

Part III: Mexico Since 1990

Mexico entered the 1990s in an atmosphere of uncertainty. Many of its citizens were frustrated by ongoing economic challenges and dissatisfied with the ruling party, the PRI (Party of the Institutionalized Revolution). Mexicans became less and less willing to wait for the opportunities the government had promised them.

Demands for Change

By the end of the 1980s, economic struggles made people across Mexico impatient for financial recovery and determined to have a democratic government that represented them. New political movements gained ground as the Salinas government continued enacting unpopular policies.

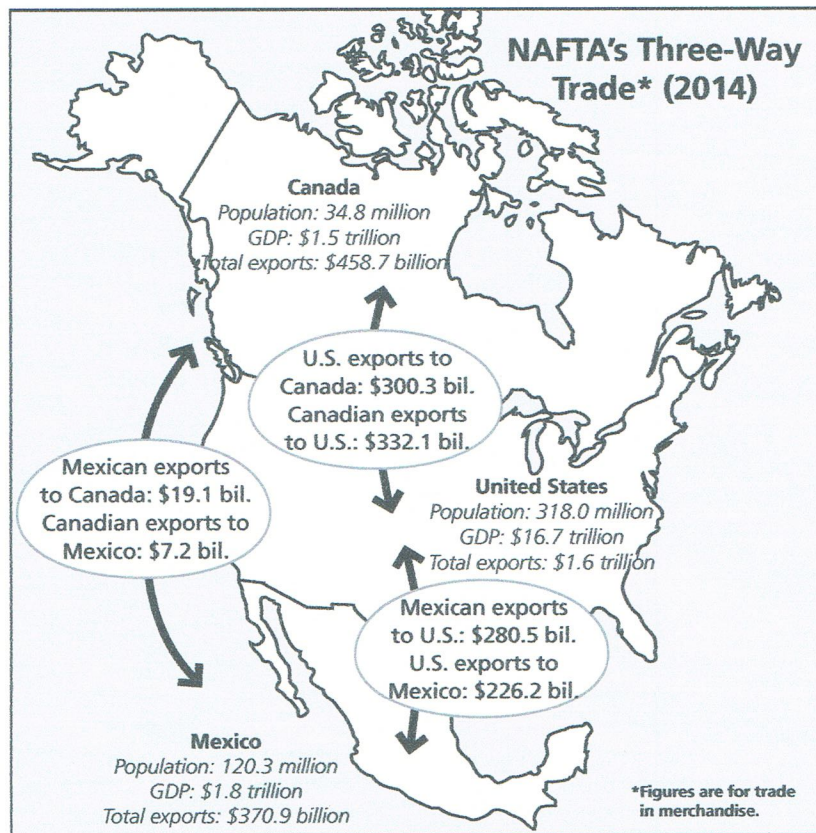
How did NAFTA change Mexico's economy?

The government continued to reform the economy throughout the 1990s, despite diminishing popular support. Under President Salinas, Mexico worked with the United States and Canada on a plan to increase trade on the continent. Years of talks among the three countries eventually produced the North American Free Trade Agreement (NAFTA), which took effect in 1994. NAFTA lowered barriers to trade among North American countries. For Mexicans, this means that Mexican exports are cheaper for U.S. and Canadian consumers and, at the same time, imports from the United States and Canada are cheaper for Mexican buyers. Today, NAFTA is the largest trading partnership in the world.

NAFTA made Mexico a hot spot for investors. From 1990 to 1993, Mexico attracted more foreign investment (\$53 billion) than any other developing country. Many international manufacturers moved their plants to Mexico so that they could pay lower tariffs, or taxes, when trading with the United States. At the same time, many U.S. businesses opened factories in Mexico because they could pay Mexican workers lower wages. Mexico's exports boomed, thanks largely to the growth in manufacturing.

How has NAFTA had mixed results?

The Mexican government believed that NAFTA would create millions of new jobs in Mexico's factories and farms. It believed that breaking down trade barriers would spur modernization and innovation throughout the economy.



Mexico's most efficient industries are among the success stories of NAFTA. High-tech steel plants and glass manufacturers in Monterrey, for example, have substantially increased their exports to the United States and Canada. Since 1995, Mexico has recorded healthy trade surpluses with the United States, exporting more than it imports. Buoyed by these successes, the Mexican government has negotiated additional free trade agreements with the European Union and other Latin American countries.

But NAFTA has further widened the gap between the haves and have-nots in Mexico. Most of Mexico's manufacturing growth has taken place in the two thousand assembly plants, or *maquiladoras*, in northern Mexico. These *maquiladoras*, many of which are owned by prominent European and Japanese companies, assemble electronic goods, automobiles, and other items for shipment across the U.S. border. Most of the raw materials that *maquiladoras* use are imported; as a result, the factories contribute little to other Mexican industries. The workers in these plants make, on average, about \$2.50 per hour. (The average wage for manufacturing workers in the United States is about \$23 per hour.) Many people have also raised concerns about the high levels of pollution produced by these plants, causing environmental damage and health risks.

Most Mexicans are inclined to blame NAFTA and free trade for the thousands of jobs lost in struggling factories producing toys, candy, textiles, and other consumer goods. Competition from U.S. corn imports, for instance, has hindered local corn production, bankrupting scores of Mexican farmers.

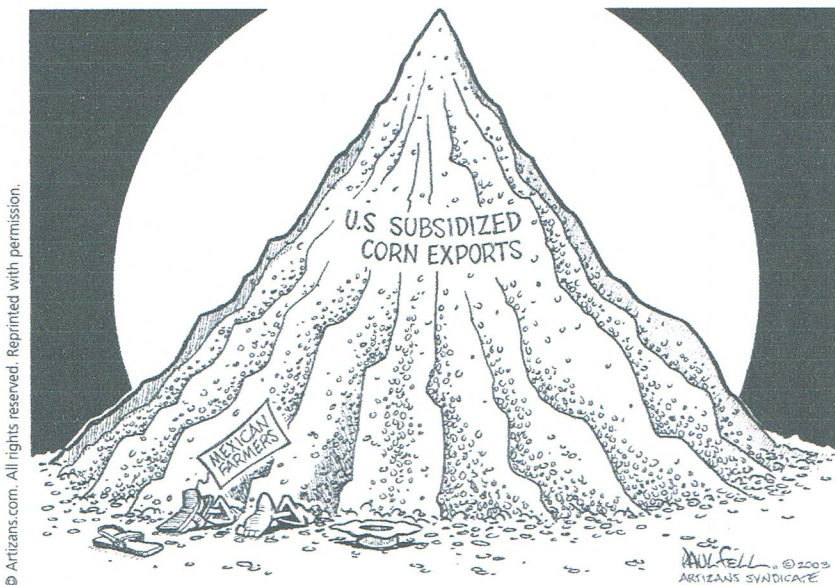
The effect of NAFTA on Mexico's self-image has also been jarring. American-style department stores and fast-food chains have appeared in many cities in northern Mexico and in Mexico City itself. Parts of Mexico are now indistinguishable from the United States, with strip malls of stores like Walmart, McDonald's, and Starbucks.

How did economic changes erode public support for the PRI?

The free market reforms that began in the 1980s plugged Mexico into the global economy and enriched a small number of elite Mexicans, but they did not benefit most people. Under President Salinas, the number of billionaires in Mexico rose from two to twenty-four. At the same time, the standard of living for many among the middle class and poor did not improve. In 1994, the Mexican economy suffered another crisis. Over one million workers lost their jobs and those that remained in the workforce faced dramatic wage cuts.

Inequality and worsening poverty increased public frustration with the PRI. After the country's economic crisis in the 1990s, for example, the Mexican government became the butt of jokes and political cartoons. Protestors chanted, "First world. Ha, ha, ha" to mock earlier hopes that Mexico would soon be ranked among wealthier nations.

Throughout the 1990s, the PRI slowly began to lose its control over Mexican politics. In



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1989, a PAN (National Action Party) candidate had become the first member of an opposition party to become governor of one of Mexico's thirty-one states. By 1996, PAN mayors governed five of Mexico's seven largest cities. In national elections, voter turnout reached record levels, rising from 50 percent in 1988 to 77.7 percent in 1994. In 1997, for the first time in the party's history, the PRI lost control of the lower house of Congress. Opposition parties became increasingly popular as Mexicans made it clear that they would no longer stand for election fraud and an unrepresentative government.

How did the Zapatista army respond to Mexico's economic problems?

In the southern state of Chiapas, one of the poorest regions in the country, frustration with the government broke into violence in 1994. Local peasants, calling themselves Zapatistas after the army that Emiliano Zapata led during the Mexican Revolution, organized a guerrilla army to fight on behalf of the region's indigenous people. The Zapatista Army of National Liberation (EZLN) declared war on the government and led a rebellion against both local and national governments beginning on January 1, 1994.

“We are the product of 500 years of struggle.... But today we say enough!”

—From the “Declaration of War” of the EZLN

The Zapatistas were fighting not only for land reform and greater independence for indigenous communities, but also for economic justice and the end of the PRI's hold on political power. The EZLN rebellion was specifically planned to coincide with the day



Subcomandante Marcos, leader of the EZLN, in Chiapas, 1999.

cesar bojoquez (CC BY 2.0).

that NAFTA would take effect. The Zapatistas believed that NAFTA was yet another example of a government reform that would make the lives of the rich easier while the poor continued to suffer.

During the rebellion in Chiapas, EZLN soldiers, wearing black ski masks or red bandanas across their faces, took government officials hostage, blew up telephone and electrical towers, and ransacked town halls, burning official records. The government brutally suppressed the rebellion and quickly negotiated a cease-fire. But within a year, the peace talks failed. The conflict continued, often resulting in bloodshed. Throughout the 1990s, hundreds of EZLN supporters, government supporters, and local villagers in Chiapas died in the violence.

The rebellion was widely covered by local and international news media. Many within Mexico were sympathetic to the goals of the Zapatistas. Public debate over government corruption and neglect of Mexico's peasants and indigenous people intensified. When it was discovered that the Mexican government had known about the EZLN army for more than a year before the rebellion began, many accused President Salinas of being more concerned with passing NAFTA and keeping Mexico's international image intact than with responding to the concerns of the Mexican people.

After the first EZLN rebellion in Chiapas in 1994, guerrilla violence spread to other poor states in southern Mexico. Other social movements joined the Zapatistas in furthering the land reform aims of indigenous communities. In 2001, the EZLN stated that it would begin to participate in the country's political process. Because of this new approach, although many Zapatista demands have not been met, much of the violence in Chiapas has ended.

Why was the presidential election of 2000 so important?

Although the PRI managed to win the presidency again in 1994, they did not have a secure hold on power. In an historic election in 2000, Mexico took a dramatic step toward a new era. On December 1, 2000 Mexico inaugurated PAN candidate Vicente Fox as president and completed its first transfer of presidential power to an opposition party since the 1920s.

For many Mexicans, the end of the seventy-one-year dominance of the PRI signaled an important political transformation for Mexico. When Fox was elected, many believed the country would see great political and eco-

nomical reform, including poverty relief and the end of government corruption. Fox promised to create one million new jobs per year and to negotiate with U.S. President George W. Bush to legalize the ten million undocumented Mexican workers in the United States.

But many of Fox's promises were not realized. For most Mexicans, little changed under Fox's presidency. He continued the free-market reforms of his predecessors, which did little to alleviate inequality and poverty. Many Mexicans remained frustrated with the government's inability to make concrete improvements in their lives.

Why were there protests in 2006?

Many Mexicans made their frustrations clear in the country's 2006 presidential election. Felipe Calderón, a conservative candidate, won the election by 233,831 votes (less than 1 percent of the 41.5 million cast) over Andrés Manuel López Obrador, a champion of the poor. The election exposed the deep divisions in Mexican society. The majority of Obrador's supporters were from the poor and working classes while Calderón was primarily



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Obrador's supporters in a pre-election rally in 2006.

supported by the middle class and those who thought that Mexico's top concern should be economic and political stability.

Many of Obrador's supporters believed the election had been fraudulent and called for a recount of the votes. Hundreds of thousands participated in mass protests in Mexico City. For six weeks, protestors erected tents to block traffic on the city's major streets. In the end, Mexico's courts allowed only a partial recount and granted Calderón the victory.

“We are fed up with being robbed, fed up with fraud. We are ready for it to come to blows. If that is what they want, that's what they will get. They want a revolution, then they'll have a revolution.”

—An Obrador supporter, 2006

In 2012, Obrador ran for the presidency again, but was defeated by the candidate from the rejuvenated PRI, Enrique Peña Nieto.

Challenges Today

By international standards, Mexico is not a poor country. The United Nations ranked Mexico seventy-first out of 182 countries in terms of development in 2014. At the same time, Mexico's population of 120 million people is pressing the limits of the country's resources. The fanfare surrounding NAFTA and increased foreign investment raised expectations for a better life, but the policies have failed to deliver substantial results. As the protests after the 2006 elections demonstrated, many Mexicans are no longer willing to wait for the brighter future that has been promised to them since the 1980s. Mexicans are demanding economic, legal, and social change from their government.

What economic challenges does Mexico face today?

Some economists question if Mexico's economic reforms were too rushed. Many Mexican businesses have struggled to compete with the United States.

“It's as if I climbed in the ring with Mike Tyson for fifteen rounds. The impact [of NAFTA] has been brutal.”

—Javier Higuera, unemployed accountant

Agriculture is one sector that has suffered. Mexican farmers have struggled to compete with cheaper imports from the United States. Between the start of NAFTA and 2005, more than one million farmers in Mexico lost their jobs. Mexico now relies on foreign food sources to feed its population. In 2014, despite being the sixth largest producer of corn in the world, Mexico imported nearly half of all corn consumed in the country.

Mexico's oil industry has also faced setbacks in recent years. In the past, oil accounted for as much as 40 percent of the country's income. Mexico is one of the three largest foreign suppliers of oil to the United States. But much of the country's easily accessible oil has been used up. New oil wells exist, but they will be much more difficult and expensive to access. Mexico's government, which has controlled the oil industry since 1938, must decide whether to allow foreign companies, which have more advanced technology and expertise, to drill for oil in Mexico. This move would be deeply unpopular among ordinary Mexicans. Some experts have estimated that Mexico may have to begin importing oil by 2020.

Many are also concerned that NAFTA has made Mexico's economy too dependent on the United States. Of all Latin American countries, Mexico was hardest hit by the 2008 financial crisis, in large part because of its close economic ties to the United States. As people in the United States limited their spending, the effects were felt in Mexico's manufacturing sector. Between 2007 and 2009 alone, more than 250,000 jobs were lost in Mexican factories along the U.S. border.

In 2012, President Enrique Peña Nieto came to power with a promise to focus on improving the Mexican economy. Many of his economic reforms have been praised by experts. For instance, Peña Nieto opened the

energy industry up to private investment, which many economists think will transform not only the oil industry but the entire Mexican business world by making electricity cheaper. However, the president is unpopular among the Mexican population. Recently, Peña Nieto has been criticized for ignoring other important problems in Mexico (such as crime and corruption) and for focussing too narrowly on economic growth.

Why is Mexico's relationship with the United States important?

In the decades after the Mexican Revolution, Mexico's leaders sought to assert their country's independence by keeping the United States at arm's length. The Mexican armed forces long identified the United States as Mexico's most likely enemy. In the United Nations, Mexico routinely opposed U.S. interests. Mexico was also one of the few countries in the Western Hemisphere to reject cooperation with the U.S. military. Until 1996, Mexico refused to extradite Mexican citizens wanted for crimes in the United States.

Mexico's economic reforms and NAFTA have been accompanied by a shift in Mexican policy toward the United States. Since the mid-1990s, the Mexican government has been much more willing to cooperate with the U.S. government.

From the Mexican perspective, U.S.-Mexico relations have never been an equal contest. The United States has long held enormous economic leverage over Mexico. U.S. economic output is about ten times greater than that of Mexico. The United States accounts for about two-thirds of Mexico's imports and exports, while Mexico is involved in only about one-tenth of total U.S. trade.

There is also a huge imbalance in terms of public attention. Mexicans have long been absorbed by their country's relationship with the United States. The territorial losses of the North American Invasion (Mexican-American War) are still a common point of reference in Mexican politics. In contrast, U.S. citizens have rarely looked south. Only in recent years,

with the discovery of new oil deposits, the rising tide of immigration and drug trafficking, and the passage of NAFTA, has Mexico come into sharper focus for the United States.

“So far from God. So close to the United States.”

—Mexican expression

How does the issue of immigration affect relations with the United States?

Immigration to the United States is another reason that the U.S.-Mexico relationship is important. The declines in Mexican agriculture have left vast numbers of rural Mexican people with no source of income. For many, their only means of survival is to immigrate to the United States, where they can find jobs that U.S. workers do not want, typically in hard agricultural labor. According to the U.S. government, in 2008 alone nearly 190,000 Mexicans legally immigrated to the United States with more entering without documentation, although rates have declined since then (in 2012, the estimate was approximately 146,000). For many Mexicans, immigration to the United States helps improve the lives not only of those who migrate but also those who stay at home. Remittances, or money sent by workers in the United States to their families in other countries, have become an important source of income for many Mexican families.

But the issue of undocumented Mexican immigration to the United States has become a sticking point in U.S.-Mexico relations. Mexican leaders are under pressure to defend the rights of their citizens in the United States. At the same time, they face demands from Washington to control the flow of undocumented immigrants across the border. Mexican officials have suggested that the United States government issue work permits to protect Mexican laborers from abuse. Meanwhile, they have allowed the United States to airlift undocumented Mexican immigrants deep into Mexico, rather than simply taking them across the border. The fact that not all the immigrants crossing the border are Mexican (immigrants from other countries often enter the United

States through Mexico) complicates government attempts to deal with the issue.

In 2006, the U.S. government began construction on a fence that will span seven hundred of the two thousand miles of the U.S.-Mexico border in order to prevent illegal border crossings. In recent years, the U.S. government has also stepped up its deportation of undocumented immigrants. Some states have passed stricter laws to limit employment of undocumented migrants. In 2010, Arizona passed a law that made it legal for the police to arrest anyone they suspect of being an undocumented immigrant. Mexican leaders sharply criticized these policies, and many in the United States argued that this policy encouraged racial profiling.

Recently, the U.S. government has been facing increased pressure to create new laws for immigration. Some of the demands that advocacy groups have made are for a path to U.S. citizenship for undocumented immigrants currently living in the United States and

provisions for a “guest worker” program where foreign agricultural workers could have short term jobs in the United States. In November 2014, U.S. President Barack Obama issued an Executive Order that allowed some undocumented immigrants to stay legally in the United States, if they fit a set of conditions (including paying taxes, having children who are U.S. citizens or legal residents, and not having a criminal record). This, like all U.S. actions around immigration, was very controversial.

One of the reasons for the controversy around immigration and the U.S.-Mexico border is concern about crime. The issues of undocumented immigration and border control have become closely linked to the expanding illegal drug trade between the United States and Mexico. The drug trade has also led to more immigration to the United States through the Mexican border by young adults and children trying to escape crime and violence in Latin American countries with powerful drug cartels.



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The wall at the border between the United States and Mexico. People hang crosses on the wall to commemorate loved ones who have died trying to enter the United States.

How have drugs and crime affected Mexican society?

Since the late 1980s, the global drug trade has become more profitable, driven mostly by U.S. demand. In the mid-1990s, the destruction of drug cartels in Colombia meant that Mexican cartels became even more powerful. U.S. sources contend that approximately 77 percent of the cocaine reaching the United States comes through Mexico. Mexican drug traffickers have used increasingly sophisticated methods to smuggle this cocaine, produced in Colombia, Peru, and Bolivia, across the southern U.S. border. Mexican drug traffickers also supply most of the heroin consumed in the western states of the United States and have expanded their trade in marijuana and synthetic drugs, such as methamphetamines. In recent years, drug cartels have expanded their operations not only to smuggle drugs across the border but also to distribute them in the United States.

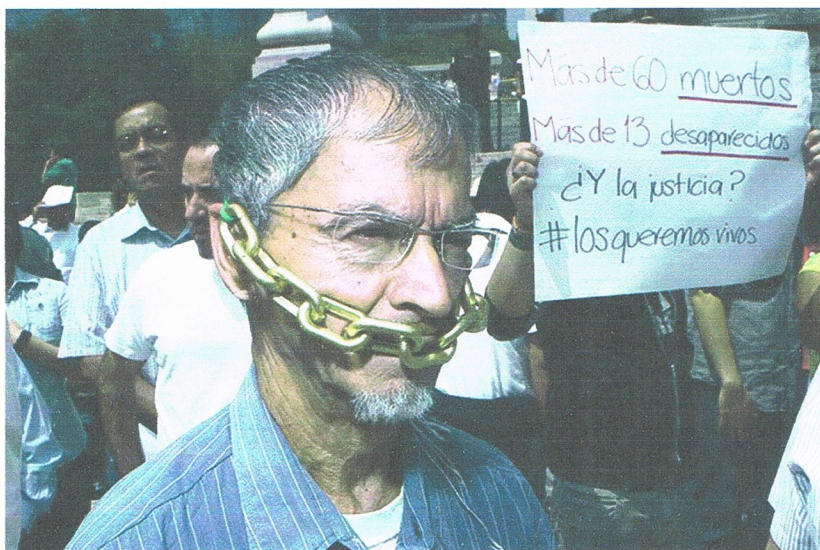
The Mexican government has warned that the drug trade poses a threat to Mexico's security and stability. Drug profits have allowed major traffickers to buy off police, military personnel, local political officials, and border agents. Many Mexicans believe that drug money has penetrated the top ranks

of the government. In addition, money from drugs has fueled a booming arms trade across the U.S.-Mexico border. Because it is almost impossible to purchase guns in Mexico, most of the arms used by drug traffickers are from across the border. Approximately 90 percent of the twelve thousand rifles and pistols confiscated by Mexican authorities in 2008 were purchased in the United States.

The drug trade is connected to the increase in violent crime in recent years. Highly organized crime linked to the buying, selling, and trafficking of drugs has become a major problem in Mexico. Drug gangs have been involved in countless kidnappings and murders, usually of other gang members or of law enforcement officials. The violence has spiked since 2007, after President Calderón began an aggressive campaign against the drug cartels, deploying tens of thousands of troops and police to crime-ridden areas.

“If we remain with our arms crossed, we will remain in the hands of organized crime, we will always live in fear, our children will not have a future, violence will increase and we’ll lose our freedom...”

—President Calderón, June 2010



Keith Dannemiller (CC BY-SA 2.0).

In a silent march in Mexico City, protestors demanded the government provide journalists with protection from violence perpetrated by drug cartels.

Some criticized Calderón for his heavy-handed military response. They argued that he did not address the weakness of local police forces and the dysfunction of the justice system. They also claimed that Calderón's strategy of targeting the leaders of cartels was poorly thought out and merely led to increased violence. It has been estimated that more than sixty thousand Mexicans have been killed in drug-related violence since 2006.

Despite widespread public concern about the violence, there are some popular Mexican songs, known as *narcocorridos*, that treat drug dealers as a type of hero.

***“I don’t belong to anyone.
I administer my business.
My clients are in my pocket,
everything is going fabulously
The little Colombian rock [cocaine] is
making me famous.”***

—Los Tucanes de Tijuana,
“The Little Colombian Rock”
(English translation)

The Mexican government has banned these songs from the radio and regularly monitors groups who are known to glorify drug traffickers in their lyrics.

How is violence linked to the Mexican government?

Crime has become a terrifying part of Mexican life, mostly because of the prevalence of drug cartels. People in Mexico are also concerned about violence from state officials. The “war on drugs”—the joint policy of the U.S. and Mexican governments that promised to decrease corruption and improve the rule of law—ended up increasing violence and deepening networks of corruption between cartels and state officials.

When Calderón came to power, the promised crackdown on the drug trade resulted in increases in violence and spikes in murder rates. The Calderón administration was criticized for using violence to try to solve the problems with the drug trade while ignoring the underlying causes. In 2011, the killing of the son of a famous poet, Javier Sicilia, by a drug gang prompted protests across the country, calling for the end of the war on drugs. Because Sicilia and his son were respected in Mexican society, the protests challenged the assumption that murder victims were always involved in the drug trade and gave voice to the realization that innocent people were getting caught up in the violence.

Recently, the Peña Nieto administration has also faced criticism for government violence. In September 2014, in the town of Iguala, first-year students at a teacher training college came into conflict with the police, who fired on their bus. During the confrontation, forty-three of these students disappeared. The remains of only one of the students have been found. Witness testimony suggests that military personnel from a nearby base were also present. The Mexican government claims the students were murdered by drug-traffickers after being kidnapped by police. While the federal government has promised to review the local police force and try municipal government officials, they refuse to investigate the military. Many people in Mexico feel that this symbolizes the failure of the government to ensure the safety of its citizens and to take responsibility for the violence. While international bodies like the UN have condemned how the Mexican government has handled the case, the U.S. government has been largely silent. Human rights organizations were outraged when U.S. President Obama did not mention the case during a meeting with Peña Nieto in January 2015.

Why do the questions of land reform and the demands of indigenous communities persist?

While the problem of drug trafficking dates back decades, the challenges of land reform and the struggles of indigenous communities are as old as Mexico itself.

Roughly one-quarter of the country’s people still live in rural areas, often in suffocating poverty. Land reforms after the Revolution were not sufficient to bring prosperity to many regions. More than half of all rural households are considered poor, including a quarter of rural households that are classified as extremely poor. Many do not have access to basic services such as clean water and electricity. There are also lower rates of literacy among the rural population than the rest of Mexico.

Not all of the Mexican countryside is poor. In the north and west, commercial farms grow crops such as cotton, oranges, strawberries, melons, and tomatoes for export. These farms

have incorporated new technologies and farming practices and have been relatively successful in the international market. But in the south and central regions, small farms and *ejidos* (traditional communal lands) tend to produce basic crops such as beans and corn. Poverty is widespread, pushing many to migrate for jobs in the cities and in the United States. Much of the land here is used for subsistence, which means that farmers and their families consume virtually all of the harvest they produce and have little left to sell.

“For us, the land does not have a price, because the lives of our grandparents and our parents are within it. Many gave their lives to obtain it. They fought with the owners, with the army, and even with the campesinos [farmers] who were against being free. We do not want to be... employees. We want to continue to be free, although poor.”

—Amadeo González Ruiz, farmer

Land reform issues are closely connected to the struggles of the country’s indigenous people. Mexico has one of the largest indigenous populations in all of Latin America and the Caribbean, with indigenous people comprising as much as 30 percent of the population.

Since the Revolution, there have been more government policies focused on strengthening indigenous communities through bilingual education and by helping preserve local traditions. Nevertheless, indigenous communities are disproportionately poorer than the rest of Mexico’s population. Many indigenous groups have long been working to recover the lands that they lost over the past



A sign on a highway in Chiapas reads “You are in Zapatista rebel territory. Here the people command and the government obeys.”

five centuries, as well as to gain more political autonomy for their communities.

How has the influence of the Zapatista army spread?

Although the violence in Chiapas has largely ended, the Zapatista army continues to be an important symbol for many communities in Mexico. The EZLN has already established thirty-two autonomous communities in Chiapas, where there have been documented improvements to gender equality and public health. The Zapatistas have expanded their goals and their influence since the 1990s, coordinating online with activists across the country and around the world. They have pledged their support to all Mexicans who are poor and exploited, and they have also joined international organizations in a worldwide movement against free trade.

The organization has also worked within the Mexican political system to pursue change. In the six months leading up to the 2006 election, the EZLN organized a movement called the Other Campaign to oppose Mexico’s mainstream political parties. The organization toured the country to raise popular support for more comprehensive political, social, and economic changes.

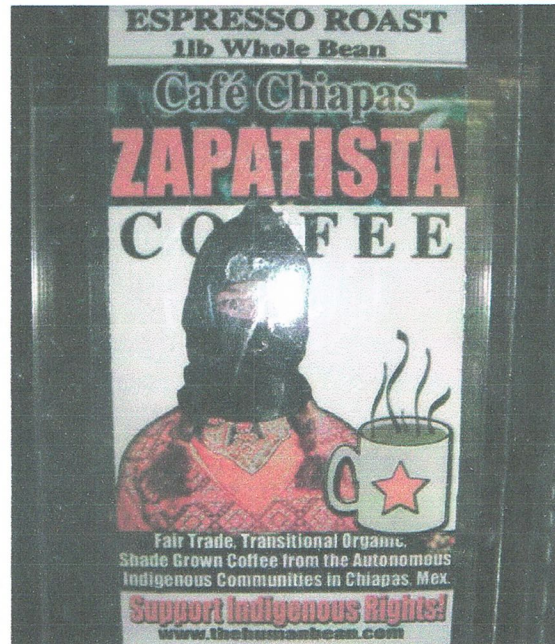
As part of their expanded goals, the Zapatistas have backed movements in other parts of the country. For example, in mid-2006, a teacher protest in Oaxaca was repressed by

thousands of state police officers, sparking a wider movement calling for the resignation of the state governor, Ulises Ruiz Ortiz. The teachers' union was joined by other social organizations in Oaxaca, including unions, indigenous groups, and the EZLN, as well as important political figures. Violence spread as far as Mexico City, and protestors took control of parts of Oaxaca City. More than one hundred protestors, including many of the movement's leaders, were arrested.

After Governor Ortiz lost the 2010 election, people were optimistic about change. However, more teacher protests broke out following education reforms by President Peña Nieto in 2013. The policies created new types of government control over education and demanded students take tests in Spanish, which undermined the rights of indigenous people who do not speak the language.

Recently, the EZLN has focused on spreading international awareness about the plight of indigenous people in Mexico and their desire for autonomy (self-rule) without the influence of the Mexican government. Many international organizations have come to support the movement because of its new image and tactics.

Mexico's political and economic transformation continues. Yet the numerous economic and political crises of the last decade have led many Mexicans to question what kind of future they want for their country. As Mexi-



Robi (CC BY 2.0).

Zapatista coffee farming cooperatives were formed by indigenous people who wanted better conditions for coffee farmers. Now the coffee is traded under a "Fair Trade" label, which represents the good working conditions for producers.

cans look ahead, many also look back to their history. The early indigenous civilizations, the arrival of the Spanish, the struggle for independence, and Mexico's long relationship with the United States, all contribute to Mexicans' sense of what their country is and what it should be.

In the coming days, you will have an opportunity to consider a range of alternatives for Mexico's future. As you do, keep in mind what you have learned from the reading. You should strive to put yourself in the shoes of ordinary people in Mexico and consider how their history might shape their outlook on the future. The three options that you will explore are written from the perspective of people in Mexico. Each is based on a distinct set of values and beliefs about Mexico's social and political priorities.