

Main Topics

- *Tortilla price surge takes center stage*
- *Turmoil within the PAN*
- *National health insurance for newborns starts up*
- *U.S. and Mexico to increase cooperation in fight against organized crime*
- *Calderón downgrades U.S. migration reform and upgrades foreign policy focus on Latin America*

Key Dates

02/18/07: *PRI internal election of party president and secretary general*

March 07: *PAN internal election of party National Assembly*

05/20/07: *Yucatan gubernatorial election*

07/08/07: *Baja California gubernatorial election*

11/11/07: *Michoacan gubernatorial election*

A surprise sixty percent increase in the price of tortillas, to as much as Ps. 12 per kilo, has sparked a political outcry, with scattered demonstrations around the country. The president called on his cabinet to do everything possible to reduce prices, and Economy Minister Sojo authorized a large increase in corn imports. Guillermo Ortiz, the President of Banco de Mexico, said the increase was the result of speculation and price fixing, not economic fundamentals. The Federal Competition Commission opened an investigation into monopolistic practices by the main corn and tortilla companies, and the Federal Consumer Protection agency began monitoring dealers for price gouging. (Reforma 1/12-13)

Internal maneuvering and scandal within the PAN captured headlines during the week. In Guerrero, police accused prominent local PANistas of ordering the assassination of the head of the Budget Commission of the state legislature. Jaqueline Orta was the designated alternate for Jorge Bajos, who was murdered on Jan. 4, and stands to take his place in the legislature. Several other local PANistas were also implicated, including the state secretary general, Ramiro Arteaga, who has become a fugitive. In Yucatán, Ana Rosa Payán, the former PAN mayor of Mérida who lost her party's December primary for governor, accused state and national party officials of "systematic, constant, and repeated efforts to buy, coerce, or induce votes" in favor of her opponent, Xavier Abreu. Payán is trying to keep the PAN's National Executive Committee (CEN) from ratifying Abreu's nomination. In Aguascalientes, the state central committee is seeking to expel PAN Governor Luis Armando Reynoso from the party for the way in which he passed the state's budget in December. Columnist Miguel Angel Granados Chapa asks if the PAN's transformation into a party that exercises power has made it lose its traditional role as "the party of decent folk." (Reforma 1/12-1/14)

The PAN will carry out the internal election of 300 members of the party's National Assembly this March. These delegates, who are elected by party members at the local level, will then choose the party's new CEN and will elect the party president in March 2008. The internal election is widely seen as a battle between supporters of President Calderón and those of party president Manuel Espino. (Universal 1/13)

Last Monday, the President, accompanied by the First Lady and Health Minister Córdoba, presented the ceremonial enrollment credentials for the new "Health Insurance for a New Generation" to a group of mothers and newborns in Morelos. The new program is intended to provide health insurance coverage for all children born starting Dec. 1, 2006 who are not otherwise covered as part of the Seguro Popular program, and is expected to enroll 743,000 children in 2007. (Presidencia 1/8, Proceso 1/14)

Alberto Gonzales and Eduardo Medina Mora, the Attorneys General for the U.S. and Mexico met in Mexico City to improve coordination in the fight against organized crime. "Mexico and the United States have a common problem which requires a shared response," said Medina Mora. The U.S. is reportedly seeking approval to station more DEA agents in Mexico. (El Universal, 11/1)

At the annual meeting of Mexico's diplomatic corps, President Calderón emphasized the importance of the country's foreign missions in promoting investment and tourism. Calderón said that migration should no longer be the central axis of the bilateral relationship with the U.S., while instructing all U.S.-based consuls to defend the rights of migrants. He also said that Mexico should recover its leadership position in Latin America. "I ask you to work hard in making sure that relations with all Latin American countries, without exception, develop on a path of cooperation and mutual respect.... I won't accept offenses or humiliations, but I won't hold grudges with anyone." On Wednesday, Calderón made his first foreign trip to attend the inauguration of Daniel Ortega as President of Nicaragua, where he also met with Hugo Chavez of Venezuela. Calderón noted, "Despite the fact that Mexico geographically belongs to North America, our essence, our substance, our history, our past and future are in Latin America." (Reforma 1/10, El Universal 1/11)