

ERIC MARGOLIS



Mexican stew

It's amazing how far your money goes in Mexico these days. Take the example of Mexico City's former police chief, Arturo Moreno. This worthy gendarme, known as El Nero, had a salary of \$81 per week.

In spite of this modest sum, he managed, during the recent presidency of his friend, Lopez Portillo, to build himself a \$3.1 million mansion, complete with gym, discotheque, private racetrack, casino and heliport. According to recent Mexican press reports, El Nero, now on the lam, amassed a personal fortune while police chief of 100 billion pesos — or \$750 million.

The amazing thing about this story is that Moreno was considered strictly a minor league player in the Mexican hierarchy. The big honchos close to former president Portillo are said to have acquired far larger fortunes during his six-year term.

A leading Mexico industrialist, obviously wishing to remain anonymous, described to me the monstrous corruption in his impoverished nation. "Mexico is getting to look like Iran under the shah. A few hundred elite families are absolutely looting the nation. They are telling the nation's poor, 'Don't worry, oil money will soon make you rich, too.' But I know we are going to wake up one morning and find millions of machete-waving revolutionaries at our gates."

Promising the poor that *manana* (the indefinite future) would bring them prosperity seemed to have worked until the drop in oil prices and the wild profligacy of the Portillo regime plunged Mexico into bankruptcy. Now Mexico owes \$100 billion in external debt and is only being saved from financial collapse by the U.S. government and American banks.

Grim economic situation

Mexico's economic situation is grim: Lack of foreign exchange has crippled industry; unemployment is rising and food production falling. Mexico City has become a nightmare vision of Malthusian overcrowding and urban collapse. Impossible traffic jams, deadly air and water pollution make life in the capital a struggle for basic survival.

The majority of Mexico's people, dirt-poor farmers living on an insufficient diet of bread and beans, are now threatened by cutbacks in government food subsidies and a growing water shortage. While their suffering increases, Mexico's elite flaunt their vast wealth with reckless abandon. As in Iran, a tiny monied elite living in palaces amid millions of hovel dwellers makes a classical recipe for violent revolution.

Sitting on top of this volcano is Mexico's Institutional Revolutionary Party. In spite of its name, the IRP is a conservative oligarchy that has ruled Mexico for the past 55 years since the bloody revolutions of the 1920s.

Mexico is a one-party state that resembles, in many ways, the communist regimes of the East bloc. Elections merely confirm the choices of the party leadership; all patronage and power is dispensed by the party apparatus and its rotating political leadership.

Behind the one-term presidents stand the real power in Mexico: Long-term politicians, industrialists and union leaders. This cozy arrangement is the perfect embodiment of what Pareto, the Italian thinker, termed his "Iron Law of Oligarchy," — the facade of the government may change but the real power centres remain the same.

Each incoming Mexican administration has boldly announced its intent to root out corruption and share the nation's wealth. It is also customary to denounce the United States and champion leftist causes — at least verbally. In mid-term, these governments begin spending on major schemes. The last two years of their terms are spent, in the words of one Mexican, "stealing everything they can get."

Plans likely to fail

Mexico's new president, Miguel de la Madrid, has announced plans to fight corruption and restore fiscal responsibility. If recent history is any guide, he will likely fail since these evils come from his own party, on which he must depend. Mexico's leaders rightly fear that any weakening of the party's hold over the nation may result in violent revolution and chaos.

For once, Mexicans cannot blame the gringos for their own predicament. Washington is watching events in Mexico with rising apprehension and it is caught in a dilemma: Continue supporting the present corrupt regime or risking the prospect of political and social upheaval in Mexico that many believe would inevitably lead to another Iranian-style revolution, or far worse.

The idea of 50 million enraged Mexicans engaged in revolution, civil war, regional fighting and general mayhem is simply too awful for anyone to contemplate. Nor is it difficult to imagine a pro-communist regime emerging out of this grim scenario: Such an event would plunge all of Central America into chaos and force the U.S. to devote its attention to the Americas, to the neglect of its other global responsibilities.

Mexico is ripe for a communist-style revolution, or at least some form of extremist upheaval. The present apathy of Mexico's people is deceptive: History has shown that when these long-suffering peons do finally revolt, the results are spectacular, bloody and prolonged.

Canadian sunbathers in Acapulco may not sense this looming threat, but somewhere in the barren interior of Mexico a new Pancho Villa or an Aztec Khomeini may be beginning the long march to a historical revolt.

(Eric Margolis is a member of the Canadian Institute of Strategic Studies)