

Mexican protests continue as consumer prices rise

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12 January 2017

In the face of continuing protests, marches and occupations in Mexico, the ruling class is looking for political and economic alternatives to President Enrique Peña Nieto as his political partners, the right-wing National Action Party (PAN) and the Party of the Democratic Revolution (PRD), distance themselves from the gas subsidy cuts in the face of widespread public opposition.

Wednesday marked the 11th day of protests against what has become known as the *gasolinazo*, the gasoline price shock decreed by the Peña Nieto administration on December 28.

Protests took place in the Mexican states along the US-Mexico border, including San Luis Potosí, Coahuila, Sinaloa, and Baja California Norte. Mobilizations also took place in the central states of Morelos and Hidalgo and in Mexico City. In Coahuila, truck drivers set up barricades across the Saltillo-Monterrey Highway. To the east, a caravan began in San Luis Potosí for a rally in Mexico City against the next fuel shock scheduled for February.

Roughly 100 protesters rallied at the Sinaloa provincial legislature in the city of Culiacán denouncing the special 15,000 peso (~\$US 680) year-end subsidies that legislators had approved for themselves and family members. In the city of Cuernavaca, Morelos state, human rights groups protested against the increases in bus fares related to the *gasolinazo*.

In Baja California Norte, truckers and community members have blocked the Rosarita Pemex distribution center, which supplies gas stations in Mexicali, along the California border. Some of the people involved report that following the New Year's Day fuel increase, it is less expensive to purchase gasoline across the border, in Calexico, California than in Mexicali.

Except for emergency tanker trucks, the demonstrators are preventing all trucks from entering and leaving the terminal. The protest began on January 3 and is affecting 240 gas stations in Mexicali, the port of San Felipe and the town of San Luis Río Colorado.

Mexico City taxi drivers also attempted to block the Peño Viejo Metro train station in the Iztapalapa industrial suburb. Police intervened and force them to retreat. To the north of Mexico City, in Hidalgo state, small farmers as well as agricultural and urban workers gathered at the Hidalgo legislative building to protest the *gasolinazo*.

In the vicinity of the small rural town of El Nith, Hidalgo, where demonstrators are blocking the Mexico City to Laredo highway, officials of the Catholic Church attempted to involve themselves in the demonstration. Church officials declared their support for the protests and held a mass at the barricades, which have been up since January 2. This protest was the scene, on January 5, of a violent attack by government forces that resulted in the death of two of young protesters, Fredy Cruz and Alan Giovanni Martínez.

In the midst of these waves of popular protests, the Catholic Church, an institution that in 1988 officially made its peace with the Mexican ruling class and the Mexican state, is intervening on the government's behalf to detour working class anger. Church leaders are now organizing a protest rally at the national legislature Mexico City "for peace and against the *gasolinazo*."

The "left" bourgeois nationalist Morena movement, led by Andrés Manuel López Obrador (AMLO), is staking out a position that is similar to that of the Church. On Wednesday Morena legislators and those of its congressional partner Citizen's Movement (MC) called for a series of palliative measures to relieve some

of the effects of the *gasolinazo*, such as lowering taxes on transit companies and food stores, in return for not raising fares and prices.

In a January 10 speech, AMLO positioned himself as a presidential candidate for 2018 and called on the legislature to assemble in an emergency budget session to reconsider the gasoline increases and the ones to follow in the context of a revised fiscal budget. His message was delivered as a warning, a way to save the Peña Nieto administration out of this crisis.

Taking a nationalist line, López Obrador called for the building of more refineries to end Mexico's dependency on foreign fuels and to create jobs.

President Peña Nieto is increasingly isolated. Both parties that signed the Pact for Mexico in 2013 have distanced themselves from the increase in fuel prices, despite the fact that they voted in favor of the hike in the legislature. PRD congressional leader Sánchez Nájera is calling for the cancellation of the fuel price increases, while PAN leader Rafael Delgadillo of Sonora state hypocritically declared his party's total opposition to changes in gasoline prices. Delgadillo described Peña Nieto's claim that the *gasolinazo* would not be inflationary as "demagogic", and called on the president to listen to the people. At least one PAN governor has declared that he would not use security forces against the demonstrators.

The Mexican Employers Association, *Coparmex*, a business organization traditionally aligned with the more nationalist-oriented section of the bourgeoisie and whose members account for about 30 percent of Mexico's GDP, refused on Monday to sign Peña Nieto's Economic Pact. Instead it issued The Pact that Mexico Needs (*El Acuerdo que México Necesita*), a plan based on even more draconian austerity measures. Like López Obrador and Morena, *Coparmex* also proposes the building of more refineries and pipelines, as well as the cancellation of the February *gasolinazo*. Coparmex proposes that its " *Acuerdo* " be signed this February.

Already the effects of the fuel shock are adding to Mexico's inflation. The increase in the daily minimum wage from 73 to 80.04 pesos (US \$3.80), agreed upon last December, that took effect this New Year's Day, has lost all its buying power. Under the impact of a price explosion in basic items, such as tortillas, beans and now fuel, adjusted for inflation, the new minimum

wage represents a regression in living standards, in the space of one month.



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