

Mexican poverty

The core socioeconomic catalysts across the 21st century

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Throughout the first quarter of the 21st Century, Mexico has had to continue its long-lasting battle against multiple socioeconomic issues, among which poverty occupies a prominent place. For the last 22 years, poverty has always affected at least 42% of the total national population while the average Gini Index was 48.8% and the economic participation rate of the 20% lowest paid population sectors remained under 4.4% (CNEPDS, 2022; Széleky, 2017; INEG, 2021; World Bank, 2022). The question has always remained the same: Why is it that poverty continues to trigger such severe statistics for these affected families after almost 4 different federal administrations and a continuous political spotlight on the issue?

To answer that question, perhaps it would be necessary to shift focus away from statistics for a moment. While they are always useful for quantitatively endorsing or disqualifying any action taken to combat today's aggravated poverty conditions, statistics fail to appropriately assess these actions' actual accuracy and pertinence in relation to the social context in which

they are implemented. Therefore, understanding non-contextualized statistical data (often the sole sustenance for many recent national public policies intended to combat the issue) can only account for half of the required social elements to address Mexican poverty. Having a full panoramic

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view over the social, cultural, economic and even political scenario represents the other much needed half part to the poverty puzzle. Given its multilateral and complex nature, poverty in Mexico could

only be properly approached through an analytical lens as multifaceted as social sciences. Through their subjects' option range and academic insights, social sciences represent an often overlooked yet potentially effective tool to contribute to diminishing poverty's effects on the Mexican population, justifying this article's reason to existence. Naturally I do not intend to provide any definitive answers to solve the poverty problem. What I do pretend to showcase here is an analysis and identification process, by means of social sciences' tools and previous literature, of a core set of political, social, and economic circumstances for which there is enough evidence to attribute a significant degree of causality to Mexico's current poverty context.

Corruption is probably one of the most commonly blamed reasons for poverty conditions in Mexico. According to Transparency International, the country averaged 33 out of 100 points in the Corruption Perception scale between 2000 and 2021, standing at an overall 103th place out of 180 countries comprising the

whole index (Transparency International, 2022). Understanding the sociopolitical implications of such numbers, however, is what makes this phenomenon truly relevant regarding poverty indexes. Let us comprehend this connection by looking at it from a sociology and political studies' literature standpoint. Following American scholar Mancur Olson's book *Logic of Collective Action*, minor factions with individual interests tend to emerge from within government institutions or political alliances which initially agreed to pursue specific common goals, thus leading to conflicting interests and other actions such as economic malfeasance (Olson, 1965). Mexico is no stranger to this. Indeed, in 2017 one of its dominant political parties, PRI (former president Peña's party), was said to be using shell companies to destine over \$17 million USD from taxpayers' contributions to its national party leaders according to a New York Times article (Gutiérrez, 2022). Olson's theory about individualism within collective action, in addition to a long list of examples like this one, go on to demonstrate a classical economy theory about human behavior later nicknamed "the tragedy of the commons" in 1968 by ecologist Garrett Hardin: uncontrolled self-interest among members of any group will inevitably damage all generalized welfare of such group in the long run (2022). This is then aggravated by the impunity conditions in Mexican law which allow for a vicious cycle with corruption at its center to be formed in daily national politics, as proved by Mexico's frequent appearance in the Committee to Protect Journalists' (CPJ) yearly Global Impunity Index over the past 10 years. Only now can it be more accurately concluded that poverty comes in part as a direct consequence of an unstopped and unpunished case of corruption. This then greatly reduces the national population's access to economic resources and opportunities to improve life conditions and social development among its most vulnerable citizens.

A 2017 federal government poll found that Mexicans consider the "lack of development opportunities and ineffective public policies" as key elements in recently high poverty indexes in the country (Cámara de Diputados, 2017). To study this next factor, let us consider contextualized economic data. Based on Mexico's national statistics center, INEGI, 60% of the economically active population throughout the past 22 years have earned no more than \$8,000.00 MXN (about \$410.00 USD) in a monthly basis (CNSM,

2022; INEG, 2022). Out of that income, no less than 23% will be destined to buy the most basic food basket. Other expenses include housing (47%) and private transport (31%) to name two of the most common ones. Just these three elements make it difficult for a traditional 4-member family to make a proper living out of a single salary, forcing them to sustain multiple economic activities to just prevent joining the poverty statistics. Under these circumstances, the government would be expected to intervene and ease this socioeconomic burden through social programs. Yet, evidence shows that the recent Mexican federal approach has failed to fulfill this objective. I will specifically

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refer to the current government program "Jóvenes Construyendo el Futuro" (Youth Building the Future) to demonstrate the latter. While this initiative provides a monthly \$185.00 USD pay to young people who currently don't study nor have a formal job in exchange for them taking a course to prepare themselves for the labor market, there are few to no strict mechanisms to guarantee their assistance to said courses. As a result, the program has become a virtually "free" income source since its inauguration. No economic productivity is being incentivized and neither does it contribute to reducing poverty levels within the country. In summary, there has not been any real social change towards economic flourishing being produced by this and several other related public policies. This leaves no space for a breakthrough of the status quo where socioeconomic development opportunities are lacking and there is a dangerously high economic dependency on the government for most Mexican families.

Although the previously addressed aspects focus particularly on those individuals who experience poverty firsthand, it is crucial to investigate further on the non-affected population sector, considering Olson's remarks on the close interrelation between all members of a state's society⁶. Having observed the very reduced direct influence that Mexican poverty-stricken citizens possess over corruption, the lack of development opportunities, and failed public federal policies, it is surprising to see 40% of the previously mentioned government poll's participants affirming that "people are poor because they've decided to be so"¹⁰. Such a fact could support a theory about poor socio-political awareness from these individuals, leading to false beliefs and a potential lack of interest in contributing to solving the poverty issue in Mexico. On the matter of disinformation, Polish professor Dariusz Jemielniak explains in his book *Big Thick Data* how contextualized, mass-spread statistics could contribute to debunking these myths and encourage citizens to take civil action against poverty and prevent a Tragedy of the Commons from falling upon them. With that idea in mind, it would then become a matter of joining efforts (ideally between public and private entities) towards constructing innovative strategies to systematically decrease the effects of poverty on the Mexican population.

I shall clarify once again that no real solution pretending to address the harsh socioeconomic consequences of such a complex and multilateral matter like poverty could ever be fully stated in these many words. The pursued objective with this article was to put into evidence the fact that quantitative statistical inquiry cannot be presented as the only evidence of a complete social phenomenon study, and that it is precisely this social element that must also be fully scrutinized to reach richer and better adapted conclusions. By utilizing social sciences and their analytical tools including sociological and political studies' literature, contextualized economic statistics and first-hand evidence through national polls, three fundamental causes of poverty were identified and properly justified within the Mexican context: political corruption, ineffective public policies with a lack of development opportunities, and social unawareness about the issue. Finally, with the current advancements in data processing and that of technological tools, social sciences are becoming more accurate by the day. They should then provide enough tools for

those interested in the matter to start proposing nationwide strategies that take into account the true social complexity of poverty. And, most importantly, these tools would prevent oversimplified and cherry-picked solutions that may result in economic losses for governments and societies around the globe. ■

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