

Brief balance-sheet of the Salinas years

The six-year presidential term has come to an end. More criticism than recognition is to be heard. "Much has been done and much remains to be done," said President Salinas in his Sixth Report to the Nation.

The tragic year of 1994 brought an avalanche of crises, key among them the outbreak of war in Chiapas and the assassination of Luis Donaldo Colosio, presidential candidate of the ruling Institutional Revolutionary Party (PRI).

Chiapas was one of the first topics the president analyzed in his report: "The armed conflict which arose in the Chiapas jungle has singular features.... This is a geographically isolated area, with approximately 70 thousand inhabitants dispersed in small communities... neighboring a region where Central American guerrilla movements have operated for 35 years.... There are long-standing inequalities, the rule of local *caciques* [old-style rural bosses], old tensions which have incubated over the course of years, perhaps centuries, neglect, wrongs and mistreatment toward the Indians....

"Shortfalls, rigidities and fractures can be invoked as social causes of the conflict, but they are not sufficient to explain the movement.... Together with these factors there was the work of an armed and trained group, with local and outside leaders and a clear political project antagonistic to the institutional project.... Poverty in itself does not explain armed violence.

"It is important to note that this was the first armed rising to occur after the end of the Cold War.... Nevertheless, it was not devoid of clear international

On November 1st, President Carlos Salinas presented the sixth and final report of his government to the nation. More than an annual report, he drew a balance-sheet of his six-year term in which he put forward his own view of the Chiapas events.

intentions. It was launched on the day the North American Free Trade Agreement (NAFTA) —which had sparked debates that captured world attention— went into effect. It occurred after the five hundredth anniversary of the encounter between two worlds, an event which, in the Old World, brought new interest in Indian issues. Lastly, it shielded itself behind the most popular and noble name associated with social struggles in Mexico: Zapatismo.

"Strikingly designed and with a publicity strategy that broadened its impact, the armed group sought to link itself rapidly with the mass media both inside and outside the country, as well as with urban social movements, particularly in the capital, where it initially met with a certain acceptance.

"The government's response had to be different —different from the way similar situations had been handled in other countries and different from the way they had been dealt with in Mexico in the past.

"First, in a period of a few days, the Mexican army defeated the attack on its installations, dispersed the contingents located in the main towns, forced the armed group [in his speech Salinas never used the term Zapatista Army of National Liberation] to retreat to the jungle, surrounded it and contained the danger. It is the constitutional obligation of the government to uphold internal public peace and ensure that it is respected.

"From that moment on, we decided not to opt for pursuing the group within jungle territory in order to annihilate it; this would have damaged the life of local communities and been incompatible with our values.

"Moreover, it would have meant giving in to the armed group's provocation, which sought widespread violence so this would bring discredit to our armed forces, rejection by society in the rest of the country, the international isolation of Mexico and a scenario of political tension which would jeopardize the federal elections."

Ending his comments on this issue with the promise that through the end of his term he would continue to seek peace with dignity for this area in Chiapas, he continued to address the topic of violence: the kidnappings of businessmen and the assassinations of Luis Donaldo Colosio and PRI Secretary General Francisco Ruiz Massieu.

As President Salinas defended his programs and actions over the course of two hours and forty-five minutes, his report was the object of the greatest number so far of queries and protests from legislators from the opposition Party of the Democratic Revolution (PRD). As Sergio Sarmiento noted (*Reforma*, November 1), "It is relatively easy to criticize a government for not having resolved an age-old problem [poverty], but it is more difficult to understand what could have occurred if economic reforms had not been undertaken.... The country's economy would have gone bust in 1994, as it did in 1982."

During the Salinas years, the elimination of inflation meant relative economic and social stability, taking into account the fact that the economic crisis is international. The following is a synthesis of the successes and failures of Carlos Salinas de Gortari's administration.

Main achievements

Macroeconomics. The groundwork was laid for future economic growth and social development:

- Inflation was defeated. In February 1988 the annual inflation rate reached a historic high of 180 percent, while in 1993 it had fallen to 8 percent, and the 1994 rate is not expected to exceed 7 percent.
- Low-income sectors were provided with basic infrastructure through the National Solidarity Program, which is based on the concept that the government provides the resources and the people provide the manpower.
- Public finances were straightened out. The debt—which currently stands at 17 percent of gross domestic product, in contrast with 50 percent in 1988—was renegotiated and the fiscal deficit eliminated. One of the most critical moments of his administration, Salinas said, occurred in 1990 when Mexico was on the point of suspending payments on the foreign debt.
- Economic statism was overcome. Sixty-seven percent of state-owned enterprises were privatized and key infrastructural projects were carried out through private concessionaires.
- Progress was made in deregulating the economy. New financial intermediaries were created and foreign banks were authorized to operate in Mexico.
- Exports were diversified. The transition was made from an economy that depended on petroleum resources to the push for diversified, competitive private industry.
- Foreign investment increased. Between 1989 and July 1994 it rose to almost 50 billion dollars.

Globalization. Mexican society became more mature in its attitude to other countries, developing a more positive and competitive outlook. This led to Mexico joining the international economic system and participating in key

international forums, such as OECD. The North American Free Trade Agreement went into effect, and similar treaties were signed with Chile, Colombia, Venezuela, Costa Rica and Bolivia.

Church-state relations. "Juridical personality" was granted to 4,500 churches and religious associations, at the same time as the secular character of education was maintained. Diplomatic relations were established with the Vatican.

Democracy. Opposition victories were recognized in several state elections. For the first time, a debate was held between the candidates for the presidency.

Dialogue with the guerrilla movement. Instead of prolonging the Chiapas conflict, a ceasefire was unilaterally declared ten days after the outbreak of the rebellion, leading to an early dialogue. This set an important precedent internationally.

Key unresolved problems...

Poverty and the marginalization of Indians and peasants. Our millionaires are multiplying, but so is the number of poor people. The Indian population remains in a state of neglect and oppression. The stated objective of economic growth remained unfulfilled, as did the job creation required to prevent the emigration of "braceros."

Corruption and impunity. One of society's main grievances has to do with the alarming lack of public security. Mexico has some of the most advanced laws in the world, but those who break them, especially powerful people, often go unpunished or receive only a slap on the wrist. Still unresolved are the murders of Cardinal Posadas, Colosio and Ruiz Massieu. During Salinas' six-year term almost 300 members of the Party of the Democratic Revolution (PRD) were also assassinated, and kidnapping mushroomed into a profitable enterprise.

Presidentialism. Much remains to be done in order to achieve the indispensable balance between the executive, legislative and judicial branches, for federalism and municipal autonomy to be respected and the country's political life democratized. While he was still a candidate, President Ernesto Zedillo committed himself to these goals.

Electoral reform. Still pending are separation between the PRI and the government, measures to ensure more equitable competition between political parties, and granting Mexico City's inhabitants the right to elect their own governor.

Education and the environment. These issues are crucial for achieving Mexico's growth expectations. An ignorant people lives in the shadows and a people without resources finds itself buried alive. ❧

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