Chapter 5

Mexico

Learning Objectives

• Identify how the three levels of analysis interact in Mexico.
• Use theoretical propositions to understand political and economic development in Mexico.
• Explain how and why political and economic development in Mexico differs from other Latin American countries.

Timeline

1821 Independence
1848 Treaty of Guadalupe Hidalgo
1876–1910 Porfiriato
1910–1920 Mexican revolution
1917 Constitution ratified
1929 National Revolutionary Party (PNR) created
1938 PNR becomes the Party of the Mexican Revolution (PRM)
1946 PRM becomes the Institutional Revolutionary Party (PRI)
1968 Massacre in Tlatelolco square
1982 Government announces debt default
1994 NAFTA goes into effect; Zapatista rebellion begins
2000 PRI loses presidency
2006 Felipe Calderón wins disputed presidential election
2012 PRI regains presidency with Enrique Peña Nieto
In 2010, a twenty-year-old criminology student named Marisol Valles agreed to become police chief of Praxedis G. Guerrero, a small town near the border with the United States. She took the position because no one else was willing, as rival drug trafficking gangs were ripping the town apart. As a result, she received worldwide press attention. A mere five months later, she sought asylum in the United States, meaning that she believed persecution made it too dangerous to stay. At least in northern Mexico, local politics was coming apart at the seams. The international influence of drug demand in the United States has had serious impacts in many
Latin American countries. In Mexico, both democracy and economic development suffer, as corruption, fear, and intimidation all collide in a volatile mix.

One of the most interesting developments in Latin American politics in recent years was the peaceful end to one-party rule in Mexico, a gradual process that came to an official conclusion after the presidential election of 2000. Democracy bubbled from the bottom up, as opposition parties organized locally and were elected to towns and cities across Mexico, and then moved up the political ladder. Domestic influences were paramount.

Nonetheless, given Mexico’s geography, international factors are also prominent in politics and often not in a positive way. Probably, the most famous quote about Mexico is “So far from God, so close to the United States,” which is attributed to the dictator Porfirio Díaz. It symbolizes the very strong international influence that has always been part of Mexican politics, and not always in a particularly positive manner. A border with the United States has often meant that policy making must take the northern neighbor into consideration.

Historical Roots of Political and Economic Development

When Mexico won its independence in 1821, it had a vast, unwieldy territory that included much of the west and all of the southwest of the current United States. In the colonial era, it had been part of the Viceroyalty of New Spain, an important part of the Spanish empire. The Catholic Church exerted tremendous political power and became entrenched in all parts of the region. More than elsewhere in Latin America, its position would be challenged after Mexico became independent.

Postindependence Challenges

The first half of the nineteenth century was disastrous for Mexico because of international factors. Like much of the region, Mexico emerged bankrupt from independence. In time-honored fashion, foreign governments eyed customs houses in port cities as a way to force repayment. Spain invaded and took Veracruz in 1829 and the French blockaded in 1838 (the so-called Pastry War as France pursued a claim of damage for a pastry shop, among other demands). Even worse, in 1846 the United States invaded and under the 1848 Treaty of Guadalupe Hidalgo took roughly half the country (the United States paid out $15 million, which the Mexican government used to pay off debt). During this time, Mexico was ruled by leaders such as Antonio López de Santa Anna, who was president seven different times between 1833 and 1855, switching political allegiances in whatever way best served him.

International influences combined with the liberal–conservative divide in Mexico to spark the War of the Reform (1857–1861), a civil war won by liberal forces under the leadership of Benito Juárez. As president, he suspended all debt repayments for two years, which prompted Spain, Great Britain, and France to
attack Veracruz in 1862. All the while, Mexican conservatives had been searching Europe for someone who might head a new monarchy that would reestablish both political and economic order and crush the liberal project. That person was the Austrian Ferdinand Maximilian Joseph, who became Maximilian I, the emperor of Mexico, in 1864. President Juárez and military officers such as Porfirio Díaz fought back, and his reign lasted only three years (Maximilian was then executed).

**Roots of the Mexican Revolution**

From then on, liberals dominated Mexican politics, but that did not mean stability. Within a few years of Maximilian’s defeat, Díaz began a series of revolts against the government, which culminated in his self-appointment as president in 1876 and election in 1877. Thus began what became known as the *porfiriato*, or era of Porfirio. Ironically, one of his public criticisms of the government had been about presidential reelection, which he claimed to oppose. But he would then amend the 1857 constitution to allow indefinite reelection. The term *reelection* should be taken with a grain of salt, as the elections became shams that papered over a dictatorship.

Under Porfirio Díaz, the Mexican state solidified. He helped put the country back on its economic feet by expanding foreign trade and inviting investment. He embarked on an ambitious plan of infrastructure, most importantly railroads, which connected the country while also facilitating trade. Further, he established a lengthy period of internal peace that allowed economic development to take root. Politically, Mexico was clientelist, as Díaz offered benefits to all major social and political groups, including the Catholic Church. Liberalism usually entailed strong antagonism toward the church, but Díaz brought them into the clientelist fold. Overall, this system of favors, combined with internal repression and no accountability (either horizontal or vertical), became a source of friction over time.

The eventual result of that political conflict was the Mexican revolution, prompted by Díaz reneging on a promise to allow free elections. His opponent in the 1910 election was Francisco Madero, who headed the “no reelection” faction. But then Díaz had Madero imprisoned and held a fraudulent election that kept him in the presidency. That sparked the revolution, led by heroes such as Pancho Villa in the north and Emiliano Zapata in the south, both of whom called in particular for land reform. This national uprising forced Díaz to resign and flee the country in 1911, but the turmoil continued until 1917. Madero became president, who was then ousted and killed by Victoriano Huerta. Huerta was eventually forced to resign, and finally Venustiano Carranza’s army took over the country. Carranza would initiate the negotiations that culminated in the 1917 constitution (plus his election as president) and the end of the revolution.

**The Legacies of the Revolution**

The revolution is notable for so many reasons, but race and class are two issues that merit attention. Revolutionary leaders and their followers came from all walks of life. Carranza was a wealthy landowner, for example, whereas Zapata
was poor and of indigenous origin. (This helps explain why the former ended up having the latter killed and why almost ninety years later an uprising in the southern state of Chiapas would use Zapata’s name.) To forge a lasting agreement, the demands of the lower strata of Mexican society had to be acknowledged. As a result, the constitution guarantees extensive rights, granting numerous protections to workers and land to many peasants. A new brand of nonelite politician emerged—72 percent of public figures who were combat veterans were from the working class.1

Further, the constitution explicitly recognized the indigenous population and the multicultural nature of Mexico, laying out a considerable list of rights, including preservation of land and self-determination. Peasants were recognized through the ejido system, a traditional system of communal land dating before Spain’s arrival. Porfirio Díaz in particular had contributed to its erosion, as land was taken over by private interests. The new constitution restored it, though widespread distribution would not occur until Cárdenas became president, when he distributed land to 800,000 families.

From the perspective of workers, Article 123 guarantees a host of different rights, including an eight-hour day, the ability to strike, and the ability to file a grievance for wrongful termination. The allowance of such rights marked a radical turn for Mexico, because as in the rest of Latin America workers had often been abused. It is also important to note that Article 130 stipulated a separation of church and state and regulated the actions of the church and its representatives. This was a considerable shift for a very Catholic country. Nonetheless, most often constitutional rights remained primarily on paper, and Mexican governments generally ignored the indigenous population and repeated that racism was not a problem (at times emphasized as a contrast to racial conflict in the United States).

There was also an important gender element to the revolution. Women were actively engaged in revolutionary activities, in a wide variety of combat roles. So in 1914 they were given the right to divorce and remarry. Then, the 1917 Law of Family Relations gave women legal rights to own property, sue in a court of law, and have custody of their children.2 Yet they did not receive the right to vote in national elections until 1953. Instead, women worked at the state level for suffrage rights, and in the 1920s several states allowed women to vote in state and local elections. They also entered the workforce in greater numbers, but decades would go by before the PRI acknowledged their demands at the national level.

Contemporary Politics in Mexico

Another revolutionary hero, Plutarco Calles, created the National Revolutionary Party (PNR) in 1929 as a way to bring the various political strands (political leaders, peasants, military, labor, etc.) of the revolution together. It would go through another name change before becoming the Institutional Revolutionary Party (PRI) in 1946. The name is evocative because of its contradictory nature. By definition, institutions are solid and lasting, whereas revolutions represent
rapid and radical change. The PRI managed to hold this contradiction together for about seventy years. It has been called a *perfect dictatorship* because the party maintained a firm grip on power from the national to the local level, but the authoritarian nature of the regime did not include the brutal repression of military dictatorships elsewhere in Latin America. Instead, it kept a democratic façade that was not seriously punctured until the 1980s.

**The Influence of Clientelism and Corporatism**

Understanding Mexico requires an examination of clientelism, the essence of which is a *quid pro quo*. The government scratches the back of all major organizations in the country by providing them with resources and access to political power. In turn, they scratch the back of government by giving their political support and strengthening the government’s legitimacy. Similar to the Venezuelan case, the concept of clientelism helps explain why Mexico was exceptional with regard to military coups. After the revolution, military heroes became presidents, and they depoliticized the armed forces by granting them relatively generous budgets and then staying out of internal military decisions. At the same time, government-controlled labor unions did not become radical as they did in many other Latin American countries. Neither economic elites nor the military considered labor to be a threat to their interests, and consequently the political system remained stable.

The formalized nature of Mexican clientelism represents *corporatism*, which involves forming institutions that channel the back scratching. For example, at the national level the Confederation of Mexican Workers was formed in 1936 as the primary labor union. It was entwined with the PRI, which allowed for constant dialogue between the two. The arrangement made it easier for the PRI to respond to social demands. It went all the way down to the level of small cities or towns, where PRI mayors would have discussions with major groups, from landowners to shopkeepers to the Catholic Church. At the national level were “camarillas,” or groups of like-minded politicians who help each other move upward, often with a mentorship quality. These informal relationships facilitated being placed in formal positions of power. Down at the local and regional levels were the “caciques,” political bosses who controlled smaller fiefdoms, channeling demands up and handling the resources being sent down. It was truly a well-oiled machine.

But it was also entirely fraudulent and made a mockery of democratic principles. Everyone was free to vote for whomever they wished, but votes were routinely and openly bought, while the counting was famously corrupt. For example, there might be a convenient power outage just as the votes were to be tabulated, at which time new ballot boxes suddenly appeared, stuffed with votes for the PRI candidate. Further, presidents were chosen with what became known as the *dedazo*, or pointing of the finger. The sitting president signaled who would become the next PRI candidate, in consultation with other PRI leaders. That individual would be pointed to in figurative terms and then would be guaranteed to win the election. The trappings of democracy were all there, including an opposition candidate, but the outcome was preordained.
Mexican Presidentialism

The president in Mexico is not granted broad powers under the constitution, or at least no more extensive than in most presidential systems. That was in line with the revolution’s foundational ideal of limiting presidential power. However, the PRI’s position gave the president “meta-constitutional” powers, meaning authority that is not spelled out anywhere but is nonetheless real and binding. So, for example, PRI presidents named candidates for the legislature or for governor.

But after the 1988 election, the PRI acceded to a number of measures that formally reduced presidential authority. The head of government of Mexico City became an elected position rather than appointed by the president (and Cuauhtémoc Cárdenas won the position in 1997) and the Bank of Mexico became an independent institution, thus more protected from presidential manipulation. Perhaps even more important was the agreement to allow the Federal Electoral Institute to become independent (which it did by 1996), thus ending the PRI’s stranglehold on voting. That opened the door for free and fair elections to become reality. In 1997, the PRI lost its majority in the lower house of Congress, which for the first time forced it to work with the political opposition to get legislation passed. That set the stage for the historic 2000 presidential election.

National Economic Restructuring

The strong presidency also fostered important economic changes. Like many other Latin American countries, Mexico embarked on an economic project of import substitution industrialization. Lázaro Cárdenas, president from 1934 to 1940, spearheaded that effort. His most prominent legacy is the nationalization of the oil industry in 1938 (the text of which we examined in Chapter 4), which also involved the creation of the government-owned petroleum company Petróleos Mexicanos (known as PEMEX). By 2009, oil revenue from PEMEX would constitute 40 percent of the federal budget. Despite calls for privatization from some quarters, its nationalist origins still resonate, so there is considerable resistance to handing it back over to private interests.

The constitution explicitly states that the Mexican state controls all land and water and could nationalize for “public utility,” though compensation is required. Cárdenas nationalized electricity, railroads, and the telephone industry. Revenue from state-owned industry became an important source of the capital required to subsidize and protect domestic industries, though it would have to be supplemented—sometimes massively—with foreign loans. He also redistributed land to peasants, who became part of the corporatist model of governing. Subsequent governments similarly focused on state-led industrialization, which would continue until the debt crisis.

Cárdenas thus established the foundations for successful one-party rule, giving something to almost everyone. By creating different organizations, he ensured that peasants, workers, business, and the middle class were all loyal to the party, but distinct so that they did not come together in opposition. For
example, the National Peasant Federation remained separate from the Mexican Workers Confederation. They served different parts of the economic model (agriculture versus industry) and, therefore, were treated differently. Workers benefited more than peasants from the corporatist model because there was less political pressure to improve the lot of the rural population.

**Drawbacks to the Economic Model**

At least on the surface, that model was very successful, and especially in terms of economic growth Mexico seemed to be modernizing rapidly. From the 1940s until the early 1970s, average gross domestic product (GDP) growth annually was 6.5 percent. That fell slightly through the 1970s as Mexico went further into debt. Inflation was also low during this period, under 5 percent, which sustained purchasing power. The real minimum wage rose steadily through the 1960s until the mid-1970s. Mexico’s National Bank developed a measure, the “Well-Being Index,” with variables related to standard of living. It shows a growth rate of 3.7 percent in the 1960s and 2.3 percent in the 1970s. The PRI hoped that the so-called *Mexican Miracle* would propel the country toward developed status.

Yet there were still serious problems, particularly with regard to inequality, which remained high, like in other countries in the region. Internal migration—spurred on by high fertility rates and inattention to the plight of smaller farmers struggling to make a living—was also creating crises in cities. The percentage of the economically active population in agriculture had dropped from 58 percent in 1950 to 39 percent in 1970. Urbanization is an expected outcome of industrialization, but there were insufficient resources to address its effects. By 1970, rural-to-urban migration resulted in 452 slums (called *lost cities*) with around 1.5 million people around Mexico City. By 1977, 41 percent of households had total earnings below the minimum wage. Education and healthcare were lacking. According to the 1980 census, half of Mexican households did not even have running water. In his novel *An Easy Thing*, published in 1977, Mexican author Paco Ignacio Taibo II wrote, “It was part of what it meant to him to be Mexican, sharing in the general bitching over the rise in prices, the cost of *tortillas*, increases in bus fares, pulling his hair out over the TV news, cursing the police and government corruption.”

There were also signs of discontent with the nondemocratic nature of the political system. As in much of the world, including of course the United States, during the 1960s Mexican students organized politically. Demographic change that increased the younger populations vis-à-vis the older, along with global events such as decolonization and the Vietnam War, prompted many young people to make their voices heard. They protested the repression of the Gustavo Díaz Ordaz administration (1964–1970), and waves of student strikes were met with a hard-line response by the government. Just days before the beginning of the 1968 Olympic Games in Mexico City, the army fired on a gathering of approximately 10,000 students in the Tlatelolco part of the city, killing and wounding hundreds (the exact number is hotly disputed). The “perfect dictatorship” was indeed sometimes dictatorial.
Theory and Politics of Mexican Development: Local, National, and International Influences

The 1970s saw important changes in both economic and political terms. Public expenditures jumped, and the state expanded its economic presence in key industries such as electricity and steel. Revenues, however, were not keeping pace, and so deficits and debt ballooned. A hint of future crisis arrived in 1976 when the Mexican government was compelled to devalue and obtain a loan from the International Monetary Fund (IMF). Politically, it was undergoing a transition by reform, whereby a process of democratization occurs within the existing rules of the game instead of a sharp break from authoritarian to democratic. The PRI had always wanted some opposition to exist because that granted the regime greater legitimacy. Electoral reforms in 1977 gave opposition parties even more influence, in particular because it added 100 seats to Congress to be allocated according to proportional representation. Parties were also given more access to media. The result was that parties other than the PRI gradually gained a greater political foothold. At first these victories were almost entirely at the provincial level but by the 1980s spread to governorships as well. As the conservative National Action Party’s influence grew, so did its support from the business community.

Political Impact of Economic Reforms

The 1980s was therefore a critical decade for both Mexican politics and economics. After years of borrowing and splurging under the ISI model, in 1982 its government became the first to announce its inability to continue paying creditors, and the “lost decade” began. Mexico embarked on a series of reforms, as discussed back in Chapter 4. The IMF worked with the government of Miguel de la Madrid (1982–1988) to enact structural adjustment policies that would reduce government spending, tame inflation, and reestablish economic stability. State industries (though, importantly, not oil) were privatized, spending on infrastructure and social services was cut, subsidies were slashed, and Mexico joined the General Agreement on Trade and Tariffs (which later became the World Trade Organization), thus signaling a new orientation to free trade instead of protecting domestic industry. As in other Latin American countries that underwent structural adjustment policies, the overall result was economic contraction and increased unemployment, but macroeconomic indicators (e.g., inflation) showed clear success.

Many within the PRI believed the de la Madrid administration did not respond adequately to the increasingly insistent demands for political liberalization, a further democratic opening of the political system. The economic crisis and political inflexibility was giving rise to internal discontent. The most visible was led by Cuauhtémoc Cárdenas (son of former president Lázaro Cárdenas), a former PRI governor, who broke away and formed his own party, the Democratic Revolutionary Party (PRD). It represented a new center-left opposition. Cárdenas ran for president in 1988 but lost to PRI candidate Carlos Salinas de
Gortari. Despite the loss, the election was a critical moment because Salinas’s vote totals were widely viewed as inflated by fraud (some even claim Cárdenas should have won, though there is no way to be certain), which weakened the PRI’s legitimacy. In addition, Cárdenas’s strong showing demonstrated that the PRI’s grip on power was no longer as strong as in the past.

President Salinas became a polarizing figure in Mexican politics, as he was committed to pushing the country even more rapidly away from the traditional state capitalist economic model. He privatized banks, airline industry, telecommunications, and steel, along with smaller industries such as hotels and funeral parlors. This move brought in badly needed capital and greatly reduced the role of the government in the Mexican economy. He also renegotiated the country’s foreign debt, working with the United States to reduce the payment amounts (but thereby increasing the total amount of debt). He reformed the ejido system (through a constitutional amendment), which he argued was not productive, by allowing and even encouraging the sale of land, while simultaneously allowing the land to be used as collateral for loans. This was a major break from a key part of the revolution. Soon, corporations could buy land that was originally intended for poor individuals.

The Importance of NAFTA

Finally, President Salinas reduced the regulations for foreign investment, which was an entrée to his proposal for the North American Free Trade Agreement (NAFTA) with the United States and Canada, which went into effect at the beginning of 1994. NAFTA reduced tariffs between the participating countries (which eventually would also include Chile) over a fifteen-year period and created mechanisms for resolving trade-related disputes.

Salinas believed that individual agreements were not sufficient to lock in his reforms. The PRI was openly split between free-market reformers such as Salinas and the “dinosaurs,” who believed that the party’s traditional corporatist model required a strong state role in the economy. Although Salinas was careful to give the dinosaurs some political space (e.g., cabinet positions) to avoid a rupture, he also sought to protect the policy changes he was making. Passage of NAFTA—a treaty that would be very difficult to roll back—ensured that market reforms would endure and foreign investors would feel confident. In particular, it protected property rights, ensuring that a future government would not nationalize and it allowed for 100 percent foreign ownership of some Mexican companies, rather than forcing joint ventures with Mexican investors.

Deciphering the effects of NAFTA is complicated. It increased the flow of foreign direct investment in the short term, but by 2005 the amount was almost the same as in 1994 (just over $10 billion). It provided access to U.S. markets that were not available before, particularly for agriculture. Trade between the United States and Mexico did grow, but approximately 91 percent of the growth of Mexican exports would have occurred even without NAFTA. Thus, overall trade has increased, which has created jobs and brought in more...
foreign capital, but it has not necessarily transformed the economy in the way its advocates claimed it would.

NAFTA’s impact also depended on geography. In southern Mexico, which is far less developed, farmers found that they could not compete with large agricultural companies that produced crops such as corn and beans with much lower costs. That in turn sparked migration (discussed later in this chapter). In the more industrial north, it brought assembly jobs, as companies wanted a location close to the United States as a way to reduce transportation costs for the finished products. These factories are called maquiladoras (see Box 5.1). Wages in maquiladoras remain relatively low, and tax breaks used to lure companies mean that local communities face the challenge of providing services to the mass of people migrating from other parts of Mexico in search of employment.

**BOX 5.1**

**The Maquiladora Program: Local Impacts from International Agreements**

**International:** The maquiladora industry dates back to 1965, as the Mexican government worked to industrialize the northern part of the country (part of the Border Industrialization Program). Its purpose was to bring companies from the United States into Mexico, where they could enjoy lower production and labor costs, and then export the finished goods back into the United States. In practice, it meant creating special economic zones (SEZs) that were exempt from normal Mexican trade laws. In particular, companies can import raw materials, parts, or other necessary components without paying import duties on them. They are also granted tax breaks in return for their investment. Border cities such as Tijuana and Ciudad Juárez burst at the seams with Mexicans from across the country coming to work.

**National:** Over time, it has become apparent that a gender imbalance exists within the maquiladora industry, though in recent years it has been narrowing (even as that occurs, however, the absolute number of women working in maquilas has increased steadily). The majority are women. This trend began as factory owners determined that women were more likely to accept orders than men and less likely to complain or organize. They were also deemed to be more dexterous and so better able to do precision work quickly. These stereotypes persisted to the point that there was a shortage of female labor. Against that backdrop, many Mexican women discovered they could successfully come together to demand better wages and working conditions.

But there is a dark side as well, with evidence of maquila managers forcing women to take pregnancy tests. Pregnant women were fired because their condition reduced their ability to work and increased the potential for demands to be made of the factory. Further, although Mexico had developed large (albeit clientelist) labor unions, maquila workers were overwhelmingly nonunionized, leaving more open to abusive management.

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Labor flexibility was part of the appeal for foreign investors.

**Local:** There are also complex social consequences of the predominantly female workforce. Young women are becoming more independent, even in financial terms, which forces their families to navigate new relationships, especially in terms of men taking more responsibility for household and childcare duties. For many women, then, assertiveness at work has translated into more independence at home as well. Yet discrimination, both at home and at work, continues to persist.

**Discussion Questions**
- Can you think of local costs and benefits to inviting foreign investment to a developing country?
- Given the gender implications, what local consequences might we see from an increase in the numbers of women working in maquiladoras?

One challenge for Mexico’s economic miracle is that it required a continued and constant flow of foreign investment. The Salinas government worked to maintain a stable exchange rate and, therefore, issued dollar-denominated “tesobonos,” bonds that investors felt comfortable with because being in dollars ensured that they were devaluation-proof. Salinas also followed a long tradition of stimulating the economy at the end of his term to boost the chances of his chosen successor.

**Changes in the Mexican Economic and Political Models**

By the time Ernesto Zedillo took office in 1994, the exchange rate was no longer viable, because the current account deficit was widening. Rebellion in the south, the assassination of a PRI presidential candidate (Luis Donaldo Colosio, whose campaign manager was Zedillo), and concerns about a corrupt banking system prompted investors to cash in their tesobonos. With the fixed exchange rate, Mexican reserves were rapidly being depleted as dollars flowed out.

Zedillo therefore decided to devalue the peso against the dollar, expecting a relatively minor adjustment. Unfortunately, the effect was to create even more of a run on pesos, meaning that investors tried to dump their pesos and get dollars in exchange, which drained Mexico’s reserves even more when combined with widespread selling of the tesobonos. Facing economic collapse, Zedillo turned to the United States, which issued an emergency loan of $50 billion to bolster Mexican reserves and reassure skittish investors.

Mexico’s recovery was quicker than many expected, particularly because the devaluation made Mexican products cheaper in the United States, thus boosting exports, but the crisis became yet another rallying cry for the growing political opposition. Those cries were bolstered when the newly privatized banking industry collapsed in 1995, requiring a multibillion dollar bailout and thereby calling even more into question the PRI’s fitness to lead.
The Zapatistas: Local Response to National and International Influences

Timed deliberately on the same day that NAFTA went into effect, on January 1, 1994, several thousand Zapatistas seized control of a number of towns in Chiapas, the southernmost and poorest state in the Mexican federal system. They issued a declaration, arguing they were following the 1917 constitution and their revolution was intended to free the country. They would march to Mexico City, overcome the army, and free the Mexican people. They were particularly critical of Carlos Salinas, whom they blamed for putting the country into the hands of an elite few: “the supreme and illegitimate federal executive who today holds power.” To transmit their message, the Zapatistas used a wide range of technologies, from laptops to cell phones, in a highly effective manner that gave them global publicity and prevented the government from suppressing them.

ANALYZING DOCUMENTS

The Zapatista National Liberation Army (EZLN) rocked Mexico at a delicate time, just as it was struggling to recover from economic crisis and enter into a major trade agreement with the United States. Its official declaration was a stark reminder that many Mexicans were not benefiting from economic reform and felt excluded from the national political system.

EZLN Declaration of War December 31, 1993

TODAY WE SAY ENOUGH IS ENOUGH!

TO THE PEOPLE OF MEXICO:
MEXICAN BROTHERS AND SISTERS:

We are the product of 500 years of struggle: first against slavery, then during the War of Independence against Spain led by insurgents, then to avoid being absorbed by North American imperialism, then to promulgate our constitution and expel the French Empire from our soil, and later the dictatorship of Porfirio Díaz denied us the just application of the Reform Laws, and the people rebelled and leaders like Villa and Zapata emerged, poor people just like us. We have been denied the most elemental preparation so that they can use us as cannon fodder and pillage the wealth of our country. They don’t care that we have nothing, absolutely nothing, not even a roof over our heads: no land, no work, no health care, no food, no education. Nor are we able to freely and democratically elect our political representatives, nor is there independence from foreigners, nor is there peace nor justice for ourselves and our children.

But today, we say ENOUGH IS ENOUGH. We are the inheritors of the true builders of our nation. The dispossessed, we are millions, and we thereby call upon our brothers and sisters to join this struggle as the only path, so that we will not die of hunger due to the insatiable ambition of a 70-year dictatorship led by a clique of traitors who represent the most conservative and sell-out groups. They are the same ones who opposed Hidalgo and Morellos, the same ones who betrayed Vincente Guerrero, the same ones who sold

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half our country to the foreign invader, the same ones who imported a European prince to rule our country, the same ones who formed the “scientific” Porfirista dictatorship, the same ones who opposed the Petroleum Expropriation, the same ones who massacred the railroad workers in 1958 and the students in 1968, the same ones who today take everything from us, absolutely everything.

To prevent the continuation of the above, and as our last hope, after having tried to utilize all legal means based on our Constitution, we go to our Constitution, to apply Article 39, which says:

“National Sovereignty essentially and originally resides in the people. All political power emanates from the people and its purpose is to help the people. The people have, at all times, the inalienable right to alter or modify their form of government.”

Therefore, according to our Constitution, we declare the following to the Mexican Federal Army, the pillar of the Mexican dictatorship that we suffer from, monopolized by a one-party system and led by Carlos Salinas de Gortari, the supreme and illegitimate federal executive who today holds power.

According to this Declaration of War, we ask that other powers of the nation advocate to restore the legitimacy and the stability of the nation by overthrowing the dictator.

We also ask that international organizations and the International Red Cross watch over and regulate our battles, so that our efforts are carried out while still protecting our civilian population. We declare now and always that we are subject to the Geneva Accord, forming the EZLN as the fighting arm of our liberation struggle. We have the Mexican people on our side, we have the beloved tri-colored flag, highly respected by our insurgent fighters. We use black and red in our uniform as a symbol of our working people on strike. Our flag carries the following letters, “EZLN,” Zapatista National Liberation Army, and we always carry our flag into combat.

Beforehand, we reject any effort to disgrace our just cause by accusing us of being drug traffickers, drug guerrillas, thieves or other names that might be used by our enemies. Our struggle follows the Constitution, which is held high by its call for justice and equality.

Therefore, according to this declaration of war, we give our military forces, the EZLN, the following orders:

First: Advance to the capital of the country, overcoming the Mexican Federal Army, protecting in our advance the civilian population and permitting the people in the liberated area the right to freely and democratically elect their own administrative authorities.

Second: Respect the lives of our prisoners and turn over all wounded to the International Red Cross.

Third: Initiate summary judgments against all soldiers of the Mexican Federal Army and the political police who have received training or have been paid by foreigners, accused of being traitors to our country, and against all those who have repressed and treated badly the civilian population, and robbed, or stolen from, or attempted crimes against the good of the people.

Fourth: Form new troops with all those Mexicans who show their interest in joining our struggle, including those who, being enemy soldiers, turn themselves in without having fought against us, and promise to take orders from the General Command of the EZLN.

Fifth: We ask for the unconditional surrender of the enemy’s headquarters before we begin any combat to avoid any loss of lives.

Sixth: Suspend the robbery of our natural resources in the areas controlled by the EZLN.
Their direct influence never spread much beyond Chiapas, but the political impact of the Zapatistas was significant. It accelerated the pace of electoral reform and brought international attention to the government’s failure to address long-standing rural poverty and allow adequate local representation. The government granted the Zapatistas the right to create their local governments and legitimize the use of indigenous languages. The Zapatista’s beginnings were highly public and media saturated. That is no longer the case because the media has turned its attention elsewhere, but there is no doubt that their control of many towns in southern Mexico remains in place. In some places, there are essentially dual governments, or at least split governments.

It is not entirely clear, however, how much indigenous identity is a cement that holds indigenous peoples in Chiapas (or elsewhere) together. As political scientist Todd Eisenstadt argues, “state residents harnessed the movement to redress the state’s historically inequitable land distribution through state and federal government agencies.”7 The Zapatistas provided a certain amount of political leverage where before it did not exist, but did not create a unified indigenous movement that could successfully pressure the state to enact desired reforms.

**Political Resistance at Other Levels**

In addition to the Zapatistas, women mobilized at the grassroots in the 1980s and 1990s, largely as a result of the economic crisis, but also due to the feeling that the PRI was paying too little attention to women’s working conditions, gender violence, and health. Prior, there was more of a gulf between women at the local level and those in academia who were studying women’s issues. The rise of non-governmental organizations (NGOs) since then has been important for sustaining political momentum. By 1991, all three major parties included women’s issues in their platforms, though they did not run many female candidates for office.

The local organization therefore had a national effect. By a law passed in 2002, 30 percent of candidates for the Senate had to be women, excluding 300

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**To the People of Mexico:** We, the men and women, full and free, are conscious that the war that we have declared is our last resort, but also a just one. The dictators have been waging an undeclared genocidal war against our people for many years. Therefore we ask for your participation, your decision to support this plan that struggles for work, land, housing, food, health care, education, independence, freedom, democracy, justice and peace. We declare that we will not stop fighting until the basic demands of our people have been met by forming a government of our country that is free and democratic.

**JOIN THE INSURGENT FORCES OF THE ZAPATISTA NATIONAL LIBERATION ARMY!**

**Discussion Questions**

- Why do the Zapatistas consider international influences to be very negative?
- For the Zapatistas, who are the “true builders of the nation”?

Source: [http://lanic.utexas.edu/project/Zapatistas/chapter01.html](http://lanic.utexas.edu/project/Zapatistas/chapter01.html)
districts that have primaries, and by 2008, 40 percent in the Chamber of Deputies. The result was that in the 2003 midterm elections, women won 23 percent of the seats, a 7 percent increase from 2000 (and, indeed, the number would likely have been higher had the primary exemption not been in place). In the newly competitive electoral environment, all parties saw an advantage to including women as a way to garner more votes and thereby win more congressional seats.

Other local-level strategies were also in play. Although the candidacy of Cuauhtémoc Cárdenas was a high-profile national example, the PRD and the older National Action Party (PAN) worked to organize at the local level, running well-organized campaigns that gradually brought victory at, for example, the mayoral level. The PAN was most successful in the north and west of Mexico, with the PRD more in the center and south of the country. From the local level, they moved upward to the state, where the first opposition governor won for the first time in 1989. It is no coincidence that PAN presidential candidate Vicente Fox was a former governor of Guanajuato. Electoral success was built from the ground up. By 1999, 45.4 percent of the Mexican population was governed by either the PAN or the PRD at the municipal level.8

In 2000, Cárdenas ran once again for the PRD, against Fox and Francisco Labastida of the PRI. Reformers within the PRI had changed the party’s internal rules to allow registered voters to participate in a primary, thus ending the dedazo. Fox won with 42.5 percent (in Mexico no second round is required if a majority is not reached), with Labastida at 36.1 percent and Cárdenas a distant third with 16.6 percent (which effectively ended his political career).

The Process of Democratization in Mexico

Not only did Fox’s victory mean the end of the PRI’s seventy years of political dominance in Mexico, but it transformed Mexican presidentialism. For years, the legislature had largely been a rubber stamp, convening to follow the general path determined by the president. However, once the PRI lost the presidency in 2000, it suddenly discovered the relevance of the legislature in a presidential democracy. Out of 500 seats in the lower house, the PAN and the Mexican Green Party (PVEM, its coalition partner) won 221, far short of a majority. The PRI won 211. In the Senate, the PAN won only 51 seats out of 128, whereas the PRI garnered 60. Thus, in both houses the PRI had the power to block virtually anything President Fox proposed. Indeed it did so, which meant Fox was unable to fulfill many of his campaign promises. Some, such as creating 1.4 million jobs a year, may well have been impossible regardless. In 2003, the PAN was hit again when it won only 149 seats in the Chamber of Deputies, following the common pattern in democracies of the incumbent party losing seats in midterm elections.

It should be noted, however, that the legislature has built-in weaknesses. It prohibits consecutive reelection, so legislators tend not to have much expertise. During the 2000–2003 legislative session, only 15 percent had previous experience with state or national legislatures.9 Yet at the same time, the staff in the legislature is quite small compared to the executive, so there is also relatively little permanent support for legislators who require assistance regarding highly specialized and technical topics.
After the more technocratic styles of Salinas and Zedillo, Fox represented a return to a more personal mode of governing. He was charismatic and highly attentive to his public image, successfully appealing to younger Mexican voters who wanted change. The attacks on the United States on September 11, 2001, represented a serious blow to his economic policy because as the U.S. economy slowed down, inevitably so did the Mexican. Mexico slid into a recession that lasted several years, as GDP growth dropped. The Fox administration remained committed to basic market policies inherited from Zedillo but did implement a number of programs aimed at assisting small and medium-sized businesses focused on exports. The goal was to reach at least 10 percent of the firms that required assistance.

The second major political shock for Mexico’s presidential system came in the 2006 presidential election. After initial counting, the PAN’s Felipe Calderón had a very narrow (0.58 percent) lead over the PRD’s Andrés Manuel López Obrador (who ran as part of a leftist coalition), who demanded a recount. Mexico’s Federal Electoral Tribunal (IFE) agreed only to recount the votes in specific precincts where alleged irregularities occurred and eventually named Calderón the victor. In response, López Obrador called for a campaign of civil disobedience (which included blocking major thoroughfares in Mexico City and even preventing President Fox from going to give his annual address to Congress). In a dramatic statement, López Obrador proclaimed himself the “legitimate president” of Mexico and laid out his views of Mexican politics. His government would strive to “observe, to listen, and to collect the feelings of all the sectors and all the regions of the country.”

**ANALYZING DOCUMENTS**

*Few Mexican politicians in recent years have been as dramatic as Manuel Andrés López Obrador. After the contested 2006 presidential election, he refused to accept Felipe Calderón’s victory and gave a speech accepting his supporters’ claim that he was the true president of Mexico. Polyarchy in Mexico was stronger, but national unity remained elusive.*

**Manuel Andrés López Obrador Speech, September 16, 2006**

Today is an historic day. This National Democratic Convention has proclaimed the abolition of the current regime of corruption and privilege and has established the foundation for the construction and establishment of a new Republic.

…”

This political crisis has as its immediate antecedent the Salinista project, which converted the government into a committee at the service of a minority of bankers, businessmen tied to power, speculators, influence traffickers, and corrupt politicians.

Since the creation of this network of interests and complicities, national politics have been subordinated to the goal of maintaining and increasing the privileges of a small group, without care for the destiny of the country or the fate of the majority of Mexicans.

…”

Let’s remember that Zedillo, with the support of the PRI and the PAN (the PRIAN) decided to convert private debts of some into public debt.

*(Continued)*
With the arrival of Vicente Fox this network of complicities was reinforced and made even more vulgar, to the point that an employee of the banker Roberto Hernández was put in charge of the government’s finances.

But even more grave is that Fox became a traitor to democracy and dedicated himself tenaciously and blindly, with all the resources at his disposal, to try and destroy us politically.

…

This Convention has decided … to create a new government, founded to exert and defend the rights of the people.

The government that emerges will be obligated to be national. It will have headquarters in the capital of the Republic and, at the same time, it will move in order to observe, to listen, and to collect the feelings of all the sectors and all the regions of the country.

…

I accept the position of President of Mexico because we reject the imposition and rupture of constitutional order. To accept electoral fraud, as some are proposing, and to recognize the usurper government, would imply postponing indefinitely democratic change in the country.

Long live Mexico!

**Discussion Questions**

- For Andrés Manuel López Obrador, what seems to be the proper connection between the national and local levels?
- What is his view of the other national political parties?


López Obrador’s actions had the unforeseen result of pushing the PRI closer to the PAN. The PRI’s presidential candidate, Roberto Madrazo, finished a distant third with only 22 percent of the vote. Further, it won only 106 seats in the Chamber of Deputies and 35 seats in the Senate. All these results represented a significant drop from 2000 and demonstrated to the PRI leadership that some type of political accommodation was necessary to maintain the party’s profile. Alarm about the radical rhetoric of many members of the PRD made it even more attractive for the PRI to establish a better working relationship with the PAN. This helps explain why President Calderón faced less gridlock with Congress than his predecessor.

The López Obrador phenomenon also highlights some of the unintended consequences of democratization. As they struggled against the PRI, leaders of the PAN and the PRD were committed to allowing the rank and file of the parties a strong voice and thus maintaining internal democracy. Once the political system broke open, however, winning elections sometimes trumped broad internal dialogue. This has created a dynamic where the push to win at the national level can sacrifice some of the ideals that had been earlier hallmarks of the parties. President Fox was often criticized for not listening to the rank and file at the local level.

Indeed, during Mexico’s extended transition (from the hotly contested 1988 presidential election until Vicente Fox’s victory in 2000), the parties engaged with
each other in “concertaciones,” or gentlemen’s agreements that came after extensive negotiations. They are defined more precisely as an “act by which, in cases where official electoral results do not correspond to a reality sensed and witnessed by the electorate, the official winner steps down and cedes to the candidate of the party which was really thought to have won.”

This reflected the weakness of formal electoral institutions, which had not functioned in the past because the PRI ultimately decided who won and who lost. Eventually, the PAN stopped participating in concertaciones because the party worked hard to empower the formal institutions. But the results of 2006 presidential elections demonstrated that many Mexicans were still suspicious of electoral machinations.

Nonetheless, twelve years of PAN rule—with considerable drug-related violence during the Calderón administration—led to decreased support for the party, and the PRD was unable to increase its support, which opened the door to the PRI’s return to the presidency. Enrique Peña Nieto, a young former governor of the State of Mexico, defeated López Obrador 39–32 percent, with PAN candidate Josefina Vázquez trailing with 28 percent. The PRI was back, but Mexico was a much more democratic country than the last time the party had controlled the executive branch.

Democratization with Decentralization

At the same time, it is interesting to note how the process of democratization has accelerated an already existing move toward decentralization. There was some decentralization after the 1968 massacre in Tlatelolco as a way to re-inspire confidence in the government and create a greater sense of autonomy within the PRI-dominated state. The National System of Democratic Planning was created in 1982 to coordinate economic development planning between local, state, and federal authorities. However, power over the economy was still gripped by the hands of the federal government.

Once opposition parties coalesced, the PRI allowed more decentralization to occur, in part to appease this newly empowered opposition (thereby avoiding open conflict) and also to shift blame away from the national government for problems that arose. Especially after Salinas took office, this went hand in hand with an overall policy of reducing the federal government’s role in the economy. Thus, for years state and local elections were more competitive than at the national level. Gradually, the opposition leaders at the local level pushed for more political and fiscal autonomy from the federal government. As these new elected officials were no longer simply political lackeys, suddenly they had an incentive to seek more autonomy and gain control over more policy areas.

That is, after all, how you win support and votes.

A major challenge for decentralization in Mexico is the continued inequality between different states. Northern states are much richer than those in the south, and the process of decentralization has not addressed that inequality. By the 1990s, inequality was 10–20 percent worse than it had been in the 1960s and 1970s. Some Mexican states have per capita incomes similar to less developed African countries. Decentralization was occurring precisely when national economic development strategies focused on the industrial north.
As decentralization accelerated along with Mexican democratization, so did judicial reform, which has increased horizontal accountability. Until 1994, for example, the Supreme Court had no powers of judicial review and, like the legislature, followed the president’s lead. Reforms pushed by President Zedillo in 1994 required the president to obtain a two-thirds vote in the legislature for approval of a justice (thus making it more difficult to push through a favored candidate). Further, it gave the court the power to adjudicate disputes between branches of the government (or between different levels in the federal system) and decide on the constitutionality of laws at the federal or state levels. Judicial independence has increased, so that the Supreme Court is increasingly asserting itself against the executive branch and hearing more cases than in the past.

Reforms in 2008 also significantly modified the judicial system. Prior, defendants were considered guilty until proven innocent. Under this Napoleonic system, judges made decisions without juries and the proceedings were not public. The reforms switched the system to one that assumes innocence, utilizes juries, and is public. The lower courts are still beset by corruption, which has been a long-standing problem with the Mexican judicial system. Thus, accountability at the local level remains problematic, as average citizens face serious obstacles in seeking justice. With the changes that are occurring at the Supreme Court level, however, it is possible that a new example of probity will filter downward.

**Migration: The Confluence of International, National, and Local**

An emphasis on political institutions still leaves out an important part of the Mexican political and economic story, namely immigration. Of course, given the long shared border and highly unequal economies, Mexicans had always moved across the border in search of work. That movement was often circulatory, as people went back and forth with regularity. For example, someone might follow seasonal agricultural harvests and then come back to Mexico for a time with the added income. The Mexican government’s (meaning the PRI’s) official stance was against immigration, in particular because it represented a stark failure of the Mexican revolution to provide economically for the population. If the revolution was so beneficial to the common person, then why were so many of them leaving? However, the Mexican state did not have the capacity to do much about it.

In response to the large numbers of **undocumented immigrants** (especially, but not by no means exclusively, Mexicans), referring to people residing illegally in the United States (i.e., without legal documentation), in 1986 the U.S. Congress passed the Immigration Reform and Control Act (IRCA). The purpose of IRCA was to legalize immigrants already in the country (ultimately about 3 million immigrants were able to become permanent legal residents and roughly 2.3 million were of Mexican origin) and then to “close the door” by requiring more documentation for hiring, cracking down on businesses, and increasing border security (measures along those lines have continued to expand ever since). However, the legislation had unintended consequences. Given the availability of jobs in the United States, migrants kept coming. But as the trip was
more difficult than before, there was a strong incentive to remain in the United States rather than moving back and forth. Lastly, it spawned a thriving business of fraudulent documents, particularly social security cards. Businesses needed only to make a good faith effort to check documents, and so fakes were sufficient to obtain employment.

Another unintended consequence came as a result of NAFTA, which policymakers had claimed would reduce undocumented immigration by spurring on job creation in Mexico. However, Mexican farmers with small land holdings could not compete with large agricultural businesses in the United States (and to a lesser degree in Canada). Farmers (and eventually their families) therefore moved to the cities, and given few employment opportunities there (or very low-paying jobs), they made their way to border cities and then into the United States. This has an important local impact, because many small towns in Mexico have lost a large proportion of their working-age population. Grandparents take care of children whose parents are working in the United States and sending remittances back home.

Although remittances bring much-needed money into these communities ($22 billion in 2012), there is increasing concern about the social impact of absent parents, as well as the economic impact. Remittances do not necessarily spark economic growth in Mexico and can represent another aspect of dependency on foreign economies. When the U.S. economy crashed in late 2008, the ripple effect hit Mexico quite quickly as remittances dropped. To ensure greater capture of remitted funds, the Calderón administration has implemented programs such as Tres por Uno (Three for One), whereby the government will provide matching funds for remittances used for development projects. In addition, since the 1990s Mexico has enacted a number of policies intended to engage Mexican migrants and keep them connected. This included allowing Mexicans outside the country to vote in presidential elections as well as dual citizenship.

Post-PRI presidents have made migration a priority and have been far more vocal than any past administration. President George W. Bush had signaled that he would tackle the issue, but the September 11 attacks shifted his attention, and when in 2003 President Fox voted against the U.S.-sponsored resolution in the United Nations to authorize the use of force against Saddam Hussein in Iraq (at the time Mexico was one of the rotating members of the Security Council), he received the cold diplomatic shoulder for several years. Felipe Calderón was highly critical after President Bush began pursuing immigration reform again in 2006. He also made the first efforts to address the human rights plight of undocumented immigrants from Central America in southern Mexico.

**Drugs: The Local and National Effects of International Trade**

Drug trafficking has always been an issue for Mexico, because its long border with the target market, combined with weak and corrupt law enforcement, made it a prime area for transshipment of cocaine from the Andean region. As profits grew, Mexican drug traffickers also began producing marijuana. Drug trafficking organizations such as Los Zetas became entrenched in a number of different
cities. But not until the twenty-first century did drug trafficking create the high levels of violence that have become a serious concern, particularly for border cities such as Tijuana and Ciudad Juárez. Between 2006 and 2012, there were about 60,000 deaths due to drug-related violence in Mexico. These murders are often grisly, intended to serve as warnings to anyone—politician, judge, journalist, and so on—that if they dig too deeply, they may suffer the same fate.

The violent atmosphere in Ciudad Juárez has had a serious impact on women. Hundreds of women have been killed in the two decades, and most of the cases are not solved. In response, local NGOs have helped to bring cases to the attention of both the Mexican government and the international community. The lower house of the legislature even created a Special Committee on Femicide to find ways for the national government to take a more active role. The process of finding murderers, however, has been agonizingly slow.

Especially under President Calderón, the Mexican government’s response to violence and drug trafficking was to expand the police and employ the military. This approach was bolstered in 2008 when the U.S. Congress approved the Merida Initiative, a security agreement for $1.4 billion over three years that focused on the military and police. President Calderón also successfully advocated for legalisation of small amounts of drugs (including marijuana, cocaine, and heroin), a measure that Fox had previously vetoed, as a way to direct resources more at the drug lords. Fox shifted 180 degrees, advocating in 2010 for drug legalisation.

Mexico’s proximity to the United States remains a core part of the problem. Demand for illegal drugs remains high, and so the rise of the cartels can be viewed in economic terms simply as the market working to generate enough supply. The fight between the cartels and their attacks can be viewed in similar terms. In addition, approximately 90 percent of the guns in Mexico have come from the United States, despite efforts to slow the weapons trade.

Many commentators have therefore labeled Mexico a failed state, and a 2009 Defense Department document indicated it was at risk of becoming one, along with Pakistan. The dilemma was whether the Mexican state was strong enough to withstand the barrage of drug-fuelled violence and corruption, or whether parts of the country would be run by the cartels. Such a conclusion is premature. Nonetheless, there is no doubt that lawlessness and murder remain serious obstacles to stability in some parts of Mexico, especially near the border with the United States.

The challenges of both immigration and drugs underline the very complicated relationship Mexico has with the United States. A history of intervention has left Mexican policy makers sensitive to U.S. foreign policy pressure. Thus, Mexico has maintained a relationship with the governments of Fidel and Raúl Castro, voted against the use of force in Iraq, and later openly criticized the failure of the U.S. Congress to pass immigration reform while emphasizing the demand side of the “drug war.”

Polls show that Mexicans are greatly concerned with security, along with the effects of the global economic crisis. Confidence in the government to address those problems is not high. Voters punished the PAN in the 2012 legislative
elections, as the party won only 114 of 500 total seats. The PRI won 212 and the PRI took 104 (four other parties won the remaining 20 seats). As in any presidential democracy, divided government presents a challenge to the executive, who must coordinate and negotiate more and more with a sometimes hostile opposition that itself is eyeing the next presidential election.

### TABLE 5.1 Mexican Economic Indicators, 1991–2011

<table>
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<tr>
<th>Year</th>
<th>GDP Growth</th>
<th>Inflation</th>
<th>Unemployment</th>
<th>Poverty Rate</th>
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Conclusion and Comparative Perspective

Marisol Valles’s experience is an excellent example of how democratization is never painless or easy, especially when combined with potent international influences. Drug trafficking and the violence that comes along with it complicate local politics, national policy making, and international relations. A difficult question for Mexican politics is whether democracy can endure when individuals are actively afraid to run even for local office. Colombia in its darkest moments bears some similarity in that regard, and the road toward reducing fear was long and arduous.

In many ways, democratization makes policy making less efficient at the national level. In a presidential system, it can foster legislative inaction as the president of one party struggles to overcome congressional resistance from the opposition. Mexico’s presidency is not as strong as many others in Latin America, so once the meta-constitutional powers evaporated, the president had more political rivals to contend with.

Mexico also shows how modernization is a delicate process. As in other countries like Bolivia, economic strategies employed during the “miracle” boom years in Mexico led directly to depression in the 1980s, and even greater dislocation and urbanization. It remains notable, however, that the negative effects of “modernization” did not bring the military into the center of politics. Ironically, the path to democratization was the opposite of modernization theory, because democracy took root largely as a result of modernization’s failures. As the PRI could not live up to its promises and maintain ISI, its image shattered and opened political space for the opposition.

International factors continue to be critical both to Mexico’s economy and to politics. The long border and looming presence of the United States are impossible to ignore, particularly because the market for immigrant labor and drugs in the United States is close to insatiable. Mexico is dependent in many ways on the economy of its northern neighbor, but political change within the country has had significant effects on the economy as well.

Mexico is unique because it is the only Latin American country to share a border—a very long one at that—with the United States. Nonetheless, its example of political and economic development shares a number of characteristics with its Latin American counterparts. Like Argentina, for example, its experiment with import substitution industrialization led to the piling up of debt and ultimately high inflation and inability to pay. In addition, like Central America and much of the Caribbean its economy is increasingly becoming dependent on the primary product of its human labor, with remittances bringing in billions of dollars annually.

Mexico does not allow presidential reelection, which is unusual for the region, but its concentration of power in the executive branch is a hallmark of many other Latin American countries. However, the constant political fight between the national and state governments is also notable, and similar to those in other federal systems such as Argentina and Brazil. Unfortunately, one of the biggest political challenges for Mexico is how to address drug trafficking, which is becoming sadly similar to the drug cartel wars that took place (and still simmer) in Colombia.
Key Terms

• Ejido
• Institutional Revolutionary Party (PRI)
• Corporatism
• North American Free Trade Agreement (NAFTA)
• Undocumented immigrants
• Remittances

Discussion Questions

• How has Mexican presidentialism changed after the PRI lost the presidency in 2000?
• How has the Mexican government’s political response to immigration changed over time?
• What are the key benefits and costs of Mexico’s switch from ISI to market capitalism?
• Has the U.S.–Mexican relationship changed significantly after the PRI lost its hold on the presidency?
• To what degree does decentralization in Mexico seem to contribute to democratization?

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Wuhs, Steven T. Savage Democracy: Institutional Change and Party Development in Mexico (University Park, PA: The Pennsylvania State University Press, 2008). The book takes a unique perspective from within political parties in Mexico, which reveals the conflicts that arise in democracies. “Savage democracy” ensues when parties have to compromise internal democracy to win elections.

Web Sites
Bank of Mexico (http://www.banxico.org.mx/indexEn.html). Mexico’s central bank maintains a highly detailed Web site in English. It contains up-to-date statistics on a variety of economic indicators, bank publications, speeches, and presentations. It also offers an RSS feed to receive new information as it is made public.
*Guadalajara Reporter* (http://www.theguadalajarareporter.com/). It is an English-language newspaper. Despite its base in Guadalajara, it publishes national as well as regional political news items. It also offers weekly podcasts.

*Mexico Institute* (http://www.wilsoncenter.org/index.cfm?fuseaction=topics.home&topic_id=5949). This is the Web site of the Woodrow Wilson International Center for Scholars. It includes a large number of reports and documents on Mexican politics, economics, and immigration. The site also has the Mexico Portal, a free news feed available through RSS feeds.

*The National Security Archive: The Mexico Project* (http://www.gwu.edu/~nsarchiv/mexico/). Mexico is one of the National Security Archive’s projects, so there is a wide range of primary documents available, including material on the Tlatelolco massacre, the EZLN, the Mexican military, and Mexican elections.

*Presidency of Mexico* (http://www.presidencia.gob.mx/en/). The government maintains a useful Web site in English, providing information about the presidency and Congress, press releases, news stories, videos, and links to the government’s presence on the Internet (YouTube, Twitter, etc.).

### Endnotes

8. Haber, Klein, Maurer, and Middlebrook 2008, 150.