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Mexico Under Salinas: A Façade of Reform

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Ten months have passed since Carlos Salinas de Gortari of the ruling Institutional Revolutionary Party (PRI) assumed the presidency of Mexico on December 1, 1988. To date, his greatest accomplishment may well be the image he has acquired in the United States as a model Third World leader. Washington, Wall Street, and the mass media are unanimous in characterizing Salinas as a reformer and modernizer, a sort of Latin Gorbachev intent on ridding Mexico of corruption, inefficiency, and one-party rule. They have praised him for his pledges to deliver clean elections and for his perseverance in implementing unpopular economic policies that have made Mexico a model debtor. For all these reasons, his admirers argue, Salinas is deserving of U.S. support.

Indeed, Salinas has entertained Mexicans (and their northern neighbors) with a succession of bold presidential actions that would seem to confirm this view. In January, he imprisoned the corrupt leadership of the Oil Workers' Union. In February, he turned his guns on the financial elite, jailing officers of two of Mexico's leading stock exchanges on charges of securities fraud. In April, he had charges of electoral fraud filed against the PRI mayor of Hermosillo in the state of Sonora. In June, he jailed a former director of the Federal Security Directorate on charges of masterminding the 1984 assassination of a well-known investigative reporter. And in July, Salinas directed the PRI to recognize the victory of National Action Party (PAN) candidate Ernesto Ruffo in the July 2 gubernatorial election in Baja California Norte, the first time the PRI has conceded loss of a governorship. These developments have led many U.S. observers and pundits to conclude that Salinas is honoring his pledges to modernize and democratize Mexico.

But in Mexico, Salinas is viewed far less favorably. Instead of a democratic reformer, Mexicans see an elitist technocrat who, by realigning the PRI with the private sector and the Mexican right, is attempting to salvage the increasingly obsolete corporatist system that has governed Mexico since the party's founding in 1946.

The gap between Salinas' reformist image abroad and the reality within Mexico becomes obvious when one looks more closely at his record. Many of his aggressively publicized "reformist" moves have been contradicted by other less publicized but at least equally significant actions. Even as Salinas recognized the victory of the right-wing PAN in Baja California, for example, he was unwilling to accept the even more lopsided victory of the center-left Party of the Democratic Revolution (PRD) in concurrent balloting in the state of Michoacán. And his

removal of corrupt labor leaders has had little effect on the inherently undemocratic structure of the unions, since he has simply imposed new labor bosses who are schooled in the old authoritarian ways but evince greater loyalty to the new technocratic leadership of the PRI. In addition, Salinas' avowed goals of modernization and democratization have been called into question by the means he has employed to achieve them, such as the unconstitutional use of the army for domestic police actions.

Even if such inconsistencies could be overlooked, there would remain one overriding reason for skepticism about Salinas' credibility as a reformer: his failure to make any attempt to transform the current political system based on the arbitrary use of presidential powers into one that would permit the democratic formulation of public policy. Salinas' "reformist actions" have been isolated moves, unaccompanied by complementary efforts to anchor them in comprehensive legal and institutional reforms. Despite a secure PRI majority of 260 to 240 in the Chamber of Deputies and an overwhelming 60 to 4 majority in the Senate, the president's legislative record remains essentially blank after ten months.

Salinas' contradictory record makes little sense until viewed in the context of the continuing crisis of legitimacy confronting his administration and the PRI more generally. At the heart of the problem is the widespread perception that Salinas owes his own office to electoral fraud. It is common knowledge in Mexico that the ruling party shut down the computerized vote tabulation system on election day last year, when early returns showed Cuauhtémoc Cárdenas, candidate of the center-left National Democratic Front coalition (FDN, predecessor of the PRD), leading in the race for the presidency. It is also common knowledge that an independent count based on official tally sheets from the 55 percent of polling locations where opposition parties were able to maintain poll watchers showed Cárdenas leading Salinas by 40 to 36 percent, and that the government has steadfastly refused to disclose results from the remaining 45 percent of polling locations. From incomplete and aggregate data released by the PRI-controlled Federal Electoral Commission, however, a team of statisticians has since been able to demonstrate beyond a reasonable doubt that the government resorted to wholesale inflation of its electoral totals in order to steal the election from Cárdenas.¹ Their findings confirmed what Mexicans had known all along: in a poll conducted by the *Los Angeles Times* in August, less than a quarter of the population was found to believe that Salinas had won the election.²

It is against this political backdrop that Salinas was inaugurated, the irony of his position richly reflected in the symbolism of the ceremony itself. Held in the center of the capital city that, by government admission, had voted for Cárdenas by a two-to-one margin, the inauguration was guarded by army units charged with keeping a hostile citizenry a safe distance away. The ceremonial transfer of power took place in the Chamber of Deputies, where neither of Mexico's two opposition forces—the center-left FDN and the right-wing PAN—was willing to recognize the new administration's legitimacy. As outgoing president Miguel de la Madrid Hurtado prepared to pass the presidential sash to his hand-picked successor, 139 FDN deputies and four senators walked out en masse, and 101 PAN deputies raised signs reading "MMH [de la Madrid's initials]: Six-Year Term of Fraud." Implicitly acknowledging his predicament in his inaugural address, Salinas stated: "The most urgent political guarantee is electoral transparency. I share this popular concern. We guarantee to all that their political strength, fully measured in the free choice of voters, will be counted and recognized by all."³ Ironically, this promise was made while standing directly above the sealed electoral packets containing the ballots from the July 6

election that his government insists will never be counted; these are stored in the basement, under round-the-clock military guard.

From the outset, Salinas made it clear how he would confront his legitimacy problem by appealing to the more conservative sectors of the Mexican population. In his first dramatic act, he broke precedent by inviting six prelates of the Roman Catholic Church to attend the inauguration ceremony. All but Archbishop Adolfo Suárez of Monterrey, the centrist and conciliatory president of the Conference of Bishops, were drawn from the church's right wing. Thus the invitation was doubly remarkable. First, because Mexico's anticlerical constitution strictly forbids any political expression by the clergy, and no church official had attended a Mexican inauguration since the 1910 revolution. Second, because those invited were from the same conservative branch of the Catholic hierarchy whose opposition to social reform had given rise to anticlericalism in the first place. Their presence was therefore a measure of the extent to which the PRI has distanced itself from the revolutionary ethos upon which it formerly relied for popular legitimacy.

Further signals of this realignment with the Mexican right came with announcement of the new cabinet. Salinas named Manuel Bartlett, who was educated in Catholic schools and is known to be on good terms with papal envoy Jerónimo Prigione, to be Secretary of Public Education. And, in a less-than-auspicious sign for Mexican wage earners, Salinas retained Arsenio Farrell as secretary of labor. During the de la Madrid administration, Farrell had acquired a reputation for union-busting by declaring strikes illegal and by disbanding unions that either showed too much independence or got in the way of the government's privatization plans. Such policies contributed to a 50 percent decline in real wages during de la Madrid's six-year term and cost the PRI the traditional allegiance of Mexico's working class, which swung its support to Cárdenas in the 1988 presidential election. Farrell's reappointment therefore signaled both that wages could be expected to deteriorate further, and that the technocratic leadership of the PRI was further distancing the party from its old mass base among wage earners.

Just as significant was Salinas' appointment of Fernando Gutiérrez Barrios to be secretary of government. The Secretariat of Government is a powerful body that is the equivalent of the ministries of the interior in other Latin American countries. In addition to police and intelligence functions, the ministry also supervises state and local governments, which, though nominally independent, are tightly controlled by the central authorities since nearly all officeholders belong to the ruling party. The secretary of government also chairs the Federal Electoral Commission, which is itself stacked with a solid PRI majority.

No one has been more intimately connected to the operations of this super ministry over the past three-and-a-half decades than Fernando Gutiérrez Barrios—a fact that makes him, ironically enough, one of the worst possible candidates to head it. Gutiérrez' public career originated in the Federal Security Directorate (DFS), an intelligence agency of the Secretariat of Government, where he rose through the ranks to become director in 1964. He was thus in charge of the DFS at the time of the 1968 massacre of several hundred peaceful student protesters in the Plaza of the Three Cultures (*Tlatelolco*), an event as deeply seared in the Mexican national consciousness as the Tiananmen massacre in the Chinese psyche. Most recently, he served as governor of Veracruz, where he supervised a massive electoral fraud to prevent Cárdenas' FDN from

winning control of the state in last fall's local elections. This, then, is the man now in charge of both internal security and federal elections.

Lacking both electoral legitimacy and any sort of mass base, Salinas has turned to longtime professional practitioners of *mano dura* (iron fist) to check an increasingly restive majority that has suffered the brunt of his neoliberal economic reforms. What his foreign admirers fail to recognize is that Salinas has little choice but to follow such a strategy, even though it effectively forecloses any possibility of real democratization and reform in Mexico. Because his policies and his very claim on the presidency are opposed to the wishes of the Mexican majority, it is in Salinas' interest to narrow, not broaden, the realm of political participation and democracy.

To achieve this, his primary concern must be to block Cárdenas and his supporters at every step, since the PRD alone has the potential to replace the PRI as a majority party. Thus the government is prepared to concede elections to the PAN where necessary, but under no circumstances to the PRD. Similarly, it is willing, even eager, to remove corrupt labor leaders that have either become ineffectual or overly independent, but unwilling to consent to union democracy that would inevitably produce even more independent leaders, most of them allied to the PRD. With democratic options foreclosed, and cooptation becoming ever more ineffective and unaffordable, the PRI is relying increasingly on repression in its effort to contain popular discontent. In taking this route, it risks an eventual social explosion, with unforeseeable consequences both for Mexico and its northern neighbor.

Electoral Democracy

As President Salinas acknowledged in his inaugural address, "the most urgent political guarantee is electoral transparency." Without clean elections, the crisis of legitimacy cannot be overcome. Yet the elimination of electoral fraud would almost certainly lead to an outcome Salinas is not prepared to accept: loss of control of the Chamber of Deputies in the 1991 Congressional elections, probably followed by a Cárdenas presidency. This, in turn, would mean the demise of most of the neoliberal policies instituted by Salinas and the dominant technocratic faction of the PRI over the past seven years. Accordingly, Salinas has charted a middle course, in which the PRI is to retain complete control over the electoral machinery, yet use that control to selectively concede elections that do not threaten its hegemony or that of political and economic agenda. It is significant in this regard that the only two electoral concessions Salinas has made have been to the PAN, a party that shares his outlook on economic policy, and whose middle-class base limits its prospects of winning a presidential election.

In April, Salinas authorized the indictment of Mayor Carlos Robles of Hermosillo on charges of electoral fraud, clearing the way for the PAN to regain a city hall it had held earlier in the decade. Taken at face value, this was unprecedented. Mexican public officials have traditionally been rewarded, not punished, for advancing the interests of the ruling party through electoral fraud. Yet Robles had unwisely placed his own interests ahead of those of his superiors in the July 1988 elections. In one group of precincts, he had his vote total inflated to 15,085, while awarding Salinas only 6,152 votes in the presidential race.⁴ Beyond that, his inept failure to conceal the fraud had made him an embarrassing liability. The PAN had managed to tape his conversations with state officials, in which he instructed them to steal ballot boxes from PAN strongholds on election day. Since such evidence is not admissible in court, no action was taken. But some time

later, Guillermo Sotelo, director of the Sonora State Police Academy and one of Robles' principal collaborators in the electoral fraud, was imprisoned on charges of drug trafficking. Sotelo's father retaliated against the PRI by turning over to the PAN more than 4,000 counterfeit voter registration cards that Robles had given to Sotelo to distribute among his police cadets on election day.⁵ With the fraud so graphically exposed, Salinas' hand was forced.

Salinas then capitalized on the necessity of moving against Robles to stage a cynical publicity coup. Early in his presidential campaign, Salinas had chosen Hermosillo—a city renowned as a symbol of PRI electoral fraud⁶—as the site for a widely-publicized address in which he promised “clean elections” and renounced the PRI's traditional practice of the “clean sweep,” whereby all town halls or legislative seats in a given state election automatically go to the PRI.⁷ By acting against Robles, he was able to turn the symbolism of the city to his own advantage and present himself as someone who keeps his promises, while deflecting attention from the fraudulent ballots cast for himself and for PRI President Luis Donaldo Colosio, senator from Sonora, in the same election.

A similar situation developed in Baja California Norte following the July 2 gubernatorial election, with Salinas once again forced to recognize a PAN victory. Since achieving statehood in 1953, Baja California has had six governors, all from the PRI. Of these, only the first, Braulio Maldonado, was the genuine choice of its people; all the rest were imposed through electoral fraud.⁸ Domination by a capital city 1,800 miles away has generated resentment among Baja residents and left a legacy of hostility toward the PRI. At the polls, this has translated into an anyone-but-the-PRI mentality. Last year, when Cárdenas was seen as posing the most effective challenge in the presidential election, a plurality voted for his center-left FDN coalition. This year, the most effective gubernatorial challenger was perceived to be Ernesto Ruffo, the PAN mayor of Ensenada whose campaign slogan was “With Ruffo, yes, it can be done!” (i.e. booting out the PRI); the political left voted with the right, poor barrio dwellers joined forces with residents of comfortable neighborhoods, and PRI candidate Margarita Ortega was defeated by a margin of four to three. The PAN won not only the governorship but the mayoral races in Tijuana and Ensenada, and at least eight of fifteen state legislative districts.

As usual, the PRI's state organization proclaimed its own victory in the gubernatorial contest and a majority of the legislative races. Yet this time the PAN was prepared. Based on copies of official tally sheets obtained from opposition poll watchers at 93 percent of polling locations, Ruffo was able to demonstrate an insurmountable lead of 204,789 to 151,282.⁹ With scores of U.S. journalists covering this particular race as a litmus test of Salinas' democratic intentions, the latter's hand was again forced. He instructed PRI President Colosio to concede the high-profile gubernatorial race. Ironically, the decision enraged local partisans of the PRI, who saw this as yet another imposition from Mexico City. It did, however, set an important precedent. For the first time in Mexican history, an opposition party would be allowed to govern a state.

Of even greater significance, though virtually unnoticed, is the fact that the PRI was forced to recognize the PAN's victories in eight of fifteen legislative districts. This assured the PAN control of the state electoral college, which will allow it to probe instances of fraud by the PRI. As a result, it is likely to gain at least one additional seat in the 19-member state legislature, where four at-large seats are assigned to smaller parties on the basis of proportional representation.¹⁰ There, in concert with the occupants of two at-large seats won by the PRD-led

coalition, the PAN will have an opportunity to eliminate the biases in the state's electoral law and create Mexico's first truly independent electoral authority.

In contrast to the concessions made to the PAN, Salinas has granted absolutely no quarter to Cárdenas and the opposition he leads. Not content to merely deny the FDN its electoral victories, the PRI went on the offensive last year in an attempt to nip this most dangerous of threats in the bud. Accurately perceiving the vulnerability of the loose coalition of four registered political parties and dozens of civic organizations that made up the FDN coalition, the PRI set to work hammering at its weakest links. These efforts began as early as September 1988, when, through offers of patronage and cash, the PRI was able to persuade three FDN deputies in the electoral college to vote to install Salinas as president-elect. After Salinas' inauguration, the attack on the FDN broadened into a more sophisticated political approach that involved driving a wedge between the two main political currents represented in the coalition.

The most prominent fissure within the FDN was between the two Marxist-Leninist parties—the Popular Socialist Party (PPS) and the Party of the Cardenista Front for National Reconstruction (PFCRN)—and the other three major political formations—the Democratic Current (CD), the Mexican Socialist Party (PMS), and the Authentic Party of the Mexican Revolution (PARM). Unlike the latter groups, which saw the PRI as the primary obstacle to their goal of democratizing Mexico, the PPS and PFCRN continued to be more concerned with ideology, and therefore with counteracting the PAN. This division dates back to the 1970s, when the Socialist Workers' Party (PST), which later became the PFCRN, showed a far greater willingness to cooperate with the PRI than the Mexican Workers Party (PMT), which later fused with other leftist parties to form the PMS.

The PFCRN was therefore the logical candidate for cooptation by the PRI; all the more so because of the opportunistic instincts and volatile temperament of its chairman, Rafael Aguilar Talamantes. The recent transformation of the PST into the PFCRN bore the unmistakable stamp of Aguilar Talamantes' opportunism. As an orthodox Marxist-Leninist party whose symbol was a red star and giant industrial gearwheel, the PST had no foreseeable electoral future. Shortly before the 1988 elections, it split, with half the party defecting to the PMS. Aguilar Talamantes seized the occasion to give the party a face lift. Appropriating the symbolic appeal of Mexico's most revered president, he renamed the party the Cardenista Front and grafted a silhouette of Lázaro Cárdenas onto the foreground of the party symbol, all without altering any of the substance of the party's platform.

The timing could not have been more providential. By endorsing the presidential bid of Lázaro's son Cuauhtémoc Cárdenas, the PFCRN was then able to profit from public confusion. In the mistaken belief that they were voting for the party of Cuauhtémoc Cárdenas, more *cardenistas* crossed the PFCRN symbol than those of any of the other parties that endorsed Cárdenas, and the PFCRN netted a block of 42 congressional deputies. In an opportunistic maneuver of its own, the PRI seized the chance to renew its old ties with the newly successful PFCRN and to woo it away from its coalition partners. Before long, Aguilar Talamantes was sealing his new alliance with Salinas by declaring the latter "a constitutional president, legally designated by Congress." In return, Salinas promised to resume funding of public works for local PFCRN constituencies.¹¹ At very low cost, the PRI had succeeded in splitting the FDN.

Cárdenas, however, was not unprepared for the breakup of the coalition. The FDN had always been a marriage of convenience, in which Cárdenas had lent his name to disparate parties in return for an opportunity to appear on the ballot. Even in the best of times, Cárdenas had been the only common denominator uniting the various parties. The coalition's fragility was evident in its near total inability to unite around common candidates for Congress and the Assembly of Representatives of the Federal District. Thus, although the FDN carried 33 of 40 electoral districts in the Federal District, it obtained only three of forty seats in both the Assembly and the Chamber of Deputies, because its votes were split among four parties. Similar debacles occurred in other *cardenista* strongholds, seriously compromising Cárdenas' ability to challenge electoral fraud when the Congress convened as an electoral college. Subsequently, the division of FDN deputies among five separate delegations (CD, PMS, PARM, PPS, PFCRN) made effective coordination within Congress all but impossible.

To correct these organizational deficiencies, Cárdenas called in October 1988 for the formation of a new political party. In an allusion to the electoral revolt initiated on July 6, 1988, he proposed that the new party be named the Party of the Democratic Revolution (PRD). Unlike the PRI or any of the parties constituting the FDN, this would be a party of individuals, without organizational memberships and therefore without quotas for representation of different groups in its leadership. As a party dedicated to the democratization of Mexican politics and society, it was to set an example itself through internal democracy. And, again like the society it aimed for, it would be explicitly pluralistic, inviting the participation of "democrats and nationalists, socialists and Christians, liberals and ecologists."¹² This was not agreeable to the orthodox Marxist-Leninists of the PPS and PFCRN, who indicated from the beginning that they intended to maintain their separate group identities. The PARM equivocated. Thus the new party began crystallizing around a nucleus composed of the CD, the PMS, and the dozens of civic and grass-roots organizations that had first united behind Cárdenas during the presidential campaign.

Ironically, it was the unraveling of the FDN in the winter and spring of 1989—seemingly a victory for the PRI—that led to the creation of the PRD, and with it the emergence of a more serious challenge to the PRI. Both as an organizing tool and to demonstrate the incipient party's grass-roots appeal, the PRD's founders decided to tackle the seemingly insurmountable challenge of officially registering their party. Designed to thwart the formation of new parties, Article 34 of the Federal Electoral Code stipulates that a party seeking to qualify for registration must hold constituent assemblies with a minimum of 3,000 members each in at least 16 of 32 states, or with a minimum of 300 members each in at least 150 of the 300 congressional districts. Whichever method is selected, the party must demonstrate that it has at least 65,000 founding members. In April, the PRD succeeded in holding 223 district assemblies, attaining the required number of founders in 159, and an overall total of 80,000 founding members. Never before had this requirement been satisfied (In the past, new parties had only succeeded in obtaining "conditional registration" at the PRI's discretion). On May 5, the PRD launched its national constituent assembly in Mexico City, in the course of which it elected its first national executive committee. To no one's surprise, Cárdenas was elected president of the party.

Having cleared one hurdle, the PRD faced another. To finalize its registration it would have to submit to a protracted bureaucratic process that would preclude participation in the critical July 2 state elections in Michoacán and Baja California. Its leadership therefore seized on a clever alternative. Since the electoral code makes it far easier to reconstitute an existing party than to

register an entirely new one, the PMS would simply change its name, symbol, and statutes to those of the PRD, providing for speedy registration and an opportunity to mount a home-stretch challenge to the PRI in the upcoming elections.

With the PAN concentrating its electoral efforts on Baja California, where it was well organized and had the advantage of a charismatic gubernatorial candidate, the PRD disposed of what little time and resources it had by concentrating on Michoacán. Extending from the mountain range west of Mexico City to the Pacific coast, this state has produced many of Mexico's most prominent social reformers, including Lázaro Cárdenas. Cuauhtémoc Cárdenas served as its governor from 1980 to 1986, in the course of which he became popular with the peasantry for his social programs and for his frequent visits to remote villages to hear their concerns. In the 1988 presidential election, the residents of Michoacán favored Cárdenas by a more than three-to-one margin, and elected *cardenistas* to both federal Senate seats and 12 of 13 seats in the Chamber of Deputies. Elated by the defeat of the PRI, people throughout the state seized 66 of 113 town halls, demanding removal of PRI municipal presidents and of the highly unpopular Governor Luis Martínez Villicaña. In early December, Salinas took advantage of the popular discontent to reassign Villicaña, who had supported a Salinas rival in the internal struggle for the PRI presidential nomination, to an obscure administrative post in the federal government.

Despite the façade of concession, by January the government was already preparing a fraud that would enable it to maintain control of the state legislature no matter what the results of the July 1989 state elections. The PRI resorted to a tortured interpretation of the state's electoral law to deny the FDN parties (and later the PRD) seats on the State Electoral Commission. According to Article 49 of the electoral code, every party that had obtained at least 1.5 percent of the vote "in the last elections" was entitled to a seat. That would mean that the parties constituting the FDN, which had won the July 1988 elections, would each have one seat on the Commission; with the addition of the one seat allotted to the PAN representative, the opposition would have one more seat than the PRI. With its control threatened (it could not yet count on the PFCRN), the government broke precedent and insisted on interpreting the language to refer to the last *state*, rather than federal, elections.¹³ In so doing, it excluded all but itself and the PAN from the Commission.

While the PRI was occupied with such antidemocratic maneuvering, the CD and PMS were setting a democratic precedent by holding primary elections in Michoacán—only the second such primaries in Mexican history—to elect joint candidates for each of the state's 18 legislative districts.¹⁴ In open primaries held on March 26, some 192,000 citizens voted in 1,200 polling places, choosing 16 candidates from the CD and two from the PMS. The primaries greatly fortified the nascent PRD, as most of the winning candidates were popular community activists.

By mid-June, it was clear that the PRI was in serious trouble. The PRD's Aztec sun symbol, painted on walls, bridges, tree trunks, telephone poles, and boulders, appeared to command the exclusive allegiance of the villages and countryside of this mostly rural state. Wherever Cárdenas traveled, he was welcomed as "authentic President of Mexico," and invited to dine in town halls still occupied by townspeople in defiance of PRI authorities. Only in some of the larger towns and cities did a smattering of posters and professionally painted murals suggest any support for the PRI, and even those bespoke the ruling party's predicament. Unlike the PRD posters, which proudly advertised "the party of Cuauhtémoc Cárdenas," and depicted local legislative

candidates side-by-side with Cárdenas, the PRI posters avoided any linkage with the unpopular Salinas.

With no serious prospect of expanding its narrow base of support, the PRI resorted to clandestine maneuvers intended to confuse the electorate. The day before the election, residents of the state capital of Morelia awoke to find all PRD posters neatly covered by anonymously affixed posters depicting before and after scenes, the former (ironically captioned “Today”) of peace and prosperity, the latter (captioned “Tomorrow, if you don’t make the right choice”) of war and famine. These followed earlier posters linking Cárdenas to “international communism,” and implied that, once in power, he would “persecute Christians and execute priests and nuns.”¹⁵ For several weeks prior to the election, the government also maintained a barrage of allegations that Cárdenas and the PRD were preparing to use violence to win. This provided an excuse to send in army units from four neighboring states, “to keep the peace.” There was, however, no violence, and the real effect of the ubiquitous presence of soldiers with semiautomatic weapons, together with the cryptic warnings on the posters, was to intimidate opposition voters. Not surprisingly, voter turnout was very low.

On election day, the PRI again relied on its full arsenal of tricks: issuing false registration cards, permitting voting by minors, requiring government employees and union members to cast pre-marked ballots and return the blank ones to be recycled, and excluding opposition poll watchers. As the day wore on, dozens of ballot boxes in *cardenista* strongholds were stolen at gunpoint. In Huétamo, Jiquilpan, and Los Reyes, the state police themselves took part in the theft.¹⁶ Reporters from *La Voz de Michoacán*, sent throughout the state to conduct exit polls, were expelled from many polling places. Then, as the journalists began calling in their stories, all telephone lines into the newspaper’s offices in Morelia were severed.¹⁷

In three of the 18 legislative districts, the fraud was so massive that the opposition could not even attempt a serious vote count. In the remaining 15 districts, however, the PRD was able to conduct a reliable count based on copies of official tally sheets supplied by its poll watchers. Like the PAN’s poll-watching efforts in the concurrent election in Baja California, the PRD’s coverage—87 percent of polling locations—was sufficient to be conclusive. In 11 districts, the PRD lead was insurmountable: even if the PRI were to win every remaining uncounted vote, the PRD would still win. In one other district, the PRD held a substantial lead. The remaining three were so close that the winner could not be determined without access to the results of the remaining polling places.¹⁸ Overall, the PRD had won the state by a three-to-two margin. Significantly, the margin was just as large in the urban centers of Morelia, Uruapan, Apatzingán, and Lázaro Cárdenas as in the countryside. Though peasants and villagers had been more passionate and vocal in their support for Cárdenas, it was now evident that urban dwellers quietly shared their sentiments. Despite the PRI’s enormous advantage in resources, its monopoly of television, its efforts to confuse and intimidate opposition voters, and its perpetration of a massive electoral fraud, the PRD had still won by a landslide. Moreover, the PRD’s overwhelming victory would grant it a majority in the seven-seat electoral college, placing it in a position to investigate and correct instances of electoral fraud and thus presumably ensuring it control of the 24-seat state legislature.

As in last year’s presidential election, the PRI was unwilling to accept such an outcome. Once again, it set its professional “alchemists,” as they are known in Mexico, to work altering the

numbers. This time, however, the PRI was caught in the act. Taking their lead from the PAN's earlier action in Hermosillo, PRD representatives managed to tape a series of citizen's band radio transmissions coordinating the movements of a group of men as they diverted ballot boxes to the offices of the State Public Security Council in Morelia, where their contents were altered before being delivered to the District Electoral Committee.¹⁹ (The Council is a branch of the state Secretariat of Government, with links to the Secretariat of Government in Mexico City.)

The outcome of this "alchemy" was that the PRI awarded itself 12 seats, precisely the minimum it would need to prevent the opposition from gaining control and engaging in legislative reform—most notably electoral reform. Beyond that, the PRI's renewed alliance with the PFCRN would enable it to reestablish outright control in the state legislature. There remained, however, the thorny problem of the PRD's majority in the seven-seat electoral college, which the PRD would have gained as a result of having won at least four districts by the largest margin of victory. That was dealt with by simply annulling enough PRD votes to slim down the enormous margins of victory of its candidates. All in all, about 100,000 of 380,000 votes cast were annulled.

The PRD was able to demonstrate this doctoring of the results to the district and state electoral commissions by comparing its copies of the local tally sheets with those delivered to the commissions.²⁰ Though the alterations were obvious (e.g. not in the same handwriting as the originals), the PRI refused to make any corrections, using its firm control of the electoral commission to vote down all objections. At the August 15 meeting of the PRI-dominated electoral college in the state legislature in Morelia, the fraudulent electoral results were made official. Outside, where the PRD had maintained a 40-day vigil, *cardenista* demonstrators were attacked by club-wielding security agents who were disguised as straw-hatted peasants, but communicated by walkie-talkie. All further protests against the fraud have been to no avail, but the large number of troops still deployed in Michoacán testify to the lack of popular acceptance of the PRI's "victory."²¹

In last year's presidential election, it was still possible to argue that Salinas was not directly responsible for the fraud that had occurred. Granted, he had voiced no objection to the way he gained his office, but Miguel de la Madrid, who was president at the time, and Manuel Bartlett, who was secretary of government and president of the Federal Electoral Commission, presumably bore most of the blame. This time, however, Salinas was clearly implicated. From its inception, the Michoacán campaign had been coordinated from Mexico City by men close to the president. Moreover, the deployment of troops from four neighboring states in Michoacán could not have taken place without the consent of the president. In the context of the Mexican federal system, it is also virtually inconceivable that the systematic altering of electoral results in the Morelia headquarters of a branch of the state's Secretariat of Government could have taken place without at least tacit approval from Secretary of Government Gutiérrez Barrios.

Even in the event that Salinas had been kept uninformed of some of the details (for "deniability"), the subsequent exposure and documentation of the full dimensions of the fraud would have required a presidential response. This is precisely what happened earlier in Sonora and Baja California, when irrefutable documentation produced by the PAN forced Salinas to take action. Yet Salinas has singled out Michoacán and the PRD for different treatment, refusing to concede an inch in the face of overwhelming evidence.

At the heart of the matter are the differences in the strategic and political significance of the two regions and two political parties involved. Baja California Norte and Sonora are border states, far removed from Mexico City and with little influence on the rest of the country. More urban and prosperous than the Mexican mainstream, they have sizable middle classes that provide a natural base for the PAN, a party whose national prospects are constrained precisely by the limited size of the middle class elsewhere in Mexico. The location of these states on the southwestern flank of the United States also gives the latter (and particularly California, now the most populous and influential state) a major interest in what happens there, as evidenced by the swarm of U.S. reporters who descended on Tijuana to observe the July 2 state election.

Michoacán, on the other hand, is located in the densely populated heart of Mexico, just west of the Federal District. Culturally, demographically, and politically, it has much in common with the neighboring states of central and southern Mexico that contain two-thirds of Mexico's population. And, as revealed by the results of last year's federal elections, this is Cárdenas country. PRI officials know that it would be exceedingly difficult to confine a PRD takeover to Michoacán; they fear a "domino effect" that would soon engulf the states of Mexico, Morelos, Guerrero, Oaxaca, Veracruz, Puebla, and the Federal District itself, with further ripple effects on Chiapas, Tabasco, Tlaxcala, Hidalgo, Nayarit, Colima, and possibly Durango and Coahuila in the north. (Such concerns were reinforced by PRD gains in elections held in Oaxaca one month after those in Michoacán. The PRD won at least 19, and possibly as many as 35, of 65 contested elections for municipal presidencies.²²) Worse yet, the loss of each state would be practically irreversible, since the PRI would lose control of the electoral machinery and thereby its ability to manipulate the electoral process. With the institution of truly independent state electoral authorities, the PRI would inevitably lose control of the Chamber of Deputies in the forthcoming 1991 federal elections, and control of the Presidency and Senate in 1994.

The real test of Salinas' democratic professions, then, is not in the remote north, but in the strategic center; and not in concessions to political forces that agree with his major policy objectives, but in respect for the will of the people, whatever the outcome. There is but one reliable way of ensuring this: through creation of genuinely independent electoral authorities at both the federal and state levels. Not surprisingly, it is the opposition, not Salinas, that is proposing such measures. On June 20, only seven weeks after its formation, the PRD proposed a comprehensive political and electoral reform, whose aim would be "abolition of the one-party state and corporatism," and whose centerpiece would be a constitutional amendment to create a fourth branch of government, the National Electoral Council.²³ Conceived on a model similar to the Supreme Court, the Council's magistrates would be selected in such a way as to prevent domination by any party, and would supervise a technical staff consisting of career civil-service officers.²⁴ A series of complementary amendments would further fortify Mexican democracy by prohibiting the use of public funds for partisan purposes, guaranteeing all political parties the right to communicate their points of view through the mass media, strengthening the Senate's powers relative to those of the executive branch, and abolishing electoral colleges.

Though the PAN appears to be in agreement with the essential points of the PRD proposal, the PRI has rejected it virtually wholesale. Characteristically, Salinas himself has not proposed any legislation that would give substance to his rhetorical commitment to reform. Whether by design or by default, negotiations have proceeded in the hands of his congressional partisans, who, far from offering any substantive concessions to conciliate the opposition, have instead sought to

bolster the PRI's control where it is weakest, in the Chamber of Deputies. To this end, the PRI has proposed what the opposition characterizes as an antireform—the allocation of proportional representation seats without regard to the number of winner-take-all district seats won by each party. The PRI's proposal would, in effect, put an end to the well-established democratic practice of using proportional representation to compensate for or correct the overrepresentation that results from winner-take-all races. Thus, it would allow gross overrepresentation of the dominant party—that is, the PRI. In return for the opposition's acquiescence to this change, the PRI would agree to expand the Senate by 32 proportional representation seats, granting the opposition a larger, but still ineffectual, voice.²⁵ Had such a scheme been in effect during the last election, the PRI would have been able to award itself 351, instead of 260, of the Chamber's 500 seats, together with 76 of 96 Senate seats, thereby preserving the two-thirds majority that has in the past enabled the PRI to modify the constitution at will. All of this underscores the PRI's ongoing aversion to sharing power; in a genuine parliamentary democracy, the governing party would face the reality of its loss of absolute control by engaging in serious negotiations with the opposition. Yet the PRI has no intention of agreeing to the minimum reform sought by both the PRD and the PAN—creation of independent electoral authorities. Any change that would dismantle one-party rule and lead to authentic political pluralism is beyond discussion.

Union Democracy

Salinas' unwillingness to allow genuine democratic reform in the electoral sphere has been matched by his refusal to countenance the introduction of democracy and accountability in labor union politics. Here too, his initiatives have been rhetorical rather than substantive, aimed more at ensuring PRI control and placing loyal supporters in key positions than at cleaning up corruption and implementing meaningful reform.

Salinas' attitude toward the labor movement was foreshadowed in a February 1988 speech he made in Necaxa, where he had been invited by Jorge Sánchez, head of the Mexican Electricians Union (SME), to exchange pledges of support. There, directing his words to organized labor, Salinas said: "There is a value to alliances. Those made with my party will have a positive response in practice. Those made against my party will pay the consequences."²⁶ The meaning of Salinas' threat was perfectly clear to the union members present. A decade ago, the SME had withdrawn from the government-controlled Confederation of Mexican Workers (CTM) and established its independence from the PRI. Now, weakened by government plans to liquidate the Compañía de Luz electrical utility and threatened with reabsorption into the CTM, the union leadership struck a deal with Salinas. In return for its support, Salinas agreed to guarantee the union's continued existence and to consult with it about liquidation of the electric utility. Here was one of Mexico's few independent unions returning to the fold under duress. In this context, Salinas' speech was meant to remind the unions that they still depend on the PRI for their well being, and to warn any that might want to stray from the fold to think again.

Before long Salinas showed the teeth behind his warning. The first labor leader to pay a high price for defying Salinas was Joaquín Hernández Galicia ("La Quina"), head of the Oil Workers' Union. Although La Quina formally endorsed Salinas' candidacy, he made no effort to disguise his distaste for the man and his economic policies. Even as the union made its ritual endorsement of the PRI candidate, La Quina publicly told Salinas that "the party is taking its chances with you."²⁷ Later, in mid-campaign, La Quina made disparaging allusions to Salinas' economic

program: “Every day, every month it’s been the same for five years... Only a peaceful people like the Mexican people would put up with so much. But will we keep on putting up with it?”²⁸ Come election day, La Quina instructed union members to vote for the PRI congressional slate (which included a block of seven officials of the Oil Workers’ Union), but quietly backed Cárdenas for the presidency. The membership followed his lead; all the union’s candidates were elected to Congress, and Cárdenas won almost every oil district.

Within six weeks of attaining the presidency, Salinas struck back. On January 10, three truckloads of troops pulled up in front of La Quina’s house in Ciudad Madero, Tamaulipas. They blew the front door open with a bazooka, then whisked the once untouchable labor leader off to jail in Mexico City. The charges filed against him—which included ordering the assassination of rivals, selling jobs, and defrauding the union and PEMEX, the national oil monopoly—had been well-documented for years, and his arrest was long overdue. Yet the manner in which the operation was carried out was highly suspect, revealing more about the government’s own corrupt practices than about its seriousness in fighting crime and corruption. As he was to do later during the elections in Michoacán, Salinas employed the army in blatant violation of the Mexican constitution, which prohibits its use in domestic police actions without prior suspension of constitutional guarantees by Congress. Moreover, eyewitnesses maintained that no legal process was ever served on La Quina and that incriminating crates of weapons were planted on the premises by the troops themselves.²⁹

The Salinas administration’s claim that the arrest of La Quina represented a blow against corruption and a victory for “modern politics” was further undermined by its subsequent actions toward the union. Rather than convene open elections for a new union head, the government brought Sebastián Guzmán Cabrera, the old boss of the union’s local Section 10 in Minatitlán, Veracruz, out of retirement and reinstated him in his old post. This in turn placed Guzmán in charge of the union, whose leadership rotates every two years among the directors of three local sections.

Here again, the Salinas administration showed no concern for legal form. Not only did the administration interfere in union politics, but in doing so it ignored union statutes that clearly state that seniority is lost upon retirement. Moreover, for all his professed abhorrence of corruption, Salinas seemed untroubled by Guzmán’s far from squeaky-clean leadership style. Like La Quina, Guzmán is an old-style boss whose otherwise inexplicable wealth is believed to have been amassed through the sale of jobs in Pemex. Also like La Quina, Guzmán promptly proceeded to use strong-arm tactics to consolidate his control of the union. In anticipation of the rotation of the union leadership to Section 30 in Poza Rica, Veracruz in another two years, he held a snap election on March 7 to install one of his stalwarts as head of that section. In typical fashion, the election meeting was held with three days’ notice (the statutes require 20), the cramped hall was packed with transient workers who were threatened with loss of their jobs if they did not show up, and the vote was conducted by an open show of hands. When rank-and-file members demonstrated to demand a genuine election with secret ballots, the ever-candid Guzmán retorted, “Oil workers are not ready for democracy. Were the ballot truly to be respected, not even the President [Salinas] would be where he is.”³⁰

Guzmán’s subsequent cooperation in implementing PRI policies has made it clear that control, and not the elimination of corruption, had been Salinas’ true objective. In April, Guzmán acceded

to violations of the union's collective contracts, as Pemex laid off 30,000 transient workers and terminated overtime pay rates for permanent workers.³¹ In May, Guzmán consented to the de-unionization of 10,000 technical and professional workers, weakening the bargaining power of both union and workers vis-à-vis Pemex.³² The net effect of Salinas' move against La Quina has been to replace a corrupt but somewhat independent union leadership with a corrupt and compliant leadership that faithfully executes the policies of the state. As Guzmán remarked to a gathering of local supporters, "The government called on me to put out the fire and reshape the union, because it had strayed from the path."³³

That democracy and accountability would only get in the way of the government's labor policy was underscored by concurrent developments in the musicians' and teachers' unions. In those organizations, pressure for change originated with the rank-and-file membership. On December 15, 1988, just two weeks after Salinas' inauguration, Musicians' Union members tested the new political waters by voting overwhelmingly to depose union chief Venustiano Reyes.³⁴ Reyes, who had ruled the union with an iron hand for 30 years, had grown rich on graft—mostly in the form of payments made by government and private television networks as compensation for not using live music in programming. Union members voted to replace him with Francisco Jaime Mora, leader of the Sixth of July Movement (named after the PRI debacle in the 1988 federal elections, which included the defeat of Reyes in his bid for a seat in the Chamber of Deputies). This grass-roots challenge to the status quo, with its *cardenista* overtones, proved unacceptable to the government. Fidel Velázquez, who for half a century has been the PRI's labor enforcer as head of the CTM, stepped in to retrieve control. Though "Venus Rey" was retired as a liability, Velázquez convened a new election meeting on March 17, in which music students who had been hurriedly issued membership credentials were made to approve a new boss, Federico del Real.³⁵ The government's hand in this was betrayed by Labor Secretary Arsenio Farrell's recognition of del Real rather than the legitimately elected president of the union.

Shortly thereafter, this scenario was repeated on a much grander scale as the rank-and-file of the Mexican Teachers' Union (SNTE), the largest union in Latin America, mobilized to depose Carlos Jonguitud Barrios, their union boss for the past 17 years. Jonguitud first gained control of the union in 1972 with an armed assault on its headquarters. Two years later, he founded Revolutionary Vanguard, a shock group that has ensured his position as "leader for life" by stacking election meetings with "fraternal delegates" imported for the purpose, and by assassinating more than 150 dissidents between 1980 and 1988.³⁶ The repression has been especially severe in Oaxaca, where dissidents demanding wage increases and democracy won control of a local union chapter in 1982. The government has not only never prosecuted Jonguitud or any of his gunmen, but has rewarded him with government posts. He was made governor of San Luis Potosí in 1979, and last year was made federal senator from the same state. The de la Madrid-Salinas team also permitted him name associates to another senate seat and to 16 Chamber of Deputies seats in the current Congress.

In return, Jonguitud has kept a tight lid on demands for wage increases by union members. The result has been the pauperization of Mexico's million-plus teachers. In 1982, at the beginning of the de la Madrid presidency, primary school teachers earned 2.5 times the minimum wage; by early 1989 they made only 1.3 times the minimum wage.³⁷ Worse yet, inflation had reduced the purchasing power of the minimum wage to half what it had been in 1982, so that teachers were

left with a quarter of the real wages they had earned seven years earlier—roughly twice the decline suffered by Mexican wage earners as a whole.

These conditions, together with the new correlation of forces created by last year's federal elections, led the National Teachers Coordinating Committee (CNTE, the democratic current within the SNTE) to call a nationwide strike on March 7. The strikers' demands were simple: a 100 percent pay raise and the introduction of union democracy. More than half a million teachers walked out of their classrooms, paralyzing the school systems of Mexico City and much of central and southern Mexico. Some 150,000 teachers marched in the capital, where, their ranks swollen by another several hundred thousand sympathizers, they completely filled the central square.

As the strike continued and it became clear that the leadership was losing control of the union, Salinas acted to limit the damage. On April 23, he summoned Jonguitud to the presidential residence to tell him it was time to retire as union head. In marked contrast to the handling of La Quina, however, there would be no indictment, even though Jonguitud was fully as corrupt and responsible for an incomparably greater number of murders. While La Quina languishes as a common criminal in a Mexico City jail, Jonguitud continues to sit in the Mexican Senate. There could be no clearer signal that corruption is tolerable, disloyalty unpardonable.

As it had done earlier with the oil workers and musicians, the Salinas administration again intervened to prevent the crisis from being resolved in a way that would result in greater union democracy. It picked Elba Esther Gordillo, a former protégé of Jonguitud, to succeed him. Yet in this case the sheer size and momentum of the protest movement forced concessions from the government and union leadership alike. The teachers were granted a 25 percent raise, twice what the government has been willing to grant any other group. The union was further compelled to recognize dissident control of Section 22 in Oaxaca and Section 7 in Chiapas, and to agree to hold elections in Section 9 in the Federal District. In those elections, held in June and July, the democratic teachers' movement won 95 percent of the vote, gaining control for the first time of this most strategically located section.³⁸ A similar pattern of workers rebelling against their PRI-imposed leadership has since surfaced in the Mine and Metal Workers Union. In defiance of union boss Napoleón Gómez Sada, more than 5,000 steel workers at the Las Truchas complex in Lázaro Cárdenas, Michoacán, went on strike August 22, demanding a 60 percent wage increase.³⁹

In the unions as well as in national politics, then, the only forces seeking democracy and accountability are those opposing the PRI. Yet this should not come as a surprise, given Mexico's political realities. As a minority party, the PRI cannot afford to allow democratic openings for the political and labor forces that represent the new Mexican majority, since any such opening threatens the stability of the whole system. The threat to the PRI is magnified by the fact that the two powerful movements for democracy in Mexico—electoral and labor—are closely linked. Though structurally autonomous from the PRD, the democratic currents within organized labor share the party's interest in opening up the political system and reinforcing the power of the working classes. The democratic labor movement's interests are also served by the PRD's explicit commitment to eradicating corporatism. The PRD, in turn, is strengthened by the democratic labor movement's grassroots organizing, which is transforming once isolated and passive individuals into skilled and experienced social activists. The net effect is a mutually

reinforcing pair of assaults on two of the foundations of Mexican autocracy: electoral fraud and corporatism. In this setting, it is unreasonable to expect Salinas to promote democracy when it is so thoroughly prejudicial to his political interests.

It is likewise unreasonable to expect Salinas to clean up corruption in organized labor. Without it, the corporatist system would collapse, jeopardizing the government's policy of maintaining low wages. For it is precisely the illicit monetary and political benefits labor leaders derive from the government that make them so willing to betray the political and economic interests of the rank and file. To ensure the ongoing loyalty of union leaders, the government must continue to reward them with senatorships, governorships, and other sinecures, while looking the other way as they enrich themselves on graft. (Salinas' much-touted alliance with Electricians' Union president Jorge Sánchez was a tacit indication that Salinas has every intention of ignoring graft, since Sánchez stood accused of the unexplained disappearance of four billion pesos from the union treasury.⁴⁰) Though debilitating to labor unions, allowing such graft is very cost-effective from the standpoint of the government; Sánchez, like the rest of Mexico's labor bosses, has cooperated with the PRI in keeping a tight lid on wages. That has made the labor bosses vital partners in Salinas' plan to attract foreign investment through Mexico's "comparative advantage" of cheap and plentiful labor. It is one of the ironies of Salinas' concept of "modernization" that it requires the perpetuation of corruption.

The Mexican Police State

The PRI's "modernization" program has had another ironic result: it has brought an increase in the use of repression against the population. Since assuming office, Salinas has elevated notorious human rights violators to high positions in intelligence and security organs, while presiding over a campaign of harassment, intimidation, and assassination directed against his opponents. Here, too, Salinas' professions to practice "modern politics" bear little relation to reality.

Salinas is not the first Mexican president who has felt the need to deal violently with popular discontent. In fact, the logic of repression is inherent in the program of the PRI, which since its founding has sought to undermine Mexico's nationalist and revolutionary tradition and substitute an elite-oriented development model based on private enterprise and foreign investment. Above all, this has involved a retreat from the social and economic policies of In many respects it is but a reaffirmation of President Lázaro Cárdenas, who between 1934 and 1940 carried out a vast land reform, organized peasants and workers into powerful national unions that succeeded in raising wage levels to an all-time high, and expropriated Mexican oil from British and U.S. companies.

The effort to roll back these gains began with President Miguel Alemán (1946-1952) who reconfigured Cárdenas' Party of the Mexican Revolution into the Institutional Revolutionary Party. While the PRI presented itself as the sole heir to Mexico's revolutionary tradition, its corporatist structure effectively coopted and contained popular demands by allowing political expression only through government-sanctioned organizations, such as official labor and peasant unions. This enabled Alemán and his successors to institute policies aimed at curtailing land reform, transforming the unions from pressure groups for social justice into means of social

control, liberalizing foreign investment laws, and subsidizing private enterprise with cheap oil, cheap rail rates, irrigation, and tax incentives. The economy boomed at first, but it did so in a very uneven way, exacerbating the gap between rich and poor and giving rise to record levels of corruption. And, as the new elite-based model whittled away at the social gains of the 1930s, it increasingly confronted popular opposition.

To cope with organized resistance that could not be coopted or contained, the PRI-government gradually developed an institutionalized capacity for selective repression. At first, the government relied primarily on the army.⁴¹ Yet over time, a variety of specialized police and intelligence agencies emerged under the aegis of the Secretariat of Government. Their role was to observe and infiltrate organizations formed outside the realm of the PRI, and, where necessary, imprison, kidnap, torture, and murder adversaries. The most notorious of these agencies was the Federal Intelligence Directorate (DFS), and its most notorious directors were Fernando Gutiérrez Barrios (1964-1970), Javier García Paniagua (1970-1976), and Miguel Nazar Haro (1976-1981).

As indicated earlier, Gutiérrez Barrios was in charge of the DFS at the time of the 1968 Tlatelolco massacre. When he was promoted to undersecretary of government in 1970, García Paniagua succeeded him as director of the DFS, and Nazar Haro became deputy director. This triumvirate was then in charge of state security at the time of the massacre of Corpus Christi Thursday on June 10, 1971, when the “Falcons,” a secret police unit, attacked a student protest march in Mexico City, killing 11 on the spot, “disappearing” another 35, and wounding hundreds.⁴²

The Gutiérrez-García-Nazar triumvirate was also the force behind the formation of the White Brigade, a clandestine paramilitary police unit that was responsible for the “disappearance” of thousands of opponents of the regime between 1972 and 1980, of which more than 500 never reappeared. Though the government has always denied involvement in the disappearances, Amnesty International has documented the personal participation of Nazar Haro in the torture of those detained.⁴³ Further evidence emerged last year in a Canadian court, where Mexican army deserter Zacarías Ozorio Cruz revealed his participation in the execution of political prisoners at Military Camp Number One, headquarters of the White Brigade. His orders, he said, came from the secretary of national defense, indicating close cooperation between the army and the Secretariat of Government.⁴⁴

In an ominous sign of Salinas’ intentions in the domain of human rights, and particularly of his plans for dealing with the political opposition, these three men were reappointed to top intelligence posts shortly after his inauguration. Salinas named Gutiérrez Barrios to his cabinet in early December. Days later, Salinas protégé and heir-apparent Manuel Camacho Solís, who had himself just been appointed administrator of the Federal District, named García Paniagua to head the capital’s police forces. Then on December 16, García Paniagua appointed Miguel Nazar Haro to the newly created post of director of intelligence services, with the explicit approval of Camacho Solís. Concurrently, Rafael Rocha Cordero, a former member of the White Brigade, was made chief of the judiciary police of the Federal District. Were there any lingering doubts about the meaning of these appointments, they were set aside by Rocha, who volunteered that “I was appointed to persuade the *cardenista* majority in this city not to insist on its political, social, and constitutional rights.”⁴⁵

But Salinas' far from benign intentions toward the political opposition had been clear long before he appointed his security chiefs. A new pattern of political violence directed against the FDN had already emerged during the presidential campaign. The first act of "persuasion" against the *cardenista* opposition was the assassination of Francisco Ovando, FDN electoral coordinator and congressional candidate, four days before the federal elections. Ovando, in charge of preparations for the independent vote count that was ultimately to prove embarrassing to the PRI, and had been under government surveillance. On the night of July 2, his car was intercepted in the center of Mexico City as he drove home, and both he and his assistant Román Gil were executed on the spot. On August 21, in the midst of Cárdenas' nationwide mobilization to demand respect for the July 6 electoral results, four young members of the Committees in Defense of the Vote became the next victims. As with Ovando and Gil, their car was intercepted in Mexico City, and all were shot at point-blank range. Then on September 10, during the state electoral campaign in Veracruz, the FDN mayoral candidate in Tezonapan was executed at the door to his home.⁴⁶ In none of these cases were any arrests ever made.

The campaign of repression intensified after Salinas took office in December. In the space of a single week in late December and early January, four Amerindian leaders linked to *cardenismo* were assassinated in four different states.⁴⁷ In late January, the focus of repression shifted to a small village in the state of Morelos. Once a bastion of support for agrarian revolutionary Emiliano Zapata, today Morelos is overwhelmingly *cardenista*. When the PRI nonetheless tried to steal a local election in Xoxocotla, villagers took to the streets on January 22 to demand that their vote be respected. They were answered with a hail of bullets, as the state rural police sprayed automatic-weapons fire into the unarmed crowd. Four villagers were killed and 30 wounded.⁴⁸ The resulting popular outcry forced the governor to recognize the *cardenista* victory.

By the end of January, the FDN had reported 34 political murders of its members and supporters in the first two months of the Salinas presidency, a number comparable to the total for the entire previous year.⁴⁹ Meanwhile, old forms of mass police brutality were on the rise. On December 23, one of Javier García Paniagua's paramilitary police units was used to quell an uprising by inmates at a prison in Tepic, Nayarit. The inmates surrendered, as recorded by an NBC News camera. Then the news media were told to leave, and shots were heard. At least 23, and possibly as many as 32 inmates were executed in cold blood.⁵⁰ Miguel Nazar Haro, too, was back to his old methods; by February, fully half of those detained by his Intelligence Directorate in Mexico City showed signs of torture when arraigned.⁵¹ In mid-April, a delegation from the Assembly of Representatives of the Federal District that was inspecting the Tlaxcoaque headquarters of the Intelligence Directorate discovered a torture chamber and isolation cells in the basement.⁵²

Despite a storm of protest from all opposition parties and from the Mexican Academy of Human Rights, Federal District administrator Manuel Camacho Solís steadfastly defended his appointments to high security posts. Ironically, Nazar Haro was forced to resign in February, brought down not by his human rights record, but by his legal difficulties in the United States, where he had been named in an indictment for protecting drug traffickers.⁵³ Given the high priority currently accorded the war on drug trafficking in the United States, this made Nazar Haro a political liability. (The agency he led was abolished on June 27 in response to the scandals that followed the discovery of the basement torture chambers and revelations that key officers had participated in political assassination.)

Camacho's foot-dragging has been matched by that of his mentor, Salinas, who has made only superficial concessions to public sentiment. In response to the growing public clamor over human rights, President Salinas issued a pardon to 402 political prisoners on February 23. Though presented by Salinas as an act of national reconciliation, and inflated by the government media into another of the president's larger-than-life initiatives, this gesture was a far cry from the general amnesty demanded by the opposition. It did not include persons imprisoned or "disappeared" in the first months of the Salinas administration, nor did it cancel current detention orders, account for persons who disappeared in the past, or disavow torture. The list was also woefully incomplete. Of 28 names of political prisoners submitted to the Secretariat of Government by the human rights group *Eureka!* (led by mothers of political prisoners and the "disappeared"), only five were released. Moreover, Salinas remained unwilling even to admit to the existence of political prisoners, instead referring to them as "inmates who committed various crimes while professing social and political motivations."⁵⁴

Salinas' contempt for human rights has been even more starkly illustrated by his administration's failure to apprehend and prosecute those responsible for the dozens of political murders of *cardenistas*, beginning with the assassinations of Francisco Ovando and Román Gil. As it always does in such cases, the government continues to insist that the murders of Ovando and Gil were common crimes, unrelated to their political activity. Yet the veil has recently fallen from a similar assassination that occurred four years earlier. Newly uncovered evidence about the murder of Manuel Buendía, Mexico's most prominent investigative journalist, has exposed both the operation of government death squads during de la Madrid's term and the existence of a government cover-up that persists to this day. Salinas, the Buendía case has made clear, is no more willing than his predecessors to pursue evidence of wrongdoing when the trail leads to high PRI officials.

Buendía was gunned down in broad daylight on May 30, 1984 on a street in Mexico City's exclusive Zona Rosa district. Though he had (like Ovando) been under government surveillance in the weeks preceding his death, the de la Madrid administration insisted the slaying was the work of common criminals. A year later, however, detectives from the Judiciary Police of the Federal District (PJDF) reported to their chief and to Federal District Prosecutor Victoria Adato that Buendía had been assassinated by a team of DFS agents, and that the suspected triggerman had himself been gunned down by fellow agents 41 days later.⁵⁵ The report was suppressed, and it was probably no coincidence that President de la Madrid a few months later promoted Prosecutor Adato to the Supreme Court.

As the government covered up, journalists pursued their own investigation. In mid-1986, Mario Munguía of *Ovaciones* came upon a copy of the PJDF report and disclosed its contents in his column. Other journalists discovered that DFS chief José Antonio Zorilla (who had succeeded Nazar in the post) had been on the scene of Buendía's murder a quarter of an hour after it occurred, and had insisted on taking charge of a case that, as a "common crime," fell within the jurisdiction of the PJDF. They also began uncovering a pattern of DFS murders, including that of José Luis Esqueda, a government investigator believed to have been looking into DFS links with narcotics smuggling.⁵⁶

With the approach of the fifth anniversary of the Buendía assassination—and with it the expiration of the statute of limitations—the Union of Democratic Journalists filed charges against

Zorrilla on May 26. This, together with the publicity generated by a series of investigative reports on the issue in the highly respected Mexican weekly *Proceso*, sparked another of President Salinas' high-profile responses. In mid-June, Zorrilla was arrested and charged with having masterminded the Buendía murder. Yet the way in which the Salinas administration handled the case once again raised questions about its motivations and about the sincerity of its concern with human rights. Again, legal process was flouted: Zorrilla was held incommunicado and interrogated without the presence of a lawyer, in violation of Article 20 of the constitution. Moreover, the government sought with almost indecent haste to limit the damage by drawing the line at Zorrilla. After years of inaction, it had suddenly discovered not only the culprit, but the motive as well. Zorrilla, officials maintained, had been providing protection to drug traffickers, and both Buendía and Esqueda had happened on the evidence, requiring that they be eliminated. Zorrilla had therefore been acting on his own authority, and there was no reason to suspect the involvement of higher officials.

Whether or not Zorrilla acted on his own, there can be no doubt that the subsequent cover-up extended to the highest levels of the Mexican government. In Mexico's highly centralized political system, it is inconceivable that the capital's police chief and prosecutor could have suppressed the PJDF report without previously consulting Secretary of Government Manuel Bartlett, and difficult to imagine that Bartlett would not in turn have consulted President de la Madrid. In any event, "deniability" vanished with public disclosure of the report in 1986; yet the government continued to insist that common criminals were to blame. (Some Mexicans have speculated that the persistent cover-up is intended to conceal the direct involvement of high officials in the crime; journalist Mario Munguía believes the assassination may have been related to a disclosure that de la Madrid himself had transferred \$162 million into a secret Swiss bank account.⁵⁷)

The cover-up has continued under Salinas, who has shown no inclination to investigate the possibility of wrongdoing by Bartlett and de la Madrid. More broadly, Salinas has shown no interest in institutional reform to prevent such violations of basic human rights in the future. Were he a genuine reformer, he would seize on such a scandal to overhaul the security establishment and develop effective checks and balances. Instead, he has merely reconstituted the discredited DFS as the Center for Investigation and National Security, again without consulting Congress, and has sought to divert public attention to a scapegoat in an assassination that is now safely in the past. At the same time, he has continued to raise the level of repression against his political opponents. Here, as elsewhere, the opposition is the only political force interested in making the requisite changes to protect civil and human rights, central among them the development of a pluralistic and independent legislature, capable of investigating and correcting executive corruption and lawlessness. Absent such reforms, the arrest of Zorrilla is cold comfort to Mexican journalists, some three dozen of whom have been assassinated in the past seven years.⁵⁸

Salinas' unwillingness to hold high government officials responsible for misconduct has also been manifest in other criminal prosecutions as well. One example is the stock fraud case that brought the arrest of four Mexican stock exchange officials on February 13. Among dozens of violations of securities laws, they had engaged in insider-trading schemes to artificially inflate stock prices and sold large quantities of nonexistent stocks to unsuspecting clients. Yet Finance Secretary Gustavo Petricoli, whose abolition of the agency that regulated the exchanges had

facilitated the fraud and who subsequently covered up the activities of the stock market directors, was absolved of all responsibility. On three separate occasions spanning half a year, Attorney General Sergio García Ramírez had informed Petricioli, whose authorization he needed to launch prosecutions, of the accumulating evidence, but to no avail; Petricioli steadfastly protected his stock market friends.⁵⁹ None of this deterred Salinas from naming him ambassador to Washington at the beginning of December.

Salinas' use of repression against his opponents and his tolerance of malfeasance by his friends and supporters clearly indicate the shallowness of his commitment to reform. In the areas of criminal justice and human rights, as in electoral and union democracy, Salinas has repeatedly resorted to largely cosmetic actions to create the image of a dynamic presidency and convey the appearance of reform. Yet the real advocates of reform in Mexico—investigative journalists, democratic labor activists, members of opposition parties and human rights organizations, among others—have been rewarded for their efforts with continuing repression and violence. Meanwhile, the architects of Mexico's death squads, endemic corruption, and electoral frauds remain untouchable.

Economic Modernization: More of the Same

The persistence of old patterns of corruption, electoral fraud, and repression in an administration dedicated to “modern politics” might seem paradoxical. But Salinas' policies are logical outgrowths of the disastrously misconceived program of “economic modernization” he has implemented over the past seven years, first as secretary of planning and the budget, and now as president. With the economic stagnation and rising poverty engendered by the PRI's program causing the party's legitimacy to plummet, fraud and intimidation have become its only means of clinging to power.

The centerpiece of the PRI's economic modernization program has been the maintenance of payments on Mexico's \$102 billion foreign debt. By making Mexico a model debtor, Salinas has hoped to attract new foreign loans and investment with which to modernize the economy. Yet the burden of debt repayment has not been shared equally—let alone equitably—by Mexico's social classes. While per-capita Gross National Product (GNP) declined between 15 and 20 percent (depending on estimates of population growth) over the past seven years, real wages plunged by 59 percent.⁶⁰ Higher international interest rates and lower oil revenues fueled inflation that stripped wages of their purchasing power; the income of the rich, however, was safeguarded by the fact that interest rates remained higher than inflation. High interest rates have in turn transformed the domestic debt into a giant engine of redistribution from the poor and middle classes to the rich. By 1988, real interest payments on the internal debt had reached 7 percent of GNP, almost twice the 3.8 percent paid on the external debt.⁶¹ As a result, Mexico's distribution of income, already among the most uneven in the world, has become even more polarized, plunging a majority of the population back into poverty, and rupturing the country's tenuous social contract.

Had this been a temporary setback on the road to economic recovery, the sacrifice might have been tolerable. Yet the economy has stagnated. There is little indication that the PRI's modernization strategy has in any way strengthened the economy even by the standards implicitly set for Mexico by Salinas himself, with his oft-expressed admiration for the

industrializing societies of East Asia. Of particular concern is Salinas' failure to correct one of the most serious structural deficiencies of the Mexican economy: the lack of a domestic capacity for industrial modernization that would enable the country to process its abundant supply of natural resources into finished industrial goods capable of commanding high prices in international markets. Achieving this would require development of capital-goods industries, yet Mexico persists in doing the reverse, developing consumer-goods industries that depend on imports of capital goods and foreign technical know-how. Correspondingly, Mexican investment in research and development remains at a meager 0.5 percent of GNP, in contrast to an average of 2.5 percent in developed countries.⁶²

Instead of developing Mexico's own capabilities, Salinas has turned to foreign investment as a panacea. Over the six-year term of the de la Madrid administration, in which Salinas served as chief economic planner, foreign direct investment totaled \$13 billion, an amount considerably greater than the accumulated sum of such investment for all of prior Mexican history.⁶³ Most of the foreign investment was in *maquiladoras*, assembly plants designed to take maximum advantage of low Mexican wages and proximity to the U.S. border. These, in the absence of anything more meaningful, have become the showcase of President Salinas' economic modernization program. Yet the only Mexican elements in the border assembly plants are cheap labor and government-subsidized oil and electricity. No less than 98 percent of all material inputs are imported from the United States, Japan, and Europe, which are happy to take advantage of the freedom from import duties that is an integral element of the *maquiladora* arrangement.⁶⁴ Since the companies are entirely foreign-owned, profits are remitted to home offices. The Mexican government is only permitted to tax value added in Mexico, which in effect amounts to little more than the cost of labor. But labor is cheap. Even the most generous Japanese firms pay workers no more than 80 cents an hour, or about twice the minimum wage.⁶⁵ That means the government collects relatively little in the way of taxes, and workers don't earn enough to generate a substantial domestic market. Worse yet, Mexico gains little in the way of technical knowledge and capability, and its workers are likewise frozen in relatively unskilled jobs.

While opening up Mexico to new foreign industries tailored to foreign needs and markets, the de la Madrid-Salinas policies have also led to foreign ownership of key segments of the country's existing economic base. Through debt-for-equity swaps, a form of foreclosure that gives foreign interests control of Mexican enterprises in exchange for retirement of un-payable debt, almost \$4 billion in equity passed into foreign hands. U.S. firms were the primary beneficiaries, acquiring just under \$2 billion in Mexican assets. Mexico was the clear loser; since almost a third of equity acquired by foreign interests was in the profitable tourist sector of the economy, another 15.9 percent in the automotive manufacturing sector, and yet another 11.5 percent in the already underdeveloped capital-goods sector, the country's ability to generate foreign currency reserves and develop domestic industrial capacity has been further undermined.⁶⁶

The PRI's economic technocrats have failed not only to develop new areas of industrial strength, but even to safeguard existing ones. In their determination to maintain payments on the foreign debt, they have slashed public investment below maintenance levels, allowing vital infrastructure (roads, railways, bridges, hydroelectric dams, telephones) and industrial plant to deteriorate. Ironically, they are now pointing to the insufficiency of public investment to justify the extension of their privatization program to the healthiest and most strategic segments of the economy.

The Salinas administration's eagerness to surrender Mexican industrial capacity to private and foreign interests in the name of "modernization" has been particularly evident in its management of the oil industry. Oil is Mexico's most important source of foreign exchange, earning \$3.8 billion in the first half of this year. But rather than reserve a portion of these earnings for further investment, Salinas has used them to pay interest on the foreign debt, while slashing the budget of the government-owned oil company by 29 percent this year.

The cuts in Pemex's budget have in turn become the pretext for privatizing the most profitable sector of the oil industry: petrochemicals, which account for 2.5 percent of GNP. In August, the Ministry of Energy, Mines, and Public-Sector Industries allowed control of the production of 15 synthetic substances on the list of strategic industrial products to be transferred from Pemex to such "Mexican" companies as Celanese Mexicana and Unión Carbide, and to foreign multinationals such as Dupont, Ciba Geigy, Hoescht, Bayer, BASF, and Rhone-Poulenc.⁶⁷ As a result of this move and a similar transfer of 36 products three years ago, around 70 percent of strategic petrochemicals have now been ceded to the private sector. Among those chemicals are some that acquire more than 90 percent of its final value in the process of manufacture, thereby converting cheap oil and natural gas into highly profitable commodities.

From any perspective other than blind allegiance to free-market ideology, it is hard to see how the privatization of the petrochemical industry can do anything other than exacerbate Mexico's economic problems. The government, already chronically short of revenue, is losing one of its most lucrative sources of income. The nation will lose partial control over what is arguably its most modern and relatively competitive industry. And the primary domestic benefits will go to the top 1 percent of Mexico's wealth pyramid, further widening the already dangerous rift between the rich elite and the poor majority.

Such considerations have not stopped the government from attempting to parcel off other segments of the oil business, among them exploration and transportation, to the foreign and domestic private sectors. At the same time, the Salinas administration plans to sell outright another bulwark of Mexico's natural resource base, the Cananea copper mine, located 25 miles south of the Arizona border in the state of Sonora. The mine, which produces 3 percent of the world's copper supply and exports 40 percent of its output, earned a profit of \$75 million in 1988—four times its 1987 profit. Even so, its potential is not being realized. Like other primary commodities, copper sells cheaply on the world market. The greatest profits are reaped from the value added when copper is processed into finished goods such as copper wire and tubing. The production of copper wire in turn requires a petrochemical industry to produce plastic sheathing.

A rational modernization plan, then, would seek to develop an integrated capacity to produce high value-added finished goods using as many of the country's diverse natural resources as possible. Yet here again, ideological considerations have prevailed over both strategic considerations and the bottom line. The Cananea mine was put on the auction block in October 1988, but bids fell short of the asking price, in large measure because of private sector fears of its militant union local. Salinas resolved the problem in his usual manner on August 20, sending some 4,000 troops armed with machine guns and escorted by helicopters to seize the mine.⁶⁸ The company was then declared bankrupt in order to rid it of its union contract and prepare the mine for another attempt at sale.

Salinas' failure to develop a modern industrial base to maximize revenue from Mexico's natural resource endowment has been compounded by agricultural policies that are exacerbating the PRI's traditional neglect of the countryside. One of the most harmful of these has been the maintenance of restrictive price controls on staples of the Mexican diet, a policy designed to support the government's efforts to keep wages low in the cities. Thus as real wages have dropped, so have real rural prices. Government figures show that the cost of agricultural inputs rose by 9,700 percent between 1981 and 1988, while "guaranteed" prices for basic foods rose only 5,750 percent, causing a 41 percent decline in the real prices paid to farmers.⁶⁹ The social cost of this collapse in prices has been especially high among the already marginalized majority of small farmers, millions of whom have been forced to flee to urban shantytowns and across the U.S. border in search of a livelihood.

Just as worrisome is the fact that those who remain in the countryside have been given little incentive to produce beyond their own immediate needs. In some cases, the government has set agricultural prices below the cost of production, predictably giving rise to severe food shortages. Due to a 26.5 percent decline in the size of the dairy herd between 1985 and 1988, the government has been forced to purchase \$480 million worth of powdered milk this year from foreign suppliers at more than twice the national price. Similarly, the supply of hogs has decreased by half since 1983, and 44 percent of the egg supply had to be imported in 1988.⁷⁰ Most painful of all, Mexico will have to import 12 million metric tons of grains and beans this year—half its national consumption—at a time when prices have soared because of last year's drought in the United States.⁷¹ Overall, the cost of agricultural imports now exceeds the value of agricultural exports, further draining resources from an already ailing economy.

Both as secretary of the budget and now as president, Salinas has responded to the crisis in food production with ever greater neglect of the agricultural sector. Budget allocations for agriculture declined by 63 percent between 1981 and 1988, and have again been cut by 16 percent in Salinas' 1989 budget.⁷² For lack of funds, extension agents are disappearing from the countryside, and half of all agricultural professionals are unemployed. More than half of the recent graduates of the country's leading agricultural university, the Autonomous University of Chapingo, are now seeking employment in the United States, and the Salinas administration is attempting to close the school. (The Tropical Agriculture Academy, the only institute dedicated to the farming practices required for cultivation in much of southern Mexico, had already been closed during de la Madrid's term.) Meanwhile, agricultural credit declined by 40 percent between 1981 and 1986. One measure of the resulting de-capitalization of Mexican agriculture is that only 6,325 tractors were sold in 1987, little more than a third of the 18,069 sold in 1981.⁷³ Such are the implications of economic "modernization" for agriculture.

Salinas' budget-cutting efforts have not been limited to agriculture, but have also chipped away at education and health programs, exacerbating a preexisting deficiency of investment in human capital. An educated work force has become a necessary precondition for success in the high-technology industries that dominate the new global economy. Yet public spending on education in Mexico declined from 5.5 percent of GNP in 1982 to 2.5 percent in 1988, with no improvement in 1989 (UNESCO recommends a minimum of 6 percent).⁷⁴ Elementary school teachers who earned six times the minimum wage in 1982 make only one-and-a-half times the minimum wage today, and university professors who earned the equivalent of \$2,000 a month in 1982 are now having to survive on \$500 a month.⁷⁵ Growing poverty forced more than five

million children to drop out of elementary school between 1982 and 1988, causing an overall decrease in enrollment since 1985 despite a yearly population increase of more than 1.5 million.⁷⁶ In an exquisite irony, President Salinas sends his own children to a private school where they are educated in Japanese.

If low labor costs are Mexico's "comparative advantage" in the world market, abysmally low wages are its comparative disadvantage as it seeks to build a truly modern economy. The 50 percent decline in real wages during the de la Madrid-Salinas period has not only stunted domestic markets, but has sunk a majority of the population into subhuman conditions that effectively preclude its participation in economic development. About half the economically active population of 30 million earns less than the minimum wage, and this half has more than half of the country's children. As a result, the majority of the population is suffering from malnutrition, according to a recent U.N. study.⁷⁷ Total consumption of beef declined by 45 percent between 1982 and 1988, and consumption of beans—the major source of protein for the poor—fell by 34 percent in the same period. Because of a rapid population growth, the per-capita decline in consumption has been even steeper. Taking into consideration the fact that childhood malnutrition stunts mental development, the implications for Mexico's future are staggering. Yet this is not all. Public sanitation levels are appalling. Fifty-six percent of Mexican homes lack drinkable water supplies.⁷⁸ Waterborne contamination is endemic throughout Mexico, with a quarter of all hospital beds occupied by patients suffering the more acute effects of amebiasis, typhoid, hepatitis, and a variety of parasitic ailments.⁷⁹ Even so, the government has reduced its allocation for health care from 2.5 percent of GNP in 1982 to less than 1.5 percent this year.⁸⁰ It is particularly tragic that all this should be true in a country that is well endowed with natural resources.

It is this appalling waste of human potential that most starkly testifies to the hollowness of Salinas' economic "modernization." A development model that leaves a majority of the population in poverty is doomed to failure. It is simply not possible to develop a competitive economy in today's high-technology world with malnourished, sick, and undereducated human beings. Thus the ironic contrast between Salinas' professed admiration for Japan and his apparent failure to recognize the underpinnings of Japanese success. From the beginning, the Japanese have provided for high levels of education and public hygiene, fostered the development of an increasingly sophisticated work force, and taken care to spread the benefits of growth throughout society. Japan now has one of the world's most equitable distributions of income. Mexico, despite a comparable period of spectacular economic growth extending from the 1940s into the 1970s, had one of the world's most inequitable distributions of income even before the recent collapse in wage rates.

The central obstacle to the economic modernization of Mexico, then, is the country's shockingly skewed distribution of wealth, income, and power. And the primary bulwark of this inequitable system has been the PRI, which for many decades successfully coopted Mexico's revolutionary tradition for the purpose of maintaining the status quo. Not since Lázaro Cárdenas has any president seriously challenged the prevailing socioeconomic order. Appearances to the contrary, presidents Luis Echeverría (1970-76) and José López Portillo (1976-82) were no exceptions to the rule. Faced with rising popular discontent, they responded with massive public spending to boost employment, expand middle-class access to higher education, and increase social subsidies for the poor. Yet neither sought tax reform, and neither made any move to free the working

classes from the corporatist control of labor bosses and rural *caciques* (chieftains). It was this failure to engage in genuine reform that compelled them to seek extraordinary sources of financing for their deficit spending—Echeverría by borrowing from abroad, López Portillo by exporting oil. With these options now precluded by the debt crisis and the fall in oil prices, presidents de la Madrid and Salinas have restored the unadorned PRI model, re-exposing its contradictions.

Now Salinas is spooked by the ghost of resurgent *cardenismo*. Cuauhtémoc Cárdenas and the PRD are proposing precisely the sort of structural overhaul of Mexican society that the PRI was designed to forestall. Their economic objectives include tax reform, the dismantling of corporatism, investment in education to improve productivity and raise wages, extension of sanitation to the entire population, reinvestment in agriculture, and development of high-technology industries making maximum use of Mexican resources. Financing for these programs would be obtained in part through tax reform, but primarily from the resources that would be freed for development by repaying no more than the real market value of the Mexican external debt, currently about 45 cents on the dollar.

When contrasted with the *cardenista* proposals, Salinas' emphasis on debt repayment and foreign investment looks to many Mexicans like a recipe not for economic modernization, but for economic disaster. And, despite grandiose claims to the contrary, the recognition of the public debt owed to foreign commercial banks concluded in July offers little hope for revitalization of the Mexican economy. On July 23, Salinas announced in a national televised address, "we have concluded an agreement with the international banks that resolves the problem of the excessive external debt of our country." Yet he failed to obtain anything like the 55 percent reduction in principal he had sought. Instead, the banks agreed to a plan that allows them the choice of writing off 35 percent of the principal, reducing the interest rate to 6.25 percent, or advancing new loans equivalent to 25 percent of the value of those outstanding. In return, Salinas committed Mexico to full repayment of principal, guaranteed by the purchase of \$7 billion in zero-coupon U.S. Treasury bonds due to mature in 30 years. None of this dampened the presidential rhetoric, however. On July 24, Salinas explained that if all banks were to choose the option of debt reduction, "that would be the equivalent of erasing, *literally erasing*, from the debt books an amount equal to that contracted by Mexico between 1810 and 1976: 166 years of indebtedness would be lifted from the shoulders of Mexicans."

In fact, the July agreement between Mexico and its commercial creditors applies to little more than half of Mexico's \$91 billion public sector debt. After subtracting the \$38 billion that is owed to entities other than foreign commercial banks, the \$6 billion contracted since 1983 (which is excluded from the arrangement), and the \$7 billion committed for purchase of U.S. Treasury bonds, the greatest possible debt reduction would then be \$9.5 billion. This amounts to barely 10 percent of the government's overall indebtedness, and, Salinas' claim notwithstanding, does not come even close to equaling the \$19.6 billion of public debt that had accumulated by 1976.

The option of reducing interest rates to 6.25 percent is subject to similar limitations. It would result in an approximately 40 percent reduction in interest payments relative to current money-market rates, but would again apply to only \$47 billion of Mexico's public debt, while the \$7 billion committed to pay for U.S. Treasury bonds would actually increase overall indebtedness. Should banks prefer to extend new loans, there would be no debt relief at all, and a substantial

further increase in public indebtedness. If banks choose to extend new loans to Mexico, this too will result in a substantial further increase in public indebtedness. Whatever the mix of debt reduction, interest rate reduction, and new loans ultimately adopted by the banks, the bottom line is that Mexico will still need to spend somewhere between 4 and 5 percent of its GNP on debt servicing.⁸¹

This leaves the prospects for reactivating the Mexican economy dim. During the de la Madrid administration, when debt servicing consumed an average of 6.3 percent of GNP, Mexico's economy stagnated. If the new agreement reduces the drain to about 4.5 percent, it is reasonable to assume that GNP growth will resume, but at a relatively low annual rate of about 2 percent, which will be negated by population growth. To merely provide employment for the million young Mexicans who will enter the labor market each year between now and the end of the century will, according to Mexican analyst Jorge G. Castañeda, require that the economy grow at 4 to 5 percent per year.⁸² And a start-up investment of billions of dollars will be necessary to rebuild the country's long-neglected highways, railways, and electrical system, modernize its inefficient telephone system, and shore up its decaying industrial plant. Without a major overhaul of the economic infrastructure, there is no prospect of raising the kind of superstructure that defines a truly modern economy. But without meaningful growth in per-capita GNP, any such investment will almost certainly be to the further detriment of the standard of living of the majority.

There is but one way out of this dead end: recognition that economic recovery cannot be achieved on the backs of the working classes alone. The domestic elites and foreign banks responsible for the debt will have to assume a fairer share of the burden—the former through tax reform, the latter through a more realistic valuation of the debt. Unfortunately, even if Salinas should want to seek such a solution, he is poorly placed to pull it off. He lacks the mass support that would be needed to confront either of these powerful groups; on the contrary, the domestic elites and foreign bankers whose interests have been favored for years by the PRI are his most fervent admirers. Yet they are unlikely to help Salinas solve Mexico's economic problems. The foreign banks have hardly gone out of their way to reward their model debtor and free marketeer with a true market revaluation of Mexico's debt. Similarly, it is unclear that Salinas' domestic boosters will put their money where their sentiments are by repatriating the billions of dollars in capital they have sent abroad. In this setting, Salinas' ongoing concessions to domestic elites and foreign banks are further exacerbating his legitimacy problem.

In the absence of genuine reform, Salinas can only look forward to mounting popular opposition. He is already a minority president, known to have won his office through a stolen election. For the first time in the history of the PRI, he must now confront a mass-based party of the center-left that is successfully challenging its claim to revolutionary and nationalist legitimacy. At the same time, Mexico's workers are mobilizing as never before to depose the PRI's labor bosses. Meanwhile, the means of cooptation available to the PRI have shrunk. The option of engaging in populist spending sprees to soften Mexico's extremes of wealth and poverty has disappeared, leaving behind the bitter pill of the foreign debt. Increasingly, repression, whether through electoral fraud or through actual violence, is the only remaining tool for maintaining control.

U.S. Policy Toward Mexico: A Historic Opportunity

In trying to effect a peaceful transition to modern pluralistic democracy, Mexicans are treading on unfamiliar ground. Never in Mexican history has there been a peaceful transfer of power between succeeding political regimes. Unpopular governments have always contained and repressed the emerging opposition to the point that when change has come, it has been cataclysmic. On three prior occasions, Mexico's majority lower classes were mobilized against the ruling elite by the promise of social reform. The first revolution (1810-21) led to independence from Spain; the second (1855-67) expelled the French invaders and instituted the liberal reforms that broke the power of the Catholic Church; the third (1910-20) produced the revolutionary constitution of 1917, which recognized the rights of peasants to land and of workers to decent wages. In no case, however, did the majority ever come to power.⁸³ And each time, it was the poor who suffered most from the death and destruction that accompanied social upheaval. That is why the leaders of Mexico's fourth revolution, now under way, are particularly anxious to avoid any violence. Hence the name of the new party, Party of the *Democratic* Revolution, and its recourse to elections, mass demonstrations, and, where necessary, nonviolent direct action.

These methods are, for the most part, new and unfamiliar to the Mexican people. Though elections have been held for more than a century, they have heretofore been only to ratify existing power arrangements. Most Mexicans had no experience of a contested election before the 1988 presidential election. Just as elections were stage-managed by the state, so were labor and peasant unions. Unlike the relatively small Mexican middle class, which was allowed to organize the PAN, the lower classes—which constituted a majority and were therefore more dangerous—were deliberately prevented from organizing autonomous political movements of any kind. Preventing the rise to power of the Mexican majority was, and is, the *raison d'être* of the PRI.

As in other one-party states where elections and labor unions have been used as means of social control over the working classes, the repression of mass political activity has produced at least the appearance of passivity among the population. Afforded no intermediate options between passive sufferance of the status quo and revolutionary violence, people have tended to opt for the former, especially when the state has also taken care to appropriate revolutionary symbols, and has ensured itself a crushing monopoly of force. This is as true of Mexicans as of Eastern Europeans. In both cases, economic and political crises are only now providing openings for alternative responses by the citizenry.

In Mexico, as in Eastern Europe, civil society is having to organize itself virtually from scratch. With almost no previous experience, workers are organizing real unions, neighborhood residents are organizing independent civic organizations, and heretofore-scattered nuclei of resistance are coalescing into genuine political parties preparing to assume power. Creating a viable opposition where none existed before would be a daunting task under any circumstances; it is all the more so when the ruling party maintains control of the secret police, the army, and most means of mass communication. That makes the meteoric rise of the FDN and now the PRD all the more remarkable.

Yet the fact that the opposition movement is still in its infancy conditions its ability to assert itself. Cárdenas won the 1988 federal elections, but Salinas is president. The PRD won the 1989

state elections in Michoacán, but the PRI will not relinquish control of the legislature there. Despite the government's blatant flouting of the popular will, the opposition has been unable to mount a sufficiently formidable demonstration of strength to claim its rightful position. Acts of protest have been staged in some areas; in Michoacán, irate citizens have now occupied two-thirds of the state's town halls to demand recognition of the PRD electoral triumph.⁸⁴ PRD supporters have also blocked major highways, the first statewide application of a tactic first used by the PAN in 1985 to protest electoral fraud in Ciudad Juárez. And, as the government has repeated its use of fraud to counter PRD gains in the August elections in Oaxaca, public seizures of town halls and blockages of highways have spread to that state as well. Yet the PRD has had only limited success in organizing massive acts of solidarity among supporters in other states. In part, this is due to lingering memories of massacres of peaceful protesters in the 1960s and 1970s (to say nothing of the murders in Xoxocotla earlier this year), and to fears of retaliation at the workplace. But the primary obstacle has been the PRD's still very limited organizational capabilities. In contrast to Michoacán, where the PRD has been able to build on the political network of former governor Cárdenas, the nascent party is elsewhere just beginning to construct local and statewide organizational bases.

For now, the net effect is a standoff between a government with power but little perceived legitimacy, and an opposition with legitimacy but a still limited ability to translate it into effective power. It is, however, an unstable equilibrium. By refusing to share power, the PRI is magnifying every PRD advance into a challenge to the whole system and in the process further discrediting itself. More seriously, by denying basic economic and political rights to a majority of the population, yet precluding democratic means of achieving desperately needed social change, Salinas and the PRI are risking social unrest. It is clear in this regard that limited openings to the PAN in remote border states will not resolve the broader problem.

Whether wittingly or unwittingly, current U.S. policies and attitudes toward Mexico are contributing to the unstable standoff. By presenting Salinas as a model Third World leader and encouraging the perception that the larger questions of democratization, fulfillment of basic social needs, and repression are of little importance, U.S. officials are only helping to delay inevitable reforms. Meanwhile U.S. liberals are keeping silent, either for lack of knowledge of developments in Mexico, or out of an understandable reluctance to tread on Mexican sensitivities about U.S. intervention in their affairs. Yet the situation in Mexico has changed. The political forces with the strongest claim to nationalism are now in the opposition, and they certainly would not object to the use of legitimate U.S. influence on behalf of genuine democratic reform.

The current situation in fact places the United States in a unique position to support democracy and human rights in Mexico. Because Salinas' domestic vulnerabilities have led him to look to the United States for support, including debt relief, he has become susceptible to U.S. influence. His unwillingness to incur U.S. displeasure has been demonstrated on several recent occasions. In mid-May, when the Bush administration was seeking action by the Organization of American States against General Manuel Noriega of Panama, Mexico broke with precedent and voted in favor of a resolution condemning Noriega for electoral fraud in the Panamanian presidential election.⁸⁵ This was doubly remarkable. First, because Mexico, traditionally the most jealous guardian of Latin American self-determination, would normally have insisted on a parallel condemnation of U.S. intervention in Panama, including its deployment of thousands of troops

and funneling of \$10 million in CIA funds to the opposition. Second, because it placed Mexico in the awkward position of criticizing another country for a practice it itself indulges in.

The other recent instance in which Salinas bowed to U.S. pressure was his recognition of the PAN electoral triumph in Baja California Norte. Here credit belongs primarily to the U.S. media, which focused the public spotlight on Baja California, thereby converting the election into a test case of Salinas' promise of clean elections. In Mexico City, this was interpreted to mean that the U.S. political establishment was taking a particular interest in the Baja election, and that fraud there would seriously compromise Salinas' favorable image in the United States.

In both of these instances, U.S. influence was exerted against electoral fraud. Yet the potency of this message has been diminished by the inconsistency of its application. If President Bush is to continue insisting that "the will of the people be honored" in Panama, how can he not likewise insist that the will of the people be honored in Mexico? And if Baja California is a test case of Salinas' democratic intentions, are not Michoacán and Oaxaca, where the political threats to the system are much greater, even more decisive as tests? If the United States is seen to have a double standard, supporting democracy only when and where it favors political allies, our credibility in Latin America will be seriously compromised.

But there is even more at stake than U.S. credibility. Mexico is our most strategic neighbor, a neighbor that has blessed us with more than a half century of relative stability and tranquility on our southern flank. That stability is now endangered. As the White House tirelessly insists elsewhere, genuine political pluralism based on free elections and independent labor unions is the most reliable guarantor of long-term stability. It is also the most certain way to root out the authoritarianism and corruption that are the greatest obstacles to the genuine modernization and reform of Mexican society.

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Notes:

1. José Berberán et al, *Radiografía del Fraude: Análisis de los datos oficiales del 6 de julio* (Mexico City: Editorial Nuestro Tiempo, 1988), 153 pp. The statisticians found two telltale signs of massive tampering. In place of the single bell-shaped curve that would be expected to describe the distribution of votes obtained by each party, the PRI was found to have two such curves: one centered around a mean of 36 percent (its true national average), and the other peaking around an implausible 100 percent. A second diagnostic test revealed the provenance of these "unanimous" results. Whereas totals for each of the opposition parties had last digits that occurred with roughly equal frequency, the last digit of PRI totals was 60 percent more likely to be a zero, indicating that the PRI had inflated its totals by simply adding zeros to its actual vote count. This explains the government's determined refusal to engage in a public recount, which would only expose it to national and international embarrassment.

2. *Los Angeles Times*, August 20, 1989, p. 1.
3. *Proceso*, No. 631 (December 5, 1988), p. 6.
4. "Mexican President Has Ulterior Motives For Striking at Fraud by His Own Party," *Wall Street Journal*, June 23, 1989, p. 11.
5. "Mexico Investigates Vote Fraud by Ruling Party," *New York Times*, June 23, 1989, p. 3.
6. "Registro público nacional de las grandes operaciones de defraudación electoral en México," Democratic Assembly for Effective Suffrage (ADESE), June 1988.
7. *Proceso*, No. 573 (October 26, 1987), p. 32.
8. *La Jornada*, May 16, 1989, p. 6.
9. *Proceso*, No. 662 (July 10, 1989), p. 10.
10. *Proceso*, No. 663 (July 17, 1989), p. 6.
11. *Proceso*, No. 652 (May 1, 1989), p. 29.
12. *Llamamiento al Pueblo de México*, October 21, 1988.
13. In the previous state elections of 1986, the government of Cuauhtémoc Cárdenas stuck to the letter of the law, configuring the Commission in accord with the results of the preceding federal congressional elections of 1985.
14. The first primaries had been held by the PMS in 1987 and 1988 to select presidential and congressional candidates for the 1988 federal elections.
15. *Proceso*, No. 660 (June 26, 1989), p. 28.
16. "El PRI convocó a todos sus 'brujos' para enfrentarlos al PRD," *Proceso*, No. 662 (July 10, 1989), pp. 18-19.
17. "En Ario de Rosales, Coalcomán y Tacámbaro, Obstaculizan la Labor de La Voz de Michoacán," and "Acción Anónima Atenta Contra el Sistema de Telefonía de La Voz," *La Voz de Michoacán*, July 3, 1989, p. 16-E.
18. *El Universal*, July 8, 1989.
19. "El fraude en Michoacán tan evidente, que en todo dejó sus huellas," *Proceso*, No. 663 (July 17, 1989), pp. 7-8.
20. In so doing, it exposed the methods used. In one polling location, the PRD had won 32 votes to the PRI's 19, yet by the time the government's copy of the tally sheet reached the district committee, the PRI total had become 119. In other cases, the PRI vote mushroomed from 150 to 250, from 63 to 163, from 51 to 251, and so on. The alchemists had learned not to add zeros (see fn. 1). Elsewhere, the numbers were simply conjured out of thin air, as in the case of polling stations that never opened because they failed to receive a supply of ballots. Here the PRI achieved shutouts of 253 to 0 for the PRD, 98 to 0, etc. *Ibid.*, pp. 8-10.
21. *Proceso*, No. 668 (August 21, 1989), pp. 26, 35.
22. *Proceso*, No. 668 (August 21, 1989), p. 24.
23. "Proyecto del PRD para una reforma de la Constitución," *Uno Más Uno*, June 21, 1989, pp. 1,6; "Sufragio Efectivo," *Proceso*, No. 660 (June 26, 1989), pp. 38-40.
24. Highly successful precedents have long existed in Venezuela and Costa Rica, and another has been in existence in Nicaragua since 1984.
25. Jorge Alcocer, "El PRI: por la contrarreforma," *Proceso*, No. 670 (September 4, 1989), pp. 32-34, 36; "Proporcionalidad en el Senado y menos diputados, sugiere el PRI," *La Jornada*, June 28, 1989, p. 3.
26. *La Jornada*, February 21, 1988, p. 4; *Proceso*, No. 590 (February 22, 1988), p. 17.
27. "La malquerencia entre Salinas y La Quina surgió a la luz pública en 1984 y fue creciendo," *Proceso*, No. 637 (January 16, 1989), p. 7.

28. *Ibid.*
29. "Contradicen los vecinos la versión oficial sobre la captura de La Quina," *Proceso*, No. 637 (January 16, 1989), pp. 15-18.
30. *Proceso*, No. 648 (April 3, 1989), p. 29.
31. *Proceso*, No. 654 (May 15, 1989), p. 22.
32. *Proceso*, No. 655 (May 22, 1989), p. 31.
33. "'Me mandó llamar el gobierno para apagar el fuego,' explica Guzmán Cabrera," *Proceso*, No. 641 (February 13, 1989), pp. 10-12.
34. "Un recuento democrático pone a Venus Rey en el filo de la navaja," *Proceso*, No. 639 (January 30, 1989), pp. 48-51.
35. "Fidel quitó a Venus Rey, pero impuso nuevo líder a los músicos," *Proceso*, No. 646 (March 20, 1989), pp. 22-23.
36. *Proceso*, No. 639 (January 30, 1989), p. 7.
37. *Proceso*, No. 651 (April 24, 1989), p. 34.
38. "La disidencia, con sus corrientes en la dirección, encabeza ya la Sección 9," *Proceso*, No. 664 (July 24, 1989), p. 30; *Proceso*, No. 660 (June 26, 1989), p. 37.
39. "Mexican steelworkers defy union with strike," *Financial Times*, August 23, 1989, p. 3.
40. "Los líderes electricistas, acusados de corruptos; Sánchez, protegido....," *Proceso*, No. 658 (June 12, 1989), pp. 12-13.
41. Note, for instance, the slaughter of 200 demonstrators protesting the policies of President Adolfo Ruiz Cortines on July 8, 1952; the use of troops to crush a strike by the (briefly) independent Rail Workers Union in 1959; the massacre, on orders of President Adolfo López Mateos, of Morelos agrarian leader (and Protestant minister) Rubén Jaramillo, his pregnant wife, and three children, by troops disguised as peasants, on May 23, 1962.
42. Casualty figures from James Cockcroft, *Mexico: Capital Accumulation, Class Formation, and the State* (New York: Monthly Review Press, 1983), p. 243. See also Alan Riding, *Distant Neighbors: A Portrait of the Mexicans* (New York: Vintage, 1986), p. 88.
43. Amnesty International, *Annual Report 1978*. See also annual reports for 1979-1982.
44. "Huyó angustiado, por las matanzas que fue obligado a cometer, por motivos políticos," *Proceso*, No. 598 (April 18, 1988), pp. 12-18.
45. *Proceso*, No. 634 (December 26, 1989), p. 8.
46. *Proceso*, No. 620 (September 19, 1989), p. 15.
47. *Proceso*, No. 636 (January 9, 1989), p. 19; *Iglesias*, No. 61 (January-February 1989), p. 39.
48. Adolfo Gilly, "Xoxocotla," *La Jornada*, January 26, 1989.
49. *Proceso*, No. 639 (January 30, 1989), p. 31.
50. "Las metrallas de los 'Zorros' sonaron cuando los amotinados ya estaban sometidos," *Proceso*, No. 635 (January 2, 1989), pp. 7-13.
51. *Proceso*, No. 661 (July 3, 1989), p. 18.
52. "Se clausuró Tlaxcoaque, pero no se van sus ocupantes....," *Proceso*, No. 651 (April 24, 1989), p. 24.
53. *Proceso*, No. 640 (February 6, 1989), pp. 10-13.
54. *Proceso*, No. 643 (February 27, 1989), pp. 12-13.
55. "Desde hace cuatro años las autoridades sabían que la DFS estaba involucrada en el asesinato," *Proceso*, No. 660 (June 26, 1989), pp. 12-19.
56. "Cada pista en el caso Buendía señala a Zorrilla y sus hombres," *Proceso*, No. 655 (May 22, 1989), p. 21.

57. *Washington Post*, May 15, 1984.
58. In the July 31, 1989 issue of *The New Yorker*, “reporter-at-large” William Murray explores the April 20, 1988, assassination of journalist Félix Miranda of the independent leftist weekly *Zeta* of Baja California, revealing that it was carried out by the security chief of Jorge Hank, son of former Federal District administrator Carlos Hank (pp. 57-66). Yet when Salinas assumed the presidency, he appointed Carlos Hank Secretary of Tourism, and the latter’s son has remained untouchable.
59. “Petricioli: protegió los ilícitos bursátiles, con anuencia de De la Madrid,” *Proceso*, No. 642 (February 20, 1989), p. 13.
60. Figure for decline in real wages from the Congress of Labor, in *Proceso*, No. 663 (July 17, 1989), p. 17.
61. Bank of Mexico, *Annual Report 1988*.
62. *La Jornada*, November 4, 1987, p. 14.
63. *Proceso*, No. 655 (May 22, 1989), p. 32.
64. “Mexico Looks to Asia for Economic Boost,” *Christian Science Monitor*, August 8, 1989, p. 1.
65. *Ibid.*
66. “Hacienda explica que suspendió los swaps porque resultan al revés de lo que se busca,” *Proceso*, No. 647 (March 27, 1989), pp. 12-13.
67. “El nuevo Pemex cancela obras y proyectos, despide personal y cede espacios estratégicos,” *Proceso*, No. 668 (August 21, 1989), pp. 6-13.
68. “Mexico declares Cananea copper mines bankrupt,” *Financial Times*, August 22, 1989, p. 4.
69. *Proceso*, No. 668 (August 21, 1989), p. 16.
70. “Decrease in Food Production Causing Crisis in Mexico,” *The Baltimore Sun*, reprinted in *Sarasota Herald Tribune*, June 26, 1989, p. 6A.
71. *Proceso*, No. 636 (January 9, 1989), p. 27.
72. “Falta de inversión, de crédito, de maquinaria, el campo no produce para que el país coma,” *Proceso*, No. 668 (August 21, 1989), pp. 14-15.
73. *Proceso*, No. 636 (January 9, 1989), p. 27; No. 668 (August 21, 1989), p. 16.
74. *Proceso*, No. 633 (December 19, 1988), p. 26.
75. Jorge G. Castañeda, interviewed in *Time*, August 7, 1989, p. 56.
76. “Mexico Feels Squeeze of Years of Austerity,” *New York Times*, July 25, 1989, p. 1.
77. *Ibid.*
78. *Proceso*, No. 578 (November 30, 1987), p. 9.
79. *Proceso*, No. 647 (March 27, 1989), p. 19.
80. Castañeda (fn. 75).
81. *Proceso*, No. 665 (July 31, 1989), pp. 9-10; No. 652 (May 1, 1989), p. 26.
82. Castañeda (fn. 75).
83. With the exception of the historical moment when the combined armies of Emiliano Zapata and Francisco (Pancho) Villa entered Mexico City in 1914, the closest the Mexican majority has ever come to power was during the presidency of Lázaro Cárdenas in the 1930s.
84. *Financial Times*, August 23, 1989, p. 3; *Proceso*, No. 670 (September 4, 1989), p. 28.
85. Seven OAS members abstained, and two voted against the resolution.