

Mexico's Populist Tilts at a Privileged Elite



Andrés Manuel López Obrador wants a better deal for the poor.

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MEXICO CITY, June 16 — It is the fourth stop on a long, rainy day of campaigning, but when the leftist candidate rolls into the small coastal town of Tonalá, in southern [Mexico](#), the soaked crowd comes alive with deafening chants of "Obrador! Obrador!"



Adriana Zehbrauskas for The New York Times

Half of all Mexicans live in poverty, and many of them, including at this rally in Chiapas, see Andrés Manuel López Obrador as one of their own.

The candidate, Andrés Manuel López Obrador, gray-haired and slightly stooped, with a nasal voice and a boyish, freckled face, seems to suck up their energy, amplify it, and hurl it back in the form of a simple message. For too long, he booms, politicians, business owners and their families have gotten rich and evaded taxes while the working class has remained mired in poverty.

"The poor pay taxes on everything they buy," he says, cutting to the heart of his theme. "Those of the pure upper class, the influential, don't pay the taxes."

With less than three weeks before the July 2 election, Mr. López Obrador, a leftist former Mexico City mayor, is locked in a dead heat with Felipe Calderón, the conservative candidate from President Vicente Fox's National Action Party. After seesawing for weeks, all opinion polls now suggest the race is too close to call.

Win or lose, Mr. López Obrador remains the focus of the election, a polarizing figure who has dragged Mexico's enduring class conflict into the light. In recent speeches, he has vowed to end what he calls "the privileges" of a powerful oligarchy that has dominated politics here for centuries.

His fiery appeals have turned the election into a referendum on whether the country wants to stick with the free trade and pro-business policies of the Fox administration or join the growing number of Latin American countries — Venezuela, Bolivia and Peru among them — that have elected populist left-wingers who want to assert greater state control over the economy and funnel more wealth to the poor.

But to describe Mr. López Obrador as another populist promising handouts to get votes is to miss the most salient part of his message for his supporters. In their eyes, he is a reformer who has promised to stamp out corruption and make corporations and the rich pay more taxes. He has vowed to end the sweetheart deals for government contracts, to stop

the government from bailing out failing businesses and to slash the salaries of top bureaucrats and elected officials, who make far more than their counterparts in the United States.

In New York City terms, he wants to dismantle Tammany Hall.

"This is the principal problem of the country," he said in an interview. "Because these privileges at the same time impoverish people and affect the country's development."

Mr. López Obrador's adversaries and critics portray him as a dangerous populist who will bankrupt the country with social welfare schemes. They say he shows an authoritarian streak, ignoring laws he disagrees with and filling the streets with protesters if things do not go his way. They accuse him of being paranoid, too, seeing plots everywhere. Some biographers maintain he sees himself as the embodiment of the nation's poor, a Christ-like savior.

"He sees himself as the incarnation of the masses," said George W. Grayson, a professor at the College of William and Mary who has just published a biography of Mr. López Obrador. "He views himself, I believe, as a messiah to uplift the downtrodden."

Mr. López Obrador calls this litany of characterizations ridiculous, especially the notion that he has a messiah complex. "Sometimes it makes me laugh, because there is no basis for it," he said. "The only thing is I support popular causes with conviction, and to them it seems like I'm causing them harm. They also say that I am authoritarian. It's not true. I never have been. I'm a democrat."

If Mr. López Obrador's rhetoric is full of class conflict that rattles business owners and the middle to upper class, there is a reason for it. Poverty, job creation and wealth distribution are the most urgent issues facing modern Mexico, and the failure to address them has driven some 12 million Mexicans north to the United States.

About half of Mexicans still live below the poverty line — earning less than \$4 per family member each day — and one in five earns too little to buy enough food for a healthful diet, according to the [World Bank](#). More than 45 percent of the nation's wealth is held by the elite 10 percent, and that concentration may be even greater since most of Mexico's superrich do not respond to government surveys, poverty experts say. The gap between rich and poor has closed only slightly since the free trade agreement with the United States took effect more than a decade ago.

Tax evasion is rampant. The last official study, conducted in 2002, estimated about 40 percent of businesses and 70 percent of professionals and small business owners either cheat on their taxes or pay none at all. The poor do not pay income tax, but are hit with a 15 percent sales tax every time they buy clothes or other durable goods.

How to remedy these problems is where Mr. López Obrador and his opponent divide. Mr. Calderón insists that staying the course on free trade will bring jobs and growth that will help everyone. He has proposed cutting income taxes for the rich and businesses by putting in place a single rate, which he says will spur investment.

On the stump, Mr. López Obrador, on the other hand, calls for "profound change, a change to the roots," and tells crowds that Mexico today is very like Mexico under the dictatorship of Porfirio Díaz, just before the 1910 revolution. The government, he says, serves the interests of a few.

"The problem is with a minority that has privileges and wants to maintain those privileges," he said during a swing last week through Chiapas, the southern state that is home to Tonalá, and where complaints of poverty and political exclusion fueled an insurrection in 1994.

Mr. Calderón has charged that Mr. López Obrador's prescriptions would lead to financial ruin and claims that as mayor of Mexico City Mr. López Obrador piled up debt to finance social programs, while presiding over a steep rise in crime and corruption. The underlying message in most of Mr.

Calderón's attack advertisements is that Mr. López Obrador is a leftist dictator in the making.

But Mr. López Obrador's record as mayor does not suggest he has a wild-eyed revolutionary lurking in his soul. It is true that the city's debt rose by a third during his tenure, but he also improved tax collection dramatically, by about 44 percent. He slashed more than 500 jobs from the bureaucracy, eliminated perquisites for officials and cut salaries. In the end, he balanced the budget, raising both spending and revenue by about 60 percent.

He did ignore or refuse to enforce some laws the city assembly had passed that he did not agree with, among them a measure to require auto insurance.

At the same time, he established a package of welfare programs, like cash grants for the elderly, people with disabilities and single mothers, benefits which made him immensely popular, despite continuing problems with water supply and crime.

His plan for the country is similar. He says he would take those programs and others like them nationwide and pay for them by cracking down on tax evasion, cutting salaries of top government officials, and slashing other waste to raise about \$20 billion.

He hopes this infusion of money will jump-start a stagnant economy and create a ripple effect. He also believes that the country's oil wealth, properly channeled, could be used to industrialize Mexico, rather than being used as a kind of slush fund for the government, as it has been for decades.

Aware of jitters among investors, Mr. López Obrador has dispatched his economic adviser, Rogelio Ramírez, to New York City several times to assure bankers and Wall Street brokerages that Mr. López Obrador will

not provoke an economic crisis. "He's extremely pragmatic on the operational side," Mr. Ramírez said.

Mr. López Obrador, a 53-year-old widower and father of three boys, spent his early years in the riverside village of Tepetitán in Tabasco, the son of an oil worker turned shopkeeper.

He studied social sciences at the national university in Mexico City. His first job was running an institute for the Chontal Indians. For six years, he lived in the Indian communities, sleeping in dirt-floor shacks. It was there, he says, his commitment to the poor was forged.

Though he started out in the Institutional Revolutionary Party, the machine that controlled Mexico for seven decades until 2000, Mr. López Obrador quit in 1983, he says, because it became clear the pro-democracy reformers within the party would not succeed in Tabasco. In 1988, he joined what would later become the left-wing Party of the Democratic Revolution and lost a race for governor of Tabasco. He lost again in 1994, and finally won the Mexico City mayor's seat in 2000.

Though he talks little about his home life, by the standards of Mexican politicians he lives like an ascetic in a modest house and drives an inexpensive car. He has promised to cut the president's salary in half if he is elected.

On the campaign trail, he refuses to stand under an awning if the crowd is in the sun or rain. He takes commercial flights to campaign events and often stays in cheap hotels. On one recent trip through the state of Coahuila, he washed and changed clothes in a filthy bathroom at a gasoline station before a rally. On last week's tour through Chiapas, his car had a minor accident with a van carrying a dozen people to work. He climbed out and apologized to the commuters.

To the people who come to his rallies, mostly poor, some illiterate, Mr. López Obrador is one of them. He speaks in folksy rhythms and idioms

they recognize. They affectionately call him by his first name or Amlo, a nickname formed by his initials.

"The man seems very honest, very simple," said María Consuelo Ayala Pérez, a mother of 10 in Cintalapa, Chiapas, last week. "He's done a lot of good in Mexico City. When Fox came into office, he said there was going to be a change, but a change was never seen."

For some of Mr. López Obrador's detractors, it is this very ability to communicate with ordinary Mexicans, especially the poor, that makes him a dangerous man. Mexico, as well as the rest of Latin America, has a long history of people who have used the desperation of the poor as a tool to whip up anger against the rich and gain power. Some critics count President [Hugo Chávez](#) of Venezuela among them.

"I think Amlo truly feels he's the Redeemer of Mexico, but his reign is of this world," said Enrique Krauze, a historian. "For this reason, even though he says, 'I don't want power for power's sake,' he wants it immensely."