

Economic Nationalism Has Re-Emerged in Mexico

by Alberto Vizcarra and Jesús Martínez

The desperate and brutal offensive to seize Mexico's energy sector and its national oil company—an offensive being run by the Wall Street bankers, represented by U.S. Vice President Dick Cheney within the Bush Administration—has involved spurring a new effort by the Vicente Fox government somehow to amend those aspects of the Mexican Constitution which give the state exclusive management and control over its strategic natural resources. If those amendments are made, the national electricity sector will be laid open to foreign “investment,” and the surrender of Mexico's oil to the same supranational interests would follow in short order.

This renewed “privatization” offensive by Fox, actually first launched by then-President and New York bankers' agent Ernesto Zedillo in the mid-1990s, has awakened a strong—and for some, surprising—nationalist reaction by diverse political forces, labor organizations, and within Mexico's population in general. These sectors reject Fox's drive to deregulate the national electricity market, which would open the door to the looting of the country by multinational energy “merchant companies”—pirates—who would quickly monopolize electricity generation.

The Fox government's position, as represented by “negotiator” Felipe Calderón Hinojosa—a leader of the ruling National Action Party (PAN) recently named Fox's Energy Secretary—is shameless. On Nov. 10, 2002 Calderón defined the parameters of government negotiations with the Congress and Senate, in take-it-or-leave-it terms: “Constitutional reform, or nothing.” This hard-line approach to the negotiations, coming from the man who is supposedly a flexible negotiator, simply underscores the fact that international energy pirates such as Cheney's Halliburton, Repsol, Enron, etc., are bringing massive pressure to bear.

The awakening of Mexican nationalism has become the unexpected factor in the Fox government's and the Wall Street bankers' calculations, especially since the resistance to privatization has brought together important layers of the opposition Institutional Revolutionary (PRI) and Democratic Revolutionary (PRD) parties, as well as the telephone workers', electrical workers', and social security workers' trade unions.

This resistance has already succeeded in dealing some important blows to the privatization strategy, including the formal legislative closing of several loopholes that had allowed international corporations illegally to enter Mexico's energy sector, under the rubric of the so-called “Multiple Service Contracts.” These Contracts had allowed constitutionally-banned foreign investment in the exploration and exploitation of natural resources, especially of oil and natural gas. Through these same contracts, the country was being loaded down with a growing debt, since Mexican government payments for projects were being made through the so-called *Pidiregas* (“deferred impact payments”) program, which are a euphemism for more public debt.

On Nov. 4, on the initiative of PRI Senator Manuel Bartlett, president of the Senate's Constitutional Commission, an ad hoc commission passed a rider to the Laws on Public Works and Acquisitions, which strictly delimited third-party bidding for public works. This legislative action, in one stroke, eliminated the basis for the attempted legalization of the Multiple Service Contracts. As a result, on Nov. 5, the state oil company Pemex reported that *all* the foreign companies that had intended to bid for juicy contracts in the exploitation of one of the richest natural gas basins in the world—spanning the Northern Mexican states of Tamaulipas, Nuevo

León and Coahuila, known as the “Burgos Basin”—had withdrawn their bids. This was a big setback for Cheney and Co.’s privatization scheme.

The Cárdenas-Bartlett Alliance

The national coalescence to defend the national energy sector gained greater cohesion with the Nov. 7 announcement that PRD leader Cuauhtémoc Cárdenas, son of the former President Lázaro Cárdenas who nationalized Mexico’s oil in 1938, had formed a political alliance with Senator Bartlett to stop the energy privatization. This alliance is of particular importance, given the strong past political differences between the two leaders. The various promoters of energy privatization have tried to inflame those differences. Cárdenas responded: “When it is a question of defending the interests of the nation, when it is a question of defending the exercise of sovereignty, you will then see us join forces with others, active in different political parties, with whom we have had confrontations in the past, and with whom we currently share a commitment to defend the national interests.”

The fact that these two political personalities have publicly allied is testimony that there still exists in Mexico a powerful cultural element of national identity, which the Nazi Synarchists who currently control the government of the United States through Vice-President Cheney, have feared for generations. This fear has now expressed itself again, through a series of hysterical attacks, within Mexico, by right-wing groups like the COPARMEX business association, the PAN, and the pro-Fox PRI faction gathered under the skirts of PRI congressional leader Elba Esther Gordillo.

The strategic battle Mexico is waging to preserve sovereignty over its natural resources and the management of its electrical energy infrastructure, is occurring in the midst of a dramatic collapse of the country’s national economy, which has been subjected to systematic looting since the 1982 imposition of the International Monetary Fund’s criminal austerity policies. Those policies were enforced to assure that government budgetary policy would always be determined by the foreign demands for prompt payment of Mexico’s foreign debt. This economic decline has been accentuated in the past three years by the growing economic depression in the United States, whose own market collapse has caused a fall in Mexican exports—90% of which go to America.

Bartlett and Cardenas have formed a Defense Front Against the Privatization of the Energy Sector, which is attracting political and trade union forces nationally. But there is no way to save any sector of the economy within the confines of an economic model whose practices have led the international financial system to the generation of a huge and unpayable debt, which is leading to the disintegration of that system itself. Thus, defense of the country’s energy sector is prompting long-overdue discussion about who Mexico’s allies for change are. The past advances Mex-

ico has made have been historically defined by alliances of Mexican patriots, with the intellectual tradition that made possible America’s victory over British colonialism in the 18th Century.

This was true of the alliance between Abraham Lincoln and Mexican President Benito Juárez in the mid-19th Century, which allowed for the defeat of the Hapsburg tyrant Maximilian, and the restoration of the republic. The alliance between Mexican President Lázaro Cárdenas and U.S. President Franklin D. Roosevelt in the 20th Century, made possible the expropriation of Mexico’s oil from British colonial clutches.

The Mexican allies of Presidential candidate Lyndon LaRouche, who represents the tradition of Lincoln and Roosevelt, have intervened in the anti-privatization fight with a nationally-circulating leaflet. “What Mexico needs,” it declares, “is a policy of national reconstruction, on the basis of great infrastructure projects that only the State can undertake. The country needs a true railway system of high-speed and magnetic levitation trains, and vast water projects, like the Northwest Hydraulic Plan (PLHINO) and the Northern Gulf Hydraulic Plan (PLHIGON), which would carry water from the South to the fertile lands of the North. Mexico also needs the Great American Desert program of joint U.S.-Mexican development, as proposed by . . . LaRouche. To sustain these projects, the country will need abundant electricity, which the foreign energy pirates have no intention of generating for Mexico. In particular, we need to build dozens of nuclear energy plants, including for desalination of the water the nation so urgently needs.

“Further, the country needs a mission-oriented policy, a mission that stems from its own history of battling to forge a true Republic premised on the national welfare, on the national independence aspirations of Hidalgo, Morelos and the others; on the fight by Benito Juárez for sovereignty, development, and against Synarchist imperial intervention; on the fight for the social rights of the Mexican Revolution and the 1917 Constituent Assembly; on the fight of Gen. Lázaro Cárdenas to affirm that national independence and sovereignty, and on his alliance with U.S. President Franklin Delano Roosevelt.

“That mission is the banner under which today’s youth are fighting for their future. The political ‘leaders’—from Carlos Salinas de Gortari, his cohorts like Jorge Castañeda, Elba Esther Gordillo, Roberto Madrazo and the other collaborationists, and the PAN loyalists of the ‘party of treason’ like Fox, the Creels, the Calderóns and the other greasy pedants—have already failed. And they failed because the system itself prompted them to ensure that its destructive policies would prevail. Any political force that tries to mend the system, will fail in the same dramatic way. The financial system is irremediably bankrupt, and cannot be saved in its current form. It must be declared in bankruptcy, and replaced by a New Bretton Woods.”