

Who Is President of Mexico: The Banks, or the Street?

by Gretchen Small

Two diametrically opposed projects are contending for power in Mexico today, each with a President-elect at its head. One, led by Andrés Manuel López Obrador, claims its legitimacy from natural law, the right of all peoples to a government dedicated to protecting life, liberty, and the pursuit of happiness. The other, led by Felipe Calderón, was “elected” with vote fraud orchestrated by international synarchist bankers who are intent on looting Mexico to the bone.

Which shall prevail? That simple issue facing Mexico is a microcosm of the dilemma confronting the entire planet.

After a trembling electoral court on Sept. 5 declared Calderón to be the winner of the July 2 Presidential elections, international financier interests pronounced the electoral contest closed, and began issuing public orders that Calderón prepare to impose austerity reforms immediately upon taking office on Dec. 1.

But whether or not he will be able to do so, is much in doubt. On Sept. 16, Mexico’s Independence Day, more than a million people from across the nation came as delegates to a National Democratic Convention held in the central Zócalo plaza and surrounding streets of Mexico City. They acclaimed López Obrador as the “legitimate President” of Mexico, empowered him to constitute a cabinet, and voted to inaugurate him on Nov. 20, Mexican Revolution Day, also in the streets of Mexico City.

Prior to that, the delegates voted up plans for several days of national mobilization: on Sept. 27, the anniversary of the 1960 nationalization of the electricity sector, a mobilization against the privatization of energy and for lowering electricity rates; on Oct. 2-12, a mobilization against the privatization of public education; and on Dec. 1, demonstrations against the inauguration of the “usurper” Calderón. Then, on March 21,

2007—the birthday of Mexico’s most beloved President and Lincoln ally, Benito Juárez—the convention will reconvene in the Zócalo, to deliberate on the next steps.

The convention delegates vowed that behind the leadership of López Obrador, they would continue their peaceful civil resistance until they succeed in returning Mexico to a policy of development and progress.

And so, a great power struggle over the principles which will determine the future of Mexico has just begun. That struggle will not remain confined within Mexico’s borders. The peaceful resistance movements led by Dr. Martin Luther King and Mahatma Gandhi, which López Obrador holds up as model for his supporters, have demonstrated such movements’ power to change history. And while the battle in Mexico is being followed closely by its Ibero-American neighbors, it is in Mexico’s neighbor to the north, the United States, which itself is plunging into an economic abyss, and where more than 10 million Mexicans live in de facto economic exile, that the greatest strategic impact of that contest will likely be felt.

How Many Must Die?

Speaking from the annual meeting of the International Monetary Fund in mid-September, the Secretary General of the Organization for Economic Cooperation and Development, Mexican technocrat José Angel Gurría, declared that the incoming President of Mexico must ram through economic reforms within the first six months of taking office, specifying that of all the reforms, “fiscal reform is number one, number two, and number three.”

Bankers have been screaming for 12 years that the key to fiscal reform in Mexico is “to broaden the tax base,” by

which they mean clamping a value-added tax on food and medicine, so Mexico's starving poor do their part in paying the debt.

The demand is nothing less than an order to kill. Nearly one-fifth of all Mexicans at this time cannot meet basic food needs, yet the tax reform which the financiers wanted in the last round would have imposed an 8% VAT on food and medicines, upped the VAT on other basic necessities (public transportation, tuition, books, social benefits, etc.), and imposed a 25% tax on all workers' income (whether from pensions, retirement benefits, overtime, the Christmas extra-month bonus, loans, etc.), while *lowering* the corporate tax rate from 34% to 30%, and the income tax on the country's wealthiest, from 30% to 25%—a program so retrograde that it is worthy of George Shultz's Bush-Cheney regime.

Yet, President Vicente Fox was unable to force a politically divided Congress to impose such a genocide program during his six years in office. And the unpopular Fox can almost be considered a folk hero compared to the pathetic Calderón, who is now ordered by the bankers to impose that same program in six months. Lacking political talent in the first place, Calderón has hardly been seen in public since he was declared the official President-elect. As newspaper columnists are commenting, by and large, Calderón is hiding out in his office, afraid to go out on the street, where he runs into López Obrador supporters denouncing him as a "usurper."

The Right to the Pursuit of Happiness

"I accept the post of President of Mexico," López Obrador told those gathered peacefully in the Zócalo on Sept. 16, because we cannot continue to accept that our government be run as a committee on behalf of bankers, big business, and speculators who put their private desires above the public interest. Mexico's governments have been run by white-collar criminals since the government of Carlos Salinas de Gortari (1988-1994), he charged. Look at the \$120 billion-plus bank bailout known as FOBAPROA, the worst case of looting since the colonial days of Mexico. Under FOBAPROA, initiated in 1995, the state assumed the bad debts of the private banks, issued interest-bearing public bonds to the banks in return for those bad debts, and then handed the cleaned-up banks over to foreign interests. To this day, Mexico's banks, all but 10% foreign-owned, make their profits almost entirely from those government bonds, without lending a penny to the Mexican economy.

These financial interests went to such lengths to stop us, because they are afraid of us, López Obrador pointed out, as he was interrupted by repeated chants of *Es un honor, estar con Obrador* ("It's an honor, to be with Obrador"). "Do they really think" that Calderón will bring tranquility and political normalcy to Mexico, that they will get their hands on the nation's oil and natural gas, that we will capitulate or make a deal? "They are mistaken; they shall not succeed!"

We are embarking on building the "New Republic," whose central purpose is to "promote the welfare, happiness, and culture of all Mexicans," López Obrador said, one in which the welfare state will be enshrined as a constitutional principle.

The movement invoked Article 39 of the Mexican Constitution, which establishes the right of the people to change their government, if so desired, as the constitutional basis for their actions today. That principle is enshrined in all of Mexico's Constitutions, but the formulation he prefers, is that expressed in Article 4 of its first Constitution, that of 1814, López Obrador reported in a speech at the Zócalo on Sept. 11. Because "that formulation provides the basis for what we are going to do at the National Democratic Convention," he read it for his people:

"Because Government is not instituted on behalf of the particular honor or interest of any family, or for any man or class of men, but rather for the protection and security of all citizens, voluntarily united in society; these—the people—have the unquestionable right to establish the government most advantageous to them, and to alter it, modify, or abolish it completely when their happiness so requires."

"That is what we are going to do," López Obrador declared. " 'When the happiness of the people so requires.' You know that the word, the concept, the term, of 'happiness' has been abandoned in political discourse. We have to revive the word 'happiness,' because at the end of the day, everything we do is in order to bring about the happiness of our people. This is the essence of everything we do."

Although López Obrador did not elaborate it further, many in Mexico are aware of the fact that the Apatzingán Constitution's emphasis on the people's "happiness" directly reflects the influence of the guiding concepts behind the U.S. Declaration of Independence and Constitution. It was Gottfried Leibniz's development of this concept of "happiness"—in polemical opposition to the British Aristotelean John Locke and his defense of "property"—that guided the American Founding Fathers. This historical continuity and community of interest between the fledgling U.S. and Mexican republics was emphasized in a 16-page pamphlet issued by the LaRouche Youth Movement (LYM) in Mexico as a "Conceptual Contribution to the National Democratic Convention" (see *EIR*, Sept. 22, 2006).

This and forthcoming "Conceptual Contributions" by the LYM may prove the decisive element in shaping the outcome of the battle in Mexico, as to whether the banks or "the street"—i.e., the general welfare of the people—will rule in that country. That is because the López Obrador movement has thus far mobilized precious little youth involvement, for a variety of historical and cultural reasons. Yet, if that movement is to succeed, it will not only have to recruit the country's youth to that cause; it must make the youth the *heart* of the movement, because only the youth represent and speak for the country's future.

López Obrador: Why I Accept the Presidency

Here are excerpts from the address of Andrés Manuel López Obrador to the Mexican National Democratic Convention, held in Mexico City's central plaza on Sept. 16, 2006. Subheads have been added.

Friends and delegates from all the neighborhoods, towns, regions, and states of our country. Today is an historic day. This National Democratic Convention has proclaimed the abolition of the current regime of corruption and privilege, and the establishment of a New republic.

Before anything else, it is important to be clear why we have taken this path. It is obvious that we are not acting out of whim or personal interest. Our decision, and that of the millions of Mexicans represented here, is the firm and dignified response to those who turned the electorate's will into mere appearance, and who have turned the political institutions into a grotesque farce.

How did this political crisis occur and who are those truly responsible?

From our viewpoint, the decomposition of the regime dates from some time back, was accentuated in the recent period, and was precipitated and exposed by the electoral fraud. This political crisis stems from the Salinista project, which turned the government into a committee at the service of a minority of bankers, government-tied businessmen, speculators, influence traffickers, and corrupt politicians. From the moment this network of interests and complicities was created, national politics was subordinated to the purpose of maintaining and increasing the privileges of a few, without concern for the destiny of the country and the fate of the majority of Mexicans.

Since then, the principal feature of the regime has been to favor financial interests over social demands, and over the public interest. Within this framework of complicities and deals between economic powers and political authorities, the privatizations were carried out during the Salinas government.

It is also within this context that one must see the matter of FOBAPROA [the bailout of the private banks], the worst looting to take place in the history of Mexico since the colonial era. Remember that [former President Ernesto] Zedillo, with the backing of the PRI and the PAN parties—the PRIAN—decided to convert the private debts of a few into public debt.

With the arrival of Vicente Fox, this network of complicities strengthened and became more vulgar, to the extent that

an employee of banker Roberto Hernández was made head of the public treasury.

But worst of all, is that Fox became a traitor to democracy, and dedicated himself stubbornly and obsessively, with all the resources at his disposal, to trying to destroy us politically. . . . A band of white-collar criminals and corrupt politicians was formed against us. So, it is worthwhile to ask ourselves why this group was capable of unleashing such hatred, why did they go so far as to shamelessly promote intolerance, classism, and use racism to set themselves apart and to dismiss what we worthily represent?

The answer is simple: They are afraid of losing their privileges; they are dominated by greed.

That is why they don't accept the Alternative National Project that we stand for and defend. That's why they don't care about trampling the popular will and shattering the constitutional order, to be able to continue to hold onto the Presidency of the republic.

But let's get to the core of the matter. What have they really gained? Do they really believe that the puppet they have imposed is going to bring tranquility and political normalcy? Do they really believe that nothing can stop them from stealing the gas, the electrical industry, and the oil? Do they really believe that they can continue with impunity to make profitable deals under the protection of the public authorities, while enjoying their tax privileges? Do they really believe they can continue to humiliate the Mexican people?

What We Will Not Accept

They are mistaken. This will not happen. They are wrong because, fortunately, there exists a collective will in our country prepared to stop them, and because millions of Mexicans do not want the power of money to supplant public government, which should be the real political power.

For all these reasons, this Convention, in conformity with Article 39* of the present Constitution, has decided to break with them, to recover our sovereignty, and to embark on the path of building a new republic.

They can keep their pirate institutions and their spurious President, but they will not be able to keep the patrimony of the nation, nor our convictions, nor our dignity.

Friends: We are here to tell those of the old regime that we will not surrender. We will never yield. We are here to cry out to the four winds that we will defend our people's right to hope, and that we will not accept opprobrium as the destiny of our people. Let them listen well, and let it be heard far and wide:

We don't accept that there are millions of malnourished and sick children with no future.

* Article 39: "The national sovereignty resides essentially and originally in the people. All public power originates in the people and is instituted for their benefit. The people at all times have the inalienable right to alter or modify their form of government."

We don't accept that youth, born under the mark of neoliberalism, are being deprived of the right to study and being condemned to social marginalization.

We don't accept that there is no budget for public education nor campaigns that discredit it. . . .

We don't accept that the majority of this country's elderly live in a state of abandonment, and that those who have retired after a lifetime of work, should receive a trifle as pension. . . .

We don't accept a minimum wage that doesn't allow the worker to live and support his family with dignity. . . .

We don't accept child labor.

We don't accept that millions of Mexicans are forced to abandon their families and their homes, to seek work on the other side of the border.

We don't accept farmers and producers being forced to sell their produce cheap while buying what they need dear.

We don't accept privatization of the electrical industry nor of the oil industry in any form. . . .

We don't accept the abandonment of the countryside. We don't accept the clause of the Free Trade Agreement under which imports of foreign corn and beans are freed of tariffs by 2008.

We don't accept the unfair competition that national producers suffer, to the benefit of foreign producers. . . .

Much less do we accept that all these great injustices are the product of fatalism and our country's destiny.

The New Republic

No, . . . this is the sorry legacy of the anti-popular and sell-out regime that has been ruling, and which we have today decided to abolish. That is why this is an historic day.

How do we envision a new republic?

The new republic will have, as its higher goal, the promotion of the general welfare, happiness, and culture of all Mexicans. We aspire to a truly just society, raised on the basis of democracy and on the defense of national sovereignty. . . .

We will enshrine the concept of the welfare state as a constitutional principle, to effectively guarantee the right to food, jobs, health, social security, education, and housing. . . .

In the process of building the new republic, we must keep in mind and cultivate three fundamental aspects:

First: Not to be provoked into violence, avoid harassment, and always keep our movement within the framework of peaceful civil resistance.

Second: No deals, no sellouts, no falling into the old trap of the purchase of loyalties and consciences in the guise of negotiations.

Third: We must fight with imagination and talent to break the media stranglehold, and to create alternative means of communication. We must do everything possible for the truth to get out and reach the farthest corners of our nation. . . .

This Convention has also decided to create a new government, which is founded to exercise and defend the rights of the people. The government that emerges will be necessarily

national. It will be headquartered in the capital of the republic and, at the same time, will be itinerant, so that the sentiment of all sectors and regions of the country can be observed, heard, and gathered together.

There will be a cabinet, that is, a team which pulls together analyses, proposes solutions, and examines possibilities in each and every case. Resources are obviously scarce, but the work of the team, the integrity, the interaction with society, will be able to turn scarcity into efficiency.

Why do I accept the job of President of Mexico?

I offer you and all the people of Mexico my explanation. In the face of the fraudulent operation that damaged electoral democracy and tried to stop economic, social, and cultural democratization; in the face of the partisan use of the Executive Branch and of the public resources of a candidate and of a political party . . . in the face of the kidnapping of the institutions . . . and in the face of the accumulated proof that we have presented and which was dishonestly thrown out, we have one certainty: we won the Presidential election.

I accept the job of President of Mexico because we reject the imposition and rupture of the constitutional order. To accept the electoral fraud, as some are proposing, and to recognize a usurping government, would imply the indefinite postponement of democratic change in the country. It would mean playing their game. . . .

Our adversaries impose themselves with money, conservative prejudice, injustice, illegality, with ownership of a multitude of media. We have millions of people's will for change. Their political regime is at an end; whereas, from our standpoint, the Presidency, *this* Presidency, symbolizes the hopes, the efforts, and the desire for social justice of the Mexican people.

Furthermore, the job of President of Mexico is conferred upon me within the framework of a movement bent on transforming the institutions and legalizing the republic. . . . The Presidency, in a genuine democracy, is the just and daily interpretation of the sentiments, of the desires of the people and the community.

Obviously, I accept this honorable charge, not out of boastfulness or ambition for power. I accept it, despite knowing that I am going to be attacked for it. But I do so, convinced that thus, I will be able to continue to contribute, together with many other Mexicans, men and women like yourselves, to the transformation of the country, for ourselves and for the coming generations, for those who come after, for our children, so that we can look them in the eye and they will not reproach us, because, at this moment of decision, we were equal to the occasion.

Moreover, under the present circumstances, accepting this job is an act of peaceful civil resistance, and it is what our movement most needs. It is a "take that," so that they learn, a "take that" so they learn to respect the popular will. . . .

Viva México!