

## **The Pact and the Power**

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The so-called Pact for Mexico was slated to be the grand solution for triumphing over years of conflict and legislative paralysis. Although through those years of “paralysis” a great volume of legislation was passed and there was broad-reaching recognition that the country required important reforms to advance its development, none was passed that might alter the economic structure substantively. The Pact complied with a crucial objective -that of approving reforms- and creating potential opportunities that without doubt will translate into significant economic improvement, but it did not trigger growth. The governmental argument that reforms take time to congeal and exert an impact on the growth of the economy is not only reasonable, but entirely logical and legitimate; nonetheless, the problems that the country has experienced from the time of the conclusion of ratification of the reforms shows that a more profound and transcendental problem exists and that the Pact, rather than solving it, hushed it up. This problem is that of the structure and distribution of political power.

The Pact was a masterly idea proposed by the PRD with the objective of sharing the political cost of the reforms. Due to its peculiar internal circumstances –the relationship between Lopez Obrador and PRD party leaders- the PRD had been sequestered, constrained at the margin of the partisan negotiation processes of the previous years, which is why that party entertained a special reason for recouping its political and legislative presence. The PAN also came to form part of the mechanism; thus, the three parties achieved what had been thought impossible in the previous decade in matters of reform. Despite the logic of conducting themselves as statesmen and assuming the reform’s political costs, the decision of the PAN and PRD to join forces in a pact with the PRI continues to be strange, given that for those parties if the result of the reforms was indeed extraordinary they didn’t lose; but had things ended up being less benign they would lose everything. For the PRI, in contrast, the Pact was a way of achieving approval of its reforms in expeditious fashion, without counterbalance in Congress and with the knowledge that if the result was good, their bonuses would escalate and, contrariwise, the losses would be shared. In contrast with its partners, for the PRI it was all upside.

The Pact fulfilled its purpose and the country today has radically distinct constitutional underpinnings from those which existed previously, although, given the way that the country works, the existence of laws does not guarantee that these will be applied or that the reforms will enter into operation. However, once they are on the books, the potential for change is clearly enormous, even if it takes another administration to bring it about. But this contradiction – between the reality in the streets and that present in the Constitution- is illustrative of the underlying problem that ails the country. In the Pact, it was shown that the problem, in the last analysis, did not lie in the ease or difficulty of countenancing legislation, but instead in the inexistence of the capacity of governing. The question is why.

The problem possesses two contrasting dynamics. On the one hand, the country has been without functioning government for decades. By this I wish to say that the capacity to administer essential public goods, keep the citizenry safe, resolve conflicts in judicial matters and, so as not to forget it, even fill the holes in the street, is laughable. Our system of government was

organized for a distinct era, for a more simple country in which things could be cleared up with acts of authority and where the disagreements that naturally arose with each change of administration were tolerable. That stopped being true some time ago, first, because the nature of the issues that require attention is increasingly complex and costly, in addition to that specialists are required; and, second, in order to progress in this era of globalization and open markets, the country necessitates services that function in a regular manner, without which it is impossible for companies to produce, compete and generate wealth and employment. Thus, Mexico's first great deficit is one of government, a phenomenon reproduced at the state and municipal level.

The other dynamic is concerned with the problem of power. Our system of government emerged from the Revolutionary Movement of 1910 and consisted largely of a coalition of all the victorious forces within the rubric of the PRI predecessor PNR. However, while the country has transformed itself in the last decades, the power structure has remained nearly intact. For the country to progress it will have to attend to problems more profound than that of the legislative approval process: it will be required to redefine the power relationships. That process will not be simple or swift, but not for those reasons any less transcendental.

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