Political Competition, Partisanship, and Policy Making in Latin American Public Utilities

This book studies policy making in the Latin American electricity and telecommunications sectors. Maria Victoria Murillo’s analysis of the Latin American electricity and telecommunications sectors shows that different degrees of electoral competition and the partisan composition of the government were crucial in resolving policy makers’ tension between the interests of voters and the economic incentives generated by international financial markets and private corporations in the context of capital scarcity. Electoral competition by credible challengers dissuaded politicians from adopting policies deemed necessary to attract capital inflows. When electoral competition was low, financial pressures prevailed, but the partisan orientation of reformers shaped the regulatory design of market-friendly reforms. In the postreform period, moreover, electoral competition and policy makers’ partisanship shaped regulatory redistribution between residential consumers, large users, and privatized providers.

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Political Competition, Partisanship, and Policy Making in Latin American Public Utilities

Maria Victoria Murillo
Columbia University
To my parents
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List of Acronyms

Alianza: Coalition for Education, Work and Justice
ANTEL: National Telecommunications Administration
ARENA: Nationalist Republic Alliance
CFE: Federal Energy Commission
CNE: National Energy Commission
CNT: National Telecommunications Commission
Concertación: Coalition of Parties for Democracy
COFETEL: Federal Telecommunications Commission
CRE: Energy Regulatory Commission
CTC: Chilean Telephone Company
DC: Christian Democracy
ENRE: National Electricity Regulatory Agency
ENTEL: National Company of Telecommunications
ERSP: Regulatory Agency for Public Services
FA: Broad Front
FDT: Telecommunication Development Fund
FREPASO: Front for a Country with Solidarity
IMF: International Monetary Fund
LyF: Luz y Fuerza del Centro (Light and Power)
NAFTA: North American Free Trade Agreement
PAN: National Action Party
PER: Rural Electrification Program
PRD: Party of the Democratic Revolution
PRI: Institutional Revolutionary Party
PROFECO: Federal Agency for Consumers
PS: Socialist Party
List of Acronyms

RN: National Renovation
SEC: Electricity and Fuels Superintendence
SEGBA: Electricity Services of the Great Buenos Aires
SERNAC: National Agency for Consumer Services
SIC: Chilean Central Interconnected System
SIGET: General Superintendence of Electricity and
      Telecommunications
SUBTEL: Undersecretariat of Telecommunications
TELMEX: Mexican Telephones
UCR: Radical Civic Union
UDI: Independent Democratic Union
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