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Evidence for Change: The Case of Subsidios al Campo in Mexico

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This document is an update of the case study “Evidence for Change: The Case of Subsidios al Campo in Mexico.” It includes information from the original version and follows the same structure, but it provides a new analysis of the way the campaign was conceived, and the way it functioned, as well as updates about recent developments, including announcements made by the new federal government.

Introduction

Subsidios al Campo ("farm subsidies") is a collaborative project by a public interest group, a peasant organization, and a group of academics and technical experts that uses Mexico’s freedom of information (FOI) laws to obtain official data on the recipients of agricultural subsidies, which they then analyze and disseminate widely through a user-friendly website (www.subsidiosalcampo.org.mx). The goals of the project are to generate easily accessible information and inform the public debate on Mexico’s farm subsidies programs. In addition to making data available through its online database, partners in the project analyze the subsidy information and use it to advocate for more equitable subsidy allocations and, more broadly, changes in rural policy in Mexico.

By creating and maintaining its online public database, Subsidios al Campo improved the transparency of government farm subsidies, and its analyses of this data identified a disproportionate, and inequitable, concentration of subsidy recipients in the wealthiest 10 percent of farmers.

The case study demonstrates the power of evidence-based advocacy by examining how it contributed to the campaign’s success. The study also highlights the importance to advocacy campaigns of directly engaging academics, journalists, and beneficiaries in efforts to disseminate research findings and recommendations. At the same time, the case study shows the limits of evidence-based advocacy in contexts in which there are powerful interest groups resisting change, government institutions reluctant to modify the status quo, and ineffective accountability mechanisms.

The problem: What was Subsidios al Campo responding to?

Agricultural subsidies are a policy tool that governments use to intervene in the production and marketing of agricultural goods in order to correct market failures (e.g., market prices too low to encourage adequate production of necessary commodities) or address distributional concerns (inequality and poverty). As with any other policy intervention, problems in the
design or implementation of agricultural subsidies can lead to the inefficient use of public resources, or an inequitable distribution of these resources.

In Mexico, the federal government justifies agricultural subsidies by citing the need to compete in the regional market for agricultural goods, where Mexico’s main trading partner is the United States (where big subsidies for large grain farmers are the norm), and the need to address widespread poverty in rural areas. In the early 1990s two important changes took place: Mexico enacted a constitutional amendment that lifted restrictions on the sale of communal lands, and it signed the North American Free Trade Agreement (NAFTA) with the United States and Canada. Lifting restrictions on the sale of communal lands was intended to help guarantee individual property rights and make credit more accessible for rural producers. NAFTA included commitments to liberalize trade in basic agricultural products in 2003 and 2008, which meant that the three countries would eliminate such trade barriers as import duties that favor domestic producers.

In the wake of these two significant changes to the agriculture sector, the Mexican government launched an ambitious set of programs aimed at supporting trade liberalization but alleviating its adverse effects, especially on poor farmers. These programs included instruments for supporting the domestic marketing of agricultural products (like subsidies to producers and consumers), subsidies to foster agricultural production, and direct transfers to farmers (to guarantee minimum incomes).¹

Although the government has been implementing this set of policies, of which agricultural subsidies are a central component, for almost two decades, the effect on farm employment and income in Mexico has been limited. Despite significant increases in the budget for the rural sector, and continuous adjustments to the operating rules for these programs, a third of the rural population lives in extreme poverty; agriculture has declined “as a significant source of income and labor opportunities for most rural households” (Scott, 2010); most low-income producers do not benefit from these subsidies (Fox and Haight, 2010); and marginalized, indigenous municipalities receive only a negligible fraction of the funds for these programs (Robles, 2010). A World Bank study found that in Mexico “public expenditure in agriculture is so regressive that it cancels out almost half the redistributive effect of rural development expenditure” (World Bank, 2009: ix).

In this context there were several voices — from the academic community, among peasant organizations, and even from some public officials — that raised concerns about both the effectiveness of the federal government’s policies toward the rural sector and the distributional effects of agricultural subsidies. Though coming at it from different perspectives, the relevant players reached a similar conclusion on the status of agricultural policy in Mexico: poor regulation opened the door for discretionary allocation of agricultural subsidies, which, in turn, led to further inequality in the rural sector and reduced economic effects (in terms of labor and income).

However, those with specialized knowledge who could see the faults in the subsidy policy design and the problems with the implementation of agricultural policies had limited capacity to influence the public debate, and even less to impact policy making. The national (i.e.,

¹ For an overview of agricultural policies in this period, see Yúñez Naude, 2010.
Mexico City-based media is largely uninterested in agricultural policy and is not inclined to publish the obscure, technical details of specific policies. Further, the public debate has traditionally been framed as a discussion focused on the amount of budgetary resources allocated to the rural sector, and not on the distribution of those resources within the rural sector, or their effectiveness. Corporatist organizations and politicians who benefit from the status quo also would not welcome more public awareness on this issue.

Subsidios al Campo aimed to address these problems by generating a more informed public debate and changing the terms of this debate. As Kristina Pirker, then a researcher at Fundar, one of the organizations driving the project, explains, “Subsidios al Campo came up in response to a concrete question: if rural public expenditure […] grew constantly, from 120 billion Mexican pesos in 2004 to 176 billion in 2007 (when the idea for this project came about) why did it have such a little impact on reducing the enormous social gaps in the Mexican agricultural sector?”

A coalition is formed

Fundar is an independent Mexico City-based civil society think tank that has used different strategies to advocate for greater accountability in the public sector, encourage budget transparency, and expose several cases of illegal use of public money. The Asociación Nacional de Empresas Comercializadoras de Productores del Campo (ANEC) is a grassroots organization made up of small agricultural producers that has advocated for changes in Mexico’s agricultural policies. Though these organizations have different goals and strategies, they came together to create a coalition to change the terms of the public dialogue on agricultural policies and budgets by publicizing evidence of the distortion in the distribution of farm subsidies. Both Fundar and ANEC thought it necessary to move the discussion from an emphasis on the size of the budget for the rural sector to one on the distribution and use of those resources. ANEC was aware of the high concentration of subsidies among the big agricultural producers, but its message was not reaching beyond a small specialized group of analysts and social organizations. Moreover, ANEC knew that its message was frequently dismissed as anecdotal and based on its ideological view of what agricultural policy should be.

Fundar, therefore, was a fitting ally: its researchers had become experts in using Mexico’s FOI laws to access public data and convert what appeared to be uninteresting official data into powerful information with great potential for influencing public policy debates. Fundar’s transparency and accountability team, led by Miguel Pulido, was also interested in achieving social accountability beyond mere access to government information to show how FOI laws

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2 Lourdes Rudiño and Evangelina Elizondo, interviews by the author.
3 Héctor Robles, interview by author.
4 Víctor Suárez and Iván Polanco, interview by author.
5 Pirker, 2010.
6 Jonathan Fox, interview by author.
7 Víctor Suárez and Iván Polanco, interviews by author.
8 The Federal Transparency and Access to Governmental Public Information Act was passed in 2002.
could be used to influence policy decisions. But the team needed an issue to focus this effort on and agricultural policy seemed like a good option.

The coalition between ANEC and Fundar was unusual. Building a partnership between a specialized think tank, with a reputation for sound analysis and evidence-based advocacy, and a vocal organization with direct interests in agricultural policies was not going to be an easy task, given their different styles, purposes, and audiences. These organizations came together thanks largely to the intervention of Libby Haight, who was then a researcher for the University of California, Santa Cruz (UCSC). She was working in Mexico on a project led by Jonathan Fox (a professor at UCSC with expertise in rural politics and accountability in Mexico) on rural policy and peasant organizations. Haight knew about the work of both organizations and identified synergies in their efforts. Initially she was a trusted broker between the organizations, and then a part of the team in charge of the campaign. As Pulido explains, “She was the one gluing the pieces together.”

Haight and Fox paved the way for bringing in a third, crucial partner: the Environmental Working Group (EWG), an organization that had successfully built an open access dataset on farm subsidies in the United States (http://farm.ewg.org/) and raised awareness about the concentration of benefits in the wealthiest 10 percent of recipients. (See Box 3.) This experience served as an inspiration for ANEC and Fundar for what they might do around farm subsidies in Mexico. EWG provided the know-how to convert official datasets into easily accessible information, maps, and graphics. Its technical support was a critical component of the project, since neither Fundar nor ANEC had expertise in dealing with large datasets, and both lacked the technology for making such datasets publicly accessible.

**Round 1: The website**

Once the coalition was formed, several operational decisions had to be made, including the allocation of resources, the gathering of information, and, later, the way in which the data on farm subsidy recipients would be organized and made public. The first step was to use FOI laws to obtain information on the lists of agricultural subsidy recipients. However, the problem was not only obtaining the lists (the Ministry of Agriculture had up-to-date lists) but also transforming government data files into formats that could be fed into the technology platform developed by EWG. The process required 30 information requests to obtain the information — and 16 appeals after information was denied or incomplete — and over a year

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9 Fundar is organized into five teams: budget and public policy, human rights and security, transparency and accountability, citizen’s capacities, and judicial strategies.
10 Libby Haight, Miguel Pulido, Ana Joaquina Ruiz, and CR Hibbs, interviews by author.
11 Miguel Pulido, Ana Joaquina Ruiz, Víctor Suárez, Iván Polanco, and CR Hibbs, interviews by author.
12 Miguel Pulido and Ana Joaquina Ruiz, interview by author.
13 According to EGW, in 2010, the top 10 percent of commodity payment recipients in the U.S. were paid 63 percent of commodity payments.
14 The William and Flora Hewlett Foundation in the U.S. supported EWG in converting raw data into evidence for advocacy. Fundar was already a grantee of the foundation’s program in Mexico (interview with CR Hibbs).
15 Even if some of these lists were public (the information was available on the ministry’s website), they were not easily accessible: “They had a query system to search for specific beneficiaries, rather than publicly presenting the lists; similarly, they were not in accessible formats, but encrypted or in pdf files,” (Ana Joaquina Ruiz, 2010: p. 7).
of patient work to clean up the datasets, convert them into detailed data formats, and develop a user-friendly website to present the information to the public.\textsuperscript{16}

In October 2008 the website www.subsidiosalcampo.org.mx went live. This online tool systematizes and presents official data on the size, beneficiaries, and distribution of farm subsidies in Mexico. Through the website, it is possible to obtain detailed information on subsidies and recipients (initially data was presented for the Procampo and Ingreso Objetivo subsidy programs, to which data from four more programs were added in 2010; a third version of the website is currently in the making). The information available on the website includes amounts of money received by individual recipients, as well as aggregate information by municipality, state, or region. It is also possible to compare information from different years, across states, and between programs. (For example, Map 1 shows how the amount of money Procampo gave in subsidies by from 1994 through 2009 varied across states.)

**Map 1**

![Map 1](image)

Distribución por estado de Procampo


According to the “who we are” section of the website, Subsidios al Campo intends to promote:

a) the right to access public information, established in the freedom of information act;

b) holding public servants and federal agencies in the agriculture sector accountable by shedding light on the consequences of their budget and policy decision; and

c) the identification of the beneficiaries of agricultural policies and the number and amount of the subsidies that they receive.\textsuperscript{17}

The website was the first outcome of the Subsidios al Campo project, and it fulfilled some of the aspirations that both ANEC and Fundar had when they launched the project. Miguel Pulido

\textsuperscript{16} Miguel Pulido and Ana Joaquina Ruiz, interviews by author.

\textsuperscript{17} http://www.subsidiosalcampo.org.mx/mexico/pagina/quienes-somos/
explained that information on farm subsidies was not clear or easily accessed, and “what we have done is to present it in a simple manner, so that everyone knows who gets the subsidies.” For Víctor Suárez, ANEC’s spokesperson, the data on the main subsidy programs for the agricultural sector confirmed “an excessive concentration and did not comply with the mandate of supporting those who have less.”

This finding was not news to ANEC, they already knew of a bias in the distribution of farm subsidies toward the Northern states where larger, wealthier producers were concentrated. Furthermore, as part of congressional debates on the future of Procampo in July and August 2008, a few months before the website was launched, some of the main problems with farm subsidies — such as delays in the delivery of monetary transfers, geographical concentration, regressivity, and lack of results — were openly discussed in the press. At the same time, these discussions also exposed the groups (organizations of large agricultural producers) that were opposed to changing the way in which Procampo was implemented. These discussions also showed how these groups influenced public decisions by brandishing the threat of rising food prices and political instability if the program were to change.

Box 1: How were farm subsidies distributed?
- Five states received 40 percent of total funds for subsidies but represented only 27 percent of recipients.
- Tamaulipas received 15 billion pesos for 159,500 beneficiaries, whereas Chiapas got 11 billion for 459,803. From 1994 to 2008, the wealthiest 10 percent of beneficiaries received 57 percent of resources; and the top 20 percent, 73 percent.
- The top 10 percent of beneficiaries received, on average, 16,000 pesos per year; the bottom 80 percent, 964 pesos per year.

Subsidios al Campo made a difference in terms of the extent of the information available on agricultural subsidies, its systematization within a single platform, and the functionality to allow for specific searches by person or locality. It also made it possible to do geographical and temporal comparisons. From the beginning, and for all the members of the coalition, it was clear that providing access to detailed information would serve two purposes: it would foster a better informed public discussion, and it would create opportunities for evidence-based advocacy (Ruiz, 2010). However, those inputs and opportunities would only lead to a more

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21 In a strict sense, the recipient list is not a list of people, but of payments: each payment corresponds to a number, but a person may have several numbers under his name, or an organization of several people may receive a single payment (which would correspond to only one number).
22 The website served a third purpose (not originally intended): it showed the limitations of relying on official information. Even when government information is made public, it may not be easily accessible; moreover, even when it is accessible, it may be imprecise. As Haight and Fox have argued: “Many of Mexico’s other farm subsidy
informed debate on farm subsidies and have an impact on policy and budgetary decisions if the information provided by the website was used by the media, civil society organizations, and accountability institutions.

Initial expectations and effects

The initial objective of Subsidios al Campo was not to showcase problems with Procampo and other programs, but to use them as examples of greater concerns over rural policy — a domain in which both the executive (via the ministries of Agriculture and Finance) and congress had authority. Nevertheless, the campaign was not structured as a project trying to influence congress or the Ministry of Agriculture directly. The members of the coalition could not focus exclusively on lobbying efforts, and they did not have enough political clout to influence political debates. As Pulido explained, the campaign understood that it could not fully adopt an aggressive strategy for change. It could try to unveil the problem and modify the public discourse. But it could not attempt inducing a large-scale reform through direct lobbying or more involved activism. Such advocacy would have required a realignment of Fundar and ANEC’s core missions, and the use of more human and financial resources, since Subsidios al Campo was already using a big portion of the groups’ time and people. Moreover, it was not considered a viable option, particularly because Funder’s rules did not allow the use of grant money for “lobbying.”

Yet, it was assumed that providing more information would allow for analyses of the underlying biases in rural policy and empower excluded actors. In this logic, decision makers would have to react not only to new information but also to actors having better tools to disseminate their message. Congress was not a direct target of the campaign, but it was assumed to be the main “receptor” of the campaign’s message. The “theory of change” was that the way to influence the legislative agenda was by changing the public debate and by providing solid evidence about the broader problems of rural policy (not only the use of subsidies).

After the launching the website, the logical next steps for the members of the coalition was to promote its use and to carry out analyses that would make sense of the information. Fundar and ANEC analyzed and presented powerful information on the concentration of subsidies (see Box 4), and, more important, they deployed a deliberate strategy to train journalists in the use and interpretation of the data on the website. This was different from the usual press conference/press bulletin format through which Fundar spread its messages.

programs fall short of even the appearance of transparency. In general, all of ASERCA’s (the unit in charge of Procampo) subsidy programs share two crosscutting problems, involving the quality of public data: inconsistency in the presentation and lack of precision regarding who the beneficiaries are and how much they receive,” (Haight and Fox, 2010: p. 142).

23 Libby Haight, second interview by author.
24 Miguel Pulido, second interview by author.
25 Libby Haight, second interview by author.
26 Jonathan Fox, interview by author.
27 Ana Joaquina Ruiz, second interview by author.
28 Miguel Pulido, second interview by author.
29 Libby Haight, second interview by author.
30 Ana Joaquina Ruiz, second interview by author.
It soon became clear that Fundar did not have sufficient control over the interpretation of the data that they had put into the public domain. ANEC and Fundar wanted to emphasize the issue of inequality in the rural sector and the inequitable concentration of subsidy benefits, but journalists, in general, were more interested in scandalous findings than in the distribution of farm subsidies. As Haight explains, “The focus on concentration did not resonate with journalists; they were after names.” Indeed, stories that focused on high-profile individuals were more appealing than those focused on the underlying problem. As Lourdes Rudiño (a journalist at one of the few media outlets that specializes in rural affairs, La Jornada del campo) explained in an interview, it was much easier to transform high-profile scandalous cases into news stories than to try to understand the problems associated with the unequal distribution of farm subsidies and then convert this information into a single-page analysis that an editor and a broader audience would find attractive.

The members of the coalition would have preferred headings like this one from La Jornada: ‘For 15 years, 80 percent of Procampo beneficiaries got less than one thousand pesos.” Instead, most of the headings were related to problems with specific beneficiaries: “Marijuana producer received support from Procampo,” “Drug dealers’ relatives in Procampo are detected,” and “Mayors get benefits from Procampo.”

This focus was perceived by the coalition to be both a distraction and a double-edged sword (Pirker, 2010). The emphasis on individual cases came at the expense of a deeper analysis of the design and implementation of these agricultural programs. Even worse, the focus on the wrongdoings could lead to criticism of the very existence of agricultural policies.

Nevertheless, the coalition could already claim two important achievements. The first was credibility: in a country where the first instinct of an accused politician or a public official is to question the validity of the information or the motivations of the source, the data and the analysis provided by Subsidios al Campo remained uncontested. Since the data came from government information — it was processed and made accessible by the coalition, but not transformed in any way — it was not possible to doubt its reliability.

The second achievement was related to the original purpose of the campaign, which was to raise awareness about the distribution and impact of farm subsidies: “the Subsidios al Campo website has shown that there is considerable investment in the rural areas, with meager results in overcoming inequality” (Ruiz, 2010: 26). Politicians from the main three political parties acknowledged problems with Procampo: for the Institutional Revolutionary Party (PRI) the problem lay in the excessive number of bureaucrats and bad administration. For the leftist

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31 Libby Haight, interview by author.
32 La Jornada, 14 October 2008.
33 Denuncian que productor de mariguana recibía apoyo de procampo,” El Universal, 21 October 2008.
36 Jonathan Fox, interview by author.
37 Víctor Suárez and Iván Polanco, interview by author.
38 Evangelina Hernández, interview by author.
39 Clarifications were made to the data presented, as in 2010, Cargill, a big industrial agribusiness, explained that it was not a beneficiary of Procampo but a mere intermediary (El Semanario, 18 February 2010).
40 “Demandan mejorar entrega de PROCAMPO a productores” Notimex 27 de julio de 2009
Democratic Revolution Party (PRD), the real issue was the lack of more resources for the poor, whereas the party in power at the time of the campaign (National Action Party, PAN) said that the program needed more supervision and faster distribution.41 Thus the first part of the campaign’s purpose (influencing the public debate) had been accomplished. The second part (inducing policy change), would prove to be more difficult.

The Ministry of Agriculture reacted by announcing a cleanup of the recipient list and modifying the policy’s operating rules.42 As will be explained later, the cleanup proved difficult to implement, but at least it was now possible for some people within the ministry to defend a process of reform for Procampo and other programs with the new evidence that came out of the Subsidios al Campo project.43

As a result of the renewed discussion, in April 2009 the new operating rules were announced and included a significant change: they established both a minimum amount of 1,300 pesos for small producers (those with less than five hectares) and a ceiling of 100,000 pesos for any single producer.44 This change, if effectively implemented, would have a direct influence on the distribution of farm subsidies (Ruiz, 2010).

Round 2: From website to policy analysis

A second stage of Subsidios al Campo was a campaign to address the inequities and lack of impact of Mexico’s agricultural policies that involved a broader coalition of institutional and individual members. Jonathan Fox, with the support of the Woodrow Wilson Center for International Scholars and with funds provided by the William and Flora Hewlett Foundation, invited a group of academics and policy experts to carry out analyses of the data provided by Subsidios al Campo or on topics related to the campaign. The purpose was to get more analysis of the problem based on diverse methodologies in order to further stimulate a more nuanced conversation about farm subsidies and agricultural policy.45 If, since 1994, the debate had been on the effects of NAFTA on the rural sector, Fox wanted to move the discussion toward the future of rural policy.

Fox commissioned studies that included those on the inception and design of Procampo and the distributional effects of agricultural policies, analysis of surveys of beneficiaries, a review of policy evaluations of some of these programs, as well as other questions related to the decentralization of agricultural policy implementation and functioning of social accountability mechanisms. The research was published in a report and led to substantive discussion about the analyses arising from the studies, which generated broader interest on the issue of farm subsidies beyond that of the usual experts on agricultural policy (see Image 1).

41 Ibid
43 Miguel Pulido, Ana Joaquina Ruiz, and Official A from the Ministry of Agriculture, interviews by author.
45 Libby Haight and Jonathan Fox, interviews by author.
To develop this analysis, Fox chose researchers from various institutions. A professor of one of these institutions was pivotal in generating a new round of press attention, even before the Wilson Center report was finalized: Mauricio Merino, a professor at the Center for Research and Teaching on Economics (CIDE), was invited to contribute because of his knowledge of the administrative apparatus behind rural policy. In addition, Merino, together with other members of CIDE’s faculty, had been working for several years on transparency and accountability in Mexico. For the report, Merino wrote a chapter on his policy analysis of Procampo.\(^{46}\) In it he described both the program’s design and implementation process from its origin in the mid-1990s to the present. Merino identified a core problem in the design of Procampo: its dual objectives. It was supposed to be an instrument to reduce poverty and, at the same time, it was meant to improve competitiveness in the rural sector. Even if both objectives may be desirable, with scarce resources, it is not easy to achieve both. Reducing poverty implies targeting and investing in low income producers, while improving competitiveness implies supporting big producers already trading their goods. However, as Merino explained, big producers, seeking rents, had hijacked the policy and distorted the original purpose of Procampo. This resulted in the concentration of subsidies among big producers (Merino, 2009). Finally, he compared data he had gathered on state and federal public officials in the agricultural sector with the Subsidios al Campo list of beneficiaries. By doing so, he added a new dimension to the problem: conflict of interest of public officials. He identified 328 irregularities. One of these was the fact that Jorge Kondo López, who was then Secretary of

\(^{46}\) Jonathan Fox, interview by author.
Agriculture in his native state of Sinaloa and had been a member of the federal congress and the leader of an agribusiness lobby, showed up 89 times as a beneficiary.47

Developing a close relationship with the press

Merino initially published his report as a CIDE working paper and presented his preliminary findings to Ricardo Raphael, then part of the editorial team at El Universal, one of Mexico’s leading national newspapers. The timing was propitious. El Universal was interested in developing its investigative journalism unit and in learning how to use information from official sources to develop articles of general interest. The newspaper had tried to use information from the supreme audit institution annual reports, but found it too technical. Raphael saw an opportunity both in Merino’s paper and in the findings of Subsidios al Campo; their reporters would have access not only to reliable data and sound analysis but also the space for close interaction with the sources. He assigned Evangelina Hernández and Ignacio Alvarado, “two of the best journalists at El Universal,” to read the full report and to get familiarized with the website.48 Merino would open up the way for in-depth interviews and Fundar would interact “hand-in-hand” with them to explain the logic of the website, to give a journalistic twist to the data, to direct to new interviewees, and to develop visualizations of the data and analysis.

Hernández and Alvarado obtained more information from the Subsidios al Campo website on drug barons’ relatives who got subsidies, did research at the Ministry of Agriculture, and interviewed Procampo beneficiaries in poor regions.49 Fundar’s work was important in using official data to undermine the government’s message about the results of Procampo and in providing a broader message on the problem of rural policy. As Raphael explained: “the information on irregularities was attractive for a couple of days; the problem of concentration would feed the newspaper for several weeks.”

As a result, for a whole week starting on 27 July 2009, El Universal carried front page stories on Procampo, with detailed information on beneficiaries, policy design, implementation, and the

47 Mauricio Merino, interview by author. When questioned by local journalists, Jorge Kondo López defended his right to receive subsidies and said that it would be a “criminal act” to deny him this right. “Criminal si se retira el Procampo: Jorge Kondo,” El Sol de Sinaloa, 30 July 2009.
48 Ricardo Raphael, interview by author.
49 Evangelina Hernández, interview by author.
concentration of subsidies. These news stories were echoed in the media for several days, including in local media, where individual cases were scrutinized (see Box 5). As it will be explained later, this was the basis of new collaborative efforts between Fundar and journalists.

Box 5: Sample headlines in local newspapers following El Universal coverage of Procampo

- “PRI and PRD [the two main opposition parties] ask for an investigation into politicians getting benefits from Procampo,” Diario de Yucarán, 29 July 2009.
- “Pachuca loses 270 hectares from federal support by Procampo,” Milenio Pachuca, 30 July 2009.
- “Peña Nieto [then state governor] accepts that he is Procampo beneficiary,” Estado de México Milenio, 30 July 2009.
- “Mayor gets Procampo support as farmer,” El Diario de Delicias, 31 July 2009.
- “25% of farmers lease their land…and get Procampo,” El Sol de Tlaxcala, 8 August 2009.

El Universal coverage of Subsidios al Campo was unusual in several ways. Editors do not tend to favor complex technical issues, and they tend to ignore rural topics. Newspaper “adopts” the reports of another newspaper (as it happened in this case, in which several national and regional newspapers followed El Universal’s lead and reported on Subsidios al Campo and the problems of Procampo.)

At this point, journalists focused on two key issues: the unequal concentration of benefits and the conflict of interest that arises when politicians and public officials are the recipients of subsidies. El Universal carried several stories around these topics, which were echoed in other national and regional newspapers. The federal government, including the President, initially reacted by defending the program, but later recognized that there were problems with the recipient lists and that the distribution of the subsidy could be improved. Again, the veracity of the data and the objectivity of the analysis remained uncontested.

A story like this, running for a week on a national newspaper’s front page and replicated in several other newspapers and even electronic media, was surprising for members of the coalition, but it did not happen by chance. Fundar was developing (and later consolidated) a productive relationship with journalists, in which they obtained access to information and analysis with the additional advantage of getting detailed explanations and feedback from the original source. Merino not only was a respected academic but also a regular collaborator of print and electronic media (he has a weekly column in El Universal) and knew how to translate the complexities of policy analysis into journalistically attractive information. Editors at El Universal trusted both Fundar and Merino (they had worked together before) and deviated

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50 Ana Batallar, interview by author.
52 The President defended Procampo, arguing that the budgetary resources for farmers had increased in previous years (“Calderón defiende el programa Procampo,” El Universal, 27 July 2009). The Minister of the Interior justified public officials receiving subsidies, arguing that they should not be subject to discrimination (“Justifica SEGOB a beneficiarios de Procampo,” El Sol de México, 29 July 2009).
from routine to allow for two journalists to dedicate full time to the issue. It was a happy coincidence not easily replicated.54

This time, different actors — the federal government, congress, and peasant organizations — reacted. The Minister of Agriculture, Alberto Cárdenas, announced a cleanup of the list of beneficiaries to remove those who should not be on it, and a review of operating rules to improve subsidies’ progressivity, i.e., providing more benefits to poorer farmers.55 A few months later, in September 2009, new rules for updating the Procampo recipient list were published. These rules indicated that the ministry planned to create a “single registry” system with data on recipients and geo-referenced data on land.56 Fundar continued providing analysis and interacting with officials, legislators, and journalists to keep the topic on the national agenda. Fundar participated in discussions about rural policies in meetings convened by the minister and other officials and took part in roundtables with legislators, particularly during the discussion of the following year’s budget.

Peasant organizations demanded that the recipient list be updated not only to exclude those who should not be receiving subsidies but also to include all the small producers who had never received subsidies.57 Members of congress from both the Senate and the Chamber of Deputies called for an investigation and changes in the operating rules.58

On 8 September 2009 the Minister of Agriculture resigned and returned to his seat in the Senate. As Pulido explains: “It is not possible to trace an unequivocal causal link between the campaign and [Minister of Agriculture Alberto] Cardenas’ resignation.” It is likely, however, that press reports and political pressure precipitated a decision that was in the making.59

Round 3: Accountability institutions at work?

One of the main assumptions of the theory of change behind Subsidios al Campo was that once the information on farm subsidies was made public and accessible, it would be possible for peasant organizations and civil society groups to use this information to demand changes in policy — to which the government would react with improvements in policy decisions. This assumption implicitly relied on the idea that accountability institutions (the internal and

54 Raphael offered a “counterexample” of an attempt to repeat the experience with information related to health policy. This attempt, however, failed: the journalist could not master the information; the data was not as clear and reliable as Subsidios al Campo and there was no agreement on the overall message. The published report was criticized by the health policy makers and there could not be a follow-up to the story. Ricardo Raphael, interview by author.
56 “Acuerdo por el que se emiten los lineamientos del Programa de Actualización de Datos y Expedientes del Directorio del PROCAMPO,” Diario Oficial de la Federación, 1 September 2009.
59 Miguel Pulido, second interview by author.
external control agencies: the Ministry of Public Administration and the federal supreme audit institution, respectively) and congress would perform their oversight function better with more information, which would lead to improved policy and budgetary decisions. Further, it was assumed that the federal government (specifically, the Ministry of Agriculture) would respond to demands from these institutions and from civil society organizations.

These assumptions turned out to not be completely valid, despite the reforms that had taken place in the political system over the past decade. Mexico had not only transitioned into a pluralistic democracy, it had also created a complex institutional arrangement for accountability. In 2000 congress created a new supreme audit institution, Auditoría Superior de la Federación (ASF), which is in charge of auditing the government's compliance with budgetary rules, as well as the performance of federal programs. Over the past decade, ASF has developed technical capacity and gained legitimacy as a competent and impartial accountability institution. In 2002 comprehensive freedom of information legislation was also passed by the federal Congress, and in 2007 the right to access government information was enshrined in the Mexican Constitution. Moreover, a new monitoring and evaluation system was put in place for federal social programs, including those operated by the Ministry of Agriculture. Under this system the results of regular external evaluations, which are carried out for social programs, should be used for internal adjustments and for informing budgetary decisions.

Notwithstanding these institutional transformations, accountability in Mexico remains precarious. Disjointed mechanisms, incomplete processes, and, in general, a lack of incentives and institutional capacity undermine accountability processes (Merino, López Ayllón, Cejudo, 2010). These shortcomings explain why the accountability institutions did not always carry out their duties when Subsidios al Campo alerted them to problems.

**Ministry of Agriculture**

As mentioned above, in 2009 the Ministry of Agriculture introduced important changes in the operating rules regarding the minimum and maximum value of a subsidy that an individual beneficiary could receive. It also committed to reviewing the list of beneficiaries in order to exclude those who did not qualify. Yet, by early 2010 new press coverage suggested that most of the problems regarding the inequitable concentration of benefits amongst the largest producers remained untouched.60 Once again, this public attention was not accidental: researchers at Fundar, together with Libby Haight, worked with an El Universal journalist to highlight the issue of concentration, not only in Procampo but also in other agricultural programs.61

The Ministry of Agriculture defended the functioning and design of farm subsidies, insisting that competitiveness in the rural sector is the main goal of the program, and that a key method to reach this goal is to support big agricultural businesses. In other words, the view that agricultural policy should not aim to reduce inequalities, but only to increase agricultural production, prevailed.62 This argument was echoed by officials at the state level. For instance,

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60 “Cosechan beneficios desiguales en el campo,” El Universal, 15 February 2010. Ruiz (2010) finds evidence that later that year the maximum amount (100,000 pesos per producer) was actually enforced.
61 Email exchange with Ana Joaquina Ruiz. Evangelina Hernández, interview by author.
62 John Scott and Miguel Pulido, interviews by author.
in response to criticism about the fact that one of his closest officials was the biggest subsidy beneficiary in the state, the governor of Tamaulipas (one of the two states to receive the most money from Procampo) said that the program was not meant to target the poor.63

Fox and Haight (2010) explain the lack of adjustments — beyond changes in personnel — in the ministry:

The media coverage of the farm subsidy issue in February 2010 raised the question: why were the Rules of Operation being violated? (The rules had been changed not long before.) Although neither Sagarpa [the ministry] nor ASERCA [the unit in charge of Procampo] responded directly to these questions, the director of ASERCA and the director of Procampo did both resign (the Secretary of Agriculture had changed in the summer of 2009). However, the government’s response did not include specific institutional changes that would assure compliance with the operating rules of Procampo, ASERCA and Sagarpa. Instead, the commitments made […] referred to a “clean-up” of the Procampo registry through the verification and updating of the data, the use of better technology (like geo-referencing systems) to assure that the producers receiving program subsidies really comply with the rules. In practice, however, the implementation of these plans has been quite slow, since they would be completed in 2011 at the earliest. Meanwhile, since ASERCA lacks other institutional mechanisms to assure compliance with its own rules, the agency continues to use the existing registry (with all of its associated problems), apparently driven by inertia.

In early 2010 a new case of conflict of interest was revealed: the new Minister of Agriculture, Francisco Mayorga, was a direct beneficiary of Procampo. Since 2008 the rules for Procampo had explicitly forbidden this situation: Article 6 states that: “public officials in the ministry, in technical agencies, or in the agricultural developments departments in the states or municipalities may under no circumstance be beneficiaries of the programs or its components.” When this was pointed out, Mayorga reacted by refusing to give up the benefit, not even for ethical reasons.64

In January 2011, a year after the Ministry had announced a clean-up of the list of beneficiaries, Mayorga acknowledged significant delays.65 The process was to be carried out by the National Statistics Institute (INEGI), ASERCA, and a private company. By then, only 30 percent of the list had been audited and the process was well behind schedule. The main reason for this delay, according to Mayorga, was that the company contracted for the audit process did not have people with the right skills.66

Internal controls: Ministry of Public Administration

Internal controls within the federal government did not operate effectively. In response to this conflict of interest case, the Ministry of Public Administration initially announced that it would open an investigation into whether public officials at the Ministry of Agriculture had infringed

64 Opinion polls showed that the public had a different view: over 71 percent of respondents said it was unethical to receive benefits while minister (“71%: legal o no, que Mayorga reciba subsidio de Procampo no es ético,” Milenio, 22 February 2010).
66 Ibid.
upon any rule. The investigation did not lead to any significant decision and concluded that no laws had been infringed upon.  

Similarly, in response to several cases of politicians and public officials appearing on the recipient lists, Merino formally asked the Ministry of Public Administration to open an investigation. The ministry responded that it was an issue that the state-level internal control institutions had to deal with, but these institutions — almost without exception — either did not investigate or claimed that there were no restrictions on public officials receiving *Procampo* benefits.  

**Congress: budget and transparency rules**

Congress also intervened in the conflict of interest case, but its intervention was mainly rhetorical, without real impact on the program or the ministry. Mayorga was asked to testify before Senate committees, where he defended both the design and results of *Procampo*, and his personal decision to remain on the recipient list. Moreover, some senators asked for an independent audit of the program, but their request did not meet with support, as PAN legislators argued that *Procampo* was a program of the executive branch and the congress could not interfere.  

Another intervention came from the lower chamber of the congress, where the Center for Food Security and Rural Development, a legislative research center, produced evidence about the concentration of subsidies and the program’s lack of results using the *Subsidios al Campo* website. It was not the first time members of congress asked why, despite significant increases in budgetary resources for the rural sector, growth and poverty levels remained the same. Congress had received evidence from many sources about the concentration of farm subsidies, including policy evaluations presented by the National Council for Social Policy Evaluation, data from the World Bank, and specific demands and complaints from rural organizations.  

The lower chamber’s Rural Development Committee, headed by Javier Usabiaga, former Minister of Agriculture, held meetings to discuss a reformulation of *Procampo*. During 2010 the committee voted for drafting a legislative proposal for the redesign of *Procampo*.

The diagnosis on which this redesign was to be based focused on the lack of productivity in the rural sector, and the inadequacy of *Procampo* to deal with this problem (for instance, only 47 percent of *Procampo*’s money is used for buying goods related to rural production; the rest is used for other purposes; and only 52 percent of beneficiaries receive the subsidy before the sowing season).  

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67 Mauricio Merino, interview by author.

68 By the end of 2011, responding to inquiries on irregular payments to intermediaries in the northern state of Chihuahua, the Ministry of Public Administration ordered the dismissal of four high-level officials in charge of *Procampo*. "Detectan transas en agro," *Reforma*, 8 December 2011; "Hallan red de corrupción en Sagarpa; corren a cuatro," *El Diario de Chihuahua*, 12 December 2011.


70 Gabriela Rangel and Héctor Robles, interviews by author.

71 Héctor Robles, interview by author.


73 Francisco Escobar, “Hacia un rediseño del Procampo,” Mexico City, Chamber of Deputies, 2010; internal discussion paper, Rural Development Committee.
However, the diagnosis also included the main issue raised by the campaign: concentration of subsidies on big producers. The starting point, then, was that Procampo was a regressive program, that it had operating deficiencies, and that it was not reaching its stated goals. Usabiaga obtained support in the committee to create a special task force to develop a proposal for a “New Procampo.” At the same time, however, the other legislative committee related to the rural sector, the Livestock and Agriculture Committee, presented an alternative proposal for ensuring the continuation of Procampo and the allocation of resources in the federal budget. This committee was chaired by Cruz López Aguilar, leader of one of the largest corporatist agricultural organizations (CNCs) and legislator for the PRI. Usabiaga then asked the Center for Food Security and Rural Development to compare the two proposals and to come up with a new project that would satisfy both visions. This analysis was done by Francisco Escobar, an expert in rural affairs, who in September 2010 presented the document “Towards a Redesign of Procampo.” However, as Escobar suggested: “The executive had different ideas.” For the Ministry of Agriculture, the intervention of congress in defining rules for Procampo and other programs in the federal budget was already a source of complication in the operation of Procampo. This was because the ministry favored particularistic interests, rather than a general policy towards the rural sector and it actively tried, via PAN members of Congress and the Ministry’s liaison in Congress, to prevent legislation on Procampo.

Indeed, the document was not enough to solve opposing views of Usabiaga and Cruz López, who not only had different political allegiances but also contrasting ideological views of the role of Procampo in the rural sector and the role of congress in shaping the program. According to Edgardo Valencia, advisor to the PRD legislative group, Usabiaga was reluctant to make Procampo a program created by law (and, thus, designed by congress) to ensure the continuity of the program, as was demanded by some organizations. Usabiaga, therefore, implicitly agreed, according to this view, with the ministry’s position that Procampo was under the jurisdiction of the executive and that congress could only intervene by defining the amount of resources allocated to it, but not by imposing specific operating rules. Thus active resistance from the executive, organized opposition from some legislators, and disagreements among and within the committees stopped any reform.

The political dynamic of congressional intervention in rural policy was evident, once again, during the budget negotiations for the 2011 fiscal year. The federal government proposed reduced budgets for the less redistributive programs. However, as was the case in previous years, a group of legislators associated with corporatist agricultural organizations prevailed in resisting reductions. These agricultural producers are well organized both as pressure groups that try to influence rural policies at the federal and state level, and as political agents with

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74 Francisco Escobar, interview by author.
75 Ibid.
76 Former public official at the Ministry of Agriculture, interview by author.
77 Edgardo Valencia, interview by author.
78 Ibid.
79 Ibid.
80 Gabriela Rangel, interview by author.
positions in congress (within the PRI and, to a lesser extent, the PRD). They are well represented in key congressional committees and are brokers in budgetary decisions in the Chamber of Deputies. As Scott (2011: 28) explains: "No interest group is better represented in the Chamber of Deputies than agricultural producers. Recent attempts by the Ministry of Finance to eliminate the most regressive and distorting expenditures, such as subsidies for diesel and guaranteed income programs, have been invariably reverted during the budget negotiations."

In response to demands for greater transparency, the Executive’s Budget Proposal included provisions for making public not only the amount of money allocated to each program operated by the Ministry of Agriculture but also the final destination of this money.\(^{82}\) Despite opposition from some members of congress associated with corporatist organizations, the Chamber of Deputies approved new rules for the operation of agricultural policies as part of the 2011 budget. Article 38.VIII of the federal budget ordered the Ministry of Agriculture to:

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[\ldots]\text{establish an accountability system to state the final destination of public resources allocated to it. To comply with this task the Ministry will create a list of beneficiaries containing the following information: registration number given by the ministry, geographic region (state, municipality and locality); economic activity, agricultural cycle, place within the productive cycle, type of support and amount of public resources received }\[\ldots]. \text{ This system should be available by April 2011 }\[\ldots].
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The ministry complied with these obligations by creating a new section on its website (www.sagarpa.gob.mx/src) that contains aggregate information on the recipients of several programs, as well as a recipient list. This list, however, presents only identification numbers for the current year, with names being added only at the end of each year. (By early 2012, the names for the 2011 subsidies were there.) The lack of names has been a contentious issue because freedom of information legislation dictates that the information on all recipients of any kind of government money must be publicly disclosed.

The ministry has alleged (and made its case in the media) that, given the current context of insecurity in Mexico, making public this type of information endangers the lives and property of farmers because criminals would be able to obtain information about how much money the farmers receive from the government. Some members of the advocacy campaign consider the decision to replace names with identification numbers to be an unintended consequence of the Subsidios al Campo website.\(^{83}\) They believe that the effectiveness of the website made the ministry aware of the effect of accessible information, and so it used security concerns as an excuse for reducing transparency. Unlike the Subsidios al Campo website, the ministry website also only presents detailed information in pdf format.\(^{84}\)

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82 Official B from the Ministry of Agriculture, interview by author.
83 Miguel Pulido, interview by author; Ruiz 2010.
84 In the future, it is expected that the ministry’s website will also have interactive features. It is also expected to serve as a planning tool for the ministry once it finally has a single source of information of recipients. Official B from the Ministry of Agriculture, interview by author.
Solving the problem of having a trustworthy recipient list that is verifiable and accessible for public consultation is still a challenge, not only for Procampo but for almost all of the Mexican government’s social programs. These lists have to be integrated into the Integral Information System of the List of Beneficiaries of Governmental Public Policies, which was created in 2007 but is still not fully operational. It is even worse for those programs that don’t have a recipient list, because it is impossible to know who the beneficiaries of such programs are, and how much they receive (Scott, 2010; Fox and Haight, 2010). By the end of the term of the current legislature in 2012, this unified list of beneficiaries was not completed. An official from the Ministry of Agriculture argued technical reasons like lack of resources, inadequate information, etc. However, a different official from the Ministry of Public Administration (which was supposedly in charge of overseeing the process in all ministries) explained that some ministries, including the Ministry of Agriculture, deliberately delayed the process of integrating the unified list because they did not want to share the information with other agencies. This lack of information has negative effects not only on transparency and accountability but also for policy design; deciding how to target the program’s resources is problematic when recipient list information is not updated or is incomplete.

Supreme Audit Institution

The latest institutional actor to get involved in this subsidy issue is the supreme audit institution ASF, which carried out an audit on Procampo as part of its review of government

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85 Javier González, Ministry of Public Administration, interview by author.
86 Official A at the Ministry of Agriculture (2013) and former official at the Ministry of Public Administration, interviews by author.
87 Official A at the Ministry of Agriculture, interview by author.
expenditure for the fiscal year of 2009.\(^8\) The audit identified several problems with the performance of agricultural policy, both in terms of defective implementation and infringement of rules. A number of problems resulted from the inability of the government to verify the eligibility of subsidy recipients, in particular. The first issue was the problem of a single recipient receiving multiple benefits, either because the recipient has several “production units” (cultivable plots of land) or receives several types of public funding for the same farm.\(^9\) The audit even identified 18,023 producers with more than one identification number.

The ASF also found that in 2009 there were 323,026 beneficiaries older than 75 years of age. Although it is not impossible, it is unlikely to have so many beneficiaries from that age group. The ministry does not have a way of verifying that beneficiaries are still alive, and by the end of 2012 it had only performed random verification visits in two states. Moreover, because of the lack of verification, there are also urban lands that are subsidized (the subsidy is meant to target rural land), and beneficiaries who still get more than the maximum subsidy level of 100,000 pesos per season.

Regarding the conflict of interest case mentioned above, ASF compared the database of Procampo beneficiaries to a list of public officials at the ministry. For the Spring-Summer 2009 cycle, there were 557 officials at the ministry who were also on the recipient list. Minister Mayorga was only one of them. In response to this observation, the ministry replied that as long as these officials were not directly involved in assigning the benefits there was no legal restriction. The ASF explicitly rejected this interpretation, and asked all 557 officials to return over 5 million pesos that they had received in 2009. Moreover, it ordered the internal control office within the ministry to open an investigation and, if necessary, to impose sanctions on those public officials who had received benefits from Procampo.\(^9)\) Mayorga immediately announced that he had already returned all the money that he had received from Procampo, although no independent verification of this actually happening could be found.

In its conclusions, the ASF adopts many of the findings and language of the Subsidios al Campo campaign, not only from the data on the concentration of subsidies but also from the analyses carried out in 2009 by Merino and Scott:

*Procampo is [the ministry’s] most important program in terms of its support to producers [...]. Despite the efforts to reduce inequality in the allocation of subsidies, such as increasing the amount of money and differentiating the subsidies depending on the size of the land, these have been only palliatives. Procampo addresses two different problems with one single objective. As a result [of these problems], those with more land end up receiving more resources.*

A year later, the ASF identified similar problems in the operation of Procampo. The analysis of the 2010 fiscal year reported that the ministry had no way of assessing the effectiveness of farm subsidies (targets and indicators kept changing and are generally

\(^{8} \text{At present, the National Council for Social Policy Evaluation is carrying out a “strategic” assessment of Procampo. At the time of writing, however, its results are not yet public.}\)

\(^{9} \text{Audit for fiscal year 2009.}\)

\(^{9} \text{On 14 June 2013, Reforma published that ASERCA’s Internal Audit had sanctioned five of its former public servants for allegedly having committed various administrative oversights that damaged the national public treasury to the tune of almost 11 million pesos. All of them were fined and disqualified from their functions for periods that vary from 10 to 30 years.}\)
unreliable). Moreover, it found, once again, that almost two million pesos were given to public servants that were directly involved in the administration of Procampo.91

In 2013, as part of the audit of fiscal year 2011, the ASF carried out a special audit of the ministry’s list of beneficiaries. It found that the ministry kept several lists for different purposes, and that the one made public in its “Accountability Portal” had information that is not consistent with annual expenditure reports. It also found that information in those lists is outdated, incomplete, and lacking the legally required level of disaggregation.92 According to the ministry, the portal is now under redesign and will be presented in the coming months, with new information and with improved search tools, more in accordance with the open government approach promoted by the Ministry of Agriculture.93 As of June 2013, however, the portal remains without substantive changes.

Explaining the impacts

Influencing the public debate

The distribution of farm subsidies in Mexico is still regressive; Subsidios al Campo has not managed to redirect agricultural policy. However, this does not mean that Subsidios al Campo has not succeeded. As explained earlier, its initial objective was to inform the public debate on agricultural policies so that the public would know about the effects of farm subsidies and how they are distributed. Some members of the coalition have been wary of losing control of the message on the problem of the subsidy benefit concentration.94 Indeed, the fact that anyone can use the website has led to competing narratives around farm subsidies. Alongside the argument about concentration and inequality, journalists and academics have used the same information to develop arguments about problems regarding the compliance with the rules of operation (e.g., that land in urban areas is being subsidized, that illegal crops are being subsidized, and that there are beneficiaries who are associated with notorious drug dealers) and about conflict of interest (i.e., federal and local politicians and public officials receiving substantial benefits from public agricultural programs). It was to be expected that the first reports to make headlines would be related to the infringement of rules or to a conflict of interest, given the incentives to publish scandalous findings rather than obscure details of policy implementation. Eventually, however, the issue of concentration received coverage, with at least one journalist explaining the problem in simple terms and linking it to the problems associated with the implementation of farm policy. (See, for example, Box 2.)

The website itself has been a notable success. By March 2013 it had reached over 12 million hits, according to the website’s counter. It is not possible to know the identity of those searching for information in the website, but by analyzing some of the questions they ask, it is possible to identify at least three groups: those who mistakenly believe Subsidios al Campo is a government website and request information on how to become a beneficiary or ask for a

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91 Audit for fiscal year 2010.
92 Audit for fiscal year 2011.
93 Public official from Ministry of Agriculture, new interview by author.
94 Gabriela Rangel, Miguel Pulido, Ana Joaquina Ruiz, Victor Suárez, and Iván Polanco, interviews by author.
correction in their data; those who look for individual beneficiaries; and those doing some type of broader data analysis (journalists, specialist in rural policy).95

The website has become a source of information for news and analysis at the federal and state level (many of the news reports cited in this study used data obtained from the website). Current efforts to build on this user base by some members of the coalition include promoting its use in local universities and among rural organizations in the states.96 The campaign has identified a need to provide more information to state organizations, journalists, and academics. The amount of money used in subsidies, its distribution within each, and the operating rules are not widely known by beneficiaries and other interested members of the public. However, as Héctor Robles pointed out, Subsidios al Campo does not have the capacity to use the information and to incentivize the public debate in each state, so it has had to look for partners in local organizations and universities, with mixed success.97

Thus in itself the website has become a public good, which can be used for single searches of individual beneficiaries or for sophisticated statistical analyses. “The website did not give new information to members of the policy community, but it provided solid evidence, based on official data, in an accessible way. It is no longer the biased opinion of interested actors, or anecdotal evidence. It is an argument based on official information that is available to the general public.”98 Moreover, the information organized by the campaign is freely accessible to researchers and activists, who may come up with new uses for the data. For instance, a recent study by Antonio Yúnez from El Colegio de México and Edward Taylor from the University of California Davis presented in October 2012 uses Subsidios al Campo data to expose likely problems of misuse of Procampo funds. The authors compare Subsidios al Campo data on received subsidies with reports from the 2007 National Rural Households Survey. The findings are revealing: although the Procampo beneficiaries (reported by Subsidios al Campo) do receive subsidies, they get less than 75 percent of the amount of money reported in official data. More worrisome, less educated small producers are the ones who report receiving a smaller share of their official subsidy. The authors acknowledge that their analysis does not prove misuse or malfeasance, but the study raises questions about possible leaks in the transfer of funds to final beneficiaries.

Box 2: inequality in farm subsidies makes news

“Rosendo Solórzano Hernández received 107 pesos as a subsidy from Procampo to plant corn in the state of Chiapas. On the other hand, María Guadalupe Zuñiga from the state of Tamaulipas received 290,674 pesos as a subsidy from the same public policy. In neither case are the operating rules – modified in April 8th of 2009, which established a minimum subsidy of 1,300 pesos and a ceiling of 100,000 – being followed” (Hernández, 2010).


The analyses carried out by academics and policy experts in response to Jonathan Fox’s invitation addressed questions raised by the data of Subsidios al Campo. This analytical work also

95 Héctor Robles, second interview by author.
96 Héctor Robles, interview by author.
97 Héctor Robles, second interview by author.
98 Jonathan Fox, interview by author.
proved to be an important source of news and public debate. In interviews, journalists and public officials identified Fundar’s analysis and Merino’s paper as key elements in redirecting the public debate on farm subsidies. The description of Procampo’s design and implementation problems made headlines and led to resignations and congressional inquiries. The analysis of distributional effects proved useful for policy evaluations.

The campaign findings and recommendations also led to congressional debates on the future of farm subsidies, but without significant results: “The rural development committee tried to reform Procampo [...] and reduce the maximum amount of subsidies, but powerful interests within congress prevented any real change.” They also led to policy discussions within the Ministry of Agriculture: former Minister Cárdenas “reacted to issues of conflict of interest and clean-up of the registry, and [in a meeting with several members of the campaign] said that he accepted the criticism and he offered to promote some changes in favor of small producers.” Finally, as explained in the previous section, even the phrasing of the supreme audit institution’s report on the issue reflected the analyses and emphases of the campaign.

In all these cases, careful work with investigative journalists was essential. Simply giving away information would not have led to the desired outcome of improved public dialogue on farm subsidies. Fundar and ANEC in the first round, Merino in the second, and Fundar and Haight in the third, deliberately reached out to journalists, explained the information, and helped them to make sense of it. One of these journalists said in an interview that “they surprised us with their data and gave us ideas about stories for further investigation.” Another journalist pointed to the importance of “making information available and providing sound analysis to make sense of it.” Subsidios al Campo provides evidence for the argument that civil society organizations may have deeper impact by using media to disseminate their findings and recommendations. At the same time, it raises the concern that media incentives (short-term news cycles, poorly paid journalists, and heavy reliance on government advertising) may lead to emphasis on some of the findings that may not be a priority for those organizations.

The public discussion on farm subsidies is indeed more complex now. It is no longer just an issue of how much money is allocated in the budget to the rural sector. It is also a problem of how it is allocated among regions and producers. It is clear now that it is not just a problem of poor implementation, but essentially a problem of design. As Jonathan Fox explains, “If Procampo does not function as planned, you get scandals (illegal crops, urban lands, and politicians as recipients); if it does, you get inequality.” Even when operating according to its rules, Procampo excludes very small producers, and the rule that links landholdings’ size with payments had the direct effect of giving big producers larger amounts of money. So, the main

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99 Evangelina Hernández, Lourdes Rudiño, and Official A from the Ministry of Agriculture, interviews by author.
100 John Scott, interview by author.
101 Gabriela Rangel, interview by author.
102 Miguel Pulido and Ana Joaquina Ruiz, interviews by author.
104 Miguel Pulido, Ana Joaquina Ruiz, Mauricio Merino, Libby Haight, and Evangelina Hernández, interviews by author.
105 Evangelina Hernández, interview by author.
106 Lourdes Rudiño, interview by author.
107 Jonathan Fox, interview by author.
problem is not just implementation but also design. This point is further reinforced by Merino’s finding about the hijacking of Procampo by interest groups that have clout in congress, in peasant organizations, and in the federal government.

Recent discussions in congress, reports by international organizations, and public statements by experts and non-experts alike have incorporated the data, arguments, and demands of Subsidios al Campo. The 2011 Mexico Human Development Report directly pointed to the problem of government interventions that reinforced inequality and used Procampo as an example. When Olivier De Schutter, United Nations Special Rapporteur on the Right to Food, visited Mexico, he criticized the government's agricultural policy in the same terms put forward by the campaign: "Public programs like Procampo and Ingreso Objetivo, instead of preventing further inequality, they aggravate it, and they make the big producers in the North the main beneficiaries" (Vega, 2011). These arguments were echoed later by the UN Food and Agriculture Organization (FAO), and by the transition team just before the inauguration of the Enrique Peña Nieto administration in late 2012.  

This campaign demonstrates the power of evidence-based advocacy. The findings of the campaign were not surprising or unexpected. People within the policy community knew of the problems and had some intuition about the extent of the concentration problem. The campaign made a difference by using systematized data to show with precision the size and attributes of the problem. The data was uncontested and the analysis could not be rebutted. In this way, “the campaign has been essential for expanding the use of freedom of information legislation.”

Several conditions were necessary for the campaign to influence the public debate. 

- Freedom of information legislation made it possible for Subsidios al Campo to obtain data on recipients.
- Fundar’s experience with transparency and accountability issues and ANEC’s deep and longstanding familiarity with agricultural policy provided a good combination of substantive and procedural knowledge.
- Technological expertise provided by EWG made it possible to convert aggregate data into usable and accessible information.
- The academic analysis commission by the Wilson Center provided some answers and raised new questions. It explained the problems with the design of Procampo and identified the consequences of these problems.
- Each member joined the coalition without renouncing its own identity or priorities, and each member enjoyed autonomy to pursue its own agenda under the umbrella of Subsidios al Campo. Their work was facilitated by the coordinating role of nonthreatening third parties, Libby Haight and Jonathan Fox, a significant factor in making this unlikely coalition between a grassroots organization and a public interest think tank (and between them and academics) possible.

From transparency to accountability

110 CR Hibbs, interview by author.
111 Miguel Pulido, Ana Joaquina Ruiz, Víctor Suárez, and Iván Polanco, interviews by author.
The effects of the campaign did not end with increased public awareness. The stories about concentration helped efforts to establish maximum and minimum limits for farm subsidies. Moreover, “the website is now a tool to verify the enforcement of those limits.” More directly, they reinforced the calls from congress and within the policy community for cleaning up the recipient list, introducing a single identification number for producers, and enforcing the operating rules more forcefully (Operating rules, 2011). Congress called on the two Ministers of Agriculture, who have been in office since 2008, to testify before committees following revelations based on Subsidios al Campo information. As mentioned in the previous section, the Chamber of Deputies requested more transparency from the Ministry of Agriculture in its 2011 budget proposal, and the ministry created an accountability website to provide some information on farm subsidies “despite finding strong resistance both among some members of congress and within the ministry.”

But the campaign also shows the limits of evidence-based advocacy in a context in which powerful interest groups resist change, government institutions are reluctant to modify the status quo, and accountability mechanisms are ineffective. As Fox suggests about the outcomes of the campaign:

“There were not significant and substantial changes in agricultural policy. The main causes of inequality in the distribution of public money in the rural sector remain untouched. The campaign informed the public debate, but — as happens in other countries — despite being obvious, the problem of concentration has not been addressed. There was progress in terms of transparency, but not in terms of accountability or policy change.”

Even though no one challenged the veracity of the data or the validity of the findings, and even if, in private, “officials shared the diagnosis about the political factors behind this concentration,” changes in policy were minor and incremental. To date, the recipient list has not been updated, there are no verification procedures in place, and the concentration of benefits problem remains essentially unchanged. The Ministry of Agriculture denied that public officials who were beneficiaries of farm subsidies could be accused of a conflict of interest. Minister Mayorga insisted that he was not violating any law in accepting subsidies, and that he would not give up his “right” to do so.

It took an external audit by the supreme audit institution — an independent body with technical expertise and political autonomy from the government — to explicitly reject this interpretation and call for both a reimbursement of those illegal benefits and an internal investigation into this administrative transgression. However, federal government internal controls were ineffective. The most important outcome was that the Ministry of Public Administration dismissed four officials at ASERCA at the end of 2011, but no comprehensive review of subsidies being received by the Ministry’s officials took place. Congress has been slow to act because of pressure from representatives associated with corporatist rural

112 Miguel Pulido and Ana Joaquina Ruiz, interview by author.
113 Official B from the Ministry of Agriculture, interview by author.
114 Jonathan Fox, interview by author.
115 Héctor Robles, interview by.
116 “Sagarpa atrasada en depuración de subsidios Procampo,” El Semanario, 21 de enero de 2011; Robles, 2011.
organizations that happen to be the current beneficiaries of farm subsidies. As Haight summed it up: “One of the lessons of this campaign is that gathering all the available evidence and building a powerful argument is not enough in a context of ineffective accountability institutions.” ANEC put it more bluntly: “You know you have a big problem when not even all the evidence built with their own [that is, the government’s] data can induce reforms.”

Ultimately the effects of the campaign were also limited due to the way in which producers are organized in Mexico: big producers are very well organized and politically influential, whereas small producers have a quieter voice in the policy debate. Moreover, as Scott explains: “many of the small producers’ organizations do not see the allocation of farm subsidies as a zero-sum game between them and big agricultural producers; but as a problem of the total amount of money allocated to the rural sector.” Consequently, “it is difficult to build a political coalition asking for a more equitable agricultural policy,” and many organizations prefer short-term minor direct benefits to a comprehensive reform. There are organizations that are interested in making transparent the use of public resources, but the main interest of most rural organizations is to obtain specific benefits and they are not willing to risk their relationship with the ministry or the legislators, which reduces the incentives for broader reform.

Congress initiated discussions that were ultimately blocked by pressure from the ministry and opposition from organized corporatist organizations. As Raphael states: "no amount of evidence or public debate could overcome the active resistance of these very well organized groups. It is not a matter of technical sophistication, but of political economy." And the Ministry of Agriculture, particularly after the appointment of minister Mayorga, became more reluctant to modify the logic of Procampo toward a more progressive distribution of subsidies. The reasons were both political (the interest of not alienating big organized producers) as well as technical (that the correct use of Procampo was in supporting big producers).

Other contributing factors

The effects of the campaign were shaped by other factors that reinforced its messages about concentration of benefits and inequality and that provided additional stimulus for change. Officials within the Ministry of Agriculture suggest that there were attempts at reforming the way in which farm subsidies were allocated and, more broadly, at changing the overall purposes of agricultural policies, although probably not in the direction Subsidios al Campo was expecting. There were also calls from the Ministry of Finance to improve and make more transparent agricultural expenditures. Their intention was to enforce budgetary rules and to develop performance indicators and not to alter substantive design of rural policy. Still, they put pressure on the ministry and on congress to come up with clearer operating rules and more transparent use of public resources. As Scott suggests: “The Ministry of Finance now

117 Libby Haight, interview by author.
118 Victor Suarez and Iván Polanco, interview by author.
119 John Scott, interview by author.
120 Jonathan Fox, Gabriela Rangel, Víctor Suárez, and Iván Polanco, interviews by author.
121 Héctor Robles, second interview by author.
122 Ricardo Raphael, interview by author.
123 Ana Joaquina Ruiz, second interview by author.
124 Officials A and B from the Ministry of Agriculture, interviews by author.
125 Official from the Vice Ministry of Expenditures, Ministry of Finance, interview by author.
understands the underlying problem of design and it[s] distributional consequences.”

External pressures also played a role: at the time the World Bank and the Inter-American Development Bank were negotiating loans to the Mexican government, and some of the ideas that were put forward were related to improvements in the allocation of farm subsidies (Ruiz, 2010). For several years, external evaluators and experts have also insisted on the inadequacies and shortcomings of agricultural policies, and some of their findings have been discussed even within congress. One of the most comprehensive "strategic assessments" of Procampo identified the need to distinguish the different purposes of Procampo and the specificities of at least three groups of beneficiaries (small, medium, and big producers). The campaign interacted with these contributing factors, and it proved essential in providing detailed information and sound analysis to back some reform attempts.

There were also more general contextual factors that explain the limits of the campaign’s success. Mexico has gone through important reforms regarding transparency and accountability in the last decade — from the 2002 Freedom of Information Law to current deliberation in congress for a new constitutional amendment regarding transparency and the possible creation of an Anticorruption Commission — but their effects remain limited. In the case of rural policy, as Raphael suggests: “there is a powerful coalition pro status quo, and not equivalent coalition for change.” Moreover, the pro status quo coalition has a double advantage: it has legislative and administrative positions (members of congress and public officials in Sagarpa) in the very institutions whose decisive action would be needed for actually reforming rural policy. It also does not need to convince anyone of the merits of its position, it just has to silently resist change.

A new administration

In July 2012 Enrique Peña Nieto won the presidential election. This result marked the return of the PRI to the federal government. Even if the issue of rural policy was seldom mentioned during the presidential campaign (besides generic statements about supporting farmers and improving rural productivity), during the transition period, it was announced that Procampo would continue under the new administration, and that some unspecified changes would be introduced to its design. The first change came in the relationship with congress. An official from the Ministry of Agriculture said: “For the first time in years, the budget allocation for the rural sector proposed by the executive was approved without modification.” It is a reflection of the new balance of power between the executive and congress after the 2012 election, but it may also be a reflection of a better alignment between the interest of legislators and the ministry.

Soon after taking office the new government announced the type of changes it had in mind, which were in line with the main message of the Subsidios al Campo campaign. On 2 December 2012, the federal government signed with the PRI, PAN, and PRD a document called Pact for Mexico, which listed several issues that required legislative and executive action on which there

126 John Scott, interview by the author.
127 Hector Robles, interview by author. These policy evaluations available at www.coneval.org.mx.
128 Informe final de evaluación estratégica al programa de apoyos directos a Procampo, Mexico City, Sagarpa, 2011.
129 Ricardo Raphael, interview by author.
130 “Continuará el PROCAMPO, pero con adecuaciones: De la Madrid”, Notimex, 21 November 2012.
was basic agreement. This document included two "commitments" related to subsidies and rural policy. As Fundar's Miguel Pulido suggests, "the Pact reflects many of the ideas we had been putting forward in the campaign." These commitments include an "Integral review of the subsidy policy and the special regimes to establish an efficient, transparent and progressive system." The Pact recognizes the regressive character of some subsidies. The explicitly stated purpose is that "there will be no more subsidies for high income population." Moreover, there is a commitment to "granting credits and preferential rates to small and medium-sized producers. In the same way, subsidies will be reoriented to guarantee support to these producers." 

In February 2013 the new Minister of Agriculture, Enrique Martínez, in one of his first interviews, announced that the ministry was carrying out a comprehensive review of Procampo.Martínez announced that a number of beneficiaries of the program would stop receiving the benefits because a preliminary diagnosis found that thousands of acres receiving Procampo subsidies were not in fact being used for agriculture (some of them were golf courses). Along with this new attempt at cleaning up the register, Martínez also announced new streamlined operating rules for 2013, which would simplify the way subsidies are transferred, improve the process of updating the beneficiaries list, and prevent misuse of resources. These rules now explicitly state that subsidies will be paid only to those beneficiaries that have gone through the updating process. As a public official from the Ministry of Agriculture explained: "Procampo is the more salient program under the ministry, it has the largest budget and it is the one with greater political implications. The ministry is now preparing a new diagnosis that will be presented as part of the new planning process for the 2012-2018 administration. We are aware that previous studies and assessments have identifies important shortcoming, but we need to put forward our own vision for rural policy."

In May 2013 the federal government issued its National Development Plan (2013-2018), which guides federal policy making and sets the basis for sector-specific programs (including the one for rural development) to be issued in the coming months. This document acknowledges that there is not a single list of beneficiaries of social programs, including rural subsidies, and sets as one of its proposed actions to develop a register with a single identification number for each beneficiary of social programs. This announcement addresses one of the main problems with the functioning of Procampo and other subsidies identified by the campaign.

Regarding the design of rural policy, however, the announcements do not incorporate the main concerns of Subsidios al Campo: concentration and inequality. Instead, the National Development Plan outlines the new administration’s willingness to develop “a productive farming and fishing industry” by supporting small agricultural producers’ income and

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131 Miguel Pulido, second interview by author.
132 Pacto por México, Compromiso 73.
133 Pacto por México, Compromiso 65.
135 This document is not available yet. After FOI requests, the ministry replied that it is still under elaboration.
137 Public official of the Ministry of Agriculture (new administration), interview by author.
production and by promoting agro-food industry’s productivity. Apparently, the duality in the objectives of the strategy for developing the industry persists. Either way, the actual strategies through which the federal government intends to achieve these objectives are not clearly specified. In fact, it is only stated that these objectives will be pursued through the promotion of sustainable productive projects, the enhancement of small producer’s technical, commercial, and productive capacities and through the fostering of partnership models that benefit from economies of scale and generate added value. The novel idea, however, is that these aspects will be promoted by public programs with a new operative logic “that transform inefficient subsidies into productivity and investment [author’s translation].”

However, peasant organizations perceived the strategies of the new administration as no more than good intentions. The leaders of six different peasant organizations stated that even when there is consensus in the diagnosis of the problem that besets the industry, the National Development Plan does not reflect a true political will to change it, because the same policies from prior governments are being recycled. The plan seeks to support the industry, but the concrete strategies to reduce the food dependency, the inequality among regions, and the deficit in the trade balance in agricultural and food products, are not specified.

Conclusion

The initial coalition was effective in bringing together actors with different agendas and skills. Some of these actors have moved to different positions. Pulido is now head of Fundar, Haight moved to an international foundation, and Ruiz is now working on her Ph.D. There were changes in El Universal that resulted in both Ricardo Raphael and Evangelina Elizondo moving to new positions. ANEC became much more politically involved in the presidential campaign, supporting the leftist candidate. Fundar ended its relationship with EWG, because it identified the need to develop its in-house technical capacity. But the campaign left important legacies in many participants. Fundar has scaled up both its technical capacity for "digital-based advocacy," and its regular interaction with journalists. As Elisa Batallar (a Mexico City-based journalist currently doing an internship at Fundar) explains, “Fundar has learned that the message an organization wants to convey is not necessarily the same in which the media would be interested.” Fundar has develop the ability to interact with journalists, explain the importance of certain information, and help them in writing reports that are more sophisticated and based on evidence. Still, there are big obstacles in the media industry; for some editors, telling stories about cases like Subsidios al Campo is not a good sell; and for journalists, dedicating time and resources to follow a complex story is not always feasible. At El Universal, it was decided to create a news room to regularly use data not only from civil organizations but also directly from official sources like the supreme audit institution, the National Statistics Institute, and the Council for Social Policy Evaluation, as well as academic reports. Ricardo Raphael convinced CIDE authorities of the opportunity for improving the abilities of journalists, and in 2011 CIDE launched a new academic program, a Masters in Journalism and Public Affairs.

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140 Elisa Batallar, interview by author.
Currently, Fundar and its allies are working on a new version of the website that will be more user friendly, allow for easier searches and for basic analysis, and cover more agricultural programs. Though it has been some time in the making because of technical difficulties, these changes will greatly improve the website. The challenge, however, identified by several members of the campaign, is to come up with a renewed advocacy strategy that is based on the public good provided by the website but goes further. The purpose is not solely to generate a source of information, but to incentivize its use and to continue trying to change rural policy. "Subsidios al Campo is supposed to be an instrument for policy advocacy, not a data warehouse."  

Subsidios al Campo improved the transparency of Mexico’s farm subsidy programs, identified the problem of unequal concentration of benefits, and explained the reasons — political, administrative, and policy design — behind this problem. In doing so, it undoubtedly improved the policy debate, not only with its sophisticated arguments but also because it introduced new actors to the debate. It has been less effective in improving policy because of active resistance by the government, and in improving accountability, because of a “structural problem with the functioning of accountability institutions in Mexico.”

Subsidios al Campo is an example of innovative advocacy, which made use of new tools and strategies to make data usable, generate rigorous analysis, involve various organizations, work with the media, and engage accountability institutions. As with any other campaign, its outcomes were shaped by the capacity and incentives of the relevant accountability institutions, and by the openness of the government to new evidence that may lead to policy redesign.

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141 Miguel Pulido and Héctor Robles, second interviews by author.
142 Libby Haight, second interview by author.
143 Miguel Pulido and Ana Joaquina Ruiz, interview by author.
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List of interviewees

1. Interviews carried out between July and December 2011

- Miguel Pulido (Fundar)
- Ana Joaquina Ruiz (Fundar)
- CR Hibbs (William and Flora Hewlett Foundation)
- Libby Haight (William and Flora Hewlett Foundation)
- Jonathan Fox (UCSC)
- Víctor Suárez (ANEC)
- Iván Polanco (ANEC)
- Hector Robles Berlanga, member of the Editorial Committee for the website
- Gabriela Rangel, Congress' Center for Food Security and Rural Development Studies and member of the Editorial Committee for the website
- Mauricio Merino (CIDE)
- John Scott (CIDE)
- Evangelina Hernández (El Universal)
- Lourdes Rudiño (La Jornada del Campo)
- Anonymous officials from the Ministry of Agriculture
- Official from the Vice Ministry of Expenditures, Ministry of Finance.
- Javier González Gómez (Head of the Evaluation Unit; Ministry of Public Administration)

2. Interviews carried out between December 2012 and April 2013

- Héctor Robles Berlanga (Subsidios al Campo)
- Edgardo Valencia Fontes (former advisor to PRD legislative group; Chamber of Deputies)
- Libby Haight (William and Flora Hewlett Foundation)
- Ricardo Raphael, former editor at El Universal and current coordinator of the Master Program in Journalism and Public Affairs at CIDE.
- Miguel Pulido (Fundar)
- Ana Joaquina Ruiz, specialist in transparency and rural policy, former Fundar member
- Francisco Escobar (Researcher at Centro de Estudios para el Desarrollo Rural Sustentable y la Soberanía Alimentaria, Chamber of Deputies)
- Georgina Kaire, specialist in citizen participation in rural policy
- Ana Elisa Batallar, journalist
- Former public official (Ministry of Agriculture)
- Public official (Ministry of Agriculture in the new administration)