

Mexican Government Seizes Power Plants, Liquidates Company, Fires Workers, Union in Jeopardy

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October 11, 2009 — Mexican Federal Police last night and early this morning seized the plants of the Central Light and Power Company of Mexico (LyF) which provides electricity to Mexico City and several states in central Mexico. The government of President Felipe Calderón also announced the liquidation of the company, the termination of the workers, and thereby the elimination of the Mexican Electrical Workers Union (SME) which has opposed the government's policies. [See call for Solidarity with Mexican Electrical Workers Union at end of this article.] The government's action has two goals, one political and the other economic. First, the government wants to eliminate the Mexican Electrical Workers Union which has been the leading force in organizing to oppose the Calderón government's economic policies, and in particular its plan to privatize the electrical industry. Second, the government plans to actually eliminate the Central Light and Power Company, possibly to merge its facilities with the Federal Electrical Commission (CFE), and eventually to sell the facilities to a corporation. Pivotal Moment While we have become accustomed to the Calderón government's attacks on labor unions such as the Mexican Miners and Metalworkers Union, and on its massive use of police and military force, this is not just one more incident. This is a turning point. The Mexican government's attack on the Mexican Electrical Workers Union — a union central to resisting government policies and to building labor and social movement coalitions, and located in Mexico City which is the center of political opposition to the government — may well be turn out to be a watershed event in the country's recent history. As Mexican journalist Luis Hernandez Navarro wrote in the Mexico City daily La Jornada, "The police and military attack against the electrical workers represents a serious setback in the precarious democratic life of the country. It provokes a huge short circuit. It establishes an unfortunate precedent. By attempting to use violence to solve a conflict created by the government itself, it takes us back to the darkest stages of authoritarianism." The Union Response Martín Esparza, Mexican Electrical Workers Union general secretary, called Calderón's action "unconstitutional." He called upon its 65,000 active and retired members to remain calm and to resist provocation. At the same time a union statement said its members would defend the nationalized electrical industry, their union, and their constitutional rights. Members gathered in front of the SME union hall and also at the Monument of the Revolution in Mexico City and rallied in defense of their state-owned company, their jobs, and their union. A union statement issued early Sunday morning said, "They have declared war on us and we are going to respond, always exercising our Constitutional rights and guarantees, of that there is no doubt." Humberto Montes de Oca, a union spokesman said the union had three demands:

1. The revocation of the government decree liquidating the company.
2. The immediate evacuation of the Federal Police from the plants.
3. Discussions between the government and the union about financial and administrative issues.

The Mexican Electrical Workers Union has called upon Mexican unions and unions of other countries to rally to their support. The union said that with the military having occupied the power plants, it was no longer in a position to insure the delivery of electrical power in the region. Some SME union members were reportedly calling upon the union to declare a general strike, which would shut off power to Mexico City and surrounding states, affected tens of millions of people. So far the union has not decided to take any such action. No Surprise While the Calderón government moved

suddenly last night and this morning to seize the plants, its actions were no surprise. [See the government decree [here](#).] The Calderón government and its predecessors have often expressed their desire to merge the Central Light and Power Company with the Federal Electrical Commission which provides power to the rest of the country, and to privatize electrical power generation. Secretary of Labor Javier Lozano declared in September that the Mexican Electrical Workers Union elections were invalid and that general secretary Martín Esparza and other union officers would not be recognized by the government. Without legally recognized union officials, the union could not engage in contract negotiations or other activities. Members of a dissident group in the union, tacitly supported by the government, had also carried out an armed attack on the union hall and robbed union documents and checks. And last month there were already rumors of the government plan to use the police to seize the facilities. The government justified its actions by arguing that the Light and Power Company was both inefficient and exorbitantly expensive. The government said it was prepared spend \$20 billion pesos (about US\$2 billion) to pay workers severance and retirement.

Long History of State Violence At the moment 500 Federal police officers have taken control of over 100 Light and Power plants, reportedly roughing up some workers in the process. While so far there has been no serious violence, in the event of union resistance, the police — possibly backed up by the army — will use force to suppress the union. In past instances of government-union conflict in Mexico, such repression has led to deaths and beatings, while the government has then indicted union leaders, resulting in convictions and long jail terms. Federal police have been used in the last three years to attempt to break strikes of miners and steelworkers as well as to try to crush popular social movements, resulting in deaths, rape, and beatings. Mexican police have been used repeatedly in the past to occupy the facilities of telephone workers and others to break strikes. The Mexican government used the police or army to crush militant movements of workers in 1959, of students in 1968, and of electrical workers in 1975.

Solidarity with the Electrical Workers The Mexican Electrical Workers Union has asked for international solidarity in resisting the government liquidation of the company, the termination of the workers, and thus the destruction of the union. If you wish to protest this action, you should write to President Felipe Calderón at felipe.calderon@presidencia.gob.mx. If you wish to show your solidarity with the Mexican Electrical Workers Union (SME) you should copy your protest email to sinmixel@sme.org.mx.