

Democracy in Times of Crisis

The De la Madrid Administration came into office in the midst of an extremely severe financial crisis that threatened to shortly turn into a complete national collapse. Like its predecessors, the De la Madrid Administration accepted and applied International Monetary Fund policies up to a certain limit: it would not break with the massive grassroots organizations that make up the base of the ruling Institutional Revolutionary Party (PRI). To prevent the break, government and organizations hammered out compromises. The agreements reached with worker organizations, however, are in limbo: the IMF and its underlings considered them exorbitant. (The workers, on the other hand, had considered them entirely inadequate.)

The current financial crisis favors big businessmen, who have been able to wring benefits from inflation. They even stimulate it directly, engaging in speculation with an aggressiveness that is meant to accustom people to the law of the jungle: Might makes right. As exporters, they lobby for new devaluations; as importers, for new concessions. They lobby for the reduction and elimination of social welfare programs, for wiping them out completely. Their theorists — like Pinochet's in Chile— call for the privatization of education, health and municipal services. On the offensive, egged on by mass media and their intellectuals, they demand not only the denationalization of the banking system, but also of the nation's energy and industrial resources, starting with petroleum. They claim to be prepared to buy up them all, and have the cheek to pose as the nation's saviors as they make the offer.

State involvement in the economy has occurred without grassroots support, and sometimes even against grassroots opposition. This kind of involvement is now in crisis, due to the great benefits derived from it by private enterprise. It is this crisis which has enabled the right-wing, representing big business, to take advantage of the woes it has itself provoked, demanding the economy's privatization and denationalization and even more freedom than that currently enjoyed.

Meanwhile, confusion reigns in left-wing and progressive ranks. Instead of demanding more say for popular representatives in the management of State-owned and State-run enterprises, many of their

leaders have capitulated to neoliberal and neoconservative Minimal State theories. Neoliberal and neoconservative ideology prevails. It has surfaced not only in Washington, but also among Central American oligarchies. Neoliberalism and terrorist State supporters (who claim to back authoritarianism against totalitarianism) form an international club with members in Guatemala, Honduras, El Salvador ...and Mexico. The new ideological climate prevails not only in extreme right-wing circles, and some "left-wing" ones, but also in the government.

At the same time, the working class is under great economic and social pressure. Real wages have gone down, services and fringe benefits are threatened. Workers are not taken into account in the economic decision-making process. Their leaders and organizations are attacked as irresponsible and immoral, or are forced to accept compromises that alienate their rank-and-file support.

The right-wing offensive has not yet produced a split between the administration and the mass organizations; but it is always on the scene as a possibility. It could be said that many "technocrats" are determined to take the risks of breaking "the Mexican Revolution's social commitments", those products of Mexico's own peculiar brand of social democracy contained in the "pact" between the State and its grassroots organizations. Such a break would end the State's economic and political concessions to the mass organizations and their leaders.

The situation is much more serious than at any time previously, for it simultaneously affects peasants, industrial workers, students, professional people, white-collar workers, and small and medium property-owners. Furthermore, it brings into question the constitutional government's capacity for managing the State and points in the direction of the development of a new kind of State.

Pablo González Casanova

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