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Transcript

Mexico's Moment: Structural Reforms, Democratic Governance and Global Engagement

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President of Mexico

19 June 2013

Text as prepared for delivery.

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Enrique Peña Nieto (translated from Spanish):

I am grateful to Chatham House, home of the Royal Institute of International Affairs, for their invitation to discuss with you Mexico's current situation, as well as the expectations for Mexico's future.

I am conscious of this institution's prestige as a leader in the promotion of dialogue, and the generation of innovative ideas, to build a more secure and prosperous world for all.

I therefore value this opportunity to speak to you as testimony to your true engagement with the transformation process which we have set in motion in Mexico.

Equally, I understand this encounter to be the acknowledgement of the commitment of all Mexicans to build a more modern, productive and developed country.

The diverse and extensive potential of Mexico has long been just that: a mere possibility.

Despite significant progress with respect to the macro economy and the stability of our institutions, as well as the vigour of our democracy, Mexico has not been successful in translating these achievements into an improvement of the living standards of its population.

There are great obstacles to overcome. Insecurity and violence have undermined the peace and the freedom of some of the communities of our national territory.

We are a country which is growing at two separate paces: there is a Mexico of progress and development, whilst there is also a backward Mexico.

Today, we remain a nation in which a significant proportion of the population lacks the necessary conditions to benefit effectively from their rights.

There are many Mexicans who live hand to mouth, worried about the lack of employment and opportunities, as the country has not grown sufficiently in the last three decades.

Our starting point must precisely be this landscape, and the collective will to change it, as today we, the people of Mexico, have an historic opportunity to make internal transformations to our country and to affirm our position as an emerging economic power.

I am certain that the circumstances are favourable to the achievement of this, and that this is Mexico's moment.

While the government remains without a majority in Congress, today, unlike any other point in our history, there is a broad consensus on what must be done.

In addition, there is resounding agreement that no time must be wasted, and that Mexico cannot continue to postpone fundamental reforms.

There also exists considerable social backing, by specialists, civil society organizations and Mexican citizens, for the reforms needed by our country to be made concrete.

We, the Mexican people, are ready for, and committed to, the perfecting of a democracy which, while solid at the level of legislation, institutions and electoral processes, still has not succeeded in establishing itself as a democracy of concrete results, to be felt in the everyday lives of its people.

It was in these political surroundings that I came to office as President of the Republic on 1 December 2012. From that day forth, I have lobbied for unity within plurality, and to transit towards an effective democracy.

I have undertaken to lead a government which will contribute to Mexico's fulfilment of its potential and to drive the collective effort to lead the country towards improved living standards.

Whoever holds a position of responsibility within the government of the Republic has the conviction that they hold this position not to administrate, but to transform.

To this end, we have devised a government program which will focus our efforts upon five main national objectives.

We endeavour to achieve a peaceful Mexico, lowering levels of violence and placing the individual at the centre of our public security policies.

We wish to achieve an inclusive Mexico, where social policy truly will, beyond aid programs, decrease perceptibly the poverty and inequality levels existing within our population.

We are working towards a Mexico with high-quality education. Our goal is to ensure that the next generations shall benefit from the necessary tools to meet successfully the demands of an ever-more competitive world.

We are also striving towards a prosperous Mexico, a Mexico of accelerated and sustainable growth.

In order to accomplish this, we are working to elevate and democratize the productivity of our country. What do we mean by this? We mean that we intend to utilize our resources in a more efficient manner, in order to produce more, within all economic activities and in all regions of our national territory.

We wish for any commercial venture, be it small, medium or large, to have the opportunity to grow, to be more productive, and for this growth to be reflected in more numerous and higher incomes for Mexicans.

Our efforts also concentrate on building a Mexico as agent of global responsibility, which promotes development and cooperation between nations.

Our goal is to become a positive and purposeful force in the world, one which supports humanity's great causes.

We wish to project a Mexico which promotes free trade and which is a guarantor of the investments it receives; a nation of solidarity and of responsibility, championing peace and fraternal support within the international community.

These are the five goals of the new Mexican government. They comprise a realistic and responsible vision, one which is within our grasp. They are, additionally, a common endeavour which unites us above any political or party differences.

To make this vision a reality, on my second day in office, thanks to the responsible attitudes and the goodwill of leading political forces, a momentous national agreement was reached, which we called the Pact for Mexico.

It consists of a political consensus which has given rise to a new chapter in the democratic life of our country, a chapter characterized by dialogue, understanding and commitment.

The significance of this pact is rooted in the decision of the 3 leading Mexican political parties: the Party for National Action (Partido Acción Nacional), the Revolutionary Institutional Party (Partido Revolucionario Institucional) and the Party for Democratic Revolution (Partido de la Revolución Democrática), along with the government of the Republic, to focus on our common commitments and to set them out in writing.

We made 95 resolutions to benefit Mexican families, concentrating on the consolidation of a society of rights, the promotion of economic growth, the achievement of greater security and justice, the advancement of transparency

and the fight against corruption, as well as the development of democratic governance.

As with any democratic instrument, the Pact for Mexico was not drawn up without the expression of differences, as these are characteristic of the vigorous plurality of our political system.

Nevertheless, I acknowledge the democratic maturity and the political civility of those who have enshrined the agreed agenda of the Pact above any motives for discord.

This spirit of unity and the pursuit of clarity overcoming political wills, to put the interests of the nation above all other matters, have allowed us to make strides towards various transformative reforms, which I shall allude to briefly.

To establish solid foundations for a Mexico with high-quality education, we are able to put forward and to concretize a constitutional reform of education which will permit the emergence of greater human capital, which is indispensable to increase our country's productivity.

The objective of this reform is to make assessment, autonomous management of schools and academic excellence the pillars of public education in Mexico.

With the intention of becoming a prosperous Mexico, we have taken steps for the passing of new labour legislation which, by enhancing the flexibility of the job market, will enable young people and women to access employment.

In order to accelerate economic growth, to which the Pact for Mexico also commits, we have introduced a constitutional reform in telecommunications, broadcasting and economic competition, which will provide us with better coverage, fairer prices and higher quality where products and services are concerned.

Moreover, we recently drew up an initiative for financial reform, which is under discussion in the Chamber of Deputies, and which will allow for banks in Mexico to grant more loans and at more favourable rates, particularly to small and medium-sized companies.

In addition, this reform is to modify the mandate of the development bank, with a view to make possible the financing of strategic sectors and to cover the population's activities and groups which at present are not sufficiently provided for by the current bank of commerce.

While all these reforms are important, they are not exhaustive. The signatories of the Pact for Mexico have agreed, in coming months, to bring about further transformations, the details of which have yet to be finalized.

Among these transformations to come, a notable example is the reform of social security, to build a base for universal insurance cover.

We shall also introduce an energy reform in pursuit of two objectives: the creation of more jobs, and a decrease in electricity and energy rates (such as gas) paid by Mexican families.

So that this may be achieved, we must strive towards the creation of an updated, modern and sustainable oil industry, to enhance our country's capacity to produce and generate energy.

I wish to make myself clear on this point: through this reform, PEMEX will neither be sold nor privatized; PEMEX will be transformed, and will be modernized.

In collaboration with PEMEX, we shall be in a position to transform the energy sector of our country into a national example of productivity and efficiency.

Additionally, we will introduce a public finance reform which will allow for a simpler tax treatment, optimizing the Mexican state's capacity for revenue collection and which, through the elimination of exemptions and regressive tax privileges, will guarantee greater social equity and justice.

Also under discussion is a political reform, to ameliorate and improve the efficiency of government undertakings and to strengthen the influence of citizens in the political system.

Given its magnitude and significance, this reform shall consist of three sets of initiatives, under consideration by the Pact for Mexico collective:

1. To legislate on new modalities for citizens' participation, as provided for by the constitution, as they are: citizens' candidacy, grassroots initiatives and citizen consulting.
2. A reform of electoral institutions and procedures, to include a party law.
3. A reform of the government system itself, to include a debate on the questions of legislative re-election, coalition governments and the political reform of the federal district.

As can be observed, the scope of the political reform underscores the willingness and openness of political parties and, indeed, the Mexican government to carry out the in-depth changes of which the country is in need.

Ladies and gentlemen,

When we say that this is Mexico's moment, it is because today we have, and we are fully exploiting, the historic opportunity to undertake substantial national transformations, to set off the integral development of our country in decades to come.

We benefit from comprehensive macroeconomic stability, institutional solidity and a broad socio-political consensus supporting our country's capacity for transformation.

Plurality and legitimate ideological differences, far from being an obstacle, have aided the implementation of the changes demanded by the people of Mexico.

The time is right for Mexico to move forward and to transform itself.

Today, Mexico is optimistic and uplifted by the changes which are being carried out to instigate growth, promote social development and open up opportunities for all Mexicans.

Working as we have done until now, I am convinced that we shall be able to make concrete the changes which our country requires and needs, to augment the life quality of all its nationals.

Thank you very much.