

2018: The Challenges of Growth and Equality

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FRIDAY, 12TH JANUARY 2018

2018 began with high profile announcements about increases to the prices of basic goods, petrol, gas, energy and services alike, which will doubtlessly take the greatest toll on the incomes of people who depend on their salary to support families in Mexico. The hikes have been justified on the basis of higher primary materials costs, market deregulation and fluctuations in international markets, i.e. of supply and demand.

The strategy implicit in this explanation is - quite apart from being totally unfair - mistaken, because it has the effect of reducing the population's real acquisitive power even further, creating more inequality and poverty any way you cut it. Added to this is the fact that the government's inability to regulate or control the situation leaves people who are marginalised or with precious little resources in a very vulnerable position, with no way to protect themselves from the abuse, ambition and greed of the many operators who neither love nor concern themselves with the Mexican people. On the other hand, business people, entrepreneurs and speculators continue to receive the protection of incompetent or complicit authorities, who seem to have no interest in governing effectively or fairly.

How can they claim to justify an ill-fitting and dishonest policy on this basis, when the increase to the legal minimum wage this year will be way below what is required for genuine wellbeing and the marginal threshold for survival, to say nothing of the economic stability essential for living a decent, unpressured life, and a dignified existence as a Mexican citizen. The turmoil and disintegration of the economy and its impact on family life is plain for all to see.

It is incredible that Mexico has now been shown to have the lowest salaries in the whole Latin American region according to the Organisation for Economic Co-operation and Development (OECD) and the Economic Commission for Latin America and the Caribbean (CEPAL, by its initials in Spanish), as well as many other studies, and yet Mexican politicians still insist that this is a healthy way of creating employment, never mentioning that the jobs available in our country are of the lowest possible level of quality and security.

This stubborn adherence to an exploitative and inhumane system is bolstered by the short-sighted and ultra-reactionary positions adopted by Coparmex (the Mexican Employers' Association)



and other corporate organisations, which assert that by 2030 minimum wages may reach 140 pesos per day.

What world are these people living in? The great economist John Maynard Keynes said that 'In the long run we are all dead'. So who exactly are they trying to hide their avarice and dishonesty from, driving forces which have brought Mexico nothing but more poverty and marginalisation, given that half of the population now finds itself in this position. There is no other country in the world underpinned by such indecent and immoral foundations. Rather, the nations that have chosen the path of exploitation and misery have all ended up exposing their people to greater security risks, more social crises and severe labour instability.

Some of us in the economic community have proposed that minimum wages should increase by more than 300 pesos as a very first step, since we have seen productivity grow by more than 300 per cent. The great majority of companies could afford to pay this with no problems at all, thanks to the accumulated benefits of a biased and wrongful economic, social and labour policy, which has in some cases allowed them to increase their profits and wealth astronomically; profits that they refuse to share or distribute in a more balanced way, unlike their counterparts in more developed nations.

In this situation, if no authority exists to oblige them and they feel protected, perhaps even obsessed by their own power and privilege, surely they will continue to oppose progress and do anything they can to prevent any real change in the economic growth strategy towards a model of greater general prosperity and equality.

What is going to happen to Mexico, and Mexicans? If these individuals simply don't care about the Mexican people and don't have enough love or concern for their country, which they merely seek to use for their own ends, then social organisations of workers, rural people, day labourers, teachers, women and young people among many others, have no choice left other than to ready themselves to fight for greater justice, respect and dignity. We can't afford to wait another ten, 20 or 30 years to then suddenly realise that we have run out of natural resources, that the oil reserves, mines, energy or gas have run dry, or that environmental pollution has already destroyed the natural world and poisoned the towns and regions, or that most of our national territory has already been sold off to domestic or international investors.

This is the great political and social dilemma facing Mexico today. It is the great uncertainty that prevails across a nation that struggles day by day to transform itself and reach a better level of social and economic wellbeing. 2018 is a year of monumental challenges, but also of great opportunities. If the circumstances become so complicated as to prevent effective democracy, greater progress, a more decent, stable and safe life for the majority of the population, along with genuine



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respect for the rule of law and the correct application of justice, then we will all be sorry. Even those who are feel high and mighty and protected; their tragic fate will be sure to catch up with them too.