

Khan was elected—with the support of Bhutto's party—as President. While keeping the post of finance minister for herself, Bhutto retained Pakistan's most eminent foreign policy leader, Yaqub Khan, as foreign minister.

Although the Soviet Union made no attempt to hide its enmity with Zia ul-Haq, it is evidently not pleased with Mrs. Bhutto's emergence either. The *Patriot*, newspaper of the Indian Communist Party, on Dec. 6 called Bhutto a "captive." "Compulsions have transformed Ms. Bhutto into a captive prime minister who is dependent on many factors for her survival in power," wrote the *Patriot*.

Despite the fact that her brothers were involved in Soviet-directed terrorism, Mrs. Bhutto has indicated that she has no intention of turning Pakistan into a Soviet puppet. She has been emphatic that the only solution for Afghanistan is for the Soviets "to get out!" Pakistan immediately rejected Soviet President Gorbachov's proposals for a ceasefire and subsequent negotiations for a government in Kabul, as a ploy to place conditions on Moscow's promise to execute a full withdrawal of its troops from Afghanistan by Feb. 15, 1989.

It is hoped that Mrs. Bhutto's coming to Islamabad will bring about an improvement in relations with India. Indian Prime Minister Rajiv Gandhi sent warm congratulations to her on Dec. 2.

Benazir Bhutto's major electoral commitment, to turn around "economic policies based on wrong thinking" because "we are on the brink of catastrophe," promises to put her in head-to-head conflict with the International Monetary Fund. She has thus far said she hopes to delay Pakistan's answer on the conditions put forward by the IMF for an \$800 million restructuring facility until June. "Alternatively, as our hands and feet have already been bound [by the IMF], let this be the last legacy of the last regime."

Her other pledge to deal harshly with Pakistan's drug economy and the destabilization factor emanating from this is already putting her government to the test. Six people died in drug-related riots in the port city of Karachi on Dec. 14.

Mexico: the elections of classical tragedy

by Hugo López Ochoa

Wall Street financial circles are still reeling from the panic that hit them with the results of the presidential elections of July 6, 1988 in Mexico. Ever since Dec. 1, when Carlos Salinas de Gortari, of the Revolutionary Institutional Party (PRI), took office as President, Mexican policy has been determined and will continue to be for the immediate future, by the fact that on July 6 the party which has ruled Mexico

since 1929 was on the verge of losing power.

On that historic day, the voters went to the polls and overwhelmingly chose the nationalist presidential candidate Cuauhtémoc Cárdenas, who, supported by a coalition grouped under the National Democratic Front (FDN), offered a program to "save national sovereignty" from the hands of Mexico's creditors and to launch an economic recovery based on freeing up resources which are now earmarked to pay foreign debt.

The PRI did prevail, but it is clear that the country faces a mass strike process in which the old "dirty tricks" and classic "rules of the game" by which the ruling party used to control the opposition, buy it off, or blackmail it, while keeping its own ranks in line, no longer works. The Cárdenas vote was not a vote for an opposition party, but the expression of a Mexican cultural paradigm which reaches beyond the parties, crosses artificial divisions of "right" or "left," and expresses itself inside and outside the established institutions. This cultural paradigm is expressed in the 1917 Constitution, the outcome of a Revolution that cost 1 million lives early in this century, and which is summed up in the beautiful Article 3: "Democracy [is] not only a juridical structure and a political regime, but . . . a way of life founded upon the constant economic, social, and cultural betterment of the people."

The President of Mexico in this century who did the most to advance this precept was Cuauhtémoc Cárdenas's father, President Lázaro Cárdenas (1934-40). Lázaro Cárdenas, in the course of his policies of agrarian reform, nationalization of oil and other strategic areas, and accelerated industrial growth, clashed with the oligarchist clique of Plutarco Elías Calles, the PRI founder, and ran him out of Mexico. This same paradigmatic battle is what Mexico is still living through: "Callism" versus "Cardenism," i.e., oligarchism versus nationalism. Cuauhtémoc himself is not part of the traditional opposition—the Communists and the right-wingers of the National Action Party (PAN). He only left the PRI in October 1987. Ex-President Miguel de la Madrid stuck to Callism, in an act of moral stupidity comparable only to the gods of Olympos, by which he drove Mexico to the brink of civil war.

The PRI rout

Thus, when Cuauhtémoc Cárdenas started, on July 16—with a rally of more than 400,000 supporters in Mexico City—a triumphant post-election national tour, a historic campaign that brought together millions, many more citizens than were at his pre-election campaign rallies, panic broke out in the leading ranks of the PRI. The seeping wounds of a divided PRI could no longer be hidden, and a rout began: Darwin Ballinas, who had run on the PRI ticket for the federal Congress in the state of Tabasco, announced he was going over to the Cardenists; then Andrés López Obrador, who as a PRI state official had won great popularity for his reformist

policies, also in Tabasco, announced he had accepted the FDN candidacy for state governor.

In July and August almost all the public meetings with the PRI base were suspended, not only on Salinas's part, but also of the worker and peasant sectors, due to the risk that they might end up being pro-Cárdenas meetings; during the Electoral College meetings, which began on Aug. 15 at the Federal Electoral Commission, and later in the Chamber of Deputies, starting Sept. 2, there was always the latent threat that the labor congressmen of the PRI, especially the oil-workers unionists, might cross over to the FDN and support the demand for a "vote-by-vote" recount of the sealed ballot boxes sequestered by the Interior (Gobernación) Department; in early August, a powerful PRI faction in Jalisco threatened to join the FDN in that state's gubernatorial race; and finally, within the PRI there arose a strong anti-fraud faction, which repeatedly urged Salinas de Gortari to show some sense and immediately kick out the oligarchic and technocratic factions of the PRI and launch a series of reforms under the premise that the priority has to be getting back on the track of economic growth. This faction took shape rapidly and now calls itself the "Corriente Crítica" of the PRI, headed by nationalist Rodolfo González Guevara.

The lessons learned

On Nov. 30, the Salinas cabinet was announced. The nationalist landslide had to be "considered" by the new President, and so the cabinet, surprisingly, included, between ministers and lower posts in various state institutions, a broad spectrum of officials identified with the nationalist policies of the era of Luis Echeverría (1970-76) and José López Portillo (1976-82). The naming of Fernando Gutiérrez Barrios to the Interior Department stands out. He headed the Federal Security Police in 1964-70, when Luis Echeverría was his immediate superior as Interior Secretary. Then, under President Echeverría's successor President López Portillo, he served as Undersecretary of Interior under the latter, and more recently, was governor of the state of Veracruz. He is believed to be strongly backed by the oilworkers' union, whose moral leader Joaquín Hernández Galicia, has been attacked with renewed fury recently by the *Wall Street Journal*.

Hernández Galicia stated on the eve of the July 6 election that even if he wanted them to, the workers in his union would not vote for Salinas if Salinas did not promise a change in economic policy. After Salinas was inaugurated, Hernández Galicia told the magazine *Impacto* that "in case Mexico were corralled by the international bankers and their Mexican chums . . . and there was no solution but suspension of payments, President Salinas would have the oil union by his side."

In contrast, Manuel Camacho Solís, Salinas's right-hand man and theoretician of the need to destroy PRI "corporativism," by which he means the patriotic unions, was stuck in

the post of Regent of the City of Mexico, when he was hankering to be Interior Secretary. No doubt Salinas figured out that for the time being, he cannot govern without the nationalists.

Lessons not learned

But there is one lesson Salinas has not learned, and which, strategically, could cost him the country. His entire economic cabinet is made up of a group of extremist monetarist ideologues who will go on subjecting the economy and Mexicans to the brutal austerity of the International Monetary Fund. That means that during the next six months, which Salinas is calling his "transition," there will be bigger sacrifices for Mexicans, while the debt is being renegotiated, which supposedly will permit growth to resume starting in the second half of the year. Heading this economic cabinet is Miguel Mancera Aguayo, infamous because President José López Portillo stripped him of power in order to nationalize the banks in 1982. Mancera was rehabilitated by Miguel de la Madrid in December 1982, as a signal to the banks he would toe the IMF line.

After Mancera, the most influential official is Pedro Aspe Armella, Secretary of Finance and Public Credit. Aspe is a scion of the most rotten monetarist aristocracy of the country from the beginning of this century. Another key official in economic policy is Ernesto Zedillo Ponce, Secretary of Planning and Budget, member of the "kindergarten" of the Bank of Mexico trained under Miguel Mancera. His job will be to continue to restrict public spending and productive investment.

This gang reflects the "gradualist" economic mentality of Salinas, which he shares with Miguel de la Madrid. "The increase in economic activity has to be gradual. . . . Immediate economic growth is limited by the low rates of investment in the last few years. A sudden recovery would favor imbalances . . . we can't make a forced march . . . 1989's economic policy will be transitional," he said in his inaugural speech. The same strategy was promised by Miguel de la Madrid, and year after year, the "recovery" was delayed, from 1982 until, in December 1987, a hyperinflationary bubble exploded which gave the *coup de grace* to the PRI for the July 6, 1988 elections.

It is as in classical tragedy. If the actors of the drama do not give up the paradigmatic assumptions which created the drama, every act they take to resolve the situation, under conditions of new rules of the game, will lead them to worsen things until the outcome is tragedy. Salinas does not want to understand that we are on the verge of a worldwide economic collapse, far worse than what was observed in the October 1987 stock market crash, which requires measures that cannot wait six months. It requires a unilateral declaration of debt moratorium now, or the country will crumble in his hands. The Mexican people already said it: Tyranny has a limit.