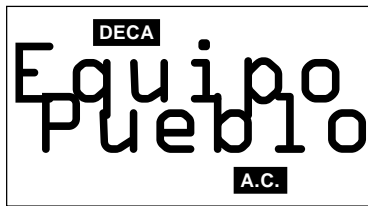


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EDITORIAL

MEXICO 2005: POLITICAL PERSPECTIVES I/II

PEDRO JAVIER GONZÁLEZ*

It is likely that, from the perspective of certain media and agencies specialized in drawing up political image and speeches, the national political situation represents the best of possible worlds. Scandal and conflict are always news and create a market for those whose task it is to design media strategies. In addition, for many members of the political class, the constant confrontation and adoption of antagonistic positions, even if they contribute little or nothing to the solution of national problems, do im-

ply a high level of media exposure that could eventually be of utmost importance for their careers. The problem is that, for the rest of us mortals, the current state of our political lives is simply upsetting. Without news to sell, without markets to gain and without positions to reach, for citizens interested in political activity which, beyond an entertaining spectacle, offers them better conditions for the development of their activities and the fulfillment of their individual and collective objectives, national politics has shown an evident and progressive deterioration.

In the general process of the loss in validity of the rules of the game of authoritarian presidency, the anticipated succession defines the dynamics and concerns of national political life. Everything seems to have an electoral connotation and is influenced by political and electoral logic. The consequences of this subordination of political life to the logic of the struggle for power are various and serious.

Firstly, the loss of focus on the subjects directly linked to the problem of long term

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THE APPLES OF DISCORD

VÍCTOR M. QUINTANA S.*

The example of how the government of Vicente Fox gives in to the pressure of the United States with regard to the importation and exportation of agricultural produce within the framework of the North American Free Trade Agreement (NAFTA) could not have been better. The Economic Secretary, Fernando Canales Clariond, suspended the compensatory quota of 46.58% for *red delicious* and *golden delicious* apples imported from the United States. This was a real blow for the local apple producers who, through the Union of Fruit producers (UNIFRUT), had previously been able to achieve the establishment of this quota for a period of five years, starting in August 2002. Without such compensatory quotas, without customs duties, North American fruit will simply saturate not only the supermarkets, but street markets as well, displacing fruit produced in Mexico and with it, the employment that this generates.

There are few sectors as organized and aggressive in the face of NAFTA than the fruit producers of UNIFRUT. It groups together 20 local associations with 2500 medium and large producers, over a surface of 30 thousand hectares of fruit trees and in 2004, produced 19 million boxes of apples, two thirds of the total production in the country.

Since 1996 it has presented a dumping lawsuit against North American apples that arrive in Mexico invoiced at below cost price. In September 1997, they obtained a com-

pensatory quota for 101% and forced North American exporters to propose a price compromise: \$11.48 per 42 lb box. The Mexican government and UNIFRUT accepted the compromise, though the North Americans later failed to fulfill their commitment.

UNIFRUT proved to the Ministry of the Economy that the prices were not being respected. They appealed and won 2 legal actions, however, the Minister continued to protect the American exporters. Finally the verdict in the dumping case went in favor of the Mexican producers and in August 2002, the compensatory quota of 46.58% was established for this most common variety of apples imported from the United States

Encouraged by their triumph, Mexican fruit producers, largely from the state of Chihuahua, were motivated to carry out large investments to modernize their production. They installed protectors against hail and increased their capacity to refrigerate at a controlled atmosphere from 40 thousand to 112 thousand tons, almost a 300% increase. A large part of these investments were carried out with the support of the *Alianza para el Campo (Farmers' Alliance)*, that is, of Mexican taxpayers. At present, they generate 12 thousand permanent jobs and 2 million additional daily wages per year.

On the other hand, the legal battles continue: a revision of the annual compensatory quota, three actions of nullity before

the Federal Tax Tribunal and one panel before the NAFTA tribunal.

But American exporters and Mexican importers have not crossed their arms: they instituted 30 legal actions, although 25 of them have been decided in favor of UNIFRUT. One was lost due to error of the Ministry of the Economy. Then, in September 2004, exporters from the northeastern United States again proposed a price agreement, as in 1998. UNIFRUT rejected this based on its past experience: the North Americans are not being serious and the Mexican government lacks the mechanisms to make them comply with the agreement.

On November 15, 2004, Mexican fruit producers were called to a meeting with the leaders of "the new rural society": the heads of the Ministry of Agriculture and the Ministry of the Economy. These agreed to accept the price compromise, in the face of pressure from the North American government. UNIFRUT once again rejected the agreement and Minister Canales Clariond promised not to force them to accept the compromise and to continue the struggle with the North American exporters.

It did not take long before he retracted his promise. On November 5, 2004, Mexican apple producers once again met with the Deputy Minister of Rules and Disloyal Practices, Juan Antonio García Villa, and were notified of the disloyal practice of Ministry of the Economy: the suspension of the compensatory quota of 46.58% and the acceptance of the price compromise offered by the North American exporters.

National apple producers felt betrayed by the member of the Fox government in charge of international trade, Fernando Canales Clariond. They pointed out that if they continued looking down on the opinion of national producers and followed the dictates of the United States, soon Mexican farming would come to an end. Similar complaints came from sugar producers,

* Partner of DECA; Equipo Pueblo.

pork producers, chicken producers, and others.

The Ministry of the Economy argued that it suspended the compensatory quota since the entry of North American apples would lower the price of such fruit to the final consumer. Mexican producers counter attacked with two arguments: 1. It is not the producers that raise the price of the fruit, but the large retail distribution chains, that is, the supermarkets, and 2. Taking this argument to its ultimate conclusion, the Mexican government should allow the importation of all types of merchandise in order to lower the price to the consumer, but this would bring ruin to the national production plan, unemployment and destruction of buying power.

For the new rural society, celebrated and advocated by the Minister of Agriculture, Javier Usabiaga, these are the least important issues. It does not matter that jobs are lost, that private and public investments are lost in the name of "comparative advantage" only enjoyed by a few, and that the indicators for exportation by the few improve thus destroying the possibilities of production by many. One must ask oneself, if the Fox cabinet acted in this way towards the recently prosperous producers, what can the poor peasants expect?

THE MEXICAN CAMP ■ Rocha



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PEMEX AND THE ENERGY PROGRAM.

A NON-NATIONAL PROGRAM.

SERGIO SUÁREZ GUEVARA*

In Mexico, as in most oil producing countries in Latin America, the application of the neoliberal economic energy model has been guided by three key concepts: *market, freedom and minimal State*. As such, the corresponding *economic adjustment and structural change reforms* have been executed in the country's development plans and energy programs, among others.

The long term perspective of the plans and programs emphasizes the process of aperture, with the goal of privatization, which is applied to the energy sector, even if it is conferred a strategic character. Paradoxically, this process is converted into a medium which impedes and puts a check on all possible competition –understood as a struggle of interests– between the energy companies of the Mexican State against the foreign companies, since it goes beyond the national interests of a public energy monopoly in favoring that of the powerful transnational energy companies.

Petróleos Mexicanos (PEMEX) is a company to which a bleeding *tax regime* –which in 2003 through direct and indirect taxes suctioned 65.1% of its total income–², is added the fact that it is *guarantor* for new loans and the payment of interest for foreign and domestic debt, and whose extra income –which is obtained by an increase in the price of crude oil exports– is used towards a contingency program of the federal government. These aspects, among

others, prevent a reorganization of its financial situation, and therefore prevent the maintenance of its own capital for productive investment, in this way reducing one of the key aspects to be able to compete.

The managers of PEMEX and their advisors, who are expert technocrats, in the face of globalization problems and financial requirements for its growth and expansion, “conclude” that it is necessary to resort to loans, increasing in this way its short and long term debt, which in 2003 increased to 36 978 million dollars, while its total liabilities reached a total of 71 165 million dollars³. This situation is linked with increased participation in internal and external capital markets, principally through the issuance of bonds, that is, further indebtedness. In this way, an adequate environment is created for private investment, primarily foreign investment, in activities that constitutionally exclusively belong to the State, a problem which permeates the Energy Sector Program.

In the Mexican Energy Sector Program of 2001-2006, the *governing principles of energy policy* were introduced, which would guide the destiny of the country with respect to energy; here we mention only four of these principles:

1. *Energetic sovereignty*. It is noted that, for historical reasons and economic convenience, Mexico *will conserve* the ownership, exploitation, management and regulation of energy resources, the public

character of the country's energy companies [PEMEX, Federal Energy Commission (CFE) and Central Energy and Power (LFC)] and the sovereignty of the State over energy resources.

But, what do these facts reveal? That the reforms made to the legal framework in accordance with the process of aperture and energy deregulation in Mexico have induced an increasing participation of private national and foreign investment, through tenders and associations, thus showing the imminent flow of private capital in public activities which make up such sector, and therefore the interests of private gain rather than national interest. The question remains unanswered: if more than 80% of PEMEX's investment expense is in private financing, *will it have a national and independent sovereign future? What type of sovereignty are we then talking about, possibly geographic sovereignty?*

¹ Researcher for the Economic Research Energy Unit, Energía UNAM. The thoughts presented below are based on a presentation entitled: *The energy supply and private investment. A general view* presented at the Seminario XX Economía Mexicana del IIEC-UNAM. January 2005

² In accordance with the 2003 cash flow, the total income of PEMEX increased 54 858.34 million dollars, of which 37 979.33 million dollars corresponded to internal sales and 16 879.01 million dollars to external sales.

³ See: PEMEX, *Subsidiary Entities and Subsidiary Companies. Consolidated Financial Statements* at December 31, 2003.

GAS STATION OWNERS ■ El Fisgón



2. *Supply Security.* The referenced Program indicates that both economic development and international competitiveness of any modern Nation require security in the supply of energy resources which are competitive in quality and price, affirming that: “A country with energy is a country with a future”.

With respect to the security of energy supply, what better security is there for the country than to have most of the primary energy sources, like petroleum, gas, carbon, hydroenergy, among others. Furthermore, it has the installations and infrastructure necessary to supply the energy resources required by Mexican society and the economy, the development and achievements of which derive from the efforts, knowledge and experience acquired and applied by Mexican technicians and specialists, especially during the so called nationalistic era.

However, in the face of the aperture of the sector, the security of the national supply could be affected by the fall in public investment, a problem of national interest which is reflected by the increase in the importation of energy resources such as derivatives, gas and gasoline, and even more

by the drastic reduction of our proven reserves of petroleum, due to an over exploitation of oil-bearing strata in the face of increasing demand in the United States (USA), our principal client.

3. *Modernization of the Energy Sector.* It is noted that the national infrastructure of the energy sector needs to be reformed to be able to respond to new trends of the world energy market, manifested by new technologies, mergers of companies, convergence of various industries and the deregulation processes in order to encourage competition.

It is just that this process of modernization responds to

the plans and modernizing proposals of the International Monetary Fund and the World Bank, and in addition, meets the expansion and international ownership projects of transnational energy companies, which are a consequence of its financial, energy and technology interests. Behind the veil of modernization, there hides a new phase of technological energy dependence and a dangerous displacement of our own knowledge of the science and technologies of energy.

As a result of the actions taken in Mexico and other Latin American and Caribbean countries, the modernization of the energy sector will displace the state energy companies, demonstrating a dichotomist phenomenon: exclusivity of the private and exclusion of the public.

4. *Greater participation in private investment.* The government’s obligation to “guarantee the long term viability of the energy sector” will be backed up by a greater participation in the public, social and private sector in some activities of the petroleum and electricity industries”.

This principle formalizes that it will be the government who will sustain and pro-

mote private investment, which will be transnational, and in this way paradoxically promote the denationalization of the Mexican energy sector.

Final Comments

➤ The aspects outlined above go against the decision of the current government –and prior neoliberal administrations– to secure the future development of the Mexican energy sector and its strategic national energy supply, largely based on the participation and investment of the national and foreign private sector. In this way it is collaborating, favoring and tying itself to the fate of external energy supplies and requests for aperture to private investment, as stated in the energy programs of the United States of America and the European Union, which, by granting favor to the external market, put at risk the security of the national supply.

➤ This objective has resulted in neoliberal administrations creating regulations and programs that favor such denationalization, thus establishing a legal framework that provides guarantee and security to private capital. Paradoxically, PEMEX, CFE and LFC are assured and guaranteed displacement, abandonment and further indebtedness.

➤ According to official sources, the legal aspects that frame the aperture are not *outrageously* in violation of the Supreme Law. However... in reality, they insult it, by the adjustment of the regulatory Laws and by the creation of institutions for the purpose of aperture and with privatizing plans, such as the Plans for Productive Infrastructure with Deferred Impact in the Registration of Expenses (PIDIREGAS) and the Multiple Service Contracts (CSM). Such financed projects increase sector debt, and the respective payments imply a decrease in the financing of Mexican energy companies.

IMPUNITY: A PRELUDE TO VIOLENCE AGAINST WOMEN

Laura Becerra Pozos*

It appears that Mexico is destined to occupy a first place. Not, however, for its progress, but rather, for its dramatic levels of social inequality, corruption, impunity and violation of human rights, particularly those of women and children. Today, it is not possible to speak of this problem without making reference to the case of the already 415 women and girls that have been kidnapped, raped and violently murdered in the state of Chihuahua: this is the subject of this article.

To begin with, it would be useful to contextualize this already long and painful chapter of violence and death. In a recent study of human rights in Mexico, in the chapter relating to women, it was recognized that "the polarization of life conditions of women from different social strata and areas of the country shows that persistent inequality is a structural obstacle in respect to human rights in Mexico. Many women live in poverty, physically, socially and culturally isolated, with short life expectancies, no access to education, health, remunerated work nor a support infrastructure for their domestic work (in the form of potable water, electricity, fuel), while others have successfully managed to be incorporated into the mainstream development of the country". It adds, "The culture of a dominant gender and its slow transformation, as well as the persistence of institutions (domestic life, church, school

Many women live in poverty, physically, socially and culturally isolated, with short life expectancies, no access to education, health, remunerated work and a support infrastructure for their domestic work.

system, media, unions) and power structures in the reproduction and promotion of gender inequalities and the maintenance of traditional stereotypes, constitute the most difficult structural obstacle to overcome with regard to equality between the sexes and respect for the human rights of women."¹

In celebration of the International Day for the Elimination of Violence against Women,² the Mexican government recognized that 47 out of 100 women in the country, aged 15 and over that share a home with their partner, suffer from some form of emotional, economic, physical or sexual violence by the hands of their partner. Similarly, INEGI (National Institute for Geography and Statistics) has indicated that 56 out of every 100 women between the ages of 15 and 19 suffer from some form of violence by their husband or partner, while one in every two women who works

suffers some kind of aggression by the hands of their partner.³

The prevalence of domestic physical violence is particularly alarming. The Secretary for Social Development of the federal government recently published a document stating that annually in Mexico, 5 200 women between the ages of 15 and 49 die of violent causes: this means that 14 women die each day and 2 of every 3 die in their homes. Worse still, 97% of these cases remain unsolved as of every 100 cases reported, 50 are investigated, barely 8 result in an arrest and trial, and only 3 of these end in a prison sentence. The question therefore remains, what is to be done regarding the 1.4 million Mexican women that suffer from domestic violence, and the 1.2 million that are of a sexual nature?

In its report the Secretary of Social Development recognized that, together with the act of violence the health costs in Mexico amount to almost one percent of the Gross

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¹ Diagnosis of the Human Rights situation in Mexico. United Nations High Commission for Human Rights in Mexico, 2003, pp.142 and 143.

² In November 1999, Latinamerican women achieved the establishment of November 25 the International Day for the Elimination of Violence against Women, by the United Nations Organization (UN).

³ Data from the National Institute of Geography and Statistics (INEGI), 2004.

Domestic Product (GDP). The material losses suffered by people as a result of violence reach almost 50 billion pesos, to which can be added the “losses” associated with maintaining a security system that amounts to 4.9% of the GDP.⁴

And beyond the issue of domestic violence is the case of the women of Ciudad Juárez, Chihuahua, the biggest state in Mexico which shares the longest border with the United States. For the past ten years, mothers and families have suffered the horror of finding their daughters, sisters, girlfriends and wives, dead after having been subjected to torture and rape. From 1993 to date, 415 women have lost their lives under such

deplorable circumstances, without justice being done. Just this last 24th of November, a group of mothers met President Vicente Fox. Although they had a meeting with him as well as some of his staff, and they listened to their complaints, many of the women interviewed stated that they failed to receive a firm commitment on his behalf to take more conclusive measures.

Even when it seems clear that the long chain of murders cannot be attributed to common criminals, there has been a reluctance to recognize those really responsible for perpetrating the feminicide that goes beyond the borders of the country. For Laurie Freeman, Mexican representative in the Washington Office for Latinamerican Affairs (WOLA), “what unites these tragic stories is not necessarily a common murderer, rather a similar life and an unresolved death. The victims were born into poverty, worked in order to improve their lives and, after being brutally murdered, are denied justice”.⁵

Freeman tries to answer the question regarding who is responsible for the drama that appears to extend to other states and countries, and points clearly to the issue of impunity, particularly that related to the phenomenon of drugtrafficking that “unites” Mexico and the United States, its northern neighbor and important drug consumer. The alleged culprits that have been punished and even killed in order that they accept responsibility for the crimes with which they have been charged, are mere scapegoats, while those really responsible are protected. “Drugtrafficking has completely corrupted the police and judicial institutions so that these, instead of investigating the murder of women, prefer to turn a blind eye.” It is regrettable that drug related corruption has permeated the entire judicial system of Chihuahua.

As a result, the issue of impunity needs to be viewed as a bi-national problem and the United States should share the responsibility with Mexico to seek out justice for those that have been murdered.

Freeman adds that after revising the files related to the feminicides, María López Urbina, the public prosecutor especially commissioned by president Fox, detected that 130 state officials allegedly committed some form of omission, negligence or abuse of authority. Amongst other irregularities and unanswered questions are issues such as: crime scenes not being properly protected, witnesses not questioned, forensic examinations done with little quality control and many victims remaining unidentified. At the end of last year, two public officials were forced to resign as a result of not handing over any results or clues over a period of two years.

Citizen and women’s civil organizations are convinced that the state and federal authorities have not assumed responsibility for these cases and appear to be reluctant to get to the bottom of them, or punish the real criminals.

It is important to insist on the fact that violence against women, which occurs inside and outside the family environment, and that is linked to corruption, impunity, and organized crime, in violation of human rights, is the result of inequality and intolerance. As a result, it is a national social problem of top priority that demands an explanation from all Mexicans, wherever they may be, and above all, from the authorities and public officials responsible for guaranteeing the rule of law.

“Guaranteeing the respect, protection and exercising of the human rights of women, including their right to a life without violence, holistic health and the exercising of their sexual and reproductive rights promote the capacity to exercise citizenship.” (Network for Sexual and Reproductive Rights in Mexico).

⁴ Rodolfo Tuirán, Undersecretary of Urban Development and Territorial Order, Secretary of Social Development. Published in *La Jornada*, 18 October 2004.

⁵ Impunity in Ciudad Juárez, *Reforma*, Supplement Enfoque, 21 November 2004.

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LABOR COUNTER-REFORM WITHOUT SOCIAL CONSENSUS

CARLOS G. RODRÍGUEZ RIVERA*

The only labor law in Latin America, still not rejected by neoliberalism, is on the point of being reformed regressively.

This imminent event is due to the efforts of the president of the Institutional Revolutionary Party (PRI), Roberto Madrazo, on one hand, and of the Labor minister, Carlos Abascal, as well as of union leader, Leonardo Rodríguez Alcaine, ("within the PRI there is agreement to approve the reform", stated Rodríguez Alcaine), to promote in the current Legislature, and in the present ordinary session, the proposal known as the "Abascal Law", presented in December 2002 to the previous legislature. At that time, such initiative was stated as being regressive in terms of labor rights and in violation at least of the UN International Treaty on Economic, Social and Cultural Rights (ITESC) of 1976, which is an international human rights obligation of the Mexican government.

The cooperation of the three mentioned persons represents an initiative which has no social consensus, and therefore lacks legitimacy and validity, and the fact that it was negotiated at such a level also indicates a new majority against labor rights. In fact, the Abascal initiative was the result of an exclusive mechanism in the upper echelons between the Labor ministry and *some* traditional and paternalistic labor organizations. The marginal participation of the National Union of Workers (NUW) in the process

(two of eleven places) was shattered by its exclusion from the final draft, and the supposed consultations that were carried out were a failure and the results thereof were not made known (only 25 institutions responded).

The possible report that will soon be sent to vote generates even less confidence, since the Parliamentary Commission created and continued in the LVIII Legislature in order to discuss the three existing projects, was dissolved after not having reached consensus among the participants of the majority parties represented in the Parliament. That is, at least in the legislative body created for such purpose, no agreement was reached on an integral reform. The result was that a subcommission would explore partial modifications.

We would like to inform that the interests represented by those who apparently negotiated these partial modifications (undoubtedly some of them cosmetic) cannot but sustain the regressive and violatory character of the proposal they lead. That is, modifications in which the State abandons its role as protector of the workers, where mobility of workers is privileged above their rights, where collective rights have so many conditions that they become impossible, and job stability is exchanged for the needs of the company. Temporary employment and the major reduction of the collective rights of collective bargaining and strike,

without any guarantee of democracy or freedom within the unions, such as free and secret ballot for nominations, can only benefit employers, corporate directors and the PRI.

If such a proposal should be presented, the only effects will be: to unlegitimize further the administration of Vicente Fox, pointing to the near social certainty that the *government of change* will evaporate in its fourth year, since the interests of the owners of the large unions in the country and those that keep them in power, will have remained untouched and safe by his labor minister, and will accentuate the social perception that the macroeconomic measures for stable employment and sufficient pay remain absent; and to unlegitimize to an even greater degree the Ministry of the Interior, just at the time when a National Human Rights Program is to be presented, which intends to justify such counter-reform; and shall have the result of discrediting the already discredited last hours of the eternal directors of national unionism.

We call on the worker population, democratic unions, human rights defense organizations and others interested to defend the social guarantees and labor rights contained in the present law, in face of this new attack.

* General Coordinator, Center for Labor Reflection and Action

development of the country in favor of electoral issues. At present, the scandals, aggressive statements and polls take up more time in the media and in the concerns of the political class, than important matters of the national agenda. Not even public security and the rule of law, not even the problem of consolidating democratic change and State reform, not even the loss of our economy's competitiveness and its inability to move on on the path of self-sustaining growth, not even poverty and the extreme inequality which erodes the foundation of society, seem important in the face of the conflict between the federal government and the government of the Federal District, or in the face of disputes between the different powers of the State or in the interior of the country, among the different parties.

Secondly, the anticipated succession has implied the aggravation of the mood and the conflicts becoming worse. It is worth specifying that the problem is not because conflicts exist, in fact, this is a unavoidable fact of all social life. The problem lies in the inability of the political order to process such conflicts institutionally and to find a peaceful and productive solution to them. Far from plurality and diversity of vision and interests, which result in a richer debate and greater options, such have become redundant in the paralysis and the inability to reach the minimum agreements necessary to advance, both in the sense of consolidating democratic changes as well as in widening the possibilities for economic and social change. In this way, politics, instead of showing its most noble side as a mechanism for the civilized solution to conflicts and for the pro-

duction of viable responses for the solution to the problems of a society, at these times it seems to be the principal obstacle to national development.

The problem of governability

How have we gotten to this point? The answer to this key question is, undoubtedly, difficult and involves a deep structural problem as well as a wide range of deficiencies in political strategy and operations. For this reason, in order to achieve greater specificity, it is appropriate as a starting point to formulate the question as follows: is Mexico precipitating a crisis in governability? The indicators are alarming. On the one hand, the government of Vicente Fox has not proved it has the necessary resources to resolve, within the existing institutional framework, the distinct political and social conflicts that it has had to face. It is clear that these numerous conflicts have not exceeded yet the legal and institutional framework, but have been on the point of doing so, as well as showing the government's denial of some of its principal projects and the incapacity of the State to endorse the law. On the other hand, it is

even clearer that, from the perspective of the government's capacity to meet the objectives and goals of its own program, the problems of governability are big, to such an extend that, even if in the strict sense Mexico is not experiencing an explicit crisis in governability, there is evidence that there are important deficiencies in this regard. This situation reflects two phenomena of crucial relevance: the disfunctionality of the current institutional order and the deficiencies in the efficiency of political action.

Apart from the opinion as to whether the political change experimented by our country is deep enough or is going in the right direction, the reality of the change cannot be denied. Mexico is living a new political reality: the old rules of the game, which guaranteed governability and political stability, have lost their validity, when meanwhile the new rules have not yet been clearly defined with respect to the new stage of our political life. In this setting, uncertainty is the distinctive sign of the times which are passing by. And this uncertainty is growing as the government's tasks are inscribed in an institutional, political and structural framework that offers new challenges to governability. It is however important to identify at least three distinct conditions of governability:

Isolated presidency. The president is no longer the center of gravity of the political system. His will is no longer synonymous with unappealable decision. Political conditions that allow the use of extra-constitutional powers, on which the enormous concentration of power of the presidential figure was based, no longer exist. This situation, in principle positive and indicative of our democratic development, becomes problematic for several reasons, including the evident disfunctionality of the institutional framework designed under the theory of absolute control by the Executive over the different mechanisms of the political system. (Congress,

In the general process of the loss in validity of the rules of the game of authoritarian presidentialism, the advanced succession defines the dynamic and references of national political life. Everything seems to have an electoral connotation and is influenced by political and electoral logic.

Judicial Power, official party, state governments, state owned companies, etc.).

Division of powers and the rise of federalism. The old subordination of the Legislative and Judicial powers to the Executive, and of the state and municipal governments to the dictates of the federal government, is over. There are no perfect mechanisms to promote cooperation, which could enrich political discussion and decision through plurality, and which could make the division of powers into a balancing mechanism of co-responsibility. The divisions between the presidency and the Congress of the Union have led to continuous struggle, which has resulted in little productivity in legislative and public policy terms. At the same time, the relations between the distinct orders of the government have also been converted into another scene of conflict, as illustrated by the sharpness of the deafening struggle, which started up with the government of the Federal District.

The end of the official party figure. Unlike his predecessors, President Fox does not have a party apparatus to guarantee the discipline of vast corporately organized social sectors. In fact, the bad habits of corporativism are presented as one of the main challenges and burdens of those that have had to and been unable to battle with the "government of change". Of course, it is not about modifying the vicious relationship between the PRI presidents and their party, but neither is it about giving up, in the interests of a supposedly democratic purism, a fruitful relationship between the president and the PAN. There are no discussion and negotiation mechanisms capable

of guaranteeing on one hand the inclusion of the points of view of National Action in the decisions of government, nor in its legislative projects and, on the other hand, the support of the party to the government emanated from its ranks.

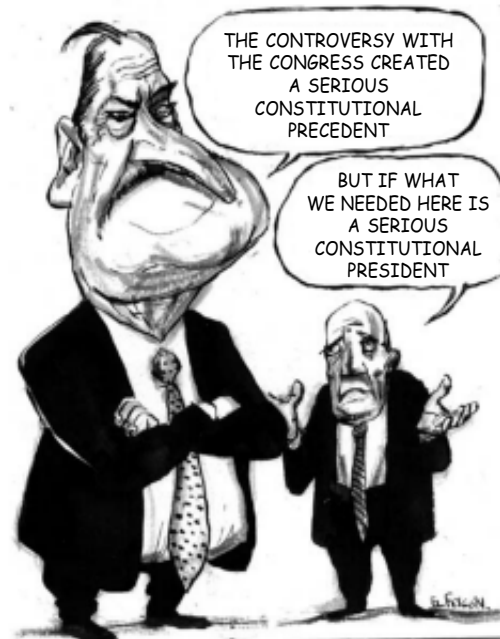
Beyond the undeniable deficiencies in the exercise of presidential power, the latest explanation of the lack of governability of the country is the impossibility of reinstating the extra legal resources on which governability in the times of authoritarian presidency was based. The concentration of powers in the hands of the President, the subordination of the other powers of the State and orders of government and an official as an efficient instrument of the imposition of discipline and control are absent premises. Now, the action of the government, in the new conditions of plurality and division of powers, either resigns itself to the rationality of democratic policy (in accordance with the State of law, transparency, accountability and a greater citizen participation) or it will be condemned to

an increasing inefficiency, an erosion of its legitimacy and, in the end, to an increasing lack of governability.

The absent presidency

However, in addition to these institutional deficiencies, we cannot avoid the role of the deficiencies and errors of the presidency in the explication of the problems of governability and in the general deterioration of national political life. In particular, we should emphasize the lack of the President's leadership, his difficulties in communicating a long term project of the nation, capable of provoking the adhesion of a large part of the population and, above all, the lack of political experience and capability of the President and his government team, as has been evidenced through the difficult relationship with the Legislative Power with the opposition parties and even with his own party, as well as the failure of the principal public investment project of the six year term (the airport in Texcoco), the virtual suspension of the Puebla-

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Panama Plan or the continuous confrontations with the media.

We do not intend to show the presidency as the only one responsible for our complaints, since, in the end, the deterioration of our political life is attributable to the political class as a whole. The reason we emphasize the presidential figure is that, for historical and institutional reasons, this figure has the role of proposing a national agreement, which would be the starting point for a new stage in the historical process of the development of our nation. President Fox, however, never assumed the role of transitional president. He did not understand the role and believed that, based on his large political capital and an efficient media campaign, he could govern without first establishing the political and institutional conditions necessary to do so. He never clearly understood that the change was only the first step in a process of democratic construction that should lead to State reforms. As important as the calls for structural reform seem, the historic mission of the government of change is in the State reform. If it is evident that there was no initial disposition to negotiate on behalf of the principal political forces (PRI y PRD), it is equally clear that the President did not know how to support the social and party forces committed to State reform. On the contrary, the negotiation effort (and one of the unfortunate pressures of the media) was centered on a legislative program, which, irrespective of its relevance, was, by its polemic nature, complicated and not really appropriate for the achievement of substantive agreements.

In this way, the government of President Fox mistakenly bet on the construction of majorities with the PRI. The idea was to repeat the loyal opposition scheme that National Action once had during the government of Carlos Salinas de Gortari and the first half of that of Ernesto Zedillo Ponce de Leon. The problem with this strategy was the inca-

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capacity of the hegemonic sectors inclined to the PRI to perform this role. And if the electoral progress of the PRI in 2003 seemed to strengthen the leadership of professor Elba Esther Gordillo, instead of the imposition of the Madrazo army in the Chamber of Deputies eroded the viability of such strategy.

The relationship with the PRI has been complicated not only because of the media and political influence of the so called "hard" sector, but principally because of the incapacity of the government to resolve one of the key enigmas of the whole process of transition: What to do with the past? Opting for erasing and starting anew or opting for judgment of the past would have implied costs and benefits that should have been assumed. But maintaining the ambiguity and oscillating between courting and attacking represents the worst possible scenario: that which only results in the costs of such options and none of the benefits. With this situation, despite the important concessions to long established corporativism and to other real factors of PRI power, the government has not received anything in return.

And along with the government of president Fox, the main victim of this set of erroneous options and failed strategies has

been the fledgling Mexican democracy. The State reform sleeps peacefully, corporativism is alive and active, and the political practices of the PRI are current and impose their logic on the whole national political spectrum, to the extent that, at present, except for some examples, it is clear that the governments of the PAN as well as those of the PRD tend to appear more and more like the old PRI governments.

A lack of viable strategies for the satisfaction of its own program, the presidency appears absent and resigned to administer inertia. The project for the State reform never existed, except for short-lived moments while the democratic enthusiasm lasted. Furthermore, structural reforms have been proposed as a task for the next administration. The President, more and more isolated by the group of legionaries lead by his wife, does not appear to be interested in anything other than influencing the presidential succession. In this context, the Head of the Executive, instead of assuming the role of promoter of dialogue and the easing of tensions, has converted himself into the principal source of pressure and instability.

Other political actors

In the institutional framework that is dysfunctional for the new realities of national politics and the strategic deficiencies of the Fox government, it would seem that the happy fall of authoritarian presidency has left an enormous power vacuum. However, we should not lose sight of the fact that, according to an old formula, in politics there exists no power vacuum, because when this is produced, there is always somebody to fill the space. In Mexico today, the spaces left open by presidentialism have been occupied by the emergence of other actors. The main ones are undoubtedly the party leaders and local powers.

Depending on the point of view adopted, the rebirth of local powers can be a return to the past or a seed of the future. In federal entities, the governors are learning a freedom of political action that they did not have before. However, the consequences of such autonomy are ambivalent. On the one hand, greater local independence is creating suitable political conditions for the revitalization of local *cacicazgo*. Many governors tend to replicate in their entities the scheme of authoritarian presidency with its effects of political control, corruption and regeneration of electoral practices that seemed already a thing of the past. Several of the elections carried out last year are an eloquent proof of this. On the other hand, greater autonomy of local entities is a necessary condition for strengthening federalism. At present, the state governments have been converted into a real factor of power, not only at the local level, but also at the federal level, as documented in the case of the National Conference of Governors and its increasing capacity to negotiate with the federation with respect to the distribution of fiscal resources.

The National Treasury Conference, one of the most significant political events of 2004, illustrates the increasing capacity of influence and interlocution of the state governments, as well as the way in which, in certain spheres and circumstances, the rebirth of local power is at odds with the dynamic of the other great phenomenon resulting from the sinking of authoritarian presidentialism: *partidocracy*. As a result of the progress of the federalist agenda, the Conference, due to the real factors of power on which it was based and due to the inter-party consensus that made it possible, was

presented as a great opportunity to advance in some of the fundamental aspects of treasury reform. Its proposals, concrete and largely viable and appropriate, seemed destined to unblock the legislative process of reform. However, the weight of the party interests implied its marginalization by the federal government and the political parties, of the Initiative for the Revenue Law and the Decree of the Expenditure Budget.

In the face of the disappearance of presidential power as the center of gravity of political life, the party leaders have become a new frame of reference of political activity. The clearest example of this is that of the PRI, although not the only one, since the empire of electoral logic is a phenomenon widely distributed amongst all the political institutions. As a consequence of this premise, a crucial factor for understanding the dynamic of the political conflict in which we find ourselves immersed is the way in which the "partidocracy" phenomenon has permeated legislative activity and, more specifically, the way in which, given this context, the national leader of the PRI has tended to assume *de facto* the role of the Great Legislator, a role which once belonged to the President.

Roberto Madrazo has made his own the project of his today abhorred rival Elba Esther Gordillo, that of governing from Congress. Based on his electoral successes, the PRI is in a position to be the key factor for decision-making. There is no significant circles of decision that is not in some way sanctioned by the PRI. All the important decisions in the federal Congress are a product of the PRI and respond to the electoral logic of its leader. The PRI establishes alliances according to its needs. On the one hand, reforms which, by converging with the governmental proposals, arouse the support of National Action, like the examples of the reform of Social Security, the reform to Ar-

ticle 122 of the Constitution or, eventually, some minor structural reforms not as costly in terms of elections and oriented towards creating an environment more suited to governing from 2006 onwards. On the other hand, the PRD is linked with all those subjects that practically and symbolically tend to diminish and to question the government of President Fox, as clearly illustrated by the budget. After all, for the PRD it is about returning blow by blow. Anyway, it is Roberto Madrazo, with the wide control he exercises over the PRI section of the Chamber of Deputies, who manages the situation.

Finally, we cannot leave aside another illustrative phenomenon of the current political deterioration and which relates directly to the Judicial Power and, in particular, to the Supreme Court of Justice. On the facts, the highest tribunal has been converted in a series of forced arbitrations of the diverse political disputes. From one perspective, it is important to have a Court which has acquired autonomy and the capacity to resolve controversies between the different actors in the political game; otherwise the conflicts, instead of being resolved in court and on the basis of an reliable interpretation of the law, will be resolved in the streets by violent and simply extra legal means. However, the fact that all types of disputes have to be solved in court is an anomalous solution that reflects, among other things, the disfunctionality of our judicial and institutional order. Due to the lack of the State reform, the Supreme Court of Justice has served as the substitute source of certainty and clarity of the rules. This is not a task that can be prolonged indefinitely. In assuming this role due to forced circumstances, the Court has suffered a great loss of power, and has become the object of questioning on behalf of those actors that feel unjustly affected by its decisions.

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