

EXCELSIOR

Election results, opportunity for Mexico

Interview of Alan Stoga

By EVA SANDER

Eva.sander@nuevoexcelsior.com.mx

July 5, 2006

The close results in the presidential election are an excellent opportunity for Mexico to define its economic path, said Alan Stoga, president of Zemi Communications and former managing director of Kissinger Associates, companies specialized in political and corporate affairs. The reason? The new public character of topics that in the past were relegated to experts' discussions: duties, commercial treaties, and privatization. "This type of debate is incredibly healthy for any country, and it can only take place in a country with strong institutions and a mature democracy," he added in an interview with Excelsior.

Stoga considers that the results show a fair and competitive electoral process in which the two candidates presented fundamentally different visions on how to solve Mexico's problems.

Mexico chose to move away from populism, said Stoga: "Which are the countries that are generating wealth for their citizens? Peru, Venezuela and Bolivia are not among them. I interpret the results of the July 2nd election as proof that Mexicans don't want to be added to this list."

Stoga believes the reason for this is that the proposals of this economic trend are not applicable to the reality of the 21st Century. "My opinion is that the most important challenge that Mexico and the next President will have to face is the decreased competitiveness of the country in an increasingly globalized world economy," he commented.

Despite the results that seem to favor the PAN, for Stoga it is clear that the social polarization has to be overcome to create a consensus that will inevitably lay the foundation in which the next President will have to operate.

Stoga is optimistic about the possibility of Felipe Calderon becoming President. "If he is capable of creating the necessary political context to achieve what he is proposing, Mexico would not only grow faster but the social development of Mexicans will also accelerate."

In regards to the possibility of Manuel Andres Lopez Obrador calling his people to 'bear arms,' Stoga believes it is not likely that Mexicans will support him. He thinks that most Mexicans treasure their democracy and the laws and institutions that sustain it. "I believe that on the contrary, Mexicans will ask their politicians to leave aside their ambitions and start working not for their own benefit but for the benefit of the entire country."

The need to grow

Alan Stoga, a Yale graduate and former official in the U.S. Treasury, is constantly consulted by Mexican businessmen in regard to strategies, mergers, acquisitions, crisis, investments and government affairs.

After acting as an observer in the electoral process in Mexico City last Sunday, he flew on Monday morning to Monterrey. He did not have a free moment: many were interested in sharing their views with him.

The conclusion? Despite who wins the election, what is important is to modernize the country; structural reforms are needed.

Stoga believes that Mexican businessmen are especially interested in a prosperous Mexico and not which way the politics sway. He also pointed out that if there is any nervousness among them it is simply because they understand that the country is losing competitiveness.

“I believe they are ready to work with whoever the citizens choose as President, but they worry about the incapacity of politicians, who in past years have not been able to achieve the necessary reforms, or generate the necessary growth, or create enough jobs,” said Stoga.

“All the businessmen I know realize these are key issues that require immediate attention,” said the former executive of the First National Bank of Chicago. He also said the end to the electoral period is considered by the owners of companies in Mexico as the perfect moment to reactivate the political agenda in regard to the modernization of the country for the benefit of all.