

## Change to Not Change

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Mexican reformers remind me of that much-publicized prediction of Michael “Sugar” Ray Richardson, the basketball player who made himself famous for once having told a sportswriter that his team, the New York Knicks, was “a sinking ship”. When the writer asked how far the ship might sink, Richardson replied, “The sky’s the limit.” Contradictions are inherent in our system of government, designed for everything to change so that, at the same time, everything would remain the same.

From the eighties, the country embarked upon a process of reform with a very clear public objective, but with a private agenda on the side. The public part was to raise productivity with a goal of, by that means, increasing investment, thus the generation of wealth and well-paid jobs. The project was technically impeccable because it revealed a flawless understanding of the nature of the problem, at least in economic terms.

At that time, the country found itself at a standstill because it retained an endogamic economy where public and private monopolies proliferated, in which the politicians’ enterprises drove the decisions on economic matters, where the labor unions determined what made progress and what stayed the same. The so-called “system” labored to reach a sole objective: preserve and increase the privileges of the political class, of the “Revolutionary Family” lineage that, due to its having won that epic battle, felt itself to be the owner of the country, its resources and its future.

Although it is evident that much has changed, what survives from that world is enlightening. Examples abound: we have many persons looking for work and demanding it at any cost and we have an infinity of companies requiring employees in order to make headway; it would appear to be a perfect match between demand and supply; however, it does not work for a simple reason: thanks to the Teachers’ Union (in all its variants), education in the country continues to devote itself to perpetuating poverty, controlling the population and impeding progress. The recent educative reform comprises a move forward but, to date, only in concept: the reality is the same as always. Another example: thanks to the business of some unions and politicians who had the monopoly on the distribution of PEMEX products (by truck), the nation now possesses many fewer gas pipelines than those required by an economy aspiring to rapid growth. One last example: I do not know whether any Mexican has thus far perceived that we have a small security,

justice, corruption or impunity problem, but it seems evident that the latter is not obvious to those responsible for national affairs at all levels of government; those who have been in charge, and their candidates, see these issues as a mere distraction.

It is within this context that reforms such as those of energy, education and NAFTA itself would have to be evaluated, not to mention matters such as corruption and the judicial reform: the condition sine-qua-non for investment to grow is legal and patrimonial certainty, which is impossible to the degree that the old political system and the criteria that moved it –in legal and bureaucratic practice- endure. The challenge in matters of energy is particularly acute in this regard. Justice, security and economic growth go all hand in hand.

Mexico is recognized worldwide for reforms that, since three decades ago, began to be adopted. Be that as it may, compared with other countries that are also reformers, our progress has been less because of the private agenda that has accompanied the reforms: everything is all right as long as it does not threaten the interests and privileges of the beneficiaries of the political system of old. So deeply rooted is this criterion that even the two PANist administrations upheld it. The way that the federal government has conducted itself in the State of Mexico electoral campaign is suggestive: anything goes so as not to threaten the status quo.

"The end may justify the means", wrote Trotsky, "as long as there is something that justifies the end." The problem is that the end implicit in the reforms involves nothing changing; thus the reforms end up being weak and insufficient, at least in terms of their implementation. Of course, all reforms, in Mexico and in the rest of the world, de facto incorporate the realities of the power and, in this sense, we cannot compare reform processes such as those of Korea, Chile or China with those of Mexico, because in those nations there were hard governments that imposed their law.

Mexico's case is peculiar in another sense too: it in fact undertook a political transition that did not change the political arena. There is a new electoral reality and freedoms but not a new political regime. From this perspective, the implicit objective of the reforms – preserve the privileges- has been absolutely successful.

The question is, at what cost: the country has for decades entertained a meagre 2% annual growth on average; the population calls for better life levels but, thanks to the privileges, has not had access to the schooling that would allow the achievement of these; investment grows, but very much below potential; the insecurity destroys business

concerns, families, expectations and, above all, the trust that is key for progress. All this, in exchange for what?

The dilemma is clear-cut: Mexico either takes the step forward or perseveres with the pretense of change but the reality of corruption and impunity. Worse: however little or much the reforms have advanced is in question due to the external and internal threat and without a population willing to defend what it does not feel is its own.

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