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Mexico

No to the Gas Hike! Out with Enrique Peña Nieto!

- News from around the world -

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The up-to-20-percent hike in gasoline, diesel, natural gas, and electricity prices starting January 1, 2017 is a brutal blow to the pockets of all working people. Since these sources of energy are inputs for everything produced, an increase in prices of all basic products and services is imminent.

This news has sparked the justified indignation of millions of people (workers, peasants, students, transport operators, the unemployed, women, young people …), who are mobilizing nationwide demanding the gasoline price hike be canceled and President Enrique Peña Nieto be removed from office. After many decades, a climate of revolt can once again be felt in Mexico.

The Peña Nieto government has unleashed its fury against this mobilization: first they tried to ignore and silence it in the media. Then they infiltrated provocateurs into it to prompt vandalism to delegitimize the protest and justify repression; but they were immediately unmasked in dozens of videos uploaded to the social networks and rejected by a movement that considers itself civic and peaceful. Finally, they have resorted to the crudest forms of repression to terrorize protestors, as happened in the town of Ixmiquilpan, Hidalgo, and in Rosarito, Baja California, resulting in several deaths, dozens wounded, and hundreds jailed.

The Revolutionary Socialist Coordinating Committee (CSR) declares its solidarity with the families of these martyrs and demands the immediate freedom of the political prisoners.

Peña Nieto tries to justify the price increase as an “adjustment” due to the increase in world oil prices and the devaluation of Mexico’s peso. Peña Nieto is lying. When the barrel of oil was at US$100 —today it is at US$45— a liter of regular gasoline cost between 10 and 11 pesos [and the increase puts it between 16 pesos for regular and 17.79 pesos for premium, a hike of 20%].

Basing the increase on “international oil prices” also twists the truth because it does not take into account that Mexican workers have one of the world’s lowest wages.

Actually, the gas-price hike is a consequence of the so-called “energy reform,” approved by the government parties: the Institutional Revolutionary Party (PRI), the National Action Party (PAN), and the Party of the Democratic Revolution (PRD), as well as their toadies, the Greens and New Alliance. But we have to also cite the dismantling of the state-owned oil company, Pemex, which began under President Miguel de la Madrid (1982-1988) and was deepened under the PAN administrations of Vicente Fox and Felipe Calderón (2000-2012), who squandered the billions of dollars in oil rent from those years, not investing in exploring new oil deposits, building refineries, or modernizing infrastructure, in addition to privatizing the petrochemical industry and fostering the looting of the company with the servile complicity of its high executives and top oil workers union bureaucrats.

Pemex’s supposed bankruptcy, which was actually induced, was the pretext Peña Nieto used to get his “energy reform” passed. The real reason was to hand over our oil wealth to foreign and Mexican businessmen and corrupt officials, members of the PRI and the PAN. The dismantling and close of refineries, the dependency on gasoline from the United States —in short, the loss of our energy sovereignty— are what explain scarcities and gas price hikes.

The third factor behind the disproportionate price hike is the government’s desperate attempt to increase its own tax earnings. By reducing oil rent and refusing to tax high income groups, the Peña government has had no choice but to

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irresponsibly contract more debt for Mexico. During this six-year presidential term, public debt has gone from 30% of the gross domestic product to more than half: about 9 trillion pesos! The working class has no reason to continue making sacrifices to pay for the waste, corruption, and bad handling of the economy by those at the top.

The protest movement's powerful impetus is born of the profound attacks Mexican society has suffered over more than three decades of neoliberalism. The gas hike is the last straw for the patience of the Mexican people. The government and the oligarchy as a whole are nervous and worried. That is why the PAN and the PRD are vainly attempting to distance themselves from the government and within the PRI itself dissident positions are emerging. The Mexican Employers' Association (COPARMEX) has even hesitated to sign the new "Pact to Strengthen the Economy." The resident of Mexico's presidential mansion, Los Pinos, is beginning to find himself alone.

The dimension and complexity of this revolt also reveals the great weaknesses of the Mexican left. The movement will not demobilize or wait for the 2018 elections to resolve its many demands, as Andrés Manuel López Obrador, the leader of the Movement for National Regeneration Party (Morena), would like, nor will it be content with generalities about ethics, anti-capitalism and suicidal purism. Strengthening the movement requires the non-sectarian construction of the broadest possible unity organized nationwide and core ideas that can build a bridge between the immediate needs (higher wages, decent pensions, housing, jobs, security, freedom or organization, democratization of organizations, etc.) and demands that transcend the capitalist regime (renationalization of the energy industry, auditing of the public debt, progressive taxes levied on big profits, a sliding wage scale, universal basic income, etc.).

We think that to move ahead toward these objectives, first we must strengthen the most advanced, radical expressions of the social movement, among them the New Confederation of Workers (NCT), the National Assembly of Electricity Consumers (ANUEE), and the People's and Workers' Political Organization (OPT).

The great contribution of these kinds of massive, spontaneous movements is that they break molds and free up people from inertia; they question the existing situation; they allow new leaderships to emerge and help inject oxygen into the rarified atmosphere of politics.

We are hoping that authentic good sense and humility will prevail in the broadest sectors of the Mexican left, especially Morena and the Zapatista Army for National Liberation (EZLN), in not putting any special interests before those of the movement. Defeating the Mexican oligarchy and its powerful state apparatus require this and much more.

Emergency wage hike!

Down with all the neoliberal reforms!

Renationalization of the energy sector

January 10, 2017

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