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Mexico

# Down with the Neoliberal Reform to ISSSTE Pensions!

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**The reforms of neoliberal governments to the pension systems, of both the Instituto Mexicano del Seguro Social (Mexican Social Security Institute or IMSS) [1] in 1997, and of the ISSSTE (Institute of Security and Social Services for State Workers) [2] in 2007, were intended to eliminate the social welfare system, reduce its costs and hand over to vulture bankers the individualised control of pension funds that currently are worth 8 trillion Mexican pesos or almost EUR 115 billion.**

[1]

This change has worked very well for bankers, who reap millions in profits year after year. The losers are the workers, who now receive paltry pensions that, in some cases, hover around 4,000 pesos per month and decrease annually due to the payment via Unidad de Medida y Actualización (Unit of Measurement and Update or UMA). [3]

This has led thousands of workers from the Coordinadora Nacional de Trabajadores de la Educación (National Coordinator of Education Workers or CNTE), which is a democratic current within the Sindicato Nacional de Trabajadores de la Educación (National Union of Education Workers or SNTE), to start a strike to demand the repeal of the 2007 reform.

The demands of the CNTE workers are legitimate, especially those concerning the return of the solidarity pension system, where active workers funded retirees' pensions, guaranteeing a dignified pension, eliminating payment in UMA, and they deserve a serious response from the government of President Claudia Sheinbaum. Her offer to "create a public insurer specialising in pension payments and strengthen the Fondo Nacional de Pensiones de los Trabajadores al Servicio del Estado (National Pension Fund for State Employees or Pensionisste), currently the only 100 percent public pension fund in the country," while a step forward, does not solve the problem of individualised accounts nor guarantee a decent pension.

The best approach is to speak the truth directly, without beating around the bush. It is true that returning to a solidarity-based pension system requires a state contribution that is not budgeted for and necessitates legislative changes that will take longer to process. A solution cannot be found overnight. However, it is possible—and this is what negotiations should focus on—to reach a commitment from the federal government to present a constitutional reform initiative that guarantees fair pensions and their funding. This implies higher state revenues that can only come from a progressive tax reform for both large companies and those with great wealth, and from an audit of the public debt to stop paying the odious debt derived from the frauds committed by past neoliberal governments.

It is a matter of basic social justice that those who have more should pay more in taxes and that workers receive higher and better wages, pensions, and working conditions. In the last year, Mexico's 24 wealthiest individuals earned US\$100 billion, an astronomical figure that contrasts sharply with the stagnation of real wages.

It is surprising that, despite having a fair argument and the power to mobilise public opinion and gain greater negotiating power with the federal government, some sectors of the CNTE resort to acts of vandalism and provocation that do nothing to help their cause. These sectors have a different agenda than the movement and are only seeking to gain political advantage for themselves. To achieve a swift and peaceful resolution to the conflict, it is crucial that the CNTE disassociate itself from all forms of violence and that the federal government keep its promise not to repress the movement, thus preventing a repeat of regrettable incidents like the one that cost a teacher his sight.

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NEITHER AFORES NOR UMA, FOR THE RETURN OF THE SOLIDARITY PENSION SYSTEM! [4]

*Mexico City, June 8, 2026*

*Translated and annotated by David Fagan for **International Viewpoint** from [Poder Popular](#).*

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[1] IMSS is a governmental organisation that deals with public health, pensions and social security in Mexico operating under the Secretariat of Health.

[2] Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado (Institute for Social Security and Services for State Workers or ISSSTE) administers part of Mexico's health care and social security systems for federal government workers.

[3] The UMA is an official economic reference unit expressed in pesos used to calculate fines, caps, thresholds, and legal obligations under Mexican law.

[4] Administradoras de Fondos para el Retiro or AFORES are Retirement Funds Administrators are companies authorised to manage individual retirement funds in Mexico.