

Mexican Strategic Landscape

Monthly report

APRIL 2021



THE INSTITUTE

FOR STRATEGY AND DEVELOPMENT RESEARCH





The Mexican Strategic Landscape Report is a monthly publication of the Institute for Strategy and Development Research, a think tank dedicated to the analysis and the dissemination of information in key topics which address Mexico's problems and structural challenges. This document provides insights from the six different regions that make up the country. It helps readers and decision makers comprehend the particularities and complexities of each one concerning four main subjects:



SECURITY



DEVELOPMENT



**NATURAL
RESOURCES**



**POWER AND
AUTHORITIES**



- 1. Mandate of Judge of the Supreme Court extended.** The Congress and the Senate approved the mandate extension of Judge Arturo Zaldívar who currently presides the Supreme Court of Justice. By law, the judge had to end his mandate in 2022, however, this reform extends his mandate until 2024, coinciding with the end of the President's government. The measure has caused indignation among various sectors because it represents a violation of the autonomy of the Judicial Power, it is contrary to what's established on the Constitution, and serves as a precedent for other positions such as President or Governors to extend their mandate even though it is currently prohibited. The 2021 elections will be fundamental, because if Morena wins more positions in both chambers of Congress, they will improve their possibilities of making constitutional modifications.
- 2. Migration becomes the main theme on the MEX-USA bilateral agenda.** Even though in past governments the agenda between both countries seemed more diversified included security, energy, integration, economic development, and migration issues, currently, both governments have focused their efforts and given priority to migration. During the last month, AMLO proposed taking the "Sowing Life" program to Central America to try to stop migration in a forum whose objective was to promote clean energy. Meanwhile, the managing team for the visit of Vice President Kamala Harris to Mexico in June announced that it would address the migration crisis that affects both countries. Although migration is an important issue on the bilateral agenda, it is not the only urgent problem to be solved and there is concern that other issues such as security, clean energy or economic integration are relegated.
- 3. There will be electoral reform in México.** After the cancellation of the candidacies of Félix Salgado Macedonio in Guerrero and Raúl Morón in Michoacán, both belonging to MORENA, the National Electoral Institute (INE) has suffered a series of attacks, threats, and disqualifications by various political actors. The President of México has stated on several occasions that he wishes to carry out a profound electoral reform to guarantee the autonomy of the INE, for which there is the possibility that the Judicial Power absorbs its functions. It is likely that the electoral reform initiative will be presented during the month of May.

➤➤ THINGS TO OBSERVE IN MAY 2021

- Closure of political campaigns and altercations between candidates.
- Increase in social conflicts due to the general drought in the country.
- Possibility of electrical blackouts during the summer season.

REGION 1: NORTHWESTERN

FOR STRATEGY AND DEVELOPMENT RESEARCH



SECURITY

Yemeni citizens detained at the border

In the last 4 months, 2 Yemeni citizens were captured by the Border Patrol when they tried to cross into the United States through the border city of Mexicali. Both individuals were included in the FBI's terrorist watch list. Although the number of "persons of interest" who have tried to cross the border through Mexico is low, there is a fear from the US that terrorist organizations start to exploit migration routes used by Mexican traffickers to enter US territory.



DEVELOPMENT

Interurban Train will be built in Baja California

Baja California Government announced the construction of the Tijuana-Tecate Interurban Train which is expected to be completed by the end of December 2022. In a 1st phase the project includes 7 stations and will have the capacity to move up to 30 thousand passengers per day, in the 2nd phase the project will seek to reach the USA. Among the benefits that the train will have are the increase of the connectivity in the region, the reduction of costs, travel time and traffic.



NATURAL RESOURCES

US seizes Mexican shrimp

The fishing sector suffered a hard blow again, on April 30 the embargo on Mexican shrimp by the United States came into force for not complying with the care of sea turtles. In addition to this measure, another embargo continues in the Upper Gulf of California for not protecting the vaquita marina. The measures have strongly affected the fishing sector in the region, which also suffers from the lack of government support, the high cost of marine diesel and the lack of training programs for fishermen.



POWER AND AUTHORITY

Border will remain closed until May 21

The land border restrictions between Mexico and the United States will remain until May 21 for states in Mexico whose Epidemiological Risk Assessment are in yellow or red this means with a high risk of contagion by COVID-19. Non-essential travel restrictions for the southern border with Guatemala and Belize also remain until May 21. Despite the restrictions, the flow of migrants from Central America trying to cross continues to increase, causing a migration crisis in Mexico and the US.

INSIGHT

Educational lag in agricultural fields of Sinaloa

One of the most affected sectors by the pandemic were the children of agricultural laborers from the state of Sinaloa who have not been able to continue their education. Among the reasons stands out the lack of access to the internet or television and the absence of a multicultural program by the Federal Government to offer classes in indigenous languages. The situation has caused a significant educational lag in this sector and there is a risk that continuing virtual classes for the remainder of the year will increase school dropouts. To try to mitigate the situation, the State Government decided to open schools as Community Learning Centers to support students who have had difficulties with virtual classes.

REGION 2: NORTHEASTERN

FOR STRATEGY AND DEVELOPMENT RESEARCH



SECURITY

Leader of the Gulf Cartel captured in Nuevo León

Evaristo Cruz Sánchez known as 'El Vaquero' was arrested in April in the municipality of Salinas Victoria in Nuevo León. The detainee was the leader of the Gulf Cartel in the City of Matamoros in Tamaulipas and was wanted by México and the United States Governments. Although the Gulf Cartel continues to have a presence in Tamaulipas and Zacatecas, in recent years it has suffered several splits that have given rise to new groups such as: Los Zetas Vieja Escuela, Cartel del Noreste and Cartel del Golfo Nueva Era that dispute Northeastern territories.



DEVELOPMENT

Customs chiefs are changed to avoid corruption

In the last year, 32 Customs Chiefs have been dismissed, of which 12 are being investigated for possible acts of corruption and links to crime. The customs offices that have presented most cases of corruption are Baja California and Tamaulipas. Although the objective of the measure is good, the constant rotation of customs chiefs has caused annoyance in some businessmen due to the instability and the arrival of personnel without experience or knowledge in the matter.



NATURAL RESOURCES

Farm workers take over First Majestic mine in Durango

Members of the La Parrilla Nombre de Dios community in the State of Durango took over the facilities of the Canadian First Majestic mine, a company that has been working for 15 years in the region. No new labor agreement has been reached. Among the demands of the community are: a better salary for workers, an increase in compensation for the exploitation of the land, and greater social benefits for the community. If an agreement for the next 10 years is not reached, the company might close and an important source of employment in the region will be lost.



POWER AND AUTHORITY

Immunity removal to Tamaulipas Governor

After several hours of discussion, the Congress approved the immunity removal of the Governor of Tamaulipas Francisco García Cabeza de Vaca accused of the crimes of organized crime, money laundering and tax fraud. Conversely the State Legislature guaranteed the protection or criminal immunity of the Governor, so the Supreme Court will be who makes the final verdict. After the state resolution, the governor received different samples of support in different cities of Tamaulipas accusing the President of political persecution.

INSIGHT

Protests for water extraction and ecological crime grows in the region

In the context of the drought that northeastern states are going through, complaints by activists and NGOs about the extraction of water and ecological damage made by companies have grown in the region. In Nuevo León, activists pointed out that 5 bottling companies concentrate water extraction permits, while in Coahuila some activists oppose the tourism development contemplated for Cuatro Ciénegas region due to the environmental impact it will have in the area. The situation highlights the need for private companies to consider mitigation and communication plans to deal with this type of indictments.

REGION 3: WESTERN-BAJÍO

FOR STRATEGY AND DEVELOPMENT RESEARCH



SECURITY

Violence increases in Zacatecas

During the first two months of 2021, homicides and femicides grew 128% compared to last year in the State. In addition to this, Zacatecas is within the national top 10 with the highest number of missing persons reports. In the past few months, Zacatecas has been a territory disputed by at least 4 organized crime groups, among them are: The Gulf Cartel, the Northeast Cartel, the Sinaloa Cartel and Jalisco Nueva Generación Cartel, which has caused an increase in violence and clashes between authorities and criminals that generated a climate of insecurity among the population.



DEVELOPMENT

Teachers will not return to classes in Michoacán

The Union of Teachers (CNTE) of Michoacán considers that the basic conditions necessary to retake face-to-face classes do not exist yet. Among the reasons stands out the lack of economic resources of the schools to periodically sanitize the spaces, the vandalism and looting of the buildings and to have all 90,000 education workers vaccinated. Therefore, it is unlikely that face-to-face classes will be back this school year.



NATURAL RESOURCES

Drought in Queretaro and Jalisco

Data from the Drought Monitor in Mexico reveal that in Querétaro 15 municipalities present severe drought and 2 present extreme droughts. In Jalisco, 68% of the territory has severe drought, being one of the most serious in the last 10 years. Although both governments have recently adopted measures to protect water, public policies with a long-term vision are still required to guarantee the supply of water for future generations and designate funds to build new sources of water supply.



POWER AND AUTHORITY

Michoacán candidate is wanted by the DEA

Rogelio Jaramillo Portillo MORENA candidate for Mayor of Huetamo in Michoacán is wanted by the DEA for conspiracy to distribute narcotics in the United States. His uncle Marcelino Portillo Mendoza also appears in the list of people wanted by the DEA. The Public Security Secretary is investigating the case and if it is found that it is the same person, his extradition to the United States could be requested.

INSIGHT

Violence and exodus of Aguililla residents in Michoacán

The dispute between organized crime groups for the control of the municipality of Aguililla in Michoacán has caused a social and humanitarian crisis. During the last month there have been several reports of clashes, murders, road closures that have devastated the municipality. Basic products such as food, gasoline and medicines have become scarce. Despite the arrival of the National Guard, Police and Army, the violence in the area continues, which has caused an exodus of inhabitants who seek to migrate to another State or reach the United States. If the government does not intervene directly the governance problem could spread and worsen.

REGION 4: CENTRAL



SECURITY

Children in Guerrero victims of crime and authorities

During the last month 2 reports shocked Mexico and the World. Children between 6 and 11 years old joining as community police in Montaña Baja region and girls between 10 and 15 years old victims of sexual violence showing posters with their story in Guerrero. Both cases illustrate the adverse conditions in which children develop, where violence, impunity and marginalization are the common denominator. Although the problems are not new in the region, the cases highlighted the abandonment of the State in these communities.

DEVELOPMENT

Home Office promoted in CDMX

Although the Federal Labor Law Reform came into force since January 2021 in Mexico, the change in work culture has been very slow. In Mexico City, which are just beginning to resume activities in offices, the government and private initiative agreed to promote Home Office as a permanent form of work for some activities after the pandemic. The measure seeks to reduce traffic and polluting emissions from cars and public transport.

NATURAL RESOURCES

Hidalgo and CDMX with low water levels

Before the onset of summer and the warmer months, the State of Hidalgo and Mexico City report low levels of storage in their dams. In the State of Hidalgo, CONAGUA revealed that 8 dams out of 37 are completely dry. In Mexico City, the Governor announced that the dams of the Cutzamala System are at their lowest storage levels historically. Although the drought problem is not new in the region, in recent years it has been increasing, requiring a long-term strategy.

POWER AND AUTHORITY

Félix Salgado candidacy in Guerrero is canceled

After a series of intimidating statements by Félix Salgado Macedonio against the INE, the General Council of this Institute ratified the cancellation of his candidacy for the governorship of Guerrero. After the cancellation, the former candidate was named leader of Morena's party in Guerrero and his daughter Evelyn Salgado was named candidate for governor. In recent months, the National Electoral Institute has suffered several attacks by political actors, and it is expected that in the coming months an electoral reform may be presented to the Congress.

INSIGHT

Criminal leaders arrests in CDMX and Valle de México

During the last month, 3 criminal leaders were arrested in different events. In CDMX Ulises Sánchez Ramírez known as "El Garrafón" leader of the Tláhuac Cartel was detained by the PDI (Investigation Police). In the State of Mexico, the leader of the Michoacán Family and in Ecatepec the presumed leader of Nuevo Cartel Imperial, were detained by authorities. The detainees participated in crimes of drug distribution, kidnapping, robbery, and extortion and reveal the great diversity of criminal groups that operate and dispute the capital of Mexico.

REGION 5: SOUTHERN



SECURITY

Gender violence increases in Oaxaca

7 regions in Oaxaca concentrate the highest reports of violence against girls and women, these are: Valles Centrales, Papaloapan, Mixteca, Costa, Cañada and the Istmo. Even though since 2018 in 40 municipalities a Gender Alert was decreed, attacks against women continue to occur. The situation reflects the lack of commitment on the part of the Government to eradicate gender violence and the absence of public policies to prevent and address this phenomenon.

DEVELOPMENT

Cruises in Chiapas will reactivate

For the months of September and October, the arrival of new cruise ships to Chiapas Port is expected if the number of covid infections decreases. The Port has been paralyzed for more than 1 year and the economic losses amount to 10 million pesos. With the advance of the vaccination campaigns, it is expected that new cruise ships from Canada and the United States can arrive at the port and help to reactivate the region's economy.

NATURAL RESOURCES

Communities reject mining in Oaxaca

Nine communities belonging to the group "Frente No a la Minería por el Futuro de Todos" of Valles Centrales in Oaxaca asked SEMARNAT not to authorize the Environmental Impact Manifestation from the subsidiary of the Canadian mining company Fortuna Silver and requested the exit and project cancellation. The situation worsened after a series of accusations by the community about the exploitation and contamination of water that has affected agricultural and livestock activities in the region.

POWER AND AUTHORITY

New shelter for migrants in Chiapas

UNHCR will build a new shelter for people seeking asylum in Mexico in the city of San Cristóbal de las Casas in Chiapas. The announcement follows the increase in asylum applications in the country in recent years and the arrival of thousands of migrants from Central and South America who have saturated the Mexican border. Although the Mexican authorities have committed since 2018 to provide essential rights to asylum seekers, many have claimed to have been victims of robberies and extortion by immigration authorities.

INSIGHT

Oaxaca and Chiapas lead in attacks against activists

The Annual Report of the "Red Nacional de Organismos Civiles Todos los Derechos para Todos" group revealed that 45 human rights defenders were murdered between 2019 and 2020. The states that concentrate the highest number of reports are Oaxaca, Chihuahua and Chiapas and the subject that exposes them to the greatest risk is the defense of the land and the environment. In addition to revealing the danger faced by activists in Mexico, the report exposes the indifference and complicity of the government who has not allocated resources and issued protection measures for activists.

REGION 6: YUCATÁN PENINSULA

FOR STRATEGY AND DEVELOPMENT RESEARCH



SECURITY

Mayor of Cancun is investigated for money laundering

The mayor of Cancun Mara Hermelinda Lezama Espinosa is investigated for operations with resources of illicit origin. The mayor is accused of having ceded protected area land to a private company in exchange for a house. In recent years, this tourist destination has presented various controversies in environmental matters due to collusion between authorities and businessmen that have made changes in land use without considering the impact and ecological damage they cause in the construction's area of influence.



DEVELOPMENT

Green energies decline in Yucatán

The pandemic and bureaucratic interconnection procedures by the State Energy Company (CFE) have stalled the sale of solar panels in the state of Yucatán. The electricity industry reform law approved in March that was promoted by the President has complicated the operation of companies dedicated to clean energy, because priority has been given to the state electricity industry.



NATURAL RESOURCES

Oil production fell in Campeche

Information revealed by the National Hydrocarbons Commission (CNH) shows that from January 2020 to February 2021 there has been a decrease of 122.19 thousand barrels of oil per day, going from 1 million 208.84 thousand barrels in January 2020 to 1 million 86.65 thousand barrels per day in 2021. Campeche is a state whose economy is highly dependent on oil and has little economic diversification, so this drop in production will affect the economy of the region.



POWER AND AUTHORITY

Feminists continue protests in Cancún

The latest femicides that occurred in the State of Quintana Roo have angered women who demonstrated at the Attorney General's Office and closed avenues to protest and display the names of the victims. The objective of the demonstration was to make visible the systematic violence experienced by thousands of women in the country and the impunity that permeates in most cases. Figures from the SESNSP revealed that March has been the most violent for women in the country with 362 registered deaths.

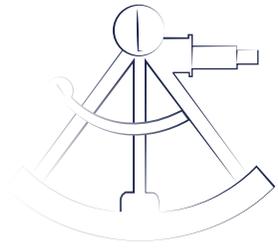
INSIGHT

Violence increases in Cancun

During the month of April, the tourist area of Cancun has been the target of several attacks by organized crime groups. Among the incidents are explosive material found inside a car parked outside a supermarket, an armed attack which resulted in an injured person, and the burning of public transport buses with explosives without injured persons detected. The increase in violence in this area could be related to disputes between organized crime groups to control drug trafficking.

THE INSTITUTE

FOR STRATEGY AND DEVELOPMENT RESEARCH



Contact

This document has been prepared by the staff of the Institute for Strategy and Development Research. For further material, inquiries, products, or possible research ideas, please contact us at:

 InstituteSDR

 isdr.mx

 info@isdr.mx

 +52 (81) 8363 0021

