The closest election results in Mexico’s history — and the loser’s refusal to accept them — have thrust Mexico into political chaos, potentially threatening the unity of the federation and the stability of its still-young democratic institutions.

Felipe Calderon, of President Vicente Fox’s conservative National Action Party, defeated leftist candidate Andrés Manuel López Obrador in the July 2 election by about 230,000 votes — a margin of less than 0.6 percentage points. The race was not only one of the tightest ever in Mexico; it was also one of the most bitter.

Calderon portrayed former Mexico City mayor López Obrador as a man with dictatorial tendencies who would bankrupt the country with unworkable populist programs, while López Obrador claimed that Calderon’s only goal was to aid the wealthy while ignoring the nearly 50 per cent of the country’s 107 million people who live in poverty.

López Obrador demanded a recount

López Obrador claimed that widespread fraud orchestrated by Fox’s administration and Calderon cost him the election and he demanded a full recount of the more than 41 million votes cast. The nation’s top electoral court refused, instead ordering a partial recount of nine per cent of the 130,000 polling stations where it said there appeared to be evidence of problems.

On Sept. 5, one day before its legal deadline, the Federal Electoral Tribunal declared Calderon the president-elect.

López Obrador, refusing to accept his defeat, instructed supporters to tie up Mexico City’s main Reforma Avenue and central Zocalo square with massive tent camps, street marches and symbolic “takeovers” of government offices to protest the alleged widespread fraud that he claims cost him victory. The blockades lasted seven weeks, further frustrating traffic-weary residents of the 20 million-strong capital and costing local hotels, restaurants and stores millions of dollars in losses.

Hundreds of thousands of López Obrador’s fans, with a massive show of hands, “elected” him as their “legitimate” president at an Independence Day rally led by the ex-candidate on Sept. 16. His followers pledged to refuse to recognize either Calderon’s victory or any government institutions of the “false” republic, and vowed to carry out acts of civil resistance throughout the six-year term of “usurper” President Calderon.

López Obrador will not be recognized as Mexico’s leader under the current constitution, by Mexico’s existing democratic institutions nor by the vast majority of world leaders, who have sent congratulations to Calderon. Thus, as López Obrador launches a nationwide tour to disseminate his revolutionary message, he has two options: to act as a balancing opposition figure who can pressure lawmakers to change and strengthen the very institutions he decries — or as a gadfly whose only purpose is to throw obstacles in Calderon’s way.

The first approach “would strengthen (Mexican) federalism and society,” said Ulises Corona Ramirez, a political scientist and federalism expert at Mexico’s National Autonomous University. “The second would weaken federalism, because it would divide the society, the country, the states of the republic, and the cities into two opposing camps: ‘Those who are with me and those who are against me.’ ”

López Obrador’s so-far intransigent position leaves legislators from his Democratic Revolution Party — elected in the same process he said was rampant with fraud — with a serious dilemma. The party, which has always placed third behind the former ruling Institutional Revolutionary Party and National Action, surged ahead in the recent election to become the second-
strongest force in Congress — a powerful position it could use to advocate many of the institutional changes that López Obrador is calling for.

Party members also could be essential in helping Calderón move forward with the numerous fiscal, labour, energy and judicial reforms. Many say the adoption of such reforms are essential for strengthening Mexico’s government institutions and the democratic federation as a whole. Fox tried, but failed, to win support for such changes in an opposition-dominated Congress. In the past few years the federal government has reduced its share of expenditures at the subnational level. More than 60 per cent of total expenditures is now spent by state and local governments. However, states and municipalities still continue to be highly dependent on federal transfers.

**Calderón needs to build bridges**

Calderón might have a better shot, given that National Action now holds the most seats in both legislative houses, while Institutional Revolutionary lawmakers have indicated they are willing to back him on many proposals.

However, López Obrador recently warned Democratic Revolution lawmakers — along with legislators from the smaller Convergencia and Labour parties who have joined a new political front on his behalf — to reject all contact with Calderón.

It’s not entirely clear to what extent they will adhere to those instructions. Some Democratic Revolution lawmakers and the party’s own founder, Cuauhtémoc Cardenas, have publicly expressed doubts about López Obrador’s current course of action, saying it is counterproductive for the country and the party.

But other legislators are sticking by him, resisting Calderón’s calls to work together in multiparty harmony for the good of the country’s 31 states and the Federal District of Mexico City.

Instead, they and other party leaders have opted for acts of “civil resistance,” the latest of which have included hurling eggs at Calderón’s car, staging a mock “closing” of his headquarters, and scattering merchandise around Wal-Mart stores to reject what they say was the unfair influence that wealthy companies exerted to help Calderón win.

López Obrador’s “For the Good of All, But First the Poor” campaign — which has involved angry tirades against the rich and Mexico’s business community — has exposed centuries-old class and racial divisions and underscored the wide gaps between the northern, well-off states that tend to support Calderón and the southern poorer states that back López Obrador. In Mexico, 10 per cent of the country’s households have 42.1 per cent of total national income, while the bottom 60 per cent account for only 23.4 per cent.

**State legislatures split among parties**

On the state level, the Democratic Revolution Party — commonly known as the PRD from its initials in Spanish — controls six states: Baja California Sur, the southernmost state of Chiapas, the Pacific coast states of Guerrero and Michoacan, the northern state of Zacatecas, and the capital, Mexico City, where López Obrador served as mayor from December 2000 until July 2005. While in office, López Obrador was widely popular, in large part because of his implementation of government subsidies such as discounted transportation and free pension programs for the elderly. Since then, all eight parties in the lower house of Congress have expressed support for expanding the pension program nationwide.

Calderón’s party, known by its Spanish initials as PAN, controls nine states, from Baja California and San Luis Potosí in the north to Yucatán in the south.

Calderón — seeking to rally support from the millions who did not vote for him and to strengthen his mandate — has pledged to implement policies aimed at shrinking those gaps, saying the reduction of poverty is among his top three priorities.

He also has promised to form a multiparty Cabinet that takes all views into consideration, and is setting up meetings with various governors.

“I want to have a relationship of deep respect and profound understanding with the governors and mayors of all the parties, conscious not only of the political but also the social diversity of each state,” he said.

Continued on page 30

Defeated presidential candidate López Obrador greets his supporters.
Continued from page 22

**Mexican election separated rich and poor states**

Calderon is smart to take such a position: The governors — once merely yes-men working for a large party machine that ran the country for decades — today are freely elected and represent not one, but three major parties. They have a great deal of influence over who runs for federal office from their states and over what issues they will tackle once voted into Congress.

State leaders are wrestling with a number of issues for which they would appreciate Calderon’s support: job creation, attracting tourism, fighting the widespread scourge of drug trafficking, and restructuring the executive branch’s tight control over national resources distributed to the states.

The president has wielded near-total control over revenue, directing excess oil revenue not foreseen in the budget to programs of his choice, including personal publicity spots, while granting more or less of the wealth to states based on their political leanings.

“We have a distribution of federal resources that is not just, egalitarian or honest,” Professor Corona said.

Mexico’s Congress recently approved a law that aims for a fairer distribution system by giving legislators more say over how funds are handed out and allowing cities to raise their own tax revenues.

If such a system is actually implemented, it could help strengthen federalism in Mexico, said Carol Weissert, a political scientist at Florida State University in Tallahassee, Florida, who is also editor of *Publius: The Journal of Federalism*. “The fact that it’s really coming to the fore is pretty important,” she said.

But perhaps one of the issues most likely to have an immediate impact on Mexico’s federal system is the crisis in the southern state of Oaxaca, where striking teachers and radical sympathizers have held the streets of the once tourist-friendly capital hostage for four months to demand wage increases and the state governor’s resignation.

Despite growing calls for his intervention, Fox — a major supporter of federalism — has said the matter falls essentially under state jurisdiction, and that his office should only serve as an adviser in negotiations, instead of sending in national police or the army to restore order. However, Fox sent more than 4,000 federal police into Oaxaca in October 2006 to put down the protest by teachers and trade unionists. He also is aware that few have forgotten the brutality with which students were massacred by government forces during demonstrations in Mexico City in 1968 and 1971.

If Fox — or Calderon after him — decides to use public force at a time when states are still struggling to assert their independence from the presidency, “It would send a negative message... that maybe the old centralized system is closer at hand than some people thought,” Weissert said.