

Getting Mexico on track

Democratic development is within its reach.

Opinion

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VINEYARD HAVEN, MASS.; AND MEXICO CITY - Mexico has not been able to find its way to development because Mexicans lack confidence in themselves. How could that change?

A few years ago, Mexico was able to push for a dramatic change in attitudes toward the United States and was able to help create the North American Free Trade Agreement (NAFTA). However, its hang-ups, both cultural and institutional, made it impossible for the country to take advantage of such an exceptional opportunity. Mexico needs appropriate institutions, such as essential checks and balances to protect and advance the interests of citizens, but both its political culture and the interests that its current institutions protect create endless – and vicious – circles.

Mexico's dilemmas are not unique. Many underdeveloped nations face similar conundrums. An extreme case is Iraq, where the paramount question is how (or even whether) a democracy can be built. A democratic culture is certainly critical to make development possible, but it is equally true that for democracy to take root, all relevant groups in a society must feel that democracy serves their interests. Otherwise, there is no incentive to work toward a common future.

Economic development requires an institutional setup that gives all members of society a stake in that development. If most people believe that all the benefits will be appropriated by a small clique of politicians, unions, or business people, the potential for success diminishes quickly.

Hence, the critical question is how to reform the system to make development possible. But those people who control the decision making process benefit from the status quo. How can that impasse be broken?

In a well-functioning democracy, the popular will ultimately expresses itself through elected representatives who pursue the interests of those who elect them. When the status quo doesn't serve the popular interest, elected officials work to reform the status quo.

The interests of the citizens were paramount in the minds of America's founding fathers. Not so in Mexico, where the country was founded on a patrimonial culture – a culture of ownership and control more than entrepreneurship and growth – rather than on citizenship and markets.

It was a logical extension of US culture to pass the Sherman Anti-Trust Act of 1890, the first in a series of legislative measures to curb the power of business monopolies. But in Mexico, all power – economic, social, and political – is highly concentrated.

Why hasn't Mexico produced comparable legislation? Until 2000, functioning democracy was unknown in Mexico. The Revolutionary Institutional Party (PRI) governed the country for three-quarters of a century as a one-party dictatorship.

The election in 2000 of Vicente Fox of the opposition National Action Party (PAN) was a very important first step toward democratic governance, but his administration, hindered by an unwilling Congress, did not produce fundamental reforms. Fox's successor, Felipe Calderón, is a politician (in contrast to Fox) and has a keen understanding of the challenges before him. The real question is whether both the president and Congress can look beyond short-term bureaucratic interests to undertake the sweeping reforms necessary to truly open Mexican society.

What lies behind the contrasting experiences of Mexico and the US (and Canada, the third of the NAFTA partners) with respect to broad-based democratic development?

The roots are very deep, according to Nobel Prize-winning Mexican author Octavio Paz: "One [society], English speaking, is the daughter of the tradition that has founded the modern world: the Reformation, with its social and political consequences, capitalism and democracy. The other, Spanish and Portuguese speaking, is the daughter of the universal Catholic monarchy and the Counter-Reformation."

But culture is not in the genes, as Spain – la Madre Patria – shows. In a process of reform and cultural change that some trace back to the Spanish Civil War of the 1930s, a process hugely facilitated by Spain's membership in the European Union, Spain is today clearly in the European political and cultural mainstream – a modern, democratic, capitalist society.

Mexico needs a new social compact on the rules of the game and, very prominently, a long-term program designed to strengthen the cultural values that nurture democracy, social justice, and prosperity.

Such a program should include, among other initiatives, changes to traditional child-rearing practices; reform aimed at providing quality education to all children through at least high school, and emphasizing character and civic education; and the creation of a first-class civil service, as in Chile.

And as the prominent lay Catholic writer Michael Novak has stressed, entrepreneurship and economic development would be enhanced if the Catholic Church came out squarely in support of market economics. A more active role by the church would also be very helpful to fight social injustice, crime, and corruption.

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