

NEW MEXICAN GOVERNEMENT

Source: The Economist and Business Week

Fast and solid start for new Mexican government headed by elected President Enrique Peña Nieto (EPN) who took possession of office in December 1st, 2012. The two main axes of his program are Security and Education which are under major modifications for the stability and progress of the country. This “reforma” starts in the security domain with a law approved on December 13th that centralizes responsibility for public security in a much-strengthened interior **ministry** to get more dynamics, control and efficiency in the war against crime.

The education system in Mexico needs a deep modification that is seen more like a revolution and EPN has initiated this transformation. The main reason of having such a bad education system is that most of the country’s education budget goes to the teachers’ union and redistributed to its members. The process is so opaque that no one even knows how many teachers there are. A bill sent to Congress on December 11th would restore control over teachers’ pay and hiring to the education ministry, and set up an independent agency to assess their performance. Most states have approved and given support to the President.

Besides the plans to improve security and schools, EPN’s administration presented the first balanced budget since 2009 and will enforce responsible economic policies. One measure is to reduce the gross financing needs from 8.1% of GDP in 2012 to 7.7%.

<http://www.economist.com/news/americas/21568729-plans-improve-security-and-schools-coming-out-swinging>

<http://www.businessweek.com/news/2013-01-22/mexican-government-seeks-to-diversify-overseas-bond-sales>