

Dateline Mexico by Carlos Valdez

Labor and the presidency

Mexican labor promises a major intervention in the presidential election battle this year.

The slogans of the Mexican Workers Confederation (CTM)—“growth for development, not just to pay” and “paying the foreign debt should not be a national priority”—filled eight full columns of the Mexican daily *El Universal* Dec. 27, and represented the CTM’s strongest challenge yet to the International Monetary Fund-dictated economic policy being pursued by President Miguel de la Madrid’s regime.

Under the budget written by Planning and Budget Secretary Carlos Salinas de Gortari and approved by Congress, Mexico will allocate a whopping 56% of its national budget this year to interest payments on its onerous foreign debt.

The CTM, one of the most powerful constituencies within the ruling Mexican party, the Institutional Revolutionary Party (PRI), has insisted that Mexico not continue indebting itself to pay the debt. Nor would it consent to service that debt by handing over the assets of national companies. It has explicitly argued for suspending a significant portion of the principal owed to the banks and for reducing, in real terms, international interest rates which are strangling Third World economies. The CTM has warned that to give priority to payment of the debt would be to risk the very growth of the nation itself. Thus it calls for limiting debt service to what Mexico earns from its non-oil exports, a proposal not far from Peru’s limiting debt to 10% of exports. The CTM also calls for creating a fund to use oil revenues to pro-

mote Ibero-American development and integration.

In contrast to Alan García’s Peru, which grew at an unprecedented 8.5% rate in 1986, Mexico began 1987 by being sucked deeper into an economic maelstrom. “The great challenge” of 1986 was to create 400,000 new jobs; not only was that goal not met, but 200,000 workers were laid off, not counting the million workers waiting on the sidelines. The CTM insists that there were more than 3 million unemployed at the end of 1986. Further, the CTM has just warned of the danger of massive new layoffs in the immediate future, the result of huge industrial stockpiles building up due to the collapse of the internal economy.

From 1976 to now, real wages fell by 70%, while labor’s share of national income has fallen by more than 15 percentage points. The Mexican worker this year must work 85 hours a week to buy the same food basket which four years ago took 50 hours.

This is a “political year,” since the presidential nominee of the ruling PRI will be designated in the second half of 1987.

The CTM’s intervention may serve to shatter the controlled environment that the Eastern Establishment press and its Mexican spokesmen have created around the presidential succession. The Establishment’s trap is to limit succession options to four or five cabinet members. *Newsweek* of Jan. 12, for example, limits the choices to: Energy and Mines Secretary Alfredo del Mazo, Budget and Planning Sec-

retary Carlos Salinas de Gortari, and Interior Secretary Manuel Bartlett.

The CTM—and, in particular, the federation’s powerful secretary general Fidel Velázquez—was unceremoniously squeezed out of the presidential selection process that led to Miguel de la Madrid’s candidacy last time around. In retaliation, the CTM is now launching its counterattack against two of the Establishment’s “strong cards” for the next presidency, not surprisingly the same ministries—budget and government—which have been running a wrecking operation against the Mexican labor organization.

The first of these is Salinas de Gortari, the favorite of International Development Bank (IDB) president José Ortiz Mena, who was virtually expelled from the government from 1970 to 1982, during the administrations of Luis Echeverría and José López Portillo. The other is Manuel Bartlett, whose proposed political reform seeks to “modernize” Mexican political life through a parliamentary system which eliminates from the PRI the old nationalist forces, especially the powerful petroleum workers and teachers unions formed during the Lázaro Cárdenas period (1934-40)—today the strongholds of Velázquez.

The CTM does not want the choice of the PRI nominee to be restricted to de la Madrid’s cabinet. The CTM’s political action secretary, Sen. Rigoberto Ochoa Zaragoza, declared Jan. 6, “All you need to be considered is to be a Mexican. . . .” On Dec. 28, he said, “Although it may seem irrelevant, the 4 million workers affiliated to the CTM condition our support [for the PRI nominee to the presidency] on compliance with a program which fulfills the aspirations and demands of the labor movement.”