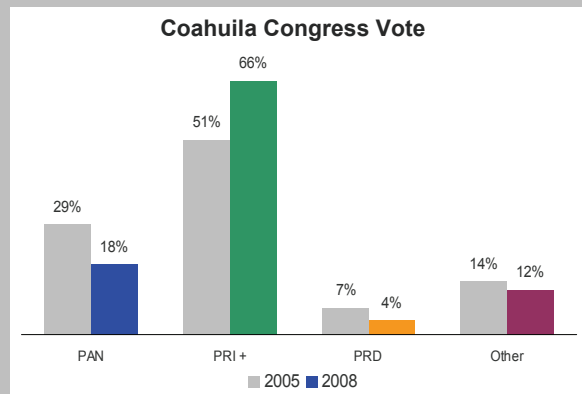


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## Elections

### PRI sweeps Coahuila elections

The PRI increased its dominance in Coahuila, winning all 20 of the direct election congressional seats in the state Congress (up from 16 in 2005). The PRI (including coalition partners) won 66% of the vote, compared to 51% in 2005. By winning the congressional seats in the city of Torreon, the PRI looks well positioned to take back the city government, currently held by the PAN, in next year's mayoral elections. The PRD is not a factor in this border state. (www.iepcc.org.mx, El Heraldo de Saltillo 10/20)



## Key Dates

**11/9:** Hidalgo elections

**11/14:** Deadline for budget approval

**Late Dec.:** Minimum wage announcement for 2009

**7/5/09:** National congressional, 6 gubernatorial, and 5 other local elections.

### President appoints national security adviser

President Calderón named **Jorge Tello Peón** to the newly created position of National Security Adviser in the Office of the President. Tello will have the responsibility of coordinating the actions of the different ministries involved with security issues. During the Zedillo government, Tello was head of the national intelligence agency Cisen (which he is also credited with creating). During a 20-year career in government, he was also commissioner in the anti drug agency of the Justice Ministry and undersecretary of Government. Since 2001 he has been head of security for building materials giant Cemex. (Presidencia, Reforma and Excelsior 10/20)

### Congress approves 2009 revenue budget

Congress unanimously approved the 2009 revenue budget and the President's emergency spending plan. The estimate for total revenues (including borrowing) reached Ps. 3,045 billion, higher than the President's original proposal, despite the reduction in growth estimates for 2009 and the falling price of oil. The budget authorizes domestic borrowing of up to Ps.380 billion and foreign borrowing of up to US\$5 billion. Deputy **Jorge Esteban Chidiac** (PRI), the head of the Finance Commission, described the package as the best possible answer to respond to the current economic crisis, and said that "the message Congress is sending to the markets and to the country is that the economic package is austere, sensible, and responsible." Government Secretary **Juan Camilo Mouriño** recognized Congress' support for the emergency plan, saying "the vote was an example of political will in which the country's interest was placed at the top." (Reforma and Universal 10/16)

### Energy reform vote grinds forward

The Congressional commissions approved three of the seven energy reform laws, but postponed until this week votes on Pemex's Organic Law and amendments to the secondary laws that implement Article 27 of the Constitution. Senator **Francisco Labastida** (PRI), head of the Energy Commission, and **Ricardo Garcia Cervantes** (PAN), head of the Legislative Commission, explained that negotiations were still ongoing on those two pieces of the reform, which Labastida called "the toughest subjects." Over the weekend, negotiators from the three large parties reportedly reached agreement on the Article 27 laws. PRD Senator **Graco Ramirez** said, "The privatizing features of the original [government] proposal don't exist. ... I can state, here and now, that the drafts that we are completing ... cannot be considered as privatizations." (Proceso 10/15, Reforma 10/19)

### Carstens attacks big business for peso collapse

During a press conference at the IMF meetings in Washington, Finance Secretary **Agustín Carstens** appeared to blame a group of Mexican companies for the sharp drop in the value of the peso. "To speculate and to lose money is not a crime; what is a crime is not to observe the law for public companies," he said. In response, senators from all parties demanded that the Ministry of Finance disclose the names of the companies that allegedly speculated against the currency. Noted columnist **Sergio Sarmiento**: "Politicians always try to blame someone else for all their troubles. ... The problem for them is that until now, they haven't been able to find a real case of market manipulation that resulted in illicit gains." (Reforma 10/13-17)

### Government to guarantee short-term corporate debt

The official finance agencies **Bancomext** and **Nafin** announced a joint Ps. 35 billion program for channeling resources to the corporate sector through banks and non-bank financial intermediaries and direct guarantees for short term borrowings and commercial paper issuances. In addition, the housing finance agency **SHF** announced a Ps. 40 billion program to support mortgage companies, and **Infonavit** will provide Ps. 6 billion in assistance to homebuilders. (Sentido Común 10/17)