After 50 percent hike in his wealth, Mexican billionaire Carlos Slim hails the president as "good for business"

Jesus Ugarte
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In a pattern seen across the planet, the wealth of the Mexican oligarchy has soared in the last few years while extreme inequality continues its upwards trend. The COVID-19 pandemic, in particular, has seen the biggest upward transfer of wealth in history in Mexico, as in the rest of the world.

As of March 2024, Forbes lists 14 Mexican billionaires with a combined wealth of $184 billion. In 2018, at the start of the current administration, these individuals had a combined wealth of $125 billion. This represents a 47 percent increase in their wealth over just six years. The wealth of the richest Mexican, Carlos Slim, has increased by 50 percent in the same period, from $67 to $102 billion.

The Mexican oligarchy has been able to increase its wealth thanks to the policies of the current administration of President Andres Manuel Lopez Obrador (known as AMLO) and his party, the Movement for National Regeneration (MORENA). While presenting himself as a left-wing politician, AMLO has implemented policies that have been very favorable to big business.

One of the first actions taken by AMLO after winning the election in July 2018 was to meet behind closed doors with the country's business elite. Betraying the millions of workers who voted him into office, AMLO declared that while his administration had the support of the majority, it would not "act in an overbearing manner: nothing by force, everything by reason and right," promising to "act with a lot of responsibility."

Almost six years later and near the end of his term, AMLO has kept his word. The results are clear. Chief among the actions taken by AMLO that have allowed the Mexico's business elite to thrive are a number of government contracts which have been awarded as part of the administration's infrastructure projects, dubbed fraudulently as Mexico's great "Fourth Transformation" (4T).

Carlos Slim, in particular, has enjoyed a close relationship with the self-styled "leftist" president, which led some publications to describe Slim as "AMLO's favorite businessman." In February, the online publication *El CEO* named Slim "businessman of the sexenio" (the six-year term of the Mexican presidency), reporting that the 4T had awarded his businesses more than 2,350 contracts with a total value of 61 billion pesos ($3.6 billion).

Among the most lucrative contracts awarded to Slim's companies by the Mexican government are the construction of key sections of the "Tren Maya" (Mayan Train), a 1,500-kilometer railway project connecting the main tourist destinations in the Yucatan Peninsula —a signature project he constantly touts as the legacy of his government. The contract, with a value of 16 billion pesos ($865 million), was awarded to Operadora CICSA, a subsidiary of Grupo Carso, a conglomerate owned by Slim.

Other projects include an oil-drilling contract for 19.48 billion pesos ($1.14 billion) in 2021 awarded to Slim's GSM-Bronco, a marine infrastructure contract for 6.1 billion pesos ($360 million) awarded to Operadora CICSA, and a communication and logistics contract for 1.79 billion pesos ($110 million).

The close relationship between AMLO and Slim is not a secret. According to *El CEO* newspaper, Slim has met with the president on 19 occasions since the start of the administration. He has also been invited to AMLO's daily morning press conference named "*La Mañanera*," appearing on multiple occasions. In a November 2019 appearance he was awarded the National Award for Engineering and Architecture, at which time he gushed about the 4T, saying that it represented the "jolt" that the country needed to obtain "much deserved growth."

AMLO, for his part, has openly acknowledged the boon his administration has represented to the Mexican business elite. "My adversaries say I helped Slim get richer. They forget that *money makes money*, and, to be frank, businessmen have done well," [emphasis added] he said the day after the *El CEO* article was published.

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This deserves close attention. The phrase “money makes money” both encapsulates the essence of capitalist accumulation and propagates the fundamental myth of capitalist ideology aiming to obscure the true source of wealth in our society.

Money on its own does not make more money, in the same way a pile of buried gold will not multiply itself. It is the case that in our society, money, in the form of capital, is seemingly able to multiply itself. But this is not due to some inscrutable law of nature. Marx elucidated this process in his critique of capitalist society over 150 years ago.

In *Capital*, Marx explained that the source of all wealth, i.e. value, comes from human labor. Under capitalism, there are two protagonist social classes. One is the working class, or proletariat, the vast majority of the population, whose members sell their labor power, that is, their ability to do work. The other, is the capitalist class or bourgeoisie, a small minority, whose members “own” the means of production. This ownership allows the capitalists to appropriate the wealth created by labor and pay a tiny fraction as wages, keeping the rest as profits, which Marx called “surplus value.”

The obscene wealth these individuals have accumulated does not derive, as the bourgeois media ceaselessly promotes, from their “hard work” or “innovation.” Instead, it is the result of the constant upward transfer of wealth during the production process. This process is what Marx was counterposing when he wrote “Accumulation of wealth at one pole is, therefore, at the same time, accumulation of misery, agony of toil slavery, ignorance, brutality, mental degradation, at the opposite pole.”

Indeed, a January report by the international organization Oxfam found that the wealth owned by the 14 Mexican billionaires represents 8 percent of the total wealth of the country. This is nearly double the wealth of the poorest 50 percent of the Mexican population. In the four years of the pandemic, the combined wealth of the two top billionaires, Carlos Slim and German Larrea, has grown by 70 percent, and represent the equivalent of the wealth of the poorest 50 percent of entire Latin American population, or 334 million people.

AMLO, in explaining the inevitability of the existence of billionaires by noting that “money makes money,” reveals among other things his full embrace of capitalism, as well as his true class interests. It explodes the notion, peddled by countless pseudo-left outlets, that AMLO and MORENA represent a threat to the capitalist order.

His populist demagogy and limited social policies are aimed merely at providing a pressure valve to vent popular anger without significantly impinging on capitalist profits and thereby sustaining the interests of the ruling class.

Approving the way in which the ruling pseudo-left party has managed to stave off popular anger, Slim remarked in a February interview, “the attitude of the population is, in general, very positive” and that “there is social peace, there is no confrontation.” Concerning the upcoming presidential election and the near certainty of a MORENA victory, Slim said, “I think everything is going well and will continue to go well.”

In reality, Claudia Sheinbaum, MORENA’s candidate and the likely successor to AMLO’s presidency, represents a continuation of the same policies. Just as her predecessor in the run-up to the 2018 election, Sheinbaum has been meeting with representatives of the business elite. Last week she met with Larry Fink, president and CEO of the investment firm BlackRock, the world’s largest asset manager, and one of the largest beneficiaries of the COVID-19 bailouts, another clear example of the role of governments around the world in the upward transfer of wealth.

This year, as Mexico heads into its presidential election, the working class must prepare to break with the pro-capitalist pseudo-left and build its own independent political movement.

As long as the capitalist system remains in place, the wealth of the Mexican oligarchy will continue to soar, while the working class will continue to be plundered. The only way to put an end to this is to fight for the establishment of a workers’ government, which will expropriate the wealth of the oligarchy and establish democratic control over the productive forces of the country.

Only through the rational planning of production, instead of the blind pursuit of profit, will it be possible to ensure that the wealth created by the working class is used to meet the needs of the population, rather than to further enrich the parasitic sliver at the top of society.

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