



INNOVATIONS FOR SUCCESSFUL SOCIETIES

MEXICO'S MOMENT: THE 2012 PRESIDENTIAL TRANSITION

SYNOPSIS

Mexico's 2012 presidential transition tested the durability of the country's democracy. Outgoing president Felipe Calderón ceded power to longtime political opponents. The new president, Enrique Peña Nieto, had to gather information on government programs, select a Cabinet and top aides, and set priorities—with no guarantee of significant cooperation from his predecessor's administration. But to the surprise of some Mexicans, Calderón ordered his staff to cooperate by gathering and organizing information to brief their incoming counterparts. The process the two leaders put in place ensured an effective handover and helped pave the way for a landmark political deal early in Peña Nieto's term. The 2012 transition, only the second between opposing parties in eight decades, followed steps other countries could find helpful for ensuring the continuity of core government functions during transfers of power.

Robert Joyce drafted this case study based on interviews conducted in Mexico City in April 2015. Case published in September, 2015.

INTRODUCTION

On July 1, 2012, standing under a banner that read “Mexico Wins,” victorious presidential candidate Enrique Peña Nieto addressed a crowd of excited supporters. As Peña Nieto pledged to introduce major policy changes during his term, his Institutional Revolution Party (Partido Revolucionario Institucional, or PRI) basked in its victory. The party, which had dominated Mexican politics for much of the twentieth century, had reclaimed the presidency after 12 years out of power. At his inauguration five months later, the new president would refer to the occasion as “Mexico's moment.”¹

Success at the polls was only the beginning, however. In order to deliver on his ambitious campaign pledges, Peña Nieto had to prepare for his transition into office. He needed information about existing policies and budgets, as well as

reliable data on the country's economic, social, and security conditions. He had to recruit a Cabinet that would help govern and follow through on priorities. Finally, the responsibilities of taking office demanded a forward-looking agenda, the capability to deploy new leaders to top government offices quickly, a sober assessment of what could go wrong early in his term, and measures to take should any scary scenarios materialize.

Peña Nieto had run a charismatic campaign and benefited from growing public malaise. Felipe Calderón, the outgoing president from the National Action Party (Partido Acción Nacional, or PAN), had lost public favor largely due to widespread violence and sluggish economic performance. His fight against organized crime had sparked struggles for power within drug cartels and contributed to a rise in the country's

murder rate to 120,000 homicides during his term from 60,000 during his predecessor's time in office.² Further, partly because of a global recession, average annual growth in the country's gross domestic product (GDP) averaged around 2%—well below Calderón's campaign pledges.³ Finally, long-awaited reforms in the education, telecommunications, and energy sectors had stalled in the face of political opposition.

Peña Nieto promised to represent a new PRI, different from the autocratic party that had ruled Mexico for 70 years prior to 2000, when PAN had won the presidency. “At 45, I am part of a generation of PRI politicians committed to democracy. I reject the practices of the past,” he wrote in a *New York Times* op-ed column in July 2012.⁴

Peña Nieto won the election with 39% of the vote, compared with 32% for Andrés Manuel López Obrador of the leftist Democratic Revolution Party (Partido de la Revolución Democrática, or PRD) and 26% for Josefina Vázquez Mota, the PAN candidate. Calderón could not run because Mexico's constitution limited presidents to one 6-year term in office.

To organize his transition, Peña Nieto tapped Luis Videgaray and Miguel Osorio Chong. Videgaray, his campaign manager, was a former legislator, who held a doctorate in economics from the Massachusetts Institute of Technology. Osorio Chong was a former governor and political adviser. Videgaray soon brought on Andrés Antonius, who had served in two previous PRI administrations, to help with risk management and Cabinet vetting. Together they would assemble a team of 40 transition coordinators, each one of them responsible for a different policy sector.

Although the inauguration was scheduled for December 1, Mexican law precluded Peña Nieto's team from doing much until late August, when the election courts declared him the official

winner of the election. That meant the team had about three months to collect the information it needed to brief Peña Nieto's appointees, to work to avoid any surprises from derailing the administration's agenda, and to chart a course for the president's six years in office.

Missteps could have serious consequences. Amid a violent struggle against organized crime and with roughly half its population living below the national poverty line, Mexico could not afford any disruptions to essential government services and programs.⁵

In addition to thorough preparation, the success of the transition also depended on the outgoing president's cooperation. Past transitions had included some sort of transfer of information, but it was not always possible to count on collaboration with the outgoing political leaders—even when power simply shifted to another leader from the same party. However, Calderón's senior officials considered a smooth handover part of their professional duty. The president tapped his head of the Office of the Presidency Gerardo Ruiz Mateos, his secretary of finance José Antonio Meade, and his secretary of governance Alejandro Poiré to prepare briefing documents for the next government.

THE CHALLENGE

Past presidential transitions in Mexico illustrated the difficulty of the task Peña Nieto and Calderón faced in managing a handover of power.

In the past, presidential handovers had coincided with downturns in Mexico's economy. “Every first year of the incoming government performs worse economically than the last year of the outgoing government,” said Osvaldo Santín, who coordinated social security policy (health, child care, and retirement programs) for Peña Nieto's transition team. GDP growth had been weaker in the first year of a new president's

Table 1
Annual GDP Growth during Election Years, 1964-2007

Election years	1964	1965	1970	1971	1976	1977	1982	1983	1988	1989	1994	1995	2000	2001	2006	2007
GDP growth (annual %)	11.9	7.1	6.5	3.8	4.4	3.4	-0.6	-4.2	1.2	4.2	4.7	-5.8	5.3	-0.6	5.0	3.1

term than the last year of his predecessor’s in seven of eight presidential elections from 1964 to 2007, according to World Bank data.⁶ Santín said, “The political cycle is evident.”

Of course, many explanations, including factors outside politics, could explain the pattern. In other countries—and possibly in Mexico before 2000—high spending in campaign years often increased inflation or constrained budgets in the postelection year. Slowness in taking the reins of power and in disbursing allocated funds could also account for the numbers. Whatever the cause in past years, Peña Nieto’s team was worried specifically about disruptions of public spending on major projects or programs as a result of the transition—and those disruptions’ consequences for growth.

As of 2012, Mexico’s civil servants were already accustomed to preparing reports detailing ongoing policies, programs, and projects for incoming officials. Even under longtime PRI rule, presidents and ministers came and went, and newcomers needed information. The problem was not that outgoing governments did not produce any information; the problem involved making the material useful for the incoming team.

Further, civil service protections already in place by 2012 had not proved capable of protecting the nucleus of public servants during presidential transitions, according to José Luis Méndez, a political scientist at the Colegio de México, who headed the civil service unit of the Secretariat of Public Administration under former PAN president Vicente Fox (2000–2006). In many countries, a professional corps of civil

servants eased transfers of power by providing the institutional memory necessary for the continuity of programs and policies. Such midlevel managers typically had technical responsibilities for policy execution and remained at their positions through electoral transitions.

In 2003, Mexico passed the Professional Career Service Law (*Ley del Servicio Profesional de Carrera*), which lawmakers designed to reduce the influence of patronage in civil service appointments. The 2006 transition was the first test of the law’s ability to keep key civil servants in place over a transfer of power, when the country most needed the institutional memory they held. During Calderón’s first 13 months in office, 965 civil servants were left out of roughly 40,000 tenured positions—not all of them occupied at the time—that were covered by the law and filled through an open process.⁷

Méndez said politically appointed senior officials had multiple ways to push out tenured civil servants. For the most part, the secretary, subsecretary, or general director could force out any employee by making it known that the person was unwanted in the office. If the worker refused to leave voluntarily, the leadership could simply hire a contractor or bring in someone under a temporary appointment to do the original employee’s work until the original employee eventually left.

Recruitment of Cabinet members also posed a challenge for Peña Nieto. In addition to carefully vetting candidates’ academic credentials and backgrounds, the new president’s team had to select Cabinet members who had earned respect

in Congress and among state leaders and who could navigate political waters. (Only the general prosecutor position required congressional approval.) Peña Nieto also needed officials who had federal government experience, but the PRI had been out of the presidency for 12 years, and anyone from the pre-2000 era could be tainted by the PRI's past autocratic reputation.

During the transition process, both sides, but especially the incoming government, needed to be on the lookout for urgent, unexpected issues. Any crises that erupted during the first weeks of the new term could disrupt the new administration and set back the president's agenda. For example, in 1994, an economic crisis followed newly installed president Ernesto Zedillo's decision to devalue the peso, and in 2006 Calderón's new administration was caught off guard as the price of tortillas, a Mexican staple food, skyrocketed due to a confluence of international market forces.

Political tensions in 2012 added to the complications of the transition, which was only the second time in more than eight decades that Mexico's presidency changed parties. Peña Nieto faced a more frustrated country than Fox had during the first party-to-party transition. "[The 2012 election] was not surrounded by hope but by disappointment," Méndez said. "A great percentage of PRI voters were people disappointed with PAN. Calderón had fought against the PRI all his life," Mendez said. "Then all of a sudden he had to pass political power to the party he had fought."

The Peña Nieto team saw the stability of the transition as hinging largely on Calderón's actions. "The person I was concerned about the most was the outgoing president," Antonius said. "He was not at all happy with the election results."

FRAMING A RESPONSE

The five-month (20-week) period between the election and Peña Nieto's inauguration was long by international standards. There were 11 weeks between the 2008 election and the 2009 inauguration in the United States (the last change of parties as of 2015), 14 weeks in Indonesia in 2014, and 7 weeks in the Philippines in 2010.

Although Peña Nieto was the clear winner of the July 1 election and was treated as such by Calderón, by the international media, and by world leaders, until the end of August he was not permitted to access public funding for his transition. Mexico's electoral laws required completion of requested recounts and complaints investigations before the electoral commission declared the official winner.

When he was named president-elect on August 31, Peña Nieto was permitted to tap the 150 million pesos (about US\$11.6 million at the time) set aside in a public trust for his transition team's work.⁸ He had three months to complete his transition planning.

While awaiting formal confirmation of his election, Peña Nieto thanked his supporters, spelled out some of his aspirations for his term, met with Calderón, and appeared in international media to introduce himself and his plans to the world. His campaign platform had focused more on promises to deliver than it did on detailed plans. His priorities included reforms to several sectors that had become known as sacred cows in Mexican politics: telecommunications, energy, and education.⁹

To his foreign audience, Peña Nieto made two broad promises. First, he would improve economic conditions. He emphasized the need to reenergize the economy, noting that Mexico's growth rates during the PAN years had been

weaker than the growth rates of other developing countries in the same period. Second, he said he would end what he called “polarization that has paralyzed our politics.”¹⁰

The lack of specifics in his campaign gave Peña Nieto the flexibility to deal with shifting political realities, but it also meant his transition team had a lot of work to do to fill in his broad promises with detailed plans.

For their part, Calderón’s team had started to prepare the handover about a year before the election. The process was somewhat easier than it might have been, because the most-ambitious political partisans among the presidents’ appointees had already left, and most of those who remained had not publicly expressed ambitions to hold higher office.

Mexico’s constitution required secretaries and subsecretaries to resign their posts in order to run for the presidency or seats in Congress; presidential aspirants had to resign six months prior to an election; and congressional hopefuls had a three-month requirement. Jeffrey Weldon, professor of political science at the Mexico Autonomous Institute of Technology (Instituto Tecnológico Autónomo de México), said the laws aimed to prevent senior government officials from using their positions for electoral gain.

“The Cabinet in the last part of the government consisted more of professional people than political people,” said Ruiz. “The guys who really wanted to continue political careers—they left the government six or seven months ago or more.”

In December 2011, about a year before the end of Calderón’s term and more than six months before the election, the president ordered his secretariats—called ministries elsewhere—to prepare reports documenting ongoing projects, policies, and office organizational structures in order to brief the incoming president and Cabinet, whichever party won. “The direct

instruction of the president was to give the next government everything no matter if the government was the PRI or the PAN,” Ruiz said.

The reports, called white books, were thorough presentations of the activity of each secretariat during Calderón’s term in office. Each report discussed the organizational layout of the secretariat, included a description of each unit’s function, and listed major ongoing policies or projects, with the relevant laws, history, results, and projections. The white books also covered special topics such as climate-change negotiations in the case of the secretariat of foreign affairs. Finally, the white books included pending legislation, court cases, important positions to fill, and urgent issues. In each secretariat, a senior official, usually the secretary’s chief of staff or a subsecretary, supervised the drafting of the reports.

Fox had ordered the creation of white books in 2005 for the handover the following year. Most of the reports were hundreds of pages long, and Ruiz recalled boxes of them being delivered to his office when Calderón took office in 2006. The lengthy reports created difficulties because planners for the incoming government did not have enough time to read them thoroughly before they had to make important decisions. The Calderón administration in 2012 knew an incoming government would need more functional briefings. Ruiz said he asked, “How could we give them this amount of information in the best way?”

Ruiz also recalled that political tensions thwarted a thorough transfer of information in 2006. Protests led by defeated PRD candidate López Obrador, who also ran in 2006, distracted Fox and Calderón officials from communicating the specifics of ongoing policies. “We learned the problems are in the details,” Ruiz said.

“We really tried to focus on the key issues,” said Janet de Luna, who worked on Calderón’s

planning team early in the administration, adding that in 2006 the group “was working from scratch” to draft priorities for the administration. “We tried to avoid that for this new government.”

GETTING DOWN TO WORK

About two weeks after the 2012 election, Calderón, Peña Nieto, and their families met in the Los Pinos presidential compound. The meeting, according to senior aides and media reports, set a cooperative tone that would prevail for the duration of the transition process. Ruiz, Calderón’s head of the Office of the Presidency, said the president’s approach showed that he put national needs above political enmities. “The country comes first,” he said of Calderón’s attitude.

Peña Nieto and Calderón officials had to organize and instruct their individual transition teams and schedule informational meetings, including contacts between the two presidents. The incoming team had to plan its agenda, negotiate future legislation, and prevent any surprises from disrupting the new president’s early days.

Ruiz had already spent nearly a year supervising the preparation of transition reports. Ruiz appointed Sofía Frech, head of the Cabinet coordination office and former head of planning, to arrange briefings between outgoing officials and their incoming counterparts. Frech had served in the Fox administration early on and had worked on the 2000 and 2006 transitions.

Appointing a team

Peña Nieto picked Videgaray and Osorio Chong, who had run his campaign, to lead his transition. He put Videgaray in charge of economic and social policy and Osorio Chong in charge of security and political affairs. Peña Nieto also selected 38 other transition aides, who would each manage a specific government sector and report to either Videgaray or Osorio Chong.

Some of the coordinators also served as supervisors to help with oversight. For example, Andrés Antonius, who headed strategic planning, was also directly involved in nearly all of Videgaray’s side of the transition process, sat in on most meetings, and acted as a liaison with the Calderón team. Antonius had a doctorate in economics from Harvard University, had served in the Salinas and Zedillo administrations, and had ties to people serving in the Calderón administration.

Many of Peña Nieto’s transition coordinators had been involved in the campaign; were members of the PRI; had served in Congress with Videgaray; came from the state of Mexico, where the president-elect had served as governor; or were otherwise connected to him or his senior aides.

Peña Nieto made it clear that an appointment to the transition team was not an appointment to the future administration. “The president wasn’t going to show his hand” by signaling his future picks, Antonius said. Some who served as coordinators did receive offers of positions in the new government, but they got word of their appointments just a day before the public announcement in early September.

Premeeting preparations

Peña Nieto and his transition team leaders needed to be explicit regarding their expectations of each coordinator and the coordinators’ aides because without stipulated standards, the quality of the information gained during the transition would suffer. As for Calderón, assembling information for the white books made it easier to know what to bring to the incoming side’s attention.

Ruiz said that as secretariats and agencies drafted the transition documents, they pointed out urgent decisions or situations that required close monitoring. To help the incoming Cabinet, Ruiz’s team mapped the entire executive branch

of the federal government and highlighted in red or yellow certain specific secretariats or agencies to indicate the level of attention they needed, along with notes of explanation. For example, the Federal Commission for Protection against Sanitary Risk (Comisión Federal para la Protección contra Riesgos Sanitarios, or COFEPRIS), the agency that approved prescription drugs, had recently been revamped after years of inefficiency and was red flagged. This preparatory work would help create agendas for the briefing sessions, which would in turn make the meetings more efficient.

For their part, Peña Nieto’s transition team coordinators assembled information from publicly available material, civil society, former officials, and members of the Calderón administration. Each coordinator recruited 10 or 15 aides to assist. Peña Nieto did not want to spend the publicly allotted budget for the transition, according to Rodrigo Reina, who coordinated health policy, so almost everyone worked for free. The lack of salaries also meant the aides sometimes worked only part-time and kept their day jobs. Antonius, who owned a risk and crisis consulting firm, said he took the assignment as a pro bono project for the firm.

Antonius said he and Videgaray instructed the coordinators to each produce a report with specific contents. The first part of each report was to be an analysis of an assigned secretariat or government sector and had to include an organizational chart; descriptions of policies, programs, and results; and emerging issues or challenges. Antonius said he “was looking for a very clear analysis of the sector; a lot of clarity on what the issues, opportunities, and objectives were; and a very good diagnostic of the state of affairs today.”

The second part of each report was to offer proposals that took into account the president-elect’s policy stances, including an analysis of actions required and a budget estimate. Antonius said, “Platforms are at 10,000 feet, and the

question was, well, how do you implement this?” Finally, each coordinator had to submit a roughly two-page version of the longer report for the president-elect. At the end of the transition period, the reports were to be submitted to Antonius, who evaluated the work and returned drafts with requests for changes or more information. The final papers would be used for the briefing of new Cabinet members.

Face-to-face briefings

After Peña Nieto announced his transition team, he and his senior officials—Videgaray, Osorio Chong, and Antonius—met with Calderón, Ruiz, Frech, Secretary of Governance Poiré, and Secretary of Finance and Public Credit Meade. The two groups agreed on a format for the transition briefings. Poiré and Osorio Chong would discuss security, a crucial area in light of the government’s war with drug cartels, and Ruiz, Frech, Videgaray, and Antonius would handle all other topics. Each of the 38 coordinators would meet with their Calderón counterparts for briefings and questions. Teams also would meet to discuss special projects, such as the Mexico City airport, still in development in 2012.

Frech worked with Alejandro Nieto (no relation to the president-elect), who was the technical secretary or logistical organizer for the Videgaray team, to coordinate meetings between the outgoing Calderón officials and Peña Nieto’s coordinators. The first meeting took place on September 10, 2012, according to de Luna, who worked with Frech on coordinating the briefings. The conversations, especially on Osorio Chong’s half of the portfolio, were sensitive because some of the discussions focused on bills still under consideration in the legislature or on pending executive orders.

To limit informal lobbying and stay on message, the teams adopted some rules. Except for the senior most leaders on each side, Peña Nieto and Calderón administration staff members were forbidden from contacting each

other before the initial meeting. All briefings were in Los Pinos in order to control the schedule as well as attendance.

Frech and de Luna said they set clear expectations for the briefings. Each presentation was to include an overview of a government sector or secretariat; how it was organized; the main programs or policies, including their rationales, time frames, and those responsible; an overview of the budget, including notes on the proposed 2013 budget; a list of pending legislation and court decisions; main personnel appointments to make and descriptions of the positions; and, finally, a list of urgent decisions to make, with deadlines and explanations. “It was the kind of information that would help the incoming people make their first plans,” de Luna said. “We were trying to send the message that it was an open process.” After the presentation, a question-and-answer period allowed a more informal exchange of advice. Each meeting lasted around an hour and a half, de Luna said.

On the Calderón side, sometimes the secretary would attend the meetings, or, if not, a subsecretary or the *oficial mayor*, or chief administrator, of the secretariat. Frech attended meetings on social and economic policy as well. On the Peña Nieto side, the coordinator was joined by a top aide, a member of the budget team, Nieto, and Antonius.

Antonius said Videgaray and Peña Nieto told the transition coordinators to be on their best behavior in meetings with their Calderón administration counterparts. “The instructions to everyone were: ask questions, do not opine,” Antonius said. “Be humble, be courteous, and be respectful.”

Both sides said the briefings went well. “At first, we didn’t think they would be so interested in hearing from the outgoing staff,” de Luna said. “But as the process developed and we saw how

many meetings there were and the level of those meetings, I think people from the Office [of the Presidency] were satisfied. It was more than we expected.”

Although personal ties played a role in the meetings between the two sides, participants said a sense of professionalism prevailed. “I sat in on most of the meetings with the Calderón administration, and at each one of these meetings I knew at least one person on the other side of the table,” Antonius said. “People are so important. The first thing I would try to do—and this is just my personal style—I would try to lighten the atmosphere at the beginning and make it much less formal.”

Santín, the social security coordinator, knew some PAN officials from his previous work in the federal government. “I think [those relationships] helped have a more open and fluent exchange of information. But I wouldn’t say it was critical,” he said. “I never felt there would be resistance to providing information or that there was a hidden agenda to make this process more complicated.”

“We tried to show them the information in the most professional way, including accepting the errors,” Ruiz said. “It was a direct instruction of the president.” However, some officials said they felt politics limited the depth of the discussions, at least in certain areas. Felipe Solís, who coordinated judicial affairs for the Peña Nieto transition, said: “I had a lot of meetings with members of the government. They were not as intense as I would have liked them to be; however, they were adequate.”

In some cases, Peña Nieto’s top aides enforced discipline in the rest of the team. “If you’re told you’re going to get along with this guy, you get along with this guy,” Antonius said. He then described a moment when a Peña Nieto official was being mildly confrontational about the questions he was posing to a Calderón

counterpart. In response, Antonius asked for a break in the meeting and reprimanded the individual, restoring a cooperative tone.

Each side had its reasons to perform well during the meetings. The Peña Nieto coordinators were eager to win appointments to senior positions in the new government. Frech and de Luna said some Calderón officials wanted to be considered for jobs as well, but they were also proud of the work they had done and wanted to ensure continuity.

“Of course many people want a job in the next administration, but in general, they had very low expectations,” de Luna said. “The people in the PAN bureaucracy think of themselves very highly, as the technocratic class. . . . I think, generally, they were trying to protect their programs, their policies, more than their own political futures. . . . They were interested in showing that the two PAN administrations had done well.”

Antonius had a similar recollection. “Some people were more hostile, more political, but even those people at the same time wanted to show you they had been doing good work,” he said. “As you engaged them, they would gradually open up.”

After the initial set of meetings in Los Pinos, both teams were free to follow up with one another independently over more-specific topics. Most groups met several more times to request data on programs or to consider arrangements the outgoing officials could make for their incoming counterparts.

“We tried to make sure there would be nothing for the new director to decide in the first 20 days,” Santín said. In particular, he said, he requested that the Calderón people extend medical procurement contracts to cover the first two or three months of Peña Nieto’s term so as to prevent a potential shortage that could be caused by an early bottleneck. The Calderón officials were happy to oblige, according to Santín.

Peña Nieto’s coordinators sought additional data regarding policies or programs they knew the president-elect and Videgaray were interested in. They supplemented that information with what they could find from nongovernment sources and former officials. Antonius, Ruiz, and Videgaray were in contact so they could troubleshoot problems that arose during the two-month process, such as temporary lapses in responsiveness. According to Antonius, “There’s not one case where the door was shut to our faces and we got nowhere—absolutely none.”

Legislative negotiations

Immediately after the election, Peña Nieto assigned his senior advisers to work on a legislative agenda for his term. The PRI held a plurality in both chambers of Congress but did not win a majority in either, so to pass major legislation, Peña Nieto needed the cooperation of rival parties. “Peña Nieto knew that without agreement from the political parties there could be no progress for Mexico,” said Solís, the judicial coordinator who was involved in postelection political negotiations and later became subsecretary of legislative relations in the secretariat of governance.

Videgaray, Osorio Chong, and Aurelio Nuño, who coordinated the education portfolio during the transition, led the talks on the president-elect’s side and met with congressional and party leaders of PAN and the PRD. Although the negotiations involved the same Peña Nieto team members, Solís said the transition meetings and the political negotiations were kept separate. From the start, the talks were secret and limited to senior officials. While PAN was involved, no one from the Calderón administration took part in negotiations, Solís said.

The negotiations, which continued until Peña Nieto’s inauguration, aimed to produce an agenda for Congress and the president. Although the talks did not get into the details of any specific topics or specify what would be included

in any given bill, participants sought to encourage compromise by having each party’s concerns represented in the agenda. “In this country there are times for competition and there are times for agreeing,” Solís said. “We sought to break an old tradition that said negotiation and compromise were bad for the party.”

Identifying risks

Seeking to avoid the early missteps of past administrations, the president-elect and Videgaray assigned Antonius to draft a list of potential risks to the new administration. Antonius and his consulting firm’s staff did background research, sat in on meetings with the outgoing administration, spoke to former officials, and met with the Peña Nieto coordinators to collect any urgent issues the coordinators had uncovered. They left security issues to Osorio Chong’s team and focused on all other policy sectors.

The list included pressing issues that demanded decisions, emerging situations to which responses likely would be needed, and potential problems that required close monitoring. For instance, Antonius said an important issue was the procurement of medical supplies to keep public hospitals open in a crisis. He also mentioned safety inspections for mines, because he had found that most accidents occurred during December and January—the first two months of the president’s term—when cool weather kept flammable mine gases close to the ground.

Antonius said he divided the 89 items on the list by government sector and made a separate list for each incoming secretary. At the same time, he narrowed the list to 18 major risks and submitted it to Peña Nieto, Videgaray, Osorio Chong, and Nuño, the education coordinator later named head of the Office of the Presidency.

President-to-president meetings

Calderón and Peña Nieto met seven times, according to documents provided by Hector

Herrera, who kept the official history of the Peña Nieto presidential office. Discussion topics were set during their first personal meeting in July and at the second meeting in September, after Peña Nieto announced his transition team.

On September 13 and October 3, Calderón and Peña Nieto met to discuss security issues. After the violence of the previous several years, Peña Nieto was keen to ensure the start of his term would not coincide with a spate of murders or other attacks.

During the campaign, Peña Nieto had promised to change course from Calderón’s war on drug cartels. Rather than measuring success by the number of kingpins killed or arrested, Peña Nieto said he would focus on reducing the number of murders and kidnappings.¹¹ During those meetings, Calderón hoped to ensure that what he saw as progress would not get undone by the new administration. With only senior security officials present on both sides, Calderón also wanted to inform his successor of ongoing operations as well as the protocol for regional cooperation, especially with the United States.

On October 8, the president and the president-elect met to discuss economic and social policy. Relevant Cabinet secretaries and their Peña Nieto counterparts attended that meeting and an October 23 meeting on foreign policy.

The last meeting before the inauguration was held on November 10, and according to Herrera, it had no official topic. Multiple officials said, however, that in general, Calderón was interested in discussing reforms his administration had worked on but could not pass through Congress, including those of the telecommunications and energy sectors.

Selecting a Cabinet

Cabinet selection began in August, when Videgaray assembled a small group of Peña Nieto confidants to collect the names of people the group wanted to join the president’s 20-member

Cabinet. Several other senior officials, including heads of important agencies and presidential aides, were considered Cabinet-level candidates.

Antonius was part of that group. In addition to his education and his experience in the federal government, Antonius had an added qualification for this task: he had no plan to join the government. “I had no skin in the game,” Antonius said. “[Videgaray, Peña Nieto, and I] decided together that wasn’t the best role for me,” he said. “If the person doing these things has a political agenda of their own, it just won’t be done right.”

Antonius and the other members of the group drafted a list of several hundred potentially qualified, interested, and politically acceptable nominees. Among the nominees were many of his team’s coordinators. Submitted beginning in mid-November, the coordinator’s reports were useful for identifying which of the drafters had the skills and insights to join the president’s team. In effect, the reports were part of the “three-month job interview.” Antonius graded each report on a 10-point scale by using criteria set out at the beginning of the report process.

The long list of names went to Videgaray, who, along with the president-elect, narrowed the list to about 200, Antonius said. Antonius then vetted each candidate for appropriate skills and potential liabilities. The vetting process he created had several elements and was designed to be unobtrusive. He and his staff checked candidates’ educational credentials; their histories of involvement in legal actions; potential conflicts of interest arising from, say, positions held by siblings and in-laws; and media reports back to at least the 1980s. From that research, Antonius prepared a memo of two or three pages on each person and submitted all of them to Peña Nieto.

The process “was useful. A couple of people were being considered who were set aside as a result of the exercise,” Antonius said.

Under Mexican law, the legislature had to approve the nomination of only the general

prosecutor. Therefore, it was possible to fill positions quickly.

OVERCOMING OBSTACLES

Officials from both sides said no unexpected issues or disagreements had arisen during the transition process. Ruiz, Antonius, Frech, and Peña Nieto’s coordinators all remarked on the ease of the 2012 handover, especially in comparison with past Mexican transitions.

Still, if the experiences of other countries held any lessons, one of them was certainly that the timing of Cabinet selection was sensitive. Ideally, those who would hold important portfolios would know their positions well—before they had to start their jobs—in order to give them opportunity to prepare. However, Peña Nieto chose to announce his Cabinet picks only one day before he assumed power.¹²

As the president-elect had warned, being a member of his transition team did not guarantee anyone a specific position in the administration. Of the 20 Cabinet nominations, 10 were people outside his transition team. Of them, two were military leaders, and one had been a Cabinet secretary for Calderón.

Nor did subsecretaries or other top aides have much notice of their jobs: the day before inauguration, soon to be Secretary of Finance and Public Credit Videgaray appointed Santín to a position Santín described as akin to the secretary’s chief of staff. “One day before the administration started, Secretary Videgaray called me to ask that I become part of his team,” Santín said. “I had been working with him since before, so it was natural. But I was not prepared for this position. This position was quite different from what I’d done before.”

Peña Nieto shuffled coordinators on his transition team away from subject areas in which they had built expertise and to policy spheres they knew less well. About a quarter of the 40 transition coordinators found themselves in positions outside their assigned sectors. For

example, Peña Nieto tapped his coordinator for human rights and transparency as secretary of tourism, and his coordinator for education to head his Office of the Presidency.

In most cases, Cabinet picks who were not from the transition team had significant experience in government or in the sector to which they were assigned, thereby limiting the need for preparation. For example, Secretary of Health Mercedes Juan López had served in the secretariat of health in two presidential administrations and had worked on health-related topics in Congress, giving her a major advantage in overcoming the learning curve associated with a new government. Likewise, Secretary of Foreign Relations Meade had been Calderón's last secretary of finance and in his new role would work on expanding Mexico's trade ties.

Regardless of whether a coordinator won an appointment in another sector or received a post at all, the person was still in charge of briefing the new officeholders in his or her area of expertise. "The coordinator was told, 'If you are not named to a position in your sector, you are going to bring the people who are named up to speed,'" Antonius said. Coordinators knew they could be considered for positions later in the term, and few wanted to scorn the new president. Further, it was simply considered good etiquette to brief the new officeholder and prevent any potential disruption for the country.

ASSESSING RESULTS

The transition meetings and the exchange of information drew praise from both Calderón and Peña Nieto officials. "It was a great process—very well thought out," Antonius said, speaking from the Peña Nieto administration's perspective. Ruiz said the Calderón administration's departure process worked better than its entry.

Roderic Ai Camp, a Mexico-focused political scientist from Claremont McKenna College, said, "The Calderón administration made a really

significant effort to make that transition as seamless as possible."

The Cabinet selection process, a major element of the transition, was also effective, as measured by appointees' length of tenure in office. All appointees were still in place as of mid-2015, two and a half years after the presidential term began. The vetting process had selected people the president felt he could trust, and there were no major surprises in terms of effectiveness or behavior. Such stability made it easier to follow through on the president's goals.

The transition was also cheaper than the law allowed for, a condition Peña Nieto demanded. His team spent less than 20 million pesos of its 150-million-peso budget (roughly \$1.5 million of \$11.6 million at the time), according to documents posted on a government Web site for transparency in the presidential transition.

Still, the financial restriction put a burden on the new president's team. "We worked during the transition almost without resources," Santín said. "I had a home office. I was having meetings at Starbucks. My work team was part-time in the sense that they had their own jobs. . . . But at the same time, that's what the president was expecting from us. As long as we could identify the main risks and avoid disruptions and we had something to start working on as soon as he took office, then I would say the objectives were met."

Peña Nieto faced no major crisis in the early months of his administration. There were no major service disruptions. Still, he did not escape the Mexican political cycle's effect on the economy. Mexico's GDP grew by 4% in 2012 but by only 1.1% in 2013, according to World Bank data.¹³ Cristopher Ballinas Valdés, a professor of public policy at ITAM, suggested that slowed public spending could explain the reduced growth rate. Comments from Videgaray in the press at the time support that hypothesis.

"A crisis in construction contributed to the below-par economic growth this year," the *Wall*

Street Journal reported in November 2013. “The administration of President Enrique Peña Nieto was partly blamed, as delays in exercising the 2013 budget at the start of the new government affected the building sector.”

“Fortunately this only happens once every six years,” Videgaray reportedly said of the spending delays.¹⁴

Civil service stability also suffered in 2012 relative to previous transitions. As of mid-2015, available data for Peña Nieto’s first year was incomplete. However, according to statistics provided by Méndez, from January through May 2013—five of Peña Nieto’s first six months in office—2,936 civil servants were “separated” from their positions—voluntarily or not. “That figure is very high for a civil service system—which in theory promotes job security for professional public servants—and was much larger than the approximately 1,000 departures registered in the first 13 months of the Felipe Calderón administration,” Méndez wrote.¹⁵

Still, in the early part of Peña Nieto’s term, a major legislative agreement overshadowed economic performance or civil service turnover. The day after he took office, the new president announced that he and the leaders of the two main opposition political parties had reached an agreement on a series of reforms that became known as the Pact for Mexico. The agreement listed 95 topics the leaders had agreed to address. Although each point was broad and required further negotiation, the list represented a proposed legislative agenda for Peña Nieto’s term along with support from the opposition.

The brief political alliance between the president and party leaders did not last long enough to address all 95 topics they had pledged to deliver on. However, Congress passed and Peña Nieto signed several major reforms into law in 2013 and 2014, including significant changes in education, in the form of performance accountability for teachers; energy, in the form of

private investment in the country’s oil sector; banking; taxation; and telecommunications.¹⁶

Observers and participants from both sides called the Pact for Mexico a major success for the Peña Nieto administration and a strong indicator of an effective transition. “No comparable historical agreement even comes close to that agreement,” said Camp, the Mexico scholar. He called the pact “the most important achievement in [Peña Nieto’s] administration so far—and likely for the rest of his presidency.”

“The content of the Pact for Mexico was a product of the work that had been done during the transition period,” Santín said, arguing that the incoming team’s research and meetings with the outgoing administration had given the negotiators a clear outline for reforms. “That’s the main achievement from the transition.”

Ruiz called the Pact for Mexico an important indicator of a successful transition. The Calderón administration had tried to pass similar measures but had been unable to muster the political support. “They passed the right reforms at the right time,” Ruiz said.

The announcement of the Pact for Mexico began what would be a largely successful year for the Peña Nieto administration, reflected in positive domestic and international media coverage.

REFLECTIONS

“I think the best part of the Peña Nieto administration has been the first year. Everything worked,” said Andrés Antonius, a senior coordinator of Enrique Peña Nieto’s presidential transition in 2012. “I really think it got off to an amazing start. . . . If you look at what got done, no one has gotten so much done in so little time.”

Antonius and other participants in the transition said the process helped Peña Nieto start his term strongly. Still, officials on all sides said specific legislation outlining the necessary information, briefings, budget protocol, and other

rules would be preferable to the ad hoc method they had relied on in 2012. “We should make a law that clarifies what information the old government should give to the new government,” said Felipe Solís, subsecretary of legislative relations in the secretariat of governance.

Without legislation, successful transitions relied on the willingness of both sides to cooperate. “Had [Felipe] Calderón not wanted to cooperate, it would have been a disaster no matter what we did,” said Antonius. “In the next transition, if personal issues between the two presidents get in the way, you’ll have a disaster, but if you have a formalized process that you have to respect and abide by, that changes things.”

As part of the Pact for Mexico political reforms adopted in early 2014, Congress and Peña Nieto agreed to shorten the transition process. As of mid-2015, the law said the presidential election in 2024 would take place on June 1 rather than July 1 and that the new president would take office on October 1 rather than December 1, thereby reducing the time period between the election and the inauguration to four months from five.

Many participants in the 2012 transition agreed with the measure to shorten the handover period. They said five months was too long and presented a political liability. “There are many ways it can go wrong in such a long period,” said Janet de Luna, who helped coordinate the transition as a member of outgoing president Felipe Calderón’s staff before taking a position in the Peña Nieto administration. “You don’t need that much time to exchange the relevant information. More time just gives room for the politics to be more important.”

Oswaldo Santín, a Peña Nieto transition coordinator later appointed to the secretariat of finance, said a longer time period does not necessarily mean the incoming officials will be better prepared. “You have a learning curve with

respect to managerial skills, and from a public policy perspective, that was evident; but you couldn’t have avoided it in the transition,” Santín said.

To the extent that an effective transition is useful, officials stressed the importance of incentives and personal relations. “These formal processes can succeed or fail on the basis of personal understanding,” Antonius said. “You need to come in humble, nonconfrontational, in a learning mode.”

Both sides needed powerful motivations to cooperate. “If you want the main reason the transition worked, it was that there were reasons for the people to do a good job,” said Sofia Frech, who helped coordinate the transition on the Calderón side before becoming chief of staff for Peña Nieto’s secretary of education.

For the incoming team, the incentive was easier to discern: almost everyone on the Peña Nieto team wanted a position in his administration. Peña Nieto announced his Cabinet very late in the process—a day before taking office. The delayed announcement made it more difficult for incoming Cabinet members to prepare but gave everyone on his transition team an incentive to work to the very end. “Power is through resources, and your resources are the positions,” said Frech.

The outgoing administration’s incentives were less straightforward but equally effective. First, although it generally did not apply for most secretaries and subsecretaries, some senior officials were angling for reappointment. Second, the transition was a chance to show their political opponents what they had accomplished, and some took pride in that process. Finally, as Calderón’s head of the Office of the Presidency Gerardo Ruiz described, senior officials understood the importance of a smooth handover for Mexico. “We cannot reinvent the country every six years, for the country’s sake.”

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