The decline of corporatism is also reflected in the diminishing number of corporatist leaders that occupy senior positions within the government. In addition, a slew of independent interest groups has arisen in Mexico to challenge Mexico's official corporatist sectors for membership. Official sectoral leaders also do not as readily fall into line as previously. President Zedillo met with unprecedented resistance from officially-sanctioned business, labour and peasant leaders in renewing a key instrument of incomes policy, the Economic Solidarity Pact. Finally, in a clear sign of corporatist crisis, rank and file discontent led official leaders of organized labour to cancel the important annual May Day parade in Mexico City in 1995.

One Party Rule. Starting with Salinas' narrow victory over opposition leader Cuauhtémoc Cárdenas in the 1988 presidential election, it became evident that the ruling PRI could no longer take electoral victories for granted. Electoral reforms begun during the late 1970s largely as "window-dressing" measures have gradually improved the opposition's chances of winning elections, particularly given the social impact of structural adjustment and stabilization measures on the country's popular and middle classes. Mexico's opposition parties have made important gains since 1988, especially the centre-right National Action Party (PAN).21 In 1989, the PAN was the first opposition party to ever win a governorship, taking the state of Baja California. In 1995, it set a new landmark: the first opposition party to be reelected successfully in a governorship -- Baja California -- under its control. Voter backlash after the peso crisis has increased the party's electoral fortunes remarkably. The PAN now holds fourgovernorships -- Baja California, Chihuahua, Guanajuato and Jalisco -- and occupies the mayorship of eight of the ten largest cities outside of Mexico City. It is conceivable that the combination of authentic electoral reforms during 1996-1997 and voter frustration with Mexico's economic crisis could even lead to a PAN majority in the mid-term congressional elections of 1997. From one-sided staged events, Mexico's elections have become increasingly competitive.

The System of Cooptation. As mentioned above, the resources available to the regime for disbursing patronage and incorporating dissidents have dropped after 1982, particularly since December 1994. At the same time, opposition forces are becoming a potentially viable longer-term option for gaining real power. Consequently, the task of coopting dissenting voices is becoming more difficult, although not impossible. Under Salinas and Zedillo, "concertation" -- the process of negotiating concessions to and expanding the policy-making input of opposition parties and interest groups -- has increasingly come to the fore. Electoral reform and agricultural policy are two

Policy Staff Paper 21

²¹It should be noted that the dominant line in the PAN supports market-based reforms and, important from a Canadian perspective, the NAFTA.