PUBLIC OPINION OF THE ECONOMY AND THE PRESIDENT AMONG MEXICO CITY RESIDENTS:

The Salinas Sexenio*

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Abstract: Because of the prominence of the president in the Mexican political system, public opinion of the executive is a particularly important political indicator. Two models of public opinion are used here to explain changes in President Carlos Salinas de Gortari's approval rate from 1990 to 1994. The economic-performance model assumes that approval was based on public perception of trends in the economy. The statistical analysis shows that individuals' perceptions of economic performance had a strong positive effect on their opinions of the president. But basic economic indicators such as inflation, the real value of wages, and the level of unemployment are found to explain only partially Mexico City residents' opinions of the economy. The policy-initiatives model assumes that approval of President Salinas was based on public opinion of his economic policy initiatives. Citizens' approval of Salinas's economic initiatives was found to affect their opinions of the president substantially. Because many of these policy initiatives, such as NAFTA, had no immediate direct impact on the economic condition of the country, I conclude that Salinas's extraordinary popularity was largely due to the expectations that these initiatives created.

The postrevolutionary Mexican political system has often been described as "presidentialist" in nature. In this system of governance, the chief executive has traditionally exercised ample constitutional and metaconstitutional powers. Presidents originate foreign and domestic policy. Ultimate authority rests in them on issues such as fiscal and monetary policy, social spending, labor and agrarian matters, and public security. In addition to all these legal powers, Mexican presidents possess other extralegal powers, most emanating from their control of the ruling party.[1] Because

*The initial phase of this research was funded by a grant from the University of California Institute for Mexico and the United States (UC-MEXUS). I would like to thank Peter Smith, Daniel Hallin, and William Parish as well as the anonymous *LARR* referees for helpful comments on previous drafts. I would also like to thank Ricardo de la Peña and Rosario Toledo of the Gabinete de Estudios de Opinión (GEO) for sharing their data with me.

1. For a discussion of Mexican presidentialism, see Carpizo (1978), Garrido (1989), and Meyer (1993).

the presidency is so central to the Mexican political system, public opinion of the president is an especially important indicator—a barometer of the standing of the entire regime. It has been linked to the fate of the ruling party and that of its candidates in local and state elections. For example, in an analysis of the 1988 and 1991 elections, Jorge Domínguez and James McCann found that support for the ruling Partido Revolucionario Institucional (PRI) was strongly associated with presidential approval. They therefore attributed the success of the PRI candidates in the 1991 midterm elections in large part to the popularity of President Carlos Salinas de Gortari. These analysts have argued that his standing helped garner support for his policies and even improved public assessment of the economic circumstances and prospects beyond what was warranted by the facts (see Domínguez and McCann 1996, esp. 133).

By the same token, because Mexican presidents are so closely associated with all aspects of government policy, they are more likely to be held responsible for political crises and economic downturns. Presidential standing is often thought to be particularly sensitive to changes in the economy. Thus the economic crisis of the early 1980s dealt a substantial blow to the presidencies of José Lopez Portillo and Miguel de la Madrid. The value of the national currency (its parity vis-à-vis the U.S. dollar) has been popularly considered a measure of the president's capacity to manage the economy. This relation between the value of the peso and the public's opinion of the president may explain the hesitancy of Mexican presidents to devalue the currency and the corresponding declines in public approval following large devaluations. Other factors such as changes in the rate of growth and inflation have also been thought to affect the president's standing.

By all standards, public approval of President Carlos Salinas remained extremely high during his six years in office. His popularity was remarkable for two reasons: because it came on the heels of one of the country's worst economic crises and because his administration failed in many ways to restore economic prosperity. Thus there appears to be a lack of correspondence between the modest economic performance during the Salinas years and the president's enormous popularity. Similarly remarkable were the high levels of approval for the president's neoliberal economic policies, which entailed a dramatic break with traditional postrevolutionary rhetoric. The president succeeded in garnering support for these policies, which in turn motivated positive expectations and encouraged the perception of President Salinas as a dynamic economic reformer.

In the analysis that follows, I use data generated by opinion polls conducted between 1990 and 1994 to examine the relationship between public opinion of the economy and presidential approval in Mexico. Two alternative explanations for approval of Salinas will be considered. The approach stressing economic performance looks at the relation between perceived economic performance and the president's standing. My statistical analysis shows that individuals' perceptions of economic performance have a strong positive effect on their opinion of the president. But basic economic indicators such as inflation, the real value of wages, and the level of unemployment are found to have only a modest effect on public opinion of the economy.

The second tack, the approach focusing on policy initiatives, assumes that approval of Salinas was based on public opinion of his economic policies, which generally have been categorized as "neoliberal." Special attention will be given to the effects of the North American Free Trade Agreement (NAFTA). My statistical analysis shows that citizens' approval of Salinas's economic policies had a large effect on their opinion of the president. Because many of these initiatives had no immediate impact on the economic condition of Mexico (NAFTA had not even taken effect), this finding suggests that Salinas's popularity was due in large part to the expectations they created.

THE ECONOMIC-PERFORMANCE APPROACH

This section will examine the importance of economic concerns in the Mexican public's evaluation of the president. First, I will provide evidence to support the claim that Mexican citizens, like their counterparts in the United States, form their opinions of a president's performance sociotropically—that is, based on their assessment of the national economic situation rather than on their personal economic grievances. Second, using a time-series analysis, I investigate the relation between economic indicators—such as real wages, unemployment, and inflation—and Mexicans' assessment of the national economic situation. I will then analyze how individuals' opinions of the economy are related to their judgments of the president's performance.

National Economic Factors versus Personal Economic Considerations: The Sociotropic Effect

A substantial body of literature on public opinion in the United States has shown that individuals' perceptions of the state of the national economy play a more important role in their assessments of the performance of government officials than do their personal economic grievances. This outcome has come to be known as the sociotropic effect. In a landmark study of retrospective voting in congressional elections from 1956 to 1976, Donald Kinder and Roderick Kiewiet found that personal economic circumstances had little effect on voters' decisions. They concluded, "Those voters unhappy with changes in their financial circumstances, or those who had recently been personally affected by unemployment, showed little inclination to punish candidates of the incumbent party for their personal misfortunes" (Kinder and Kiewiet 1979). These analysts suggest that in assessments of responsibility for personal economic grievances, individuals consider proximal factors—like local conditions and idiosyncratic circumstances in the workplace—more important than politics. Such explanations might "reveal substantial self-blame, a reflection of the preeminence of individualism in [U.S.] society" (1979, 252).[2]

Table 1 shows the results of a probit analysis in which Mexican respondents' opinions of national and their personal economic situations, along with several control variables, were used to predict their opinion of the president at the time, Miguel de la Madrid.[3] The data came from the 1986 New York Times Survey. According to these results, the respondents' opinions of the national economic situation have a considerably larger effect on their assessments of the president than their opinions of their own household economic conditions. All else remaining equal, at the means of all the independent variables, the probability of approving of the president's performance increases by 16.1 percent for every unit increase in the respondent's opinion of the national economic situation (such as an increase from "good" to "very good"), as opposed to an increase of only 10.9 percent for every unit increase in the respondent's opinion of his or her own household economic condition. This finding partially supports the sociotropic thesis for the case of Mexico.[4]

The series of polls conducted by the Gabinete de Estudios de Opinión (GEO) from April 1990 through August 1994 among the population of Mexico City can also be used to assess the importance of Mexicans' opinions of the state of the national economy relative to their opinions of their own economic situations. In four consecutive polls (taken in February, April, June, and July of 1991), respondents were asked how much income they required to satisfy all their needs. A subjective satisfaction index was constructed by dividing the respondents' reported income by the amount required to satisfy their needs. Although this new index embodies infor-

2. See also Sniderman and Brody (1977). On individualism in U.S. politics, see Meehl (1977).

3. The results presented in tables 1 through 4 are marginal effects evaluated at the means of the independent variables. The numbers in brackets in tables 3 and 4 are pseudo-standardized coefficients computed by multiplying the marginal effect times the ratio of the standard deviations of the independent and dependent variables.

4. Individuals' political positions on the Left-Center-Right spectrum and their incomes were both significantly associated with their opinion of President Miguel de la Madrid. Age appears not to have been significant. Given the conservative nature of the de la Madrid administration, it is not surprising that the further to the Left that respondents described themselves, the less likely they were to approve of the president's performance. Similarly, the higher respondents' incomes, the more likely they were to approve of President de la Madrid.

TABLE 1 *Effects of Mexicans' Opinions of the National Economy and Personal Economic Conditions on Approval of President Miguel de la Madrid in 1986*

Variables	*Coefficient*	*Standard Errors of the Coefficients*	*Pseudo-Standardized Coefficients*
Political leaning	-.1242[a]	.0199	-.1548
Age	.0101	.0088	.0285
Gender	.0210	.0243	.0211
Income	.0317[b]	.0154	.0504
Opinion of the national economy	.1609[a]	.0201	.2093
Opinion of one's household economic situation	.1087[a]	.0196	.1445
Constant	-.3910[a]	.0828	

Source: New York Times Mexico Survey, 1986.

NOTE: The coefficients reported for each indicator are the marginal effects evaluated at the mean of the independent variables (P at mean = 0.5426). The log-likelihood is -1150.3646.
[a] Significant at P less than .001
[b] Significant at P less than .05 (N = 1,798 weighted)

mation different from the New York Times survey question, it nevertheless represents a measure of each individual's judgment of his or her personal economic condition.[5]

The results of a probit analysis using this new model are shown in table 2.[6] As with the New York Times survey, the respondent's opinion of the state of the national economy was much more important than the respondent's judgment of his or her personal economic condition. The satisfaction index has no statistically significant effect on an individual's likelihood of approving of the president's performance. This finding provides further evidence that Mexico City residents form their opinion of the president's performance sociotropically and not so much based on their individual pocketbooks.

Macroeconomic Performance and Public Opinion

Having determined that individuals' opinions of the national economy are a more important consideration in their assessments of the president than their personal economic conditions, I now turn to analyzing

5. The GEO Mexico City surveys on political culture used in this research note are deposited at the Roper Center for Public Opinion Research, located at the University of Connecticut in Storrs. The index of satisfaction was constructed by Ricardo de la Peña and Rosario Toledo of GEO.

6. In the analysis presented in tables 2, 3, and 4, the opinion of the president and the economy were dichotomized, collapsing the three lower ratings ("very bad," "bad," and "aver-

TABLE 2 *Effects of Mexico City Residents' Opinions of the National Economy and Personal Satisfaction Index on Approval of President Carlos Salinas de Gortari in 1991*

Variables	*Coefficient*	*Standard Errors of the Coefficients*	*Pseudo-Standardized Coefficients*
Opinion of national economic situation	.4639[a]	.0297	.3861
Satisfaction index	-.0048	.0094	-.0115
Gender	.0114	.0213	.0115
Origin	.0201	.0244	.0185
Age	.0234[b]	.0086	.0676
Education	.0277	.0191	.0372
Income	.0093	.0074	.0312
Constant	-.1608[b]	.0621	

Source: GEO Mexico City surveys.

NOTE: The data used were pooled from the GEO Mexico City surveys taken in February, April, June, and July 1991. The coefficients reported for each indicator are the marginal effects evaluated at the mean of the independent variables (P at mean = 0.5559).
[a] Significant at P less than .001
[b] Significant at P less than .01 (N = 2,396)

what shapes individuals' opinions of the economy and what effect their opinions of the economy have on presidential approval over time. Previous studies examining the effect of economic performance on public opinion of government officials have focused exclusively on the direct relation between the state of the economy (measured by economic indicators such as inflation, unemployment, and real disposable income) and political support for the officials (measured by approval ratings and voting patterns). In doing so, these studies treat the process that lies between "economic reality" and opinion of public leaders as essentially "a black box."[7]

A central point of this study is that by introducing individuals' opinions of the economy as an intermediary step between economic indicators and the level of approval for the president, analysts can distinguish between two types of factors that may have led to the discrepancy between economic performance and presidential approval during the Salinas sexenio. Two possible forms of distortion may occur in the process by which individuals relate economic reality to the president's performance. First, a discrepancy may exist between actual economic reality (as measured by

age") into one category and the two higher ratings ("good" and "very good") into a second category. This simplification was performed to allow comparisons with other studies and because the five-point scale did not appear to capture significant differences.

7. For examples of classic works on the economy's impact on voting results, see Kramer (1971) and Kiewiet (1983). On presidential popularity in the United States, see Kernell (1978) and Hibbs et al. (1982). For a more recent overview, see Edwards (1991).

various economic indicators) and individuals' assessment of the national economic situation. Second, a discrepancy may exist between their opinions of the economy and their assessments of the president's performance.

It may seem counterintuitive that individuals could misperceive the economic situation that they live in. It is obvious that individuals can apprehend economic changes in a direct way, as in experiencing a rising cost of living or suffering the immediate consequences of unemployment. But if it is true that these personal experiences are much less important in individual assessments of government performance than their appraisal of the national economic situation, then their interpretations of "economic reality"—at least as it relates to the role of government officials—are much more susceptible to distortion.

Second, various factors such as government public-relations campaigns and political analysis propagated via the mass media may affect the relationship between individuals' perceptions of the economic situation and their assessments of government leaders. Such factors can either hamper or encourage the attribution of responsibility (causal or treatment) for economic maladies or successes to public officials. In this sense, individuals can come to excuse the president of responsibility for poor economic performance by attributing it to exogenous sources such as changes in the world economy or to internal sources such as an insurmountable bureaucracy, an unruly opposition, or the ghosts of previous administrations.

The Relationship between Economic Indicators and Approval of the President / Table 3 shows the results of a probit analysis in which an individual's opinion of the president was used as the dependent variable and various economic indicators, lagged by one month, were entered as the independent variables.[8] Several patterns appear. First, the inflation rate is arguably the most important of all the indicators. According to the pseudo-standardized coefficients (in brackets), the effect of the monthly inflation rate on presidential approval is among the largest of all the indicators, comparable only with that of the real exchange rate. The most complete models, such as Models 2, 3, and 5 that control for other indicators, reveal that at the means of the independent variables, an increase of 1 percentage point in the monthly inflation rate is associated with a decrease in the probability of approval of 3.2 to 7.2 percent.[9]

8. The consumer price index for Mexico City, the national industrial employment index, and the open unemployment rate for Mexico City are taken from *Indicadores Económicos*, published by the Banco de México. The real minimum and average wage figures were computed from INEGI and Banxico nominal-wage data and adjusted for the rate of inflation in the Mexico City area. The exchange rate (pesos per dollar) was taken from the *Review of the Economic Situation of Mexico*, published by Banamex. The real exchange rate is calculated by multiplying the nominal rate times the ratio of the CPI in the United States and Mexico.

9. Although the significance levels of almost all the coefficients are very high, they should

TABLE 3 Effect of Economic Performance on Presidential Approval among Mexico City Residents, 1990–1994

Variables	*Model 1*	*Model 2*	*Model 3*	*Model 4*	*Model 5*
Inflation	-.0914[a]	-.0720[a]	-.0322[a]	-.0348[a]	-.0374[a]
	(.0077)	(.0087)	(.0094)	(.0080)	(.0081)
	[-.1281]	[-.1010]	[-.0451]	[-.0487]	[-.0524]
Mean wage		-.0036			
		(.0027)			
		[-.0170]			
Unemployment		-.0027	-.0265[a]		-.0177[b]
		(.0076)	(.0082)		(.0073)
		[-.0035]	[-.0337]		[-.0224]
Employment	.0052[a]				
	(.0009)				
	[.0625]				
Minimum wage			-.0000[a]		
			(.0000)		
			[-.0709]		
Real exchange rate				-1.2997[a]	-1.4841[a]
				(.2621)	(.2731)
				[-.0553]	[-.0632]
Constant	-.3318	.2459[a]	.8851[a]	.3766[a]	.4820[a]
	(.0799)	(.0744)	(.1587)	(.0502)	(.0666)
Log-likelihood	-10309.70	-10325.34	-10315.28	-10313.41	-10311.41

Source: GEO Mexico City surveys, 1990–1994.

NOTE: The coefficients reported for each indicator are the marginal effects evaluated at the mean of the independent variables (P at mean = 0.5598). The numbers in parentheses are the standard erors of the coefficients. The numbers in brackets are the pseudo-standardized coefficients.
[a] Significant at P less than .001
[b] Significant at P less than .05 (N = 15,137)

Second, the open unemployment rate is negatively related to presidential approval. An increase of 1 percentage point in the unemployment

be interpreted cautiously because this individual-level model tends to produce inflated t-scores as compared with the aggregate-level models commonly used. The models used here are awkward in that they employ individual-level dependent variables and aggregate-level independent variables (the monthly economic indicators). The strategy is similar to that of Przeworski (1996) and Buendía (1996), who both used aggregate-level data and weighed each point in the time series by the number of respondents.

https://doi.org/10.1017/S0023879100038607 Published online by Cambridge University Press

rate is associated with a decrease in the probability of approval from 1.8 to 2.7 percent, according to the most complete models. But one should be cautious about interpreting a statistical association between open unemployment figures and presidential approval as indicating individuals' reaction to an actual change in unemployment. Open unemployment figures in Mexico are a notoriously inaccurate measure of true unemployment. They classify as employed any person who has worked at least an hour per week. In a country like Mexico with little or no unemployment benefits, few working-age individuals can afford not to work at all in any capacity. Thus the indicator substantially underestimates true unemployment and underemployment and may be insensitive to actual changes in the labor force.[10]

Third, the real value of wages is not significantly associated with presidential approval. Again, this result may follow from the inaccuracy of the indicator but may also reflect an actual relation. Manufacturing wages during the Salinas administration registered only modest improvement, while the president's approval rate rose considerably. The association between presidential approval and the real minimum wage is tested in Model 3. Surprisingly, the regression coefficient has a negative sign. According to the results for this model, an increase in the real value of the minimum wage is associated with a decrease in presidential approval. It is likely that the minimum-wage indicator, which decreased steadily during the Salinas administration, may be capturing the effect of some other unmodeled variable to which the public was reacting.

Finally, the real exchange rate is strongly associated with presidential approval. The results of Models 4 and 5 indicate that an increase in the real exchange rate (a devaluation of the currency) is associated with a decrease in the probability of approving of the performance of President Salinas. During the period under consideration, the Mexican peso appreciated considerably in real terms (see Dornbusch and Werner 1994). The capacity of most Mexico City residents to consume imported goods increased as the current-accounts deficit rose dramatically. Thus despite only modest gains in real wages and disposable income, Mexico City residents may have increased their purchasing power of imported goods, thereby creating an impression of economic recovery.

To identify the way in which sensitivity to changes in the economic indicators varies for different subgroups in Mexican society, a separate

10. For a discussion of the accuracy and meaning of unemployment figures in Mexico, see Lustig (1992, chap. 3). Analysts should also be skeptical of the results that include the unemployment rate along with other indicators (especially the real value of wages) because there is evidence of substantial multicollinearity. Although the industrial employment index is perhaps a more accurate measure of trends in unemployment, it introduces even higher levels of collinearity. The mean variance inflation factors (VIF) are 2.06 for Model 2; 2.58 for Model 3; and 1.76 for Model 5.

analysis was performed introducing interaction terms between the indicators and the levels of income and education. With respect to income, the middle-income group appears to be more sensitive to changes in economic performance overall. The opinions of individuals with midlevel incomes (those earning between three and seven times the minimum wage) were dramatically more sensitive to changes in the rate of inflation than those with higher incomes, followed closely by respondents in the lowest income category. In fact, the higher-income respondents exhibit no sensitivity to changes in the rate of inflation at all. This finding corroborates the assertions made by various analysts that the Mexican middle class tends to be the most responsive to inflation (e.g., Casteñeda 1993). It contradicts the claims by political scientist Jorge Buendía, who has argued that in judging the president's performance, Mexican higher-income groups are more sensitive to changes in inflation.[11] Finally, there appear to be no significant differences between the different income groups in the sensitivity of their opinions to changes in the real value of wages and unemployment.

Of three educational groups, the middle one (corresponding to individuals with secondary or high-school education) is significantly more sensitive to the inflation rate than the other two groups. It is also the only group whose coefficients for the unemployment rate and the real value of wages exhibits the expected sign: better economic performance leads to an increase in the probability of approval of the president. None of these coefficients are statistically significant, however.

Relationship between Economic Indicators and Opinion of the Economic Situation / Table 4 shows the results of a probit analysis using Mexico City residents' opinions of the national economic situation as the dependent variable instead of presidential approval. The same economic indicators were entered as the independent variables. The results are similar to those of the analysis of presidential approval. First, the monthly inflation rate was again found to have a statistically significant negative effect on opinions of the economy, although the effect was often smaller than the effect it had on opinions of the president. According to the most complete models that were tested, an increase of 1 percentage point in the monthly inflation rate is associated with a decrease in the probability of approving of the economic situation of 2.6 to 6.6 percent. This difference between the effect of inflation on public approval of the president and its effect on approval of the economy is important because it may suggest that inflation has an effect on the perception of the president's performance beyond its indirect effect in how it shapes individual perceptions of the economy.

11. One possible explanation for the discrepancy between the findings presented here and those of Buendía is the different categorization of individuals according to income. Also, Buendía's data are from national polls whereas my analysis is based on surveys conducted in Mexico City (see Buendía 1996).

TABLE 4 *Effect of Economic Performance on Approval of Economic Situation among Mexico City Residents, 1990–1994*

Variables	*Model 1*	*Model 2*	*Model 3*	*Model 4*	*Model 5*
Inflation	-.0823	-.0664[a]	-.0258[a]	-.0447[a]	-.0493[a]
	(.0064)	(.0072)	(.0076)	(.0067)	(.0066)
	[-.1440]	[-.1162]	[-.0451]	[-.0783]	[-.0863]
Mean wage		.0015			
		(.0023)			
		[.0088]			
Unemployment		-.0445[a]	-.0694[a]		-.0523[a]
		(.0061)	(.0065)		(.0059)
		[-.0706]	[-.1100]		[-.0829]
Employment	.0049[a]				
	(.0007)				
	[.0736]				
Minimum wage			-.0001[a]		
			(.0000)		
			[-.1187]		
Real exchange rate				-.4208	-1.1080[a]
				(.2162)	(.2304)
				[-.0224]	[-.0589]
Constant	-.6111[a]	-.0412	.9697[a]	-.0961[b]	.2418[a]
	(.0631)	(.0601)	(.1305)	(.0411)	(.0563)
Log-likelihood	-7534.60	7528.12	-7499.63	-7556.82	-7516.75

Source: GEO Mexico City surveys, 1990–1994.

NOTE: The coefficients reported for each indicator are the marginal effects evaluated at the mean of the independent variables (P at mean = 0.1968). The numbers in parentheses are the standard errors of the coefficients. The numbers in brackets are the pseudo-standardized coefficients.

[a] Significant at P less than .001

[b] Significant at P less than .05 (N = 15,368)

Second, the coefficient for the unemployment index is considerably higher and more significant than in the analysis of presidential approval. An increase of 1 percentage point in the open unemployment rate is associated with a decrease of 4.4 to 6.9 percent in the probability of having a positive opinion of the economy. But the effect of the industrial employment index is roughly the same as on the probability of approving of the president. The greater effect that unemployment seems to have on individuals' opinions of the economy as compared to its effect on their opinions of the president may suggest that although the rising unemployment rate observed during the Salinas administration affected individuals' perceptions of the economy, they failed to attribute responsibility for it to the president. But as noted, the unemployment rate is an unreliable indicator, and these results should be interpreted with caution. Third, the effect of the mean industrial wages is again rather small. The coefficient for the real minimum wage continues to have an unexpected sign. Finally, a devaluation of the currency is also found to have a negative effect on the opinion of the economy, although a somewhat smaller one.

As far as the relative sensitivity of the different groups in terms of income and education, the results are inconclusive and in some instances paradoxical. In terms of income levels, the opinions of the lower- and middle-income groups are significantly more sensitive to inflation. There is no detectable pattern in the relative sensitivity to the other two indicators between the three income groups. Moreover, the coefficient for the real value of wages seems to have an unexpected sign for the groups with low income and low education. According to these coefficients, an increase in the real value of wages is associated with a worsening opinion of the economy. It is difficult to interpret this result other than as a problem with the measurement of the socioeconomic indicators.

Relationship between Opinion of the Economic Situation and Approval of the President / The analysis thus far has examined the direct effect that economic performance (measured by several economic indicators) has on individuals' opinions of the president and the economy. But the effect that Mexicans' subjective judgments of the economy have on their opinion of the president remains to be analyzed. This last relationship is important because it measures the extent to which individuals attribute causal responsibility for economic downturns and upswings to the president. The results presented in this section will help assess the extent to which Salinas's high approval rates, despite mediocre economic performance, resulted from a misattribution of responsibility as opposed to a misperception of economic reality.

When entered as a predictor along with the economic indicators, Mexico City residents' opinion of the economic situation is found to have a strong and statistically significant effect on their opinion of the president. An increase of one category in the approval of the economic situation is found to be associated with an increase of 17.6 percent in the probability of approving of the president when the rate of inflation, the unemployment rate, and the exchange rate are included (the pseudo-standardized coefficient is 0.3552). This finding supports the idea that Mexico City residents attribute responsibility for economic performance to the president. It also suggests that to the extent that an inconsistency existed between economic performance and presidential approval during the Salinas sexenio, it more likely resulted from a misperception of economic reality than from misattribution of responsibility, although the evidence is not conclusive.[12] Such a misperception of economic performance may have resulted from an effective public-relations campaign orchestrated by the president as well as from bias in the media coverage. As Domínguez and McCann have argued with respect to the PRI's victory in the 1991 elections, the explanation for the dramatic recovery of the ruling party in those elections "was to be found . . . not in the vibrancy of the real economy's performance but in the Salinas government's spectacularly effective public relations job: an acceptable though modest economic recovery had been transformed into a political triumph" (p. 129).

The issue of attribution of responsibility can be further explored by examining other questions in the GEO surveys. For instance, when asked who should solve what they considered to be the most important problem facing the nation in April 1990, a plurality of the respondents (41.1 percent) pointed to the government. Among those respondents who thought that the most important problem was economic, the results were even more pronounced: 56 percent identified the government as the actor responsible for remedying the situation. Therefore, regarding treatment (as opposed to causal) responsibility, little doubt exists that many residents of Mexico City laid the burden of solving the country's problems on the government.

Yet those respondents who thought that Mexico's most important problem was economic and who believed the government was responsible for solving it were no more critical of the president than the rest of the interviewees, nor was their opinion of the economic situation more closely related to their evaluation of the president.[13] It is difficult to interpret this finding without additional information. But such evidence suggests several possibilities. First, respondents did not base their opinion of the president on actions taken to solve what they perceived as the most important problem facing the nation but rather on other issues. This view seems unlikely, given the respondents' own prioritizations. A second possibility is that although respondents found "the government" responsible for solving Mexico's most important economic problem, they absolved the president of responsibility. This also seems unlikely, given the president's prominence in the Mexican political system. A third conjecture is that the respondents believed that Salinas was solving the problem but simply needed more time or was being prevented from solving it by circumstances beyond his control.

12. Moreover, the causal direction has yet to be determined. Domínguez and McCann seem to argue that it was the president's increased popularity that changed public perception of the economic condition and future prospects, not the other way around. See Domínguez and McCann (1996, chap. 5).

13. A regression in which an interaction term for this group of respondents was introduced yielded no statistical difference between these respondents and the rest of the sample.

Finally, even when individuals' opinion of the economy was introduced as a predictor, the inflation rate and the exchange rate had significant direct effects on Mexico City residents' assessments of the president's performance. In other words, these two indicators appear to have an effect on Mexicans' opinions of the president beyond the indirect effect via shaping public opinion of the economy. More than any other indicators, the inflation rate and the real value of the currency were tied directly to President Salinas's standing.

THE POLICY INITIATIVES APPROACH

The preceding section examined a model of public opinion in which the president is evaluated according to Mexicans' perceptions of economic performance. Some evidence appeared to support that model: economic performance was found to affect Mexicans' perceptions of the economy, which in turn seemed to shape their opinions of the president. But economic performance alone is insufficient to explain changes in levels of presidential approval during the Salinas administration and leaves much of the variance unexplained. This section will explore the possibility that Mexicans' assessments of President Salinas were shaped more by their opinions of certain policy initiatives set forth by him than by their impressions of the state of the economy. I will focus on several government policies intended to bring about deep structural changes in the Mexican economy, especially the North American Free Trade Agreement, an initiative closely associated with Salinas.

Because many of Salinas's structural policies had no short-term results (nor were they intended to), the policy-initiatives model of public opinion tested in this section necessarily assumes that changes in individuals' opinions of the president result at least partly from the expectations generated by the policies rather than their actual results. NAFTA's effect on public opinion during Salinas's term had to be based on the expectations it created because for most of the sexenio, NAFTA was merely a proposal. Exactly how such positive expectations were generated is beyond the scope of this study, although it seems likely that the government's intense public-relations campaign promoting the agreement affected public opinion.

Table 5 shows the approval rates for various policies of the Salinas administration according to two polls conducted by GEO in Mexico City in 1990 and 1991 and a national poll taken in 1994. Table 6 shows the correlations between Mexicans' opinions of the different policies. First, there is majority support for each of the policies. Moreover, the approval rates are higher than those of the president. Such high levels of approval are surprising, given the radical departure from traditional government policy. Second, a large increase in approval of all the policies occurred from 1990 to 1991, accompanied by an increase in presidential approval. Third, after

TABLE 5 *Mexican Public Approval of Policy Initiatives, 1990–1994*

Policy Measure	*Mexico City Poll (June 1990) (%)*	*Mexico City Poll (June 1991) (%)*	*National Poll (Nov. 1994) (%)*
NAFTA	58.4	67.5	55.0
Reprivatizing banks	58.6		
Selling state-owned enterprises	42.5	60.6	50.0
Avoiding tax evasion	63.8	62.4	58.0
Supporting foreign investment	50.9	54.9	52.0
Continuing the economic pact		76.0	74.0
National solidarity program (PRONASOL)		81.1	86.0
Combating pollution		94.0	
Presidential approval	50.8	61.3	57.0
Favorable opinion of the economy	19.1	29.8	10.0
Economy better than 2 years ago		31.3	
Economy better than 2 years ahead		31.5	

Source: Gabinete de Estudios de Opinión

the issue of combating pollution (a special concern in Mexico City), the most popular measures were (in descending order) PRONASOL (Programa Nacional de Solidaridad), the continuation of PECE (Pacto de Estabilidad y Crecimiento Económico), and NAFTA.

In table 6, a generally high level of consistency can be noted in respondents' views on the various policies, as reflected in the large correlation coefficients. These results contrast sharply with those of Domínguez and McCann, who found much lower correlations and argued that the level of issue consistency among Mexican voters is low compared with their counterparts in the United States (Domínguez and McCann 1996, 65–69). In the correlation table, a grouping of policy preferences can also be detected. A high correlation exists between individuals' views on privatization of state-owned enterprises, on NAFTA, and on foreign investment on the one hand, and between approval of PRONASOL and the continuation of the Pacto on the other, but not between the policies clustered in these two groups. This clustering corresponds to the distinction between policies that have tangible results and policies that were either proposals or had more distant social impact. The results of policies like PRONASOL and PECE were visible in investment in local projects and reduced infla-

TABLE 6 Consistency of Issue Positions among Mexico City Residents, July 1991

Issue Position	*Sell State-owned Enterprises*	*Favor NAFTA*	*Support Foreign Investment*	*Favor PRONASOL*	*Continue the Economic Pact*
Sell state-owned enterprises					
Favor NAFTA	0.665[a]				
Support foreign investment	0.514[a]	0.534[a]			
Favor PRONASOL	0.079	0.344[a]	0.218[b]		
Continue the economic pact	0.151[c]	0.274[a]	0.199[b]	0.700[a]	

Source: Gabinete de Estudios de Opinión

NOTE: The coefficients shown above are polychoric correlations.
[a] Significant at P less than .001
[b] Significant at P less than .01
[c] Significant at P less than .05

tion. NAFTA, in contrast, was only a proposal at the time, and any possible payoffs from privatization and foreign investment were less tangible and distant at the time of the survey. Support for the latter group of policies therefore seems to have been more ideological.

NAFTA and Presidential Approval

NAFTA and PRONASOL were two of the most popular policies listed in table 5 and also the ones most closely associated with President Salinas. They therefore could be expected to have had the largest impact on his approval ratings. When Mexicans were asked in the GEO Mexico City poll of June 1991 what they thought was the president's most important achievement, the most frequent answer was NAFTA (11.5 percent) followed by combating pollution (11.1 percent) and PRONASOL (8.4 percent). Only 2.8 percent of the respondents named PECE.[14] Why was NAFTA so popular? The results of a poll commissioned by Banamex and conducted in November 1992 indicate that the Mexican public perceived it as a measure that would create jobs and restore growth. When asked about the advantages of NAFTA, the most frequent answer was the creation of jobs (38.5 percent) (see Banco Nacional de México 1993).

Although longitudinal data concerning Mexicans' opinions of NAFTA or other policies are not available, the fluctuations in Salinas's approval rate seem to suggest a connection between greater public attention on the agreement and the president's improved standing. Approval of the

14. One reason that PECE may have not been as closely associated with Salinas is that it was a continuation of a policy initiated by his predecessor. For an analysis of public opinion of PECE, see Buendía (1996).

president surged twice: first in the summer of 1990, which coincided with the announcement of Salinas's intention to negotiate the agreement, and then in the summer of 1991, during the Congressional deliberations on the "fast-track" provision in the United States. The timing of these increases in Salinas's ratings suggests a causal relation in the direction hypothesized. Approval of the agreement may have led to an increase in presidential approval, although the inverse relation cannot be rejected: the possibility that Salinas's popularity may have caused favorable reception of the agreement.[15] In their study of the impact of neoliberal economic policies on voting behavior, Charles Davis and Kenneth Coleman also found that support for NAFTA was strongly associated with positive evaluations of the Salinas administration, thus indirectly with support for the PRI in the 1991 midterm elections (Davis and Coleman 1994, 361–62).

Finally, a cross-sectional analysis allows evaluation of the relative strength of association between individuals' approval of government policies and their opinion of the president's performance. Table 7 shows the results of a regression in which Mexico City residents' opinions of the various government policies along with their opinions of the economy in July 1991 were entered as predictors of presidential approval. A latent variable was used to capture an individual's overall stance on the president's economic liberalization policies (which included NAFTA, promotion of foreign investment, and privatization).[16] The respondents' opinions on PRONASOL and PECE were also included.[17] Approval of the liberalization policies was found to have a strong positive effect on presidential approval. Approval of PRONASOL was also significantly associated with a positive opinion of the president, although less strongly than the composite economic liberalization variable. Approval of the continuation of the Pacto de Estabilidad y Crecimiento Económico had no apparent effect on presidential approval.[18]

In sum, the results show that Mexico City residents' opinions of

15. Domínguez and McCann at times seem to suggest this inverse relation, in which the president's high standing helped to promote Salinas's policies through a powerful coattail effect (1996, 133).

16. The variable was created by a principal-component analysis using a maximum-likelihood estimation technique. The large factor loadings of the latent variable reflect the existence of some underlying posture toward the liberalization policies. The loadings were .6731 for NAFTA, .5086 for foreign investment, and .6629 for privatization.

17. The standardized coefficients were obtained using ordinary least-squares regressions. Respondents' opinions of the economy and the president were not dichotomized but were left in their five-point scale.

18. Several demographic and socioeconomic variables were also included in other models but failed to have a statistically significant effect on presidential approval. Their inclusion in the model also failed to alter the effects of the policy variables, thus demonstrating the robustness of the results. In separate regressions, males and individuals with high incomes were found to be more likely to approve of liberalization policies than were women and respondents with lower incomes.

TABLE 7 Effects of Mexico City Residents' Opinions of Government Policies on Approval of President Carlos Salinas de Gortari in July 1991

Variables	*Coefficient*	*Standard Errors of the Coefficients*	*Standardized Coefficients*
Opinion of the national economy	.2289[a]	.0309	.3089
Opinion of economic liberalization	.1991[a]	.0386	.2067
Opinion of PRONASOL	.1942[b]	.0958	.0890
Opinion of PECE	-.0848	.0822	-.0422
Constant	2.9128[a]	.1362	

Source: GEO Mexico City Surveys

NOTE: The variable "Opinion of economic liberalization" is a latent variable used to capture an individual's overall stance on the president's economic liberalization policies (including NAFTA, promotion of foreign investment, and privitization). ($R^2 = 0.1839$)
[a] Significant at P less than .001
[b] Significant at P less than .05 (N = 664)

government policies have a large effect on their overall opinions of the president, comparable with that of their opinions of the economy. This finding corroborates the importance of the policy-initiatives model and indicates the relevance that positive expectations of Salinas's policies had on public perception of his performance as president.[19]

CONCLUSION

Because of the president's prominence in the Mexican political system, public opinion of the executive is a particularly important indicator. It can be seen as a barometer of the standing of the regime and has been linked to the fate of the PRI and its candidates in state and local elections. I have examined two models of public opinion to explain changes in President Carlos Salinas de Gortari's approval rate from 1990 to 1994. The economic-performance model assumes that the president's approval was based on public perception of trends in the economy. By introducing individuals' opinions of the economy as an intermediary step between actual economic performance and the level of approval for the president, it was possible to distinguish between two possible forms of distortion in the process by which individuals relate economic reality to the president's performance: a

19. This finding contrasts with Richard Brody's research on public opinion in the United States. Brody has argued that U.S. presidents are judged on the basis of the results of their policies. Brody found that news about policy outcomes influences a president's standing while news about policy proposals does not (Brody 1991, esp. chap. 6). This finding is consistent with MacKuen, Erikson, and Stimson (1992), who argued that individuals base their opinions of the U.S. president on their expectations of the economic future, although they do not link these expectations specifically with policy proposals.

distortion in the perception of economic reality and a failure to attribute responsibility for economic affairs to the president. The statistical analysis showed that individuals' perception of economic performance had a strong positive effect on their opinions of the president. But basic economic indicators such as inflation, the real value of wages, and the level of unemployment were found to explain only partially Mexico City residents' opinions of the economy.

The policy-initiatives model, in contrast, assumes that approval of President Salinas was based on public opinion of his economic policy initiatives. The statistical analysis showed that citizens' approval of Salinas's economic initiatives affected their opinions of the president substantially. Because many of these policy initiatives had no immediate direct impact on the economic condition of the country (as with the NAFTA proposal), I conclude that Salinas's popularity was due in large part to the expectations they created.

In the final analysis, Salinas's unusually high approval ratings seem to have resulted from a combination of expectations created by audacious policies, an extremely skillful public-relations campaign promoting them, and economic performance that, although far from ideal, entailed an improvement over the "lost decade" of the 1980s and provided the president with some credibility. Ultimately, both conditions were necessary to create the Salinas phenomenon. Without the promotion of policies to create hope, the modest economic performance would not have been sufficient to produce such high levels of approval, and without some improvement in the economy, his audacious policies would likely have fallen on deaf ears.

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