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Mexico

# **AMLO, Mexico's New President, Promises End to Corruption, Makes Peace with Capitalist Class**

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**The leftist candidate Andres Manuel López Obrador, has been carried to victory in the Mexican presidential election by an enormous popular outpouring of voters hoping to improve their lives and those of their fellow citizens. Promising to drive out the political mafia that runs the country, to end the pervasive corruption in government, and to bring an end to the violence that in the last dozen years has taken more than 250,000 lives, AMLO, the left's perennial candidate, won such a decisive victory this time that the Mexican establishment finally had to recognize his achievement.**

For the last 90 years, the Institutional Revolutionary Party (PRI) held the presidency and ruled the country, with the exception of the period from 2000 to 2012 when the conservative National Action Party (PAN) controlled the nation's highest office. The PRI permitted Coca Cola executive Vicente Fox of the PAN to claim his victory 2000, and allowed Felipe Calderón of the PAN to become president in 2006. With the PRI and the PAN (or as leftists sometimes call it the "PRIAN") cooperating in the deepening of the neoliberal model, the rule seemed to be that the left would never be permitted to win a presidential election.

Twice before leftists candidates almost surely won the national presidential election only to have their victory snatched from them by the fraud committed by the very mafia that AMLO rails against. The first occasion was in 1988 when Cuauhtémoc Cárdenas should have been recognized as the victor and then again in 2006 when AMLO himself was cheated of victory. This time leading in the polls by 30 percent for weeks before the election, fraud would have been too incredible to be believed. In a country where candidates in the last several elections have usually won with between 35% and 40% percent of the vote, AMLO won a landslide with 53% of the votes cast, 30% more than his nearest competitor in an election in which an extraordinarily high 60 percent of the country's 89 million eligible voters cast ballots. He carried all but one state. He has a powerful mandate, his coalition having won pluralities in both houses of the legislature.

AMLO began his political career in the 1970s in the PRI but left it a decade later to join the new opposition party of the left founded by Cuauhtémoc Cárdenas, the Party of the Democratic Revolution (PRD). AMLO made his national reputation as head of the Federal District (one can say mayor of Mexico City) where he combined cooperation with the banks and construction companies to build infrastructure and renovate the historic center while at the same time providing pensions for senior citizens. Troubling, however, was López Obrador's labor policy. While mayor of Mexico City, López Obrador permitted the Labor Board to continue to deal with phony unions and their corrupt lawyers and union officials, while turning a deaf ear to the demands of independent unions, union reformers and rank-and-file workers. Many of the city's 200,000 public employees found it impossible to have their independent labor unions legally recognized. Workers at the time said: whatever we have won we got by going to the streets "Euros" the López Obrador government didn't give us anything. Still, he left office with an incredible 85 percent approval rating.

Since the 1990s AMLO has been an indefatigable campaigner, first as a leader of the Party of the Democratic Revolution (PRD), whose presidential candidate he was twice, but which he abandoned because of its factionalism and corruption. After leaving the PRD in 2012, he founded the Movement of National Regeneration (MORENA), which became a political party in 2014. First as a leader of the PRD and then as the head of MORENA, he traveled throughout the country for years speaking, organizing, and assailing what he called the ruling mafia. A charismatic leader, he has dominated MORENA, selecting its leaders and setting its agenda, and always preparing single-mindedly for his next campaign.

Whenever he ran for president, the PRI, the PAN, and the media rebaited AMLO, suggesting he was like Hugo Chávez or Nicolás Maduro in Venezuela a politician who would impose a socialist system that would bring economic

chaos and violent conflict to Mexico. The message frightened off the wealthy and much of the middle class, though AMLO built a solid social base of about one-third of the electorate among the country's poorer people, its working class, its schoolteachers, and leftwing intellectuals. AMLO also worked through his three presidential campaigns to try to win the confidence of the business class, but without success "until now. This year Mexico's capitalists, seeing the impossibility of either José Antonio Meade of the PRI or Ricardo Anaya of the PAN winning the election, and facing a fait accompli with AMLO's election, have decided they can live with him. And AMLO has made it clear that he will get along with them.

## **AMLO and Big Business**

When he began his political career in the PRD, AMLO often sounded like he wanted to revive the economic nationalism that began with President Lázaro Cárdenas in the 1930s. He talked about defending the national oil company PEMEX from privatization, about repudiating the North American Free Trade Agreement (NAFTA), and called for a more equal distribution of wealth. It was a program that won him the support of both small business people and sections of the working class. Over time, however, as on three occasions he sought to become president, he moved to the right on all of those questions, so that today there seems to be little left of the economic nationalist approach.

AMLO's "National Project: 2018-2024," a political program written with the assistance of hundreds of academics and other experts, is simultaneously elaborate and vague. [1] The overriding principle is a call for partnership between the government and the private sector to carry out economic development, with an emphasis on the building of infrastructure: railroads, highways, and rural roads. This was his model as mayor of Mexico City and it is his model today: partnership with capital accompanied by improvements in the lives of ordinary people. He has not sketched out a design for a socialist or even for a very progressive economy, but rather for a prosperous capitalism that will expand to incorporate those who have not been previously included, particularly the urban and the rural poor.

In a recent speech, AMLO stated again, as he has so often, that the country's principal problem was corruption. Famous social thinkers such as Karl Marx, he said, have argued that the fortunes of the wealthy are made through the exploitation of labor and the accumulation of capital, but he continued, this does not hold in Mexico. In Mexico fortunes are made through corruption, not exploitation. [2] "We're not against businessmen," said Lopez Obrador at a mass rally in the National Auditorium during his campaign. "We're against corrupt politicians." [3] Whether or not AMLO actually believes this theory, it is a conception that allows him to form a political alliance with the country's bankers and corporations, since he does not hold them as a class responsible for the country's ills. And the bourgeoisie has gotten the message, if only belatedly.

While some corporations had sent letters to their employees warning them not to vote for AMLO because he would destroy the economy and cost them their jobs, now that he is elected, as Bloomberg News writes, "It's All Peace and Love Between AMLO and Mexico's Business Elite." Upon his election, AMLO immediately held a meeting with Business Coordinating Council (CCE), telling the media afterwards, "We trust the business sector and they've expressed their confidence in the new government that will transform the country." Executives from the nation's biggest mining corporation, Grupo Mexico, to its baking companies, such as Bimbo, issued statements expressing their desire to work together with the new president, some in an idealistic tone. Daniel Servitje, chairman at Grupo Bimbo SAB, issued a statement saying, "It's time to leave behind the division created by the campaigns and join together to forge a country based on solidarity, justice and an efficient rule of law." [4]

AMLO and the CCE went even further, signing an agreement to create a US\$5 billion national apprenticeship program. Announcing the new program, AMLO said that it would be the first step to insure that young Mexicans have both education and employment. "They are going to be contracted as apprentices, so that they have work. The

employers are going to act as their tutors. The government is going to transfer to the corporations the state's resources in order to be able to pay the wages to these young people. Some 2.6 million young people are going to participate," he explained.

These employers, who will act as tutors, are the same ones who have for decades cooperated with the government's gangsterized labor unions to prevent the organization of independent labor unions by firing workers. These employer-tutors are the same employers who have kept wages low, ignored health and safety issues, and evaded paying their taxes. The plan made no mention of the labor unions, neither of the government's gangster unions nor of the few independent unions. "We're leaving [the meeting] very enthused and with energy to do what can be done to make Mexico more inclusive, more prosperous, and really reaching its potential," said Claudio X. González, chief administrator of Kimberly Clark de México. And well they should be excited with a five billion dollar government gift to hire more low-wage workers. [5]

AMLO's government, which controls the Mexican Petroleum Company or PEMEX, will soon be renegotiating contracts involving hundreds of billions of dollars with 73 national and 20 international oil companies, including Exxon, Chevron, Total BP, Shell and many others. [6] While AMLO's government may make some modest demands in the new contracts, it is unlikely that there will be any profound changes. He promised during his campaign that the government would carry out no confiscations, no expropriations, and no nationalizations. He made similar promises to the bankers and other industrialists. "We will support banks and we won't confiscate assets," he said. "There won't be expropriations or nationalizations." [7]

Certainly, at the beginning of his presidency, he will not be in a position to push very hard against international capital, even if he were so inclined.

Just as he is attempting to make peace with the Mexican bourgeoisie, so too AMLO has held out an olive branch to U.S. President Donald J. Trump. Trump's continued rhetorical attacks on Mexico and Mexican immigrants played little role in this election, which was all about Mexico. All of the candidates condemned Trump's racism and his demand for the building a border wall and for Mexico to pay for it. Still Mexico's position as an economy entirely integrated into and largely dependent upon American capital means that any Mexican government must reach a modus vivendi with the Colossus of the North. American banks and corporations and the politicians they control have the power to make or break AMLO's government, as AMLO is well aware.

Following his election, AMLO and Trump spoke on the telephone. AMLO told Televisa, "We are conscious of the need to maintain good relations with the United States. We have a border of more than 3,000 kilometers, more than 12 million Mexicans live in the United States. It is our main economic-commercial partner. We are not going to fight. We are always going to seek for there to be an agreement ... We are going to extend our frank hand to seek a relation of friendship, I repeat, of cooperation with the United States." And Trump responded in the same vein, "I think the relationship will be a very good one. We talked about trade, we talked about NAFTA, we talked about a separate deal, just Mexico and the United States." Of course, no one believes anything Trump says, and AMLO's diplomatic remarks must be understood as a simple statement of geopolitical reality. One can expect some tense moments in the future over the questions of economics, migration, and respect for Mexico's national sovereignty. Whether or not AMLO's government will be able to stand up to the United States is one of many open questions.

## **A Cabinet Mostly of Academics**

Previous modern Mexican presidents, the great majority of them from the PRI and a couple from the PAN, always took office at the head of a vast entourage of experienced party leaders who had worked their way up the ladder of

patronage and privilege. The top leaders had served as governors, senators, and cabinet ministers in previous administrations; often in those positions they had carried out the fraud and extortion and sometimes the murders necessary in a political system like Mexico's. They entered the top echelons of government their hands covered with blood, but their pockets stuffed with money, and prepared to continue their work at an even higher level.

Lopez Obrador has few such people in his cabinet. [8] The seventeen people he has chosen "eight of them women" are predominantly academics, some few with experience as administrators or practical politicians. Unlike cabinet members in recent governments, they did not attend the Harvard Business School or the Yale Law School; nine of them are graduates of the National Autonomous University of Mexico (UNAM). [9] Some are admirable choices, such as Luisa MarÃ¡-a Alcalde, a remarkably talented young woman whose father, the labor lawyer Arturo Alcalde, fights for Mexico's few independent labor unions and whose mother, Bertha Luján, headed one of those unions, the Authentic Labor Front (FAT).

Still, it seems unlikely that most of these well-meaning academics with little governmental experience will be either successful or long endure in the positions to which they have been appointed, which will come under tremendous political pressure. Most of these people did not rise to their positions as the leaders of labor unions or social movements that have had to fight to make their way in the world. What will they do when faced with the blandishments or the bludgeoning of the American corporations or with the bribes and threats of the drug cartels? Some are made of sterner stuff, though not necessarily better stuff, such as Marcelo Luis Ebrard Casaubón, another mayor of Mexico City with a long political career, and Esteban Moctezuma Barragán, who previously served in the cabinet of PRI President Ernesto Zedillo and will become the Secretary of Education. One might look to him to become the Secretary of the Interior "the political fixer" in the near future.

AMLO and his cabinet will be challenged to meet their promises both to capital and to labor. While not always a champion of labor unions, AMLO did over the last few years become a supporter of the National Coordinating Committee of the Mexican Teachers Union (CNTE), which has led the fight both for union independence and in defense of teachers' rights and economic demands. He also included Napoleón Gómez Urrutia, the head of the Mexican Miners Union, among MORENA's candidates for the legislature. Gómez Urrutia has spent more than a decade in exile in Canada, fearing imprisonment or perhaps death if he returned to Mexico to lead the union he heads. The question will be whether AMLO can maintain his alliance with capital while he simultaneously asserts control over the labor and social movements in order to use them to advance his modest agenda of increased political democracy and social reform.

Finally, there is the question of the cartels. The Mexican drug cartels run a business approximately the equal of Mexico's other major economic sectors such as petroleum, manufacturing, tourism, and remittances from workers abroad (a declining sector recently). Without a doubt, the drug cartels have in many areas taken over the police forces, many of which were already criminal gangs in their own right. They have penetrated parts of the Mexican military, and they have also at times had access to the highest levels of the Mexican government. The cartels control billions of dollars, have tens of thousands of employees, are as well armed as the police and nearly as well armed as the army, and they have influence in both private business and government.

During the 1970s and into the 1980s it seemed that the PRI government must have made some agreement with the cartels, which permitted them to operate under certain conditions. During the 1990s the cartels fragmented and went to war with each other, and then in 2006 PAN President Calderón launched a war on the cartels, leading to hundreds of thousands of deaths and disappearances. AMLO has promised to end the drug violence and suggested he would do so by improving the lives of ordinary Mexicans so that they would not be attracted to working for the cartels. While that proposal has a progressive ring, it seems completely unrealistic. It will take either a secret deal with the cartels, as one suspects they had in the past, or enormous state violence to suppress the drug dealers, and if the latter, there will be unforeseeable consequences, as there were for Calderón's drug war.

## AMLO, Mexico's New President, Promises End to Corruption, Makes Peace with Capitalist Class

The struggle now will be between AMLO, the moderately reformist politician, the Mexican capitalist class, and the country's working people. One should not rule out the possibility that the electoral victory will raise the hopes of working people and put pressures on AMLO to deliver more than he intends. Over the last two decades Mexico's working people — electrical workers, miners, teachers, and many others — have demonstrated on many occasions their capacity not only to struggle but also to stand up to tremendous repression. Perhaps the same desire for change and the same hope for a better Mexico that led them to vote for AMLO will now inspire the Mexican working people to assert themselves politically and attempt to set their own course.

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Source [Solidarity](#).

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[1] [Lineamientos Básicos del Proyecto Alternativo de Nación 2018-2024](#).

[2] The speech can be found [here](#). Several commentators discussed its implications, for example, Gilberto López y Rivas [here](#).

[3] Bloomberg [Mexico Front-Runner Signals Plans to Maintain Parts of Economic Policy](#).

[4] Bloomberg [It's All Peace and Love Between AMLO and Mexico's Business Elite](#).

[5] *Expansion* [AMLO y empresarios anuncian programa para jóvenes por 110.000 mdp](#).

[6] *El Universal* [AMLO-IP. Sector privado cierra filas rumbo a la reconciliación](#).

[7] Reuters [Mexican leftist seeks to court bankers, to mixed reviews](#).

[8] *Gatopardo* [Así- será el gabinete de AMLO - Gatopardo](#).

[9] Forbes [La UNAM se adueña del gabinete de López Obrador](#).