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**THE EFFECT OF MÉXICO'S TRANSITION FROM NEOLIBERALISM
TO POPULISM ON ENVIRONMENTAL POLICY**

BY

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1. Introduction

1.1. AMLO and the 2018 Campaign and Election

Since the 2018 presidential elections in México, there have been drastic changes to the federal government's outlook and participation in progressive environmental policy. During the negotiations surrounding the Paris Agreement (signed 2016), México was lauded for setting a global precedent of impressive emission reduction goals (Center for American Progress 2018). These goals came under the presidency of Enrique Peña Nieto (2012-2018). In 2018, Andres Manuel Lopez Obrador (AMLO) won the presidential election and since, Mexico's environmental policies have shifted so greatly that the country may not meet its own emission reduction goals set in the Paris Agreement. The transition between neoliberal environmental policy and AMLO's anti-neoliberal policy has had varied effects on the environment. Though AMLO promised throughout his campaign to not approve of policies that would potentially harm the environment and refused to allow for hydraulic fracturing (fracking), his presidency has demonstrated a disconnect between his campaign rhetoric and his administrative reality. The cornerstone of AMLO's environmental policy manifests in his plans surrounding the state owned and operated oil company, Pemex, and other smaller projects and policies as well.

Neoliberal policies have had mixed results on the environment. Two major neoliberal policies that have impacted the environment greatly are NAFTA and the Pena Nieto's Energy Reform. The North American Free Trade Agreement (NAFTA) promoted free market trading between the United States, Canada and México, but produced a harmful effect on the environment, (Stern 2007). Pena Nieto's Energy

Reform encouraged investment in green energy and technology. At the same time, Pena Nieto amended the Constitution to allow foreign and private companies to invest in Pemex.

AMLO represented the National Regeneration Movement (Morena) political party, founded by AMLO in 2016 after he left the established Democratic Revolution Party (*Partido de la Revolución Democrática* - PRD), the left of center political party which he helped to found in 1989, (Schatzberg 2016). His campaign platform and proposed policy goals focused on increasing social programs and government aid, eliminating corruption in the federal government and ending the privatization of Pemex. Pemex (Petroleos Mexicanos) is the state-owned oil company that has existed in México since 1938 when the two main energy/electricity companies were consolidated and nationalized by President Lazaro Cardenas (Anderson, Park 2016). Throughout his campaign, AMLO routinely blamed México's poor economic state on neoliberal policy, arguing that privatization, globalization and corruption in the federal government have failed the country.

AMLO's predecessor, Pena Nieto amended the Constitution to allow for the privatization of Pemex through state operated auctions to foreign and private companies. AMLO routinely denounced this policy when it was announced in 2013 and throughout the 2018 presidential campaign, promising that he would stop this process and return Pemex to high production levels. The estimated budget for AMLO's reinvestment in Pemex is around \$8.9 billion, with about half of those funds going towards a new oil refinery plant in the state of Tabasco (Wall Street Journal 2018). AMLO has described the goals of the new Pemex: "It's injecting resources, it's

lowering the tax obligation...But above all, it's cleaning out corruption from Pemex," (Cunningham 122). As part of the renationalization process, he has placed all auction sales conducted under Pena Nieto under review as well. The renationalization project AMLO has undertaken is one component of his overall environmental and energy platform. Throughout the campaign, he announced his commitment towards protecting the environment and biodiversity, to creating sustainable and green cities, and to his belief in climate change, (Latin American Post 2018). He has also announced plans for a train to be built that will run through the Yucatan Peninsula. The goals of the project are to promote economic growth in the southern region of the country by creating new jobs and increasing tourism.

1.2. Research Question

Over the course of the past 30 years in México, two different ideologies have been dominant. Through a neoliberal ideology, policies like NAFTA and Pena Nieto's energy reform have developed. AMLO has taken a different approach. He has focused on nationalizing industry, giving the government control over natural resources. Members of each group (supporters of neoliberal policy and AMLO) claim that the other is wrong and their way is the 'correct'. Currently, México is in a transition state between two differing types of ideologies. I aim to examine what has been the effect of this political shift from neoliberalism to left wing populism on environmental policy. To understand this issue, the question of what has been the effect of a political shift from neoliberalism to left wing populism on environmental policy is raised.

2. Literature Review

2.1. Anti-globalization and the Environment

a. NAFTA in México

The North American Free Trade Agreement was signed and put into effect in 1994. This treaty prompted the growth of free-trade and market liberalization across the three countries involved, the United States, México and Canada, and has had harmful environmental results in México. In México, the rise of the maquila industry resulted from NAFTA. The environmental impacts of the maquila industry are questioned in the article “Globalization, Maquilas, NAFTA, and the State,” by Saul Landau. Landau argues that with the signing of NAFTA, the Maquila industry has grown significantly, and along with it increased rates of pollution. Landau explains how with the passage of NAFTA; the US began changing its customs and export regulations to allow companies to easily move capital across borders. Capital goods could cross borders, allowing for the sending of raw materials to México to be assembled into finished products then to the US for consumption. Promoters of the Maquila industry argue that the industry offers opportunity for those living in rural areas to come to cities and work in factories. Landau critiques this argument, stating: “It boils down to which country can offer its people as laborers in primarily foreign-owned factories for the lowest wages, can promise these industries – with all the pollution they create – the least environmental regulation, the least monitoring for health and safety in the workplace, and, of course, the lowest taxes and the least prospect for unionization. This is the seamy side of the free market,” (Landau 363). Landau also critiques the environmental impact of the industry. The competitiveness

of the cost of the products produced in the Maquilas come at the expense of exploiting natural resources and high rates of pollution. The first to feel the effects of this pollution are those who work in these factories. Landau cites examples of workers facing lung disease, and other types of illnesses caused by polluted water and air. The cities across the US/Mexico border that are home to Maquilas are riddled with pollution, Landau calls these places ‘an environmental nightmare.’

In the article “Paying for NAFTA,” author Kevin Gallagher argues that the environmental protection promised by supporters of NAFTA have not manifested, and instead extreme environmental degradation has occurred. Gallagher questions how neoliberalists claim to be environmentalists while in México high environmental damage has come at the cost of trade-led growth. Gallagher states: “...between 1985 and 1999, rural soil erosion grew by 89%, municipal solid waste production by 108%, water pollution by 29% and urban air pollution by 97%...estimate the financial costs of environmental degradation at 10% of GDP from 1988-1999,” (Gallagher 47). Furthermore, since the implementation of NAFTA, spending on environmental protection dropped by 45%. Gallagher questions the environmental protectionist policies put into place under NAFTA, and argues that the free-trade agreement has undermined the goals of proper environmental policy. Supporters of the agreement, however, argued that by increasing free-trade would allow states to have the capital to fund environmental improvement.

The free-trade markets that permitted the growth of the Maquila industry and the pollution associated with them helps to explain why anti-globalizations are against free-trade and neoliberal policy in the name of environmental protection. The lack of

environmental protection in NAFTA and its focus on GDP growth points to the higher level of importance given to trade liberalization and economic growth. These policies have caused long-term environmental problems.

b. Pemex and Pena Nieto

Prior to the election of AMLO, the Mexican state pursued neoliberal policy as a way to cut down on greenhouse gas emissions and promote progressive environmental policy. The biggest neoliberal policy enacted was the privatization of Pemex. Former President Enrique Pena Nieto (2012-2018) and the national congress amended the Constitution to allow for foreign and private companies to invest in Pemex through state operated auctions. Pena Nieto represented the Institutional Revolutionary Party (PRI), a political party with a legacy of neoliberal tendencies. In the article “México’s New Energy Reform,” by the Wilson Center, the authors go through the energy reform instituted by Pena Nieto and its possible environmental and economic implications, and offer a historical analysis of the reform. They state:

For the better part of the next 75 years, successive PRI governments would place Pemex squarely at the core of their economic development and budget. Though the direct Pemex and PRI linkage can be viewed through a historical lens for its outsized influence in avoiding changes or reform, at the same time it provided PRI candidate Enrique Peña Nieto with a great talking point: only he, the leader of the new and forward-looking PRI, could confront the ghosts of the past and overcome the opposition to reforming the energy sector and overhauling Pemex. (Wilson Center 2018)

Energy reform has been at the forefront of global environmental policy, and its political salience is increasing. In México, high gas costs and gas shortages, combined with cartel violence and corruption, provided the basis to validate needed reform. The nationalized oil company Pemex, hit peak production in 2004 and has been in decline

ever since. It has not been modernized, relies on outdated technology, and suffers from corruption and fuel theft, costing an estimated \$1.6 billion annually (Wall Street Journal 2019). Pena Nieto's solution to this was to rid the federal government of the liability of holding Pemex and to outsource the company to foreign and private investment through state operated auctions. He had six main goals for his reform: 1. Hydrocarbons continue to be the property of the nation. 2. More competition in the energy sector will bring higher productivity, more competitiveness and better prices. 3. Strong regulatory agencies. 4. Transparency. 5. Clean energy. 6. Strengthening Pemex and CFE [Federal Electricity Commission], (Wilson Center 2018). Through the reform process, many new regulatory laws were approved to aid the transition. The government reformed and strengthened agencies such as the Energy Regulatory Commission (CRE), and created new agencies, such as the Security, Energy, and the Environment Agency (ASEA). Though these reforms allowed for more corporate freedom, the government still retained authority to grant permits and licenses and oversaw regulation. As part of the reform, the government also invested in green energy and technology. But the other companies that bought Pemex through the auctions were pursuing deep shale oil, that Pemex had not been able to extract due to outdated technology.

Pena Nieto's energy reform included many efforts to modernize the energy sector and reduce emissions. According to the Wilson Center: "Since COP21 [United Nations Conference of Parties], the Mexican government has taken steps to implement its clean energy targets for the power sector. In July 2016, Mexico, along with the United States and Canada, made a series of commitments on climate change, including

pledges to achieve 50 percent clean power generation across North America by 2025 and to present “mid-century, long-term low GHG emission development strategies” to the UN climate change secretariat by the end of 2016,” (The Wilson Center 148). The government has also offered tax incentives and tax deductibles to encourage investment in renewable energy equipment. These incentives encourage investment in business and increase spending, hopefully leading to economic growth.

Neoliberal policies have had a varied impact on the environment. NAFTA has contributed to environmental degradation and pollution of natural resources. Anti-globalization advocates have an argument based on the environmental impact of the free-trade that NAFTA instituted, like pollution and loss of biodiversity. The changes in pollution caused by NAFTA is felt most greatly by those working in the Maquilas, not those who made the policy or who profit from it. Those against globalization cite NAFTA as a strong reason to refrain from neoliberal political tendencies. Still, Pena Nieto’s neoliberal approach to environmental policy has many components that protect the environment and invest in green energy and technology. The neoliberal connection between these two policies does not explain how they have had such different effects on the environment.

2.2. Left Wing Populism and AMLO

AMLO has established himself as a progressive left-wing alternative to the political norm that exists in México. Throughout the 20th century in México, there have been various presidents who have used populism to gain support and as a way to legitimize their policies. The current wave of populist government in México associates with the anti-neoliberal rhetoric of AMLO and the anti-globalization trend.

According to author Soledad Loaeza, in the article “México’s Disappointment,” AMLO’s three consecutive campaigns for the presidency have reflected the split in the electorate between those who reject protest and support institutions and those who question those same institutions. Loaeza states:

Andres Manuel Lopez Obrador proposed to reconstruct these bonds on the basis of personal leadership by bringing the state back to the center of economic, political, and social life, and by appealing to nationalist emotions and the values and myths of the Mexican Revolution. In his appeal he urged the repossession of the state by the people. The implication of these appeals was that the State had been expropriated from Mexican society by the neoliberals in power. (Loaeza 413)

Loaeza argues that the charismatic nature of AMLO is a reminder of populist leaders of the past, specifically former President Lazaro Cardenas, who served as the president of México from 1934-1940. Additionally, Loaeza states that the AMLO’s capacity to present a viable alternative to established political parties and to deviate from the norm were highly effectual.

Throughout his campaign and presidency, AMLO has pursued progressive social and environmental policies. His efforts to get rid of corruption and crime in the federal government and in Pemex are well supported. In terms of his environmental policies, he has promised to not allow for any fracking in the country, a progressive stance on an industry with heavy rates of pollution. He also supports environmental justice, and in the campaign announced he would sign a regional treaty titled “Access to Information, Public Participation, and Access to Justice in Environmental Matters,” a UN treaty that extends across Latin America. This treaty helps regulate environmental risk assessment and environmental impact reports (Latin American Post 2018). He has also provided funds for a project called “Programa Sembrando Vida,” a

program that will help pay farmers to plant new trees. This project supports small rural farmers in the South who have seen a decline in growth due to the increase of large corporate farms. This program will aid small farmers to revitalize the agricultural industry in México due to the impact NAFTA has had on the industry.

As part of AMLO's own energy reform policies, he focuses heavily on oil production. AMLO aims to renationalize Pemex, has placed auction sales that occurred under Pena Nieto under review, and plans to stop fuel theft. In the article "Fuel Feuds in México," author Nicholas Cunningham discusses AMLO's reform plans and the actions required to make them successful. As part of this plan, AMLO plans to invest almost \$7.4 billion into Pemex, with some of those funds financing a new oil refinery in the southern region of the country. This refinery will focus on processing crude oil, to help with AMLO's long term goal of ending crude oil exports from the country: "Processing Mexico's heavy oil is expensive, and refineries have lowered their output rates to narrow their losses. But that has resulted in importing ever growing volumes of gasoline from the United States. AMLO wants to overhaul PEMEX's refineries to break out of this conundrum. "How do we respond to that absurdity that we are dedicated to selling crude oil and buying gasoline?," he [AMLO] said in Tabasco," (Cunningham 122). Cunningham also points out that the neoliberal approach to Pemex's financial troubles was to privatize, and that the debate between the legitimacy of neoliberal and AMLO's anti-neoliberal policy still exists and is contested.

AMLO's environmental stance offers progressive environmental policies as well as policies that focus on fossil fuel dependence. The common factor between

these policies is AMLO's ideology, left-wing populism. Yet, the environmental impact of these proposals have varied outcomes. Across both neoliberal and left-wing populist ideologies and policies, there is no standard outcome for environmental impact. Other motivations and goals need to be factored in. AMLO's goals for Pemex center around increasing oil production and ending crude oil exports. The overarching framework behind his policies center around economic development and GDP growth by creating jobs and increasing oil supply.

2.3. Mexican Corporatism

In México, corporatism has existed in the state for many years. In México, from 1929-2000, the Institutional Revolutionary Party (Partido Revolucionario Institucional - PRI) was the majority and ruling party of the federal government. Their monopoly over the government ended in 2000 with the election of Vicente Fox (of the National Action Party - PAN). The PRI maintained power through a hegemonic corporatist state. The corporatist power of the state aimed to keep potentially dissenting parties appeased and to control them politically. The arrangement can be described as such: "these organisations were kept in line through a series of legal provisions – including mandatory membership, representational monopoly, governmental recognition and restrictions on protest activities. In exchange, the leaders of official organisations were guaranteed political representation, policy influence and access to state subsidies and welfare services," (Garcia 309). During the PRI rule, the use of corporatism was foundational to their authoritarian regime. Starting in the 1980s, due to a series of economic crisis, this system became weakened and this allowed for mobilization of dissenting parties. This lead to the creation of a

pluralistic multi-party system with parties such as PAN, and Party of the Democratic Revolution (PRD).

a. AMLO and Corporatism

The corporatist phenomenon in México can be in part used to explain how various administrations with different ideologies have created environmental policy with fairly mixed results. In the article “México, the PRI, and Lopez Obrador: The Legacy of Corporatism,” author George Grayson argues that the legacy of corporatism in México, and the culture that allows it to flourish, will allow for AMLO to reframe it for his own gain. During the 1980s in México, as the country was turning towards neoliberal policy in reaction to the economic crisis facing the country, these neoliberal policies were harmful to the constituencies of the PRI. Grayson explains this, stating: “The mid-1980s also ushered in the period when President Miguel de la Madrid (1982–88) and his successors supplanted statism and protectionism with market-oriented policies that included selling off public companies, slashing subsidies, curbing bureaucratic growth, and diminishing protectionism,” (Grayson 289). These changes lead to a general distrust in the PRI government. This article also focuses on the 2006 presidential election, where AMLO ran against Felipe Calderon, the PAN candidate. Prior to the 2006 election, AMLO served as mayor of México City from 2000-2005. During this time, “he welcomed to his cause the National Social Security Workers Union, the Mexican Electrical Workers Union, and the Confederation of Revolutionary Workers, which had once formed part of the PRI’s corporatist gestalt,” (Grayson 292). By making these connections, he began to lay the base for his successful run for president in 2018. Grayson argues that this new corporatism that

AMLO has recognized and tapped into will be the reason for AMLOs success in the future.

b. Green Policy and Corporatism

The response of the corporatist state to environmental concerns has been shaped by various presidencies, largely beginning in the 1990s. In the article “Energy and Environmental Politics in Post-Corporatist México,” Matthew Auer examines the legacy of corporatism on green policy and how this legacy has impacted the capacity of the government to effectively implement policy. Auer argues that the hydrocarbon market of México has the capacity to reshape México’s environmental protection policy. The growth of the bureaucratic state that has replaced many corporatist alliances has forced Pemex to reconfigure its relationship to those in power to maintain its status. One of these bureaucratic changes is the appointment of the Federal Attorney for Environmental Protection (PROFEPA), who heads the environmental protection agency in México. Additionally, the 1988 General Law on Ecological Balance and Protection that regulates environmental protection. The post-corporatist state also allowed for increased democratization, encouraging mobilization. As citizens became more involved in voicing opinions, and their opinions held more salience, they were able to effectuate change in policy. Auer maintains that the democratization process that occurred in the 1990s in México was a turning point, and that the hydrocarbon market could lead this modernization effort now. The hydrocarbon market in México was forced to adapt to broader institutional changes in the federal government, as well as an expanding bureaucracy. Lastly, Auer posits that without public demand for environmental protection, changes are unlikely to occur.

Corporatism appears to constitute one of the consistencies in the transformation from neoliberalism to left-wing populism. In the two different ideologies, the connections and influence of corporatism may be used to explain the varied output on environmental policy. Though AMLO has positioned himself as a fierce anti-neoliberal advocate, his anti-neoliberal policies have not led to a substantial change in the effect of policy on the environment. Neoliberal policies have also seen varied results on the environment. The impact NAFTA has led to devastating environmental harm, but Pena Nieto's reforms addressed the current need to invest in renewable energy to mitigate the effects of climate change. To better understand these policies, more thought needs to be placed on their motivations and goals to improve an understanding of their impacts.

3. Research Design and Case Study

Neoliberal environmental policy and AMLO's approach to environmental policy have both produced varied outcomes on the environment. The explanations offered above do not quite explain the political motivations and the goals behind these policies. A need exists for a more comprehensive explanation for the similarities and differences across different administrations with varying ideologies. To gain a better understanding of the impact of environmental policy over this transition period, political motivations will be examined as a way to understand policy approach and outcome. The environmental effects of NAFTA, the privatization of Pemex, and approaches to green energy will all be discussed from both the neoliberal perspective as well as AMLO's stance on these issues. Additionally, AMLO's other environmental policies will be discussed.

3.1. Neoliberal Environmental Policy

3.1.1. NAFTA

NAFTA broke down trade barriers between the US, Canada and México and allowed for neoliberal free-market trade to thrive. This came at a high social and environmental cost. In the article “Environmental Performance of the Assembly Plants Industry in the North of México,” Rosio Barajas et al. analyzes the effects of economic integration through NAFTA on the environmental problems of Northern México, where the majority of maquilas are located. They argue that there have been four main factors that contribute to the lack of environmental protection: “(i) lack of economic incentives to control and prevent pollution; (ii) lack of financial human resources to monitor and follow up environmental inspection works, both in companies and government; (iii) deficient structure of sanctions of environmental regulations combined with excessive bureaucratic paperwork for its complying; and (iv) scarce technical infrastructure for complying with some regulations,” (Rosio Barajas et al, 271). By analyzing 276 assembly plants, they found that almost 55% of assembly plants perform at a basic level, meaning they lack transformational technology and pollute at a higher level. About 44% of the plants could be labeled ‘intermediate,’ one step up from basic. The environmental effects of these types of plants are devastating. Both are high polluters and produce large amounts of hazardous waste: “By using official information (Semarnat, 2002), there is an estimation that in Mexico there is produced about 37 million of tonnes of hazardous residuals,” (Rosio Barajas et al. 274). The article also investigates the motivations behind implementing environmental protection policies: “Likewise, almost 25 percent of the companies at

the techno-productive intermediate advanced level took the decision to introduce environmental protection technologies because their corporatists asked them to do so, although this reason only was mentioned by 13 percent of the companies at the basic level,” (Rosio Barajas 279). They also argue that companies that had been given tax incentives were more likely to implement green policies and there needs to be an external demand or incentive for environmental protection to manifest.

The pollution caused by NAFTA is analyzed in the article “How Green is NAFTA,” by Scott Vaughan. He argues that trade directly affects environmental quality, and that trade rules affect environmental policy directly by impacting regulations. Pollution rates have increased due to changing farming techniques and the growth of maquilas in México. According to the study, since 1993 7.8 million hectares of forest have disappeared. Furthermore, México’s use of nitrogenous fertilizers has increased steadily, from about 1 million megatons in 1995 to 1.4 million in 2001. These nitrogenous fertilizers contribute heavily to nonpoint source pollution, and since it is very difficult to monitor and regulate it will continue to impact individual’s health and quality of the environment. Insecticide imports to México have also drastically increased, from less than 15,000 in 1989 to about 73,000 in 2001. This is a major source of water pollution due to runoff from farms and greatly harms water quality. Vaughan posits that these sources of pollution will have detrimental effects on the biological diversity of the country, and that the social and economic costs of losing this biodiversity and environmental services will be disastrous.

The goals behind NAFTA aimed to create an easy trade market between the United States, Canada and México. Environmentally, the agreement has increased

pollution rates and had destructive effects on biodiversity, soil erosion, and water and air quality. The political motivations behind NAFTA were guided by promises of a cornucopia of free market gain: “On the one hand, it would legitimize and manage on an official basis Mexico's "silent integration" with the US economy, which was already well-advanced; on the other, it would provide Mexico with an economic refuge from the European and Asian trading blocs. It would heighten Mexican competitiveness in manufactured exports, and, most importantly, it would reignite economic growth and help create jobs,” (Poitras 7). Attempts to liberalize while maintaining a PRI hegemon proved difficult. The outcome of this neoliberal policy on the environment has been decidedly harmful.

3.1.2. Pemex

When Peña Nieto amended the Constitution, he allowed for the privatization of Pemex. The following energy reform was arguably the greenest policy México has ever seen. When privatization was first suggested by Peña Nieto, it was a highly politicized decision met with skepticism by the Mexican electorate due to the intertwined nature of oil and nationalism in Mexican history (Gledhill 2008). The success of Peña Nieto’s plan came from his ability to amend the Mexican constitution to allow for opening oil to foreign and private investment: “The Peña Nieto reform successfully amended Articles 25, 27, and 28 of the Mexican Constitution to open the country’s oil sector to private participation and new contractual opportunities for Mexican hydrocarbons, though the measures nonetheless ensured that the state would retain ownership of the nation’s subsoil. The nature of the constitutional change was key to institutionalizing and securing the reform’s intent and longevity, and it remains

the defining element,” (The Wilson Center 2018). The failures of Pemex to maintain steady production rates can be blamed the company’s failure to modernize, relying on outdated technology for far too many years, a byproduct of corruption within the corporation. Pena Nieto employed a neoliberal approach to fix this, selling the company and turning over control of natural resources to private entities. The federal government of México would still hold the rights to licensing and be given a percentage of profits made by the foreign and private companies that invested. Pena Nieto also was focused on building México as a global leader in green energy and technology, starting with México’s pivotal role as a leader during the Paris Agreement Conference in 2016.

Pena Nieto’s reform aimed at modernizing the energy sector in México, bringing much needed updates to energy technology to reduce emissions. Since the reform, there was a large growth in renewable energy:

...26% is now from clean energy, including hydro, wind, geothermal, solar, nuclear, and biomass. That puts a country that is rich in solar, wind, and geothermal resources closer to its clean energy capacity goals of 35% in 2024, 40% in 2035, and 50% in 2050. Forecasts are astounding: By 2030, SENER [secretariat of energy] projects that Mexico will have effectively tripled its clean energy capacity and increased its combined cycle gas-fired capacity by 75%. Solar has been particularly successful in Mexico’s auctions, winning 74% of contracts in the first and 54% in the second, followed closely by wind power.”
(Power 20)

The reform not only invested capital into green energy technologies, the reform also integrated México with other countries trying to accomplish the same goals.

Additionally, the contracts sold by the government could yield \$200 billion in the coming years (Brookings Institute 2018). This new capital would be used to stimulate the economy by updating infrastructure and investing in new technology. The stated

outcome of policies enacted by Peña Nieto was to place an emphasis on the importance of renewable energies, and to begin the shift away from fossil fuels.

3.1.3. Political Motivation and Outcomes

The two main neoliberal policies of the past 30 years in México have had different goals and mixed results in terms of environmental impact. NAFTA, a treaty that promised economic growth and profitable free-trade, has led to grave environmental degradation and pollution. Peña Nieto's energy reform, meanwhile, focuses on investment in green energy. Although, this policy still promotes oil extraction by allowing for foreign and private entities to conduct offshore drilling into areas with suspected oil shales that Pemex is unable to reach due to outdated technology. These two policies both follow the same ideology, and focus on promoting free trade and global integration. Yet, their environmental impact is different. The motivations behind each policy diverge when long-term environmental impact is considered. The NAFTA supporters at the time of its signing were envisioning a 'free-trade utopia' (Poitras 1994). For the state, this type of economic integration and agreement was pivotal, without economic integration with the US, the Mexican economy could become further behind and suffer from low GDP growth: "The state's commitment to the agreement, though a logical extension of its domestic reforms, was rooted in economic and political factors that transcended the issue of free trade itself. As demandeur of the free trade negotiations in 1990, Mexico had - potentially- much to gain from such a pact," (Poitras 6). The most important political factor, Poitras explains, is the role of the President in the Mexican state. Specifically, the centralism and presidentialism of the role. This norm within the state allowed for

President Salinas to drastically change México's foreign economic policy within his six-year term.

Pena Nieto's energy reform was also politically and economically motivated. At the time of the reform, Pemex was a state-owned company losing money, riddled with corruption and had a devastating fuel theft problem. Without the reform, and the selling of Pemex and investing in green energy, México would have not been able to meet the emission standards it set in the Paris Agreement (The Wilson Center 2018). The long term economic and environmental benefits of the reform potentially could have been very positive. Yet, these benefits were in the long-term, and the public dissent that was created when short-term outcomes were not as substantial was considerable: "The dilemma between the immediacy of public expectations for reform and the long gestation between investments and visible impact makes reform particularly complicated in the energy sector," (The Brookings Institute 2018). Furthermore, all of these changes in the reform respond to the need to increase economic growth in the country. There has been insufficient investment in infrastructure and public goods (Center on Global Energy Policy 2014). By selling Pemex and reinvesting that capital gain, Pena Nieto hoped to improve stagnant economic growth in the country.

3.2. AMLO Environmental Policy

3.2.1. NAFTA

Before AMLO took office in December of 2018, his predecessor already signed a new NAFTA agreement (USCMA) into effect (Watts 2019). Throughout his campaign, AMLO spoke openly about how NAFTA was a cause for the decline in oil

production. Before the new NAFTA was signed, AMLO affirmed that he would dismantle the agreement or completely renegotiate it. AMLO positioned himself as a fierce opponent to neoliberalism throughout the campaign. He specifically spoke about the effects of NAFTA on small farmers in the southern region of the country. When NAFTA went into effect, many smaller farmers faced competition from large farming corporations that could sell and produce at a lesser cost: “Significant amounts of corn were first imported from the United States in 1989, a tendency that continued to grow until 23% of Mexico’s corn supply was imported by 2007. Once completely liberalized, corn imports grew by 19 times in January 2007 over the same month of the previous year,” (Otero 389). Before NAFTA, México was largely self-sufficient in food production, after its implementation the country depended largely on US imports. The shift away from agricultural work forced many citizens to move to the maquilas to find work. AMLO has critiqued the neoliberal policy for years, blaming its effects on the slow economic growth México has experienced, especially in the South. The devastating effect the deal had on farmers in the country is still felt today. During the campaign, AMLO promised to create programs to help restart the agricultural industry in the country. Recently, he announced plans for a program to give money directly to farmers, to invest in trees and to create sustainable farming practices (AP News 2019).

3.2.2. Pemex

Throughout his campaign AMLO routinely denounced the energy reform of Peña Nieto and promised to end the privatization of Pemex once in office. During AMLO’s inauguration, he laid the basis for his future plans: “I say it without ideology: neoliberal politics has been a disaster, a calamity for the public life of the country. For

example, the energy reform they said would come to save us has only caused the lesser production of oil and the excessive price increase of energy,” (Telesurenglish 2018). AMLOs plans for Pemex include the building of a new oil refinery, ending crude oil exports and ending corruption in the industry. The new oil refinery is planned to be built in the South of México, in a region characterized by unemployment and poverty. Some argue that AMLOs energy policies have turned into a jobs program rather than an effective energy reform: “Pemex is now saddled with a mandate that looks a lot like a job creation program, including the construction of a refinery in AMLO’s home state that most industry analysts say isn’t needed. This populist prescription for saving Pemex, whose debt load is more than \$100 billion, is exactly what disturbs ratings companies,” (Financial Post 2019). The proposed refinery will cost about \$8 billion to complete, and will take years to complete. Just in the past year, oil production fell to 1.6 million barrels a day (compared to 5.2 million/day in 2004).

The proposed refinery will be placed in AMLO’s home state of Tabasco, a region that was once the oil capital of México during AMLO’s youth. In the city of Paraiso (Paradise), the majority of citizens there were employed by Pemex, but with falling production and growing debt, the city has changed drastically, (Public Radio International 2018). The state once relied on Pemex for half of its economy and employment. When the energy reform began in 2013, Pemex let go about 13% of its workforce. The changes in the state have surmounted: “Mounting consequences, from an economic recession to soaring murder rates, have rapidly made Tabasco one of Mexico's most troubled states. Its small, but once seemingly solid, middle-class now struggles with a downturn and lurid violence,” (Public Radio International 2018).

AMLO's new refinery offers a new hope to the state and the country, and a return to easier economic times. During his first weeks in office, Pemex's company slogan was changed: "For the Rescue of Sovereignty," evoking images and the style of President Lazaro Cardenas. The refinery is a promise to those in Tabasco that high oil production will return, as will the jobs and economic growth.

3.2.3. Proposed Mayan Train

AMLO has also proposed the building of a train through the rainforest in the Yucatan Peninsula. There is no official environmental impact report for the project, but environmentalists have argued against disturbances to biodiversity in the area. The 900-mile train costs an estimated \$8.9 billion, and would cut right through the rainforest (Bloomberg 2019). The train threatens the jaguar species, an endangered animal, and pumas. The train would greatly harm biodiversity as well, as the area is the third most biodiverse region in the world. The goal of the proposed project is to promote tourism and hotel construction along the railroad to help booster the economies of smaller towns within the Yucatan Peninsula. Critics of the project question its legitimacy and funding. The official parameters of the project do not explain where the costs came from, nor how they will be paid for. The project has caused outrage among indigenous communities in the affected region, saying they want autonomy, rather than be subject to 'a colonizing project,' (El Universal 2019). Once completed, the profits made from tourism would go to supporting social projects in the region, according to AMLO. During the campaign, AMLO indicated he would promote conservation and biodiversity, and only approve sustainable projects. The Washington Post described the referendum on the matter:

When the results came in a day later, 850,527 voters, a scant .65 percent of Mexico's population of 130 million, made "the people's will" known in favor of the "Mayan Train," even as environmentalists and indigenous peoples fiercely protested. As "democratic" as the referendum may seem, it has no validity under current law, and the speed at which this initiative was put to a vote and the lack of public information on a project that will cost \$6 to \$8 billion are extremely concerning. (Washington Post 2018)

AMLO has been using these referendum votes to legitimize projects, though referendums are becoming increasingly questioned as to their place in democracy.

The proposed train could directly benefit certain groups in a few different ways. The train plans to go through five key states in the southern region of the country: Chiapas, Tabasco, Campeche, Yucatan and Quintana Roo, (El Universal 2018). These states have suffered from slow economic growth for many years, AMLO argues that neoliberal politicians of the past have ignored the region. The train, he claims, will not only provide construction jobs in the short term in an area where jobs are not plentiful, but will also increase tourism in the South of the country. Along the train path, hotels will be built, there will be new restaurants, the service and tourism industry will thrive, he argues. The train project was originally approved in a referendum vote in 2018, even amidst objections from environmental groups. The project has caused outcry from indigenous leaders and environmentalists, prompting these leaders to write a letter urging AMLO to consider the impacts of the project: "In response, AMLO uploaded three videos touting the train to his Twitter and Facebook followers and accused the signers of the letter of elitism, telling them they needed to "rub shoulders with the people." The train is meant to promote economic development in and around the region's principal tourist centers," (Washington Post 2018).

3.2.4. Political Motivation and Outcomes

Beneath AMLO's calls for the end of the privatization of Pemex lies a nationalist undertone. Author James McCarthy speaks to effects of resource nationalism. In relation to the environment, populist leaders often conflate 'nature' to the 'nation.' He states: "...broadly, the conflation of nature and nation: the multiple ways in which physical and biological environments and resources become politically understood as inextricably linked to national identities, fortunes, and prospects," (McCarthy 306). Conflating the nation to its resources becomes dangerous, especially when it is necessary to find alternative energy sources. In México, this manifests in deep pride in the state owned and operated oil company, Pemex. The company's current slogan reads "For the Rescue of Sovereignty," put into place weeks after AMLO took office (New York Times 2019). Author John Gledhill analyzes the connections between resource nationalism as a countermovement to neoliberalism, and that current movements should not be simply regarded as a regression to past populist movements. Gledhill states: "In the case of the imaginary of 'the people's oil,' loss of sovereignty over resources is symptomatic of the abandonment of any 'national project' by neoliberal regimes seeking to deepen the 'opening' of national economies at whatever social cost," (Gledhill 59). Through equating oil to sovereignty, modern populist movements can undermine neoliberal efforts to engage on open markets. The symbolic politics of oil are especially significant here. Gledhill frames oil as a popular symbol of shared wealth, given to the people from the land. The neoliberal aspect of Gledhill's article portrays an argument that AMLO also used on during his 2018

presidential campaign: that neoliberal policies of free market trade and opening the economy could potentially lead to further loss.

AMLO's hard anti-fracking stance has been celebrated by many environmental groups in the country. The Mexican Alliance Against Fracking lead a coalition of smaller groups to get this promise (Mexico Daily News 2018). This stance, along with the promises he made during the campaign and at his inauguration to protect the environment and biodiversity has shown his symbolic commitment to these groups. By appealing different groups by promising seemingly incompatible policies, AMLO has connected himself to a variety of different ingroups across different interests. The anti-neoliberal framework of these policies does not explain this difference.

The political motivations and goals behind the refinery in Tabasco are muddled. Due to increasing gas costs and shortages over the past several years, reform is necessary. The project of the new refinery plant in Tabasco will provide construction jobs as well as long term jobs and economic growth in the region. Nationwide, the refinery should end the need to export crude oil for processing and help keep gas costs low, (Washington Post 2018). Politically, this policy appeals to an electorate who has not seen the promised benefits of Pena Nieto's reform and is skeptical of foreign involvement (Brookings Institute 2018). Through criticism of NAFTA, AMLO proposed a plan to allow for direct transfers of money from the government to small farmers to help restart the agricultural industry in the country. The direct transfer policy was created to go around groups who represent farmers and who could potentially take the money for themselves, according to AMLO's political party (MORENA), (AP News 2019). This type of policy is reminiscent of clientelism,

a system wherein political leaders use direct transfers of goods and services to constituents to buy votes and support.

These policies are projected to have varied effects on the environment. The fracking ban AMLO has promised is an environmental win. At the same time, he has reaffirmed his commitment to oil extraction by building a new refinery to process crude oil as well as undertaking the renationalization of Pemex. Additionally, AMLO has been using referendum votes to justify policy. Often, referendums tend to prove the popularity of an elected official rather than the electorates beliefs or views on actual policy matters, (New York Times 2016). Policy matters can be so complex that even researchers who have been studying the topic for years struggle to explain it, and the voters are forced to quantify these policy matters in a simple yes or no answer. Additionally, he has impaired the workings of bureaucratic institutions by reforming social programs. Now, those in need of assistance will get government handouts rather than services provided by the government. All of these changes are done in the name of ending corruption, but evoke clientelistic memories of an older Mexican state: “They are inspired by Mexico’s old politics of clientelism, replacing former mechanisms of federal spending by direct transfers to future potential voters. Through authoritarian, personal appointments, they bypass the deeply corrupt federal system, based on all-powerful governors,” (New York Times 2019).

3.3. Similarity and Difference Across Ideology

Through an analysis of two different ideologies’ impacts on environmental policy, similarities and differences emerge. Both neoliberalism and AMLO’s left wing populist policy have led to mixed outcomes on the environment. There have been

positive aspects, such as AMLO's ban on fracking and Pena Nieto's energy reform, and negative, such as NAFTA and AMLO's plans for a new oil refinery. The motivations behind these policies are not in the interest of the environment. Rather, the catalyst for proposed policy seems to be the possibility for increasing economic growth and maintaining and expanding state power. These goals are accomplished through processes such as corporatism or clientelism and with referendum votes. Neither neoliberalism nor left wing populism will consistently lead to progressive environmental policy because these ideologies seem to not be motivated by the potential environmental impact of a policy. Rather, what makes policy desirable is its capacity to lead to those alternative outcomes.

The political shift occurring in México right now is still in process. AMLO has only been in office for one year of his six-year term. The policies he has produced during that singular year, however, seem to be at an environmental disconnect. When taking these same policies and measuring them through the goal of economic growth and maintaining state power, inconsistencies arise. By appeasing multiple interest groups with disordered promises, AMLO has their trust and support. His plans for Pemex aim to increase production, create new jobs to promote economic growth. Neoliberal policy also had inconsistencies in environmental impact. NAFTA hurt the environment in multiple ways through pollution and damaging biodiversity. Pena Nieto's energy reform supported green energy investment and aimed to modernize the infrastructure of the country to help increase economic growth.

4. Conclusion

Across these different ideologies, policy motivations align with goals of economic growth and expanding and maintaining state power. For the environment, both neoliberal policy and AMLO's populism have had mixed and fairly disappointing results. From the neoliberal perspective, NAFTA did not adequately relegate environmental protection and had led to extremely adverse environmental repercussions, as seen in the increased rates of pollution from maquilas as well as increased use of nonpoint source pollutants from agricultural corporations. Pena Nieto's energy reform invested heavily in green energy and aimed to reduce México's emission rates to the standards set in the Paris Agreement. Both policies administer to the needs of economic growth. While neoliberalism was not sufficiently meeting the requirements of today's global need for energy reform to mitigate climate change, the new environmental policy proposed by AMLO does not get México closer to the desired global standard of environmental protection. AMLO has returned to oil as a focal point in energy policy and promised to increase production and lower gas costs. Yet, he has also promised for environmental protection and a ban on fracking. AMLO also places a great deal of significance on economic growth and development, and has argued that his policies will lead to that. Both ideologies have used practices of corporatism and clientelism to maintain and legitimize their own power and control. The nationalism AMLO pushes for, that places energy independence and oil dependence ahead of green development, is inconsistent with a global need to address climate change. These ideologies do not place environmental protection at the center

of their goals, and alternatives need to be considered to address current global environmental problems.

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