

# Requiem for President López Obrador

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*The final months of the presidency of Mexico's López Obrador offers an opportunity to assess his accomplishments and vision*

HOUSTON, TEXAS, USA, February 12, 2024 /EINPresswire.com/ -- SEPTEMBER 30, 2023, started the 365-day count-down on the tenure of Andrés Manuel López Obrador as Mexico's president. During his term, there has been nearshoring investment in several sectors; many businesses prosper; remittances supply foreign exchange and peso uplift. Inflation reflects minimum wage increases. Public debt/GDP is low globally but borrowing (PSBR) in 2024 in Mexico will rise to -5.4% of GDP in 2024. The country is ranked globally as the deadliest for journalists.

With his daily press briefings, the president has succeeded in reshaping much of the public square and private economy to conform to his narratives about Mexico's past and future and his designs for centralization of state planning and execution. Beneficiaries of his policies, programs and handouts include state contractors, pensioners, students, military elites, and, some say, family members. Select firms have been given major contracts and equity plays.

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Self-censorship in Mexico is unprecedented”

*George Baker*

*His conduct as president and as leader of a populist movement defy historical comparison*

Comment 129 - AMLO defies historical comparison



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The armed services have been assigned posts and responsibilities formerly under civilian

control. Cartel leaders control a third of the country; their exports of fentanyl have risen. A migration emergency festers on the U.S. border.

In foreign affairs, he has formed bonds with authoritarian regimes in Cuba, et al., and has provoked authorities in the U.S. and Canada by a series of alleged violations of the trade agreement of 2020 (USMCA); but regarding energy, they have not asked for an arbitration panel (as permitted by their July 2021 dispute filing).

Pemex and CFE, as state energy companies, were meant to benefit from his policies: The Electricity Act of 2021 reversed the rules on dispatching, provoking legal opposition from investors—and invalidation by the Supreme Court two years later. Pemex, with US\$100B in debt, has defaulted on payments to contractors. Pemex got operatorship of the 2017 Zama reservoir but is years away from FIRST OIL. Lax regulatory and corporate oversight in both companies allowed for a tripling of the venting of methane and carbon dioxide, both greenhouse gases.

Many investors in the energy sector feel mistreated by Pemex and CFE in actions abetted by energy and commerce regulators who obey instructions from the ministries. Investors [Talos Energy](#), [Monterra Energy](#), and [Air Liquide](#), among many others, have seen their business models upended by confiscatory measures and by denial or delays in permitting wells, gas stations, storage facilities, and solar and wind projects. Deepwater exploration has been suspended. Exxon, Chevron, Shell, Equinor, Talos, and BP have either left or diluted their upstream positions. ENI, Repsol, Woodside and Harbour Energy persevere, among few other international companies. The Deer Park refinery has prospered—operated by Texans.

"Self-censorship in Mexico is unprecedented," observes George Baker, principal author of this collaborative report. Critics discern that property rights and commerce will be imperiled by presidential diktats issued under the flag of sovereignty, as has occurred with energy, lithium, corn, glyphosate, and hydrogen. The president largely has succeeded in dismantling the [flawed Energy Reform 2013-14](#) to make the sector conform to his statist vision of public ownership of the means (and natural resources) of production.

The editorial pages of major print and electronic media in Mexico and abroad view the popular president's conduct with alarm. They and others voice concerns that extend beyond matters of alleged regulatory malpractice, constitutional transgressions, and profligate spending on public works of questioned value. In the president's proposed constitutional reforms, made public

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Energy Statist

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With his daily press briefings, the president has succeeded in reshaping much of the public square and private economy to conform to his narratives about Mexico's past and future and his designs for centralization of state planning and execution. Beneficiaries of his policies, programs and handouts include state contractors, pensioners, students, military elites, and, some say, family members. Select firms have been given major contracts and equity plays. The armed services have been assigned posts and responsibilities formerly under civilian control. Cartel leaders control a third of the country; their exports of fentanyl have risen. A migration emergency festers on the U.S. border.

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*His conduct as president and as leader of a populist movement defy historical comparison*

**Pemex** and CFE, as state energy companies, were meant to benefit from his policies: The Electricity Act of 2021 reversed the rules on dispatching, provoking legal opposition from investors—and invalidation by the Supreme Court two years later. Pemex, with US\$100B in debt, has defaulted on payments to contractors. Pemex got operatorship of the 2017 Zama reservoir but is years away from FIRST OIL. Lax regulatory and corporate oversight in both companies allowed for a tripling of the venting of methane and carbon dioxide, both greenhouse gases. Many investors in the energy sector feel mistreated by Pemex and CFE in actions abetted by energy and commerce regulators who obey instructions from the ministries. Investors [Talos Energy](#), [Monterra Energy](#), and [Air Liquide](#), among many others, have seen their business models upended by confiscatory measures and by denial or delays in permitting wells, gas stations, storage facilities, and solar and wind projects. Deepwater exploration has been suspended. [ExxonMobil](#), [Chevron](#), [Equinor](#), and [BP](#) left the upstream while [ENI](#), [Repsol](#) and [Woodside](#) remain, among few others. The [Deer Park refinery](#) has prospered—operated by Texans.

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