of a new program** In the four studied cases (two states, and two issue areas) state-level programs are discussed at the state level. In general, each state takes as given the national development plans established by the central government and act accordingly.

Some national programs are adapted at the local level, especially those concerning health. Local conditions exhibit huge heterogeneities that may be overseen in the design of national programs. Overlooking the variations in state epidemiological profiles often derive in the need to follow the lines of the national program, but adding a layer that responds to the local needs.

In a similar respect, but to a lesser extent, states may design specific programs that do not have a national counterpart but represent a pressing issue at the local level. Each of the health ministries in the sites of study have examples of this. For instance, Chiapas reported in the past two years an increase in the number of people poisoned with a specific type of mushroom that started to be cultivated in the San Cristobal area. Hence the government needed to design a program that teaches the population how to recognize and use edible fungi. In a similar respect, Yucatan is one of the first states in Mexico to implement a policy focusing on the prevention of suicides. This program finds its origins in the increase of suicide rates in the whole country, and specifically in Yucatan, the state with the second highest suicide rates. And, since there is a very limited national program for the prevention of suicide, the state created its program.

In both states, programs that are administered in the social development ministry are mostly local versions of the national programs. Social policy in these areas is aligned with the center objectives, and new programs are unusual. However, there is large variation in the way national programs are adapted at the local level, and it has to do
with how the program is labeled and how independent the local operation of it is.

- **Funding and flexibility of budgets:** A necessary condition for a state to design its programs is the ability to fund them. This flexibility can come from two areas. First, the ability of the state to raise its fiscal revenues. Second, how specific and itemized are the funds that the state receives from the national government. Income for the states in Mexico is mostly from transfers from the center (80.8% on average), but still, some flexibility comes from local resources.

The second source of flexibility in the budget, and hence a greater possibility for creating a state program come from the specificity of earmarked transfers. In this respect, it appears to be that transfers for health policy are more diffuse compared to those for social development. In both states, the administrative units from the health ministry argue that even when they are subject to regular audits, there is some degree of action in the design of certain initiatives, whereas social development show a different story.

In the social development sector, I found mixed evidence. In Chiapas, a state-aligned politically aligned with the central government, funding for food and income programs is earmarked and not flexible at all. People from the finance and the planning area of the current and previous teams argue that it is very difficult to make any change to the funding requests and that every item is disaggregated to very specific categories.

This story was different in Yucatan, a state currently misaligned with the President’s party. The corresponding bureaucrats from Yucatan argued that they usually have some degree of freedom in their budgets, and can target more specific populations.

- **The influence of electoral cycles and the lack of continuity** a topic raised in the four cases is how electoral cycles influence the birth and decay of social programs. The influence in the creation of new programs takes in two forms: 1) the creation of new programs in the first year of a new administration, attributed to a response to campaign promises from the winning candidate, and 2) the creation of new programs closer to elections. However, it appears that the last force is less prevalent since institutional features prevent the design of new programs months leading up to an election, as well as the increase of the beneficiaries.

On the other end, while some programs may arise in the first year of a new governor, many other programs suffer a different fate. In the health sector, a common topic was how elected governors tend to break with the past by suppressing already functioning social programs. This is attributed either to a new set of priorities from the new
administration or just to distance themselves from their predecessors. These explanations happen mostly in the health sector, whereas in the social development realm we observe more a relabel of preexisting programs. Just to name an example, the national conditional cash transfer program, changed its name from Progresa (1997 - 2002 at its birth, with the PRI), to Oportunidades (2002 - 2014 with the PAN administrations), and finally to Prospera (2014-2019). But, even with a relabeling, programs from the social development ministry tend to exhibit continuity across terms.

- **Defiance to national programs** In two of the four cases a common topic was the need to set a distance from the center and challenge it deliberately. These cases were health in Chiapas (politically aligned with the center) and social development in Yucatan (misaligned). In the case of health in Chiapas, the local bureaucrats argued that the requirements from the central government often were either insensible or lacked knowledge of the local conditions. This confrontation led to creating local versions of health programs, especially the health caravans from the national conditional cash transfer program.

In the case of social development in Yucatan, the confrontation dynamics take a different form. Conditional cash transfer programs and other monetary inducements operated in this ministry are targeted to individual households. To be a beneficiary of the program, the rules of operation of the program define the targeted population, and hence the individuals or households that satisfy certain requirements enroll in the program. However, limited funds prevent all of the potential beneficiaries from receiving the corresponding inducement. This mismatch between resources and the target population rise the need to choose among groups to receive the benefits. Given this context, two dynamics emerge. First, according to the testimony of former high-level bureaucrats in the ministry, the political leaning of individual households is known, due to the constant interaction between citizens and political brokers. Hence, targeting based on political reasons is not unusual. Hence, the desire to target a program to current or potential supporters transforms the delivery of goods into a disputed action between the central state government that is not aligned. The representative of the central government in the state argues that some agreements tend to exist between the local and the central government on how to target the benefits, but it is also an area of constant disagreements.

Given this evidence, I try to classify these dynamics according to three main variables of interest: the existence of local needs, type of inducement, and political alignment. The first
variable speaks directly to the local need’s hypothesis. This hypothesis states that when the national policy is not meeting the local needs, to observe an overlap between national and sub-national programs is more likely. The second column refers to the ministry administering social programs: health or social development. This variable speaks to hypothesis 2b and refers to the attribution of responsibility for the delivery of a program. Finally, the last variable refers to whether a state is ruled by the same party as the central government or if it is an opposition state. This variable is related to hypothesis 2a, where we expect a higher overlap in opposition states. The qualitative evidence is summarized under these variables in Figure 8. This figure shows how derived from the interaction between the three mentioned variables, we observe overlap or not

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<th>Opposition</th>
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<tr>
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</tr>
<tr>
<td>Health</td>
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<td>×</td>
</tr>
</tbody>
</table>

Figure 8: Overlapping subnational programs. A check represents cases where we expect overlaps and a cross cases where we do not expect an overlap, according to the mechanisms extracted from interviews with local policy makers.

Role of municipalities

Mexico’s federal system is divided into three levels: national, state, and municipality. Up to now, I have focused on the interaction between state and national governments. However, incorporating the municipal level adds a layer of complexity to the story of social policy provision.

An issue raised by the state-level bureaucrats was the relevance of municipalities in the delivery of state programs. The political alignment of municipalities matter for the provision of social programs for two reasons. The first relates to the vertical fragmentation of political power. Given the limited resources for deploying a policy, both the national and the state
levels of government face the decision of where to deploy certain programs.

The second reason has to do with campaign promises made both by the municipal president as well as the governor. As it may be expected, during the electoral campaign, candidates running for the state and the municipal office commit to deliver a certain type of program. So, after the election, the delivery of social program goods by municipalities and states operate under an accountability logic. It is worth noting that, unlike the state level, municipalities have a very limited area of influence in terms of social policy delivery. Municipal funds tend to be not only very small but destined for public services such as water, trash collection, and road maintenance.

Here I present some evidence for the first mechanism, which refers to how vertical fragmentation affects the deployment of state-level programs at the municipal level. Using information from the social program’s census at the municipal level, I run a probabilistic model of the following form

\[
P(Y_{s,i,t} = 1) = f(\gamma \text{Alignment} + X'_{s,i,t} \beta + \delta_s + \theta_t)
\]

Where the dependent variable \(Y\) indicates whether an overlapping state policy is present in municipality \(i\) in state \(s\). \(X\) is a vector of control variables at the municipal level that could affect the presence of a social program. These variables are poverty index, population, and party in power. I also include state and year fixed effects \((\delta_s, \theta_t)\).

The variable of interest, \textbf{Alignment}, summarizes the different cases of (mis)alignment between the three levels of government. Incumbent refers to those units that are ruled by the same party as the national president, whereas opposition when this is not the case. Hence, we observe four possible scenarios:

1. Incumbent municipality in an incumbent state
2. Opposition municipality in an incumbent state
3. Incumbent municipality in an opposition state
4. Opposition municipality in an opposition state

\textbf{Figure 9} shows the result of the estimation. The plotted coefficients correspond to the predicted probability of observing an overlapping state program in a municipality, varying the political alignment of both municipalities and states. Lines correspond to 95% confidence intervals. These results are limited to development programs that offer monetary benefits.
Results show that political fragmentation is correlated with the deployment of overlapping state policies at the municipal level. First, the results show that opposition municipalities have a greater presence of state-level programs, both in incumbent and opposition states. This difference is statistically significant for the case of opposition states but not in incumbent states. Second, incumbent municipalities exhibit a similar presence of state policies with overlap, regardless of being part of an incumbent or opposition state.

![Figure 9: Probabilistic regression results for presence of overlapping state programs at the municipal level](image)

**Concluding remarks**

In this document, I present a theoretical and empirical puzzle: in the absence of who delivers what social program in decentralized states, in the absence of clear rules that determine the corresponding jurisdictions. I explore this question in the context of Mexico and provide both descriptive quantitative and qualitative evidence to shed light on possible explanations behind these patterns.

Using novel administrative data, I propose a method of measuring overlap in social programs. I compare different texts that characterize social programs to generate a quantified measure
of overlap. I also conduct a series of interviews to dig into the mechanisms behind the correlates of overlap. Focusing on two issue areas - health and social development - I trace some of the possible logic motivating how the dependent variable varies with other correlates such as type of goods delivered and the party ruling the subnational units.

Social policy represents a channel for office holders to both respond to their constituencies needs and to build support for winning elections. In the context of decentralized states with contested elections at different levels of government and a lack of clear attributions of responsibility over social policy delivery across these government spheres, overlap arises as an available strategy to respond to their population’s needs and nurture an accountability relationship with their constituencies. However, overlap can be seen also as part of a broader repertoire of actions that a subnational unit has at its disposition to set a distance from the central government and reclaim its rule over its territory.
Appendix : Correlates of overlap

To have a better notion of the correlates of overlap, I run the following specification

\[ P(Y_{s,t,i} = 1) = f(X'_{s,t}\beta + \delta_s + \theta_t) \]

Where the dependent variable \( Y_{i,s,t} \) indicates whether a state level program \( i \) in state \( s \) and year \( t \) overlaps with a central government one (1: overlap, 0, other case). \( X \) is a vector of control variables at the state level that could affect the presence of a social program. I also include program characteristics like the social right area from the program, and the type of good delivered by the program (monetary or non monetary) state and year fixed effects (\( \delta_s, \theta_t \)). Error terms are clustered at the state level.

The following figure shoes some of the results of these specifications. Confidence intervals are presented at the 95% level.
Appendix: Case selection for interviews

To motivate the mechanisms behind the preliminary quantitative evidence, I carried out elite interviews at the subnational level. I chose two states - Yucatan and Chiapas- and two issue areas (social rights areas) - health and food programs - following the results from this analysis.

Summary

- Issue areas: health and food social programs. These two issue areas exhibit the greatest and lowest variations in terms of overlap between state and national level programs
- Nested analysis to choose the states for carrying out elite interviews. Implemented large N analysis incorporating variables for preexisting explanations on the deployment of social policies. I choose the states of Yucatan and Chiapas for the following reasons
  - Both states exhibit similar variation in the dependent variables measure: a great overlap in health programs and a small overlap in food programs
  - Both states share similar characteristics such as poverty rates and percentage of rural populations
  - The states vary in terms of their political variables. Yucatan is a state that has mostly been ruled by the PRI, while Chiapas has been ruled both by the left PRD and the PVEM, a party with strong alliances with the PRI.

Selection of issue areas

Nine social right areas divide social policy in Mexico: discrimination, education, environment, food, health, housing, income, labor, and social security.

In this research project, I will focus on the areas of health and food. The reason to pick these two areas is that they exhibit the greatest and smallest variation in terms of the overlapping of social programs. Figure 1 shows the distribution of overlap by issue area. The x-axis corresponds to the different issue areas while the y-axis corresponds to the number of programs by the state that shows an overlap of 50 percent or more with a program at the national level. In this figure, we can see that health is one of the issue areas with most variation, where the highest values mean that there are some states with at least
five programs with very similar national-level counterparts. In the other extreme, we have state food programs that tend to exhibit a lower level of overlap with the national level counterparts.

For this reason, I pick health and food to be the two issue areas that I will focus on at this stage of the research: the cases with the highest and lowest variation.

Moreover, I ran a simple OLS regression to find what issue areas are more related to the number of policies exhibiting an overlap. Table 1 shows the results of this correlational analysis and finds that a policy that is in the health area is positively related to having an overlap with national policy. On the other hand, food programs are negatively associated with showing overlap with national policy.

**Selection of states**

For selecting the cases, I use as reference the methodology from Lieberman 2015 \(^7\). I use a large N approach to explain the variation in my dependent variable and find the most likely cases with variation in the dependent variable.

---

Table 2: Issue areas and number of duplicated policies

<table>
<thead>
<tr>
<th>Dependent variable:</th>
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</thead>
<tbody>
<tr>
<td>n</td>
</tr>
<tr>
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<tr>
<td></td>
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<tr>
<td>socialright: environment</td>
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<tr>
<td></td>
</tr>
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<td>socialright: food</td>
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<tr>
<td></td>
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<tr>
<td>socialright: health</td>
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<td></td>
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<tr>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Constant</td>
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Observations | 1,483 |
R² | 0.441 |
Adjusted R² | 0.436 |
Residual Std. Error | 8.684 (df = 1469) |
F Statistic | 89.020*** (df = 13; 1469) |

*Note: *p<0.1; **p<0.05; ***p<0.01
Figure 11: Subnational social programs with an overlap of at least 50 percent by issue area.

For that purpose, I start with a large N approach, where I try to explain the variation of the dependent variable with a set of variables. My dependent variable is operationalized in different ways. I compute the number of programs at the state level that exhibit different degrees of overlap with national-level counterparts, by issue area and year. For example, for the state of Aguascalientes, I find for the health area, the number of programs in 2010 that have an overlap of 10, 20, 30, 40 and 50 percent with any national-level program. Furthermore, I divide these measures by the total number of programs in that state in that year in the same issue area to get into consideration the size and relevance of social policy in that specific state.

In terms of the explanatory variables, I use a set of covariates that may explain the existence of social programs at the state level, and that goes in line with some of my working hypothesis. I include the percentage of the rural population since a sizable number of social programs are directed to increase the access to services for those populations in vulnerable conditions. I also include a poverty index, which is a measure that takes into consideration not only poverty condition of the state (as a percentage of people living in poverty) but other measures of hardship such as lack of access to clean water, access to sewage, percentage of people living
Moving forward to the political variables, I include the winning margin in the latest state-level elections, as well as binary variables indicating whether a state is ruled by either the PRI, the PRD or the PAN. I also include a binary variable indicating if the state is an opposition party, where the opposition is defined as states that are ruled by a party different from the President’s party (PAN before 2012 and PRI afterward, for the period of this dataset). I also include a binary variable indicating whether the year is a previous year from the following election of 2012 since I expect that electoral cycles may affect the design of social programs, and one year before is when policies are designed.

Regression analysis shows across different specifications the following. First, states with more poverty show a greater overlap of policies. Second, in terms of the political variables, opposition states tend to exhibit a greater degree of overlap of programs, as well as states ruled by the PRI. Finally, one year before the national elections, we expect to observe a higher degree of overlap. Using this information I pick cases that are similar in the variables of interest (poverty rates) but that they vary in terms whether they were opposition states ruled by the PRI or not.

I choose the states of Yucatan and Chiapas, which are a state with similar development outcomes, a similar number of programs. Another fact that both states share is that they health sectors exhibit a similar degree of overlap with national programs (around 30 percent of their programs have a similarity of 40 percent with a national counterpart), while their food programs seem to be different from the national programs.

Finally, these two states have been ruled in the period of study by different parties. In the case of Yucatan, this is a state that has been always ruled by a PRI governor. On the other hand, Chiapas is a state where a lot of opposition movements have taken place, specifically from the left. The PRD has ruled for several years this state, but not with a lack of competition, having had governors from the PVEM, a party that is always aligned with the PRI. So, these two states vary in terms of their opposition condition, and also in terms of how much rotation in the ruling party has taken place in the past years.
### Table 3:

**Dependent variable:** s50

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<table>
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<tr>
<td>Residual Std. Error</td>
<td>0.287 (df = 1428)</td>
</tr>
<tr>
<td>F Statistic</td>
<td>16.219***</td>
</tr>
<tr>
<td>(df = 17; 1428)</td>
<td></td>
</tr>
</tbody>
</table>

*Note:* *p<0.1; **p<0.05; ***p<0.01
References


Samuel P. Huntington. *The Third Wave: Democratization in the Late Twentieth Century*. 39


Alex Segura-Ubiergo. *The Political Economy of the Welfare State in Latin America: Glob-

