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Political Crisis in Mexico Mounts as Opposition Rejects Privatization of Mexico's Oil Resources

By ALAN BENJAMIN

April 18, 2008 — "The movement headed by Andrés Manuel López Obrador is fomenting a coup d'etat aimed at dismantling the Mexican nation and provoking a bloody civil war." This highly charged accusation by the Consejo Coordinador Empresarial (CCE), the equivalent of the Chamber of Commerce in the United States, was featured prominently in most of Mexico's newspapers this morning.

The spokesperson for the CCE, joined in a press conference by high-ranking figures in the ruling right-wing National Action Party (PAN), called on PAN leader Felipe Calderón to put an immediate end to the takeover and occupation by the opposition movement of the Mexican Senate and National Assembly. Calderón was imposed as Mexico's president by massive fraud in July 2006 against López Obrador, the man most Mexicans consider to be their "legitimate" president. "The

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country is slipping into anarchy," the CCE spokesperson continued.

"We

call upon the president and the Security Forces to dislodge by force the Congresspersons and their gang of supporters from the premises of our National Congress."

For 10 days now, the Mexican Senate and National Assembly in Mexico City have been totally shut down, as opposition senators and deputies from the Broad Progressive Front (FAP) — consisting of the Party of the Democratic Revolution (PRD), the Party of Labor (PT) and Convergencia — have occupied the podiums of both legislative houses. They placed huge banners in both buildings that read, "Clausurado,"

or

"Closed Down," explaining that both legislative branches would not be allowed to renew their deliberations until a genuine national debate could be organized on the proposals submitted by Calderón on April 8 to privatize Pemex, Mexico's national oil corporation.

López Obrador and his movement, the National Democratic Convention (CND), are calling for a Nationwide Referendum on Calderón's five proposals to "modernize" Mexico's oil industry — all of which they characterize as privatization measures aimed at handing over Mexico's oil to the transnational corporations. They also insist that a five-month period of national discussion must precede this Referendum, with, among other things, a series of televised debates between López Obrador and Calderón, on the one hand, and between their respective secretaries of Energy — Claudia Sheinbaum from the "Legitimate Government of Mexico" and Georgina Kessel from the fraudulent Calderón administration, on the other.

Calderón has stated he is open to a "national debate" on his proposals, but he has insisted that the only place such a debate can take place is the Mexican Congress. He and his supporters in the PAN and the Revolutionary Institutional Party (PRI), the two main parties who command a large majority of representatives in the Congress, have rejected categorically what they call "the attempt by López Obrador to

wrest legitimacy from Mexico's political institutions by creating an illegitimate dual power in the streets." (Uno Más Uno, April 17)

Brigadistas and Electrical Workers Mobilize

Meanwhile, tens of thousands of activists of the Frente en Defensa del

Pétroleo [Front in Defense of Mexico's Oil resources] — also known

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as "adelitas" and "adelitos," a reference to the footsoldiers of the Mexican Revolution of 1910 — have circled the two legislative buildings as a human shield to prevent the security forces from entering the buildings and squashing this "legislative strike" by the opposition members of Congress. The Brigades have been well-disciplined, blockading the Congress in rotating eight-hour shifts.

"We have put our bodies on the line," explained one "adelita" to La Jornada newspaper. "Let them come with their guns and bayonets. We are not leaving. We have said, 'Enough is Enough!' ... We will not allow them to privatize our oil, shatter our Constitution [a reference to overturning Article 27 of the 1917 Constitution, which stipulates that Mexico's oil is the property of the nation — A.B.] and destroy our future and that of our children and grand-children. We have said, 'La Patria No Se Vende, El Petroleo Se Defiende!'" [Our Nation Is Not For Sale; Our Oil Must Be Defended!] (La Jornada, April 17)

When the Senators of the PAN and PRI attempted yesterday to transfer the Senate proceedings to an alternate site in Mexico City, they were dogged by thousands upon thousands of "adelitas" and prevented from reconvening at a nearby Senate building. The PAN Senators, led by federal stormtroopers (or "gorillas," as they are known in Mexico), made their way through the human barricade set up by the "adelitas." But the Senators of the PRI — the party that ruled Mexico for more than 70 years — refused to cross the adelitas' human chain, reflecting the political crisis in the summits of the PRI over a privatization measure they know is repudiated by the overwhelming majority of the people of Mexico.

The PRI, which still claims to stand on the principles of the Mexican Revolution, was compelled to say that it "wouldn't accept any privatization of Pemex." Emilio Gamboa Patrone, coordinator of the PRI's parliamentary fraction, declared: "We will never allow for the establishment of contracts of shared risk with the corporations, nor the participation of private capital in the activities reserved for the state by the Constitution." (La Jornada, March 27, 2008)

At the same time, the Electrical Workers Union (SME) took to the streets yesterday in what was to be the first of a series of mass mobilizations to demand a genuine national debate and referendum over the future of Mexico's energy sovereignty. "We will not allow the government to privatize Pemex, and nor will we allow them to restrict the debate within the four walls of the Mexican Congress," said Martin Esparza Flores, president of the SME, at a rally near the Senate

building. "We need a full debate in the Mexican media so that the millions of people in Mexico can hear our arguments and see our figures. ... We are certain that if we are able to compel the radio and TV stations to air our message, we will win the debate hands down and force them to withdraw their country-selling privatization scheme."

At the end of the day, Senators from the PAN, the PRI, and the Partido

Verde Mexicano (PVM) — the Green Party, a longstanding ally of the most right-wing forces in Mexico — issued a statement calling on Mexico City Mayor Marcelo Ebrard, a member of the PRD and ally of López Obrador, to order the city police to "restore law and order, by forcing the unruly mob to disband their encirclement of the two houses

of Congress." If this is not done immediately, stated PVM spokesperson

Arturo Escobar, "the Senate will have no choice but to remove Ebrard from his responsibilities as mayor of Mexico City, something that is within the Senate's purview."

Calderon's Plan and López Obrador's Response

The mounting political crisis that is rocking the institutions of the Mexican State to its very foundations is rooted in a privatization scheme of Mexico's oil industry that has been dictated by Washington in the interest of U.S. oil corporations. For decades, U.S. corporate interests have been champing at the bit, seeking by every possible means to take back the oil resources that were nationalized by Mexican President Lázaro Cárdenas in 1938.

Over the past 14 years under NAFTA, major sectors of Mexico's petrochemical industry have been taken over by foreign oil interests. But these inroads have been deemed totally insufficient. In 2006, the Bush administration, responding to the lobby of Bush's oil cronies, orchestrated the electoral fraud that brought Washington's towel boy, Felipe Calderón, to the presidency — ChoicePoint voting machines and all. It was necessary to take this assault on Mexico's oil resources to a new level, to break the political logjam that resulted from the legacy of the Mexican Revolution and its obstinate resistance to the privatization of the crown jewel of Mexico's sovereignty.

Felipe Calderón — understanding the deep-seated refusal by the Mexican people to turn over Pemex to foreign interests — has had to wrap his privatization proposals in the mantle of nationalist

rhetoric. He has repeated ad-nauseam that his five proposals have nothing to do with privatization. His propaganda machine has insisted that these measures are simply aimed at "modernizing" Mexico's aging infrastructure in oil ducts, transportation, storage, exploration, and drilling (especially deep-water drilling in the Gulf of Mexico). Foreign capital is needed, the story goes, to increase oil revenues for Mexico, with ownership and decision-making in the new joint ventures remaining firmly in the hands of the Mexican State.

Calderón and his PR campaign also have insisted that Pemex is broke and that it does not have the funding or technical capacity to make the company profitable and to build the refineries that Mexico needs.

Not so, counter López Obrador and his team. "In the name of greater management 'autonomy'," Claudia Sheinbaum explains, " they intend to hand over the administration of the system to the oil multinational conglomerates in the form of 'service contracts' and 'expanded contracts.' This so-called autonomy, Sheinbaum continues, is aimed at redirecting the profits and tax revenue from Pemex to the private sector. This would mean the loss to the Mexican State of more than 40% of its income and would lead to the immediate destruction of publicly funded education, health care, social security, transportation, environmental protection, and more.

In his speech to the Brigadistas on April 6 at the Monument to the Revolution, López Obrador explained that the recent PRI and PAN administrations have consciously decapitalized Pemex with the aim of handing over Mexico's oil to the U.S. oil robber barons. He lambasted the corruption at the highest levels of Pemex and the State and insisted that the solution is not privatization, but a cleansing of this corruption and the recapitalization of the oil industry.

"Pemex is extremely profitable," López Obrador explained. "A barrel of Mexican oil is currently selling at US\$95, while it costs only \$3 to produce. ... The billions of dollars in revenue can and must go to building the three refineries that Mexico needs to fully meet our energy needs and fuel the economic development of our nation -- to provide millions of jobs at a living wage, so that our sons and daughters do not have to risk their lives crossing the border into the United States in search of the means to feed their families."

López Obrador continued, "To claim the system is bankrupt and that we

lack technical expertise to turn the system around is a cruel hoax. Our Mexican engineers have the know-how to build the finest infrastructure in the world. ... We don't need so-called reforms to the 'secondary laws' governing Pemex; we need to return Pemex to the Mexican people. We need to get rid of the corrupt officials and make this bastion of our national sovereignty fully accountable to the Mexican people."

"We are not going to be duped," López Obrador stated. "'Association' with private capital is privatization. 'Alliances' with foreign corporations is privatization. 'Risk Contracts' is privatization. 'Contracts with Third Parties,' or 'Multiple Service Contracts,' or 'Management Autonomy' ... all these are privatization. Anything and everything that involves sharing the revenue of Pemex with local or foreign investors is privatization — and we will not allow it to pass."

López Obrador went on to excoriate all the institutions of the Mexican political regime that have permitted the decapitalization of Pemex, the electoral fraud of July 2006, the destruction of Mexico's agricultural base [through the new agricultural chapter of NAFTA that went into effect on Jan. 1, 2008, and that will lead to the liquidation of Mexico's native corn and bean production], and the subordination of Mexico's sovereignty to the Empire to the North. He said all these fraudulent institutions must go, to be replaced with the institutions of a "New Republic" that are based on the "values of equality, solidarity, and national sovereignty."

And López Obrador concluded, "We will not go back to the days of the Porfiriato [a reference to the decades of dictatorship under Porfirio Díaz that preceded the Mexican Revolution of 1910—AB]. We will not take one single step back. If we allow them to privatize our oil, we will fuel chaos and violence among our people. Pemex has ensured the peace of our nation, as we have been able to use its resources to develop our country. But without this revenue, regions of our country will be pitted against each other in a fight over ever-decreasing resources. ... There is no compromising here with our national sovereignty. Every single proposal by Calderón is unacceptable and unamendable."

López Obrador's speech was met with thunderous applause, as the Brigadistas began chanting, "Ni Un Paso Atrás! [Not One Step Backward!] and "No Tenemos Miedo! [We Are Not Afraid!]

Crisis in the PRD and New Challenges

Many Mexican political observers believe that Calderón chose this particular moment to introduce his "oil reform" measures because of the deep political crisis in the PRD, the party of which López Obrador is a leader.

Two months ago, internal elections were held in the PRD to determine the party leadership. Two wings — one led by Alejandro Encinas, an ally of López Obrador; the other led by Jesus Ortega, linked to the more conservative sectors in the PRD — have been feuding openly over central questions of Mexican politics. The Ortega wing (known as the "Chuchos") have lambasted López Obrador for refusing to accept the outcome of the 2006 elections and for taking the struggle outside the framework of the Mexican Congress and the institutions of the State. Ortega has the full support of the PRD state governors, all of whom have recognized the legitimacy of the Calderón government and accused López Obrador of fomenting unrest with his "infantile" refusal to accept the 2006 election results.

Two months after the internal elections, the PRD leadership has yet to disclose the winner of its internal leadership election, so deep is its internal crisis. The party's rank-and-file, basing themselves on exit polls, are convinced that the Encinas wing won the election by an overwhelming margin. But PRD Election Commission leaders have told the press, off the record, that the Ortega wing appears to have won. Insiders believe the "Chuchos" were aided by massive ballot-stuffing by PRI operatives in the PRD.

The imminent split in the PRD has fueled deep resentment and anger among the ranks of the PRD. "Not only did López Obrador lose the 2006 election because of voter fraud," a PRD activist told La Jornada after the March 18 López Obrador rally in Mexico City, "it appears he is now going to be the victim of voter fraud within his own party. This is sickening. We did not build a new party, the PRD, to have this kind of thing happen." (March 19, 2008)

But if Calderón was counting on a demoralized and demobilized opposition movement to introduce his "reform" packet, he had to be surprised by the immediate and massive response to his proposals — a

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response organized largely outside the framework of the PRD and its allies in the Broad Progressive Front (FAP). The center of the resistance has been the National Democratic Convention (CND), a genuine and autonomous grassroots movement, and the newly formed Front in Defense of Mexico's Oil Resources, headed by Claudia Sheinbaum.

From the beginning, the CND has had an uneasy alliance with the parties in the FAP — but more and more the CND's center of gravity has shifted away from reliance on the parliamentary fraction of the FAP toward building an independent mass movement in the streets to defend Mexico's sovereignty and democracy.

The takeover and occupation of the Mexican Senate and National Assembly by senators and deputies of the FAP is extremely significant.

But support for this action is far from unanimous within those parties. On April 7, after López Obrador swore in the 10,000 women Brigadistas at the Monument to the Revolution, PRD parliamentary fraction leader Ruth Zavaleta announced publicly that if the "adelitas" blocked the entrance to the National Assembly, she would call in the federal police to have them taken away.

The determination of the movement behind López Obrador and the huge number of Brigadistas made it politically impossible for Zavaleta to call in the police. It would have been political suicide for her to take such a drastic action.

Instead, it appears a growing wing of the FAP parliamentary fraction, including some prominent allies of López Obrador, is seeking a deal with Santiago Creel, former Minister of the Interior under Vicente Fox and current national coordinator of the PAN, to forge a "Third Way" for a national debate on "energy reform." Creel is proposing a series of public forums over the next 50 days, but with a binding vote on the "reform proposals" to take place in the Mexican Congress.

Such a proposal has been rejected publicly by the spokespersons of the CND, but López Obrador has yet to issue a statement dissociating himself from his FAP allies on this question of the "Third Way." This has raised deep concern among many CND activists and prompted a number of them to call on López Obrador to affirm his independence in relation to the parties of the FAP, whom they consider unreliable

allies in the struggle to safeguard the interests of the Mexican people and nation.

Along these lines, the Democratic and Independent Workers Party (PTDI) — which has strongly supported the CND and the movement to defend Pemex — issued a statement calling on López Obrador and the CND coordinators to issue a call to convene a mass National Democratic Convention of 1 million people in the downtown central square of Mexico City, the Zócalo — as they did on September 16, 2006.

The PDTI statement reads, in part:

"The political situation is very grave. The PRI and PAN — with their false majority — have announced they will vote to support Calderón's privatization proposals in the Mexican Congress, even though the PRI has expressed a number of reservations with these proposals. All the political institutions of the current regime, as López Obrador himself has stated time and again, are profoundly undemocratic and fraudulent. This includes the presidency, of course, but also the Legislature and the Courts.

"So the question becomes: Who has the legitimacy to decide such a fundamental question as the one posed by the proposed plan to privatize and liquidate Pemex?

"Only the people, truly represented by its legitimate government, can decide!

"Is it therefore not necessary to convene a new assembly of the National Democratic Convention to counterpose the legitimate will of the people to the illegitimate power of Calderón and to all the other fraudulent institutions that are ready to sell out our nation?

"The entire nation is rising up. Is it not the moment to convene 1 million representatives of the Mexican people so that they can be the ones to take the decisions of the nation into their own hands, responding to the will of the people, who have stated in one firm voice: 'No to the privatization of Pemex! Withdraw all the privatization proposals! Defend the Mexican nation!'?"

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The struggle to compel the Mexican government to hold a nationwide Referendum with a real public debate in the mainstream media is gaining widespread support. It is essentially a demand for the government to withdraw its privatization plan. But that will only come about if the millions of people across Mexico are mobilized to come to aid of the valiant Brigadistas who are confronting the federal police in Mexico City -- and who will likely be met with repression as they hold the line around the government buildings.

The call to form Committees in Defense of Mexico's oil all across Mexico and to mobilize 1 million people in Mexico City in the coming weeks is not only timely, it is a vital necessity to the deepening struggle to defend Mexico's sovereignty.

[Alan Benjamin is the co-coordinator of the Open World Conference Continuations Committee, based in the San Francisco Labor Council. He has traveled to Mexico repeatedly over the past two months. Most recently, he helped to coordinate a delegation of 32 U.S. unionists and activists who participated in the Second Continental Conference Against NAFTA and Privatizations, held in Mexico City on April 4-6, 2008.]