

IRMO BRIEF

06
2018

General Elections in Mexico: A Time for a Populist President?

By Krševan Antun Dujmović

Introduction

General elections in the United Mexican States that are to be held on July 1st will largely determine the future development in this Latin American country with the population of more than 120 million. Mexico is a federal republic, comprising of 32 states, and it has a presidential government meaning that the president is both the head of state and government. On the same day the Mexicans will elect the new president, 500 members in the lower house of the Congress of the Union, the Chamber of Deputies, and 128 members in the upper house, the Senate of the Republic. What makes these elections even more significant is the fact that the local elections will also be held on July 1st in as much as 30 Mexican states. For all these reasons, the July elections will have a huge impact on the country that is the 16th economy and the biggest Spanish speaking country in the world. With its growing influence in the Latin world

and across its northern border, due to the growing significance of the Mexican community in the United States, Mexico is striving to get out of the strong American grip. Due to the political power and authority that the President of Mexico holds in internal policies and in shaping the country's foreign policy, all eyes of the Mexican public are pointed to the presidential candidates. It seems that the former Head of Government of Mexico City Andrés Manuel López Obrador, widely known as AMLO, has the best odds to become the new President of Mexico. As his chances of winning the presidency stand above 90%, it is expedient to look into the impacts that the election of AMLO would have on Mexico.

Presidential candidates

According to various opinion polls announced in May and June, López Obrador was supported

by around or more than 40% of the Mexican voters, and he has been in the lead for months, with different pollsters giving him from 10 up to comfortable 20 percentage points advantage over the runner-up just days ahead of the elections. López Obrador is the president and a front runner of the left wing political party, National Regeneration Movement (MORENA - Movimiento Regeneración Nacional) which was founded in 2012 as a organization of several political parties running at the general elections held that year.

At the last presidential election López Obrador lost as a second runner-up to the incumbent Mexican president Enrique Peña Nieto.

At the general elections in 2012 López Obrador was also the presidential candidate, but this time of the social democratic Party of the Democratic Revolution (PRD - Partido de la Revolución Democrática), which was aligned with the cross party platform MORENA. At the last presidential election López Obrador lost as a second runner-up to the incumbent Mexican president Enrique Peña Nieto who was the candidate of the centrist party the Institutional Revolutionary Party (PRI - Partido Revolucionario Institucional). The fact that both PRI and the PRD are members of the Socialist International makes Mexico's political stage atypical, as the two major rival parties are members of the same political family.

According to the Mexican constitution, a presidential candidate can be elected president once, leaving him without opportunity to run for the post for the second time, meaning that Peña Nieto could not run for president in 2018. However, the number of presidential candidacy itself is not limited, so this is the third attempt of López Obrador to be elected as President of Mexico. López Obrador ran for the office of the President for the first time at the 2006 general elections when he lost to Felipe Calderón with a narrow margin of just 0.6% percentage points, a gap of less than 250 thousand votes. At the 2006 presidential election López Obrador was so close to victory that he even declared himself winner before the Federal Electoral Institute had announced the final count of votes. The party of López Obrador, the PRD, also reported irregularities at a third of Mexico's polling stations, but after a rather controversial process unfolding after the election, the Federal Electoral Tribunal finally confirmed Calderón as President-elect. It is also important to notice that after the 2012 presidential election López Obrador left the PRD, the party he was president of in the nineties and that nominated him twice as presidential candidate. In 2014 MORENA was also transformed from an NGO to a registered political party, with López Obrador now running for the Presidential office as MORENA's President.

Since late last year MORENA is a part of a bigger coalition including two more parties, left wing Labor Party (PT – Partido del Trabajo) and conservative Social Encounter Party (PES – Partido Encuentro Social). The

collation is dubbed *Together We'll Make History* (Juntos Haremos Historia) and in February it announced that López Obrador was its joint presidential candidate for the July 1st presidential election. *Together We'll Make History* also has joint candidates for both houses of the Congress of the Union.

At the 2006 presidential election López Obrador was so close to victory that he even declared himself winner before the Federal Electoral Institute.

Legging behind López Obrador with less than 30% support according to the opinion polls is Ricardo Anaya Cortés, a candidate of the National Action Party (PAN - Partido Acción Nacional), one of the major political parties whose candidates Vicente Fox and Felipe Calderón served as presidents of Mexico in two terms, from 2000 until 2012. PAN is a conservative party, but to compete at the 2018 general elections it formed a right-left coalition named *For Mexico to the Front* (Por México al Frente), together with López Obrador's former party social democratic PRD, and with another left party the Citizens' Movement (Movimiento Ciudadano). Anaya Cortés is only 39, but already held positions of President of the Chamber of Deputies and president of the PAN, resigning in December 2017 to run for the office of the President.

Currently ranked third is the presidential candidate José Antonio Meade Kuribreña who at the July 1st election has a sluggish chance as opinion polls give him less than 20%. Meade

Kuribreña is a candidate of the PRI whose candidate Peña Nieto has won the last presidential election, and he has an extensive experience in both Peña Nieto's and Calderón's administrations. Meade Kuribreña held posts as Secretary of Energy, Secretary of Foreign Affairs, Secretary of Social Development, and twice as Secretary of Finance and Public Credit, stepping down from his latest position in order to run for the office of the President.

Mexico in the global arena after the elections

The 1st July elections will set the course for Mexico's international relations, globally, in Latin America and most significantly, with Mexico's big northern neighbor. The US is the biggest economy in the world with its huge labor market attracting millions of Mexicans across the border, both legally and illegally, and Mexican community in the US is now making up more than 10% of the total population. Jobs on the other side of the border, especially in the America Sun Belt, enabled many Mexicans to support their families back home. While many Mexicans get precarious and unrecorded employment, others manage to climb to top positions in Corporate America and the US administration. The US is also the biggest foreign investor contributing to around 45% of all the FDI in Mexico, with its former colonial ruler Spain ranked second with just over 10%. The US is also an unreplaceable trading partner as over 80% of Mexican exports head northwards, and at the same time almost 50% of all goods imported in Mexico come from the US. Doubtlessly, the US is a paramount economic partner and Mexico's economy is basically addicted to the performances of the

US economy. However, just last year the American goods and services deficit with Mexico surged to more than 64 billion USD. Another great burden in US-Mexican relations is the fact that American society is being ravaged by the opioid epidemic. Drug overdose turned into the leading cause of death of Americans under 50 with death toll exceeding more than 70,000 in 2017 only and reaching new record high, a loss of lives bigger than the number of American casualties in the Vietnam War. A vast portion of all illegal drugs imported in the US comes from Mexico, and Mexican drug cartels are engulfed in a bloody war to secure drugs trafficking across the border and to secure their share in the lucrative American market.

AMLO wants to curb the interference of big American corporations and put to a halt further opening of Mexico's vast oil and gas sector.

For these reasons, namely trade deficit, ongoing drug war and influx of migrants, the American President Donald Trump has been critical of Mexican authorities, and his rhetoric against Mexicans was in many occasions defamatory during his 2016 campaign and after taking the Oval Office in 2017. President Trump is adamant in his plan to complete the construction of the Mexican border wall, and vows to deploy US troops on the border. At the same time the Trump administration is renegotiating the North American Free Trade Agreement (NAFTA) signed between Canada, Mexico and the US. With the arrival of the

Trump administration, the hotspots that put a strain on relations between neighbors have reached a new peak. The incumbent president Peña Nieto has rebuked Trump's idea that Mexico should finance the construction of the Mexican border wall.

The election of López Obrador in July could add fuel to the fire. Shortly after Trump was inaugurated, AMLO compared him in a number of occasions with the Nazi dictator Hitler, adding to fears in Washington that López Obrador could be another Latin American leader prone on distancing his country from the American sphere of influence. But even more worrying for the Americans than his populist rhetoric could be López Obrador's intentions to reshape some Mexican policies in a way that could undermine US national interest. In Mexico's energy sector, AMLO wants to curb the interference of big American corporations, put to a halt further opening of Mexico's vast oil and gas sector, including the construction of new cross-border pipelines, and amend already existing energy contracts with the US. These are the moves that could lead to American companies losing business opportunities in Mexico with negative impacts of American jobs and investors.

López Obrador seeks to focus on tackling economic and social problems that are at the root of Mexico's thriving drug production and trafficking.

Combating narco cartels and curbing the opioid

crisis is of vital importance for the Americans, and the election of López Obrador could water down further security and intelligence cross-border cooperation. In its War on Drugs the US has mainly focused on extermination of drugs production, and elimination of drug lords that run strong cartels. López Obrador on the other hand seeks to focus on tackling economic and social problems that are at the root of Mexico's thriving drug production and trafficking. Upon this, AMLO is perceived in Washington as a left populist who was never critical of other leftist Latin American leaders, like the Castro brothers in Cuba, Evo Morales in Bolivia or Hugo Chávez and Nicolás Maduro in Venezuela. On the contrary, López Obrador could distant Mexican foreign policy from the American agenda in different fields.

Domestic issues ahead of the new president

Mexico faces huge socio-economic challenges, as the society is faced with high-income inequality, massive migration to the US, one of the biggest crime rates in the world, and the Mexican Drug War that is ongoing for more than a decade, claiming last year solely almost 30,000 lives. The level of violence in Mexico is also evident in the figure of more than 110 candidates, office holders and other politicians killed since nationwide campaign started September last year. The newly elected president will have to deal with the gravity of situation, and López Obrador claims to be the best option for the Mexicans, promising to provide security and better living standard for all citizens and not just for the political and business elites, dubbed by AMLO the "power mafia." López Obrador has so far been able to secure the biggest support of the Mexican

voters as he has been promising to deal with the two major problems that tear the Mexican society apart – widespread corruption and crime. The pervasive feeling of Mexican citizens is that their political elite is highly corrupt, with a third of governors of the 32 Mexican states investigated, indicted or incarcerated due to criminal acts of corruption in recent years. López Obrador presents himself as a leader out of the establishment and not belonging to one of the major political parties, like the PAN or the PRI whose presidents have been ruling Mexico for decades. Living humbly and rejecting to live in Los Pinos, the luxurious Presidential residence, while building his campaign on fight against corruption, AMLO came inches away of becoming the new Mexican President.

Living humbly and rejecting to live in Los Pinos, while building his campaign on fight against corruption, AMLO came inches away of becoming the new Mexican President.

Winning the Drug War will be another big challenge ahead of AMLO, especially as it is inextricably linked to omnipresent corruption, with many government officials and businessmen collaborating with drug syndicates. Police and military forces have so far proved unable to quash the drug cartels, and in spite all efforts of both the Mexican and American governments to suppress them, their illegal business operations have been in fact growing. Mexico's territory is divided between seven big drug cartels and major casualties

occur during the fight for control over the main trafficking routes. During this campaign and previous two campaigns López Obrador has offered a new approach that aims not primarily at forceful police or military response on violence, but rather at eradicating the problems that cause so many Mexicans to turn to drug trafficking – poverty and unequal opportunities.

Conclusion

Although he claims to bring new energy into Mexican politics and rides on a recent populist anti-establishment wave that splashed Europe and the US, it could be hardly said that AMLO is a novice on the Mexican political stage as the 64-year old has been involved in politics for more than 40 years. López Obrador has been the Head of Government of Mexico City from 2000 to 2005, and his mayoral tenure of governing an urban area of more than 20 million people was a major success. López Obrador also had two serious attempts as presidential candidate and in 2006 he was quite close to becoming the Mexican President. It seems that after many political battles López Obrador is finally ready to take over Mexico. In the past, the image of a left-wing populist was to an extent working against López Obrador, but with new populist leaders around the world, and most significantly a populist president in

the White House, the odds are working in AMLO's favor. López Obrador's political trajectory has been a long one, and it took unconventional courses as he changed his political parties, even though these parties were all on the left side of the political spectrum. López Obrador has retained his political credibility, as he remained loyal to his left political ideology. Notwithstanding, AMLO's opponents fear that a landslide victory combined with a possibility of MORENA winning majority in both houses of the Congress could make his Presidency authoritarian. If elected President of Mexico, which seems to be a done deal, it remains to be seen whether López Obrador is just a convincing populist firebrand, or a pragmatic leader with the capacity to banish corruption and organized crime from his country while shaping a new era of US-Mexican relations.

Krševan Antun Dujmović is a Senior Associate at the Institute for Development and International Relations (IRMO).

DISCLAIMER: The views presented in this paper are solely of the author and do not represent an official position of the Institute for Development and International Relations or of the Hanns Seidel Foundation.



Institut za razvoj i međunarodne odnose

Institute for Development and International Relations

Institute for Development and International

Relations - IRMO

Lj. F. Vukotinovića 2, Zagreb, Croatia

www.irmo.hr



Hanns Seidel Stiftung

Amruševa 9, Zagreb, Croatia

www.hanns-seidel-stiftung.com.hr