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**Mexico in the midst  
of COVID-19.**  
by Gerardo Reyes

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# Mexico in the midst of COVID-19.

by Gerardo Reyes.

In March 11, 2020 the World Health Organization (WHO) announced the outbreak of the virus named SARS-CoV2 as a pandemic situation. The virus also known as COVID-19 got through the China borders to every country in the world.

*“Mexico is facing one of the most important challenges of its history and the very first task that the Mexican Government has is to protect the life and the health of the citizens, but on the other hand the President of the country must protect the Mexican Economy”.*

COVID-19 or coronavirus as it has been handling in the media for the knowledge of the population, is a virus that have harmed most countries in Health and Economic sectors. However, the number of infected persons as of 27 April 2020 is close to 3 million, of whom 206,000 have died<sup>1</sup>.

The current article will review the actions of the Mexican Government has taken against the most famous virus of the world and its consequences. Mexico is facing one of the most important challenges of its history and the very first task that the Mexican Government has is to protect the life and the health of the citizens, but on the other hand the President of the country must protect the Mexican Economy. The actions of the last months taken by the Mexican President Lopez Obrador and the Undersecretary of Prevention and Promotion of Health Lopez Gatell in order to deal with COVID-19 have been futile efforts to save the “Mexican Boat”.

The Federal Government has been heavily criticized by the local governments, congressmen, scientists, journalists, artists, teachers, even professional football players, among others. The most important reasons why the government have been reproached during COVID-19 are:

- I.- COVID-19 figures reported by the federal government do not match with those reported by local governments.
- II.- The Federal Government is not being fair in the distribution of federal incomes, which is why some federal entities plan to get out of the tax agreement.
- III.- The lack of regulation of salaries collected by the working class.
- IV.- The Austerity Decree to face COVID-19.
- V.- The Amnesty Law to face COVID-19.

## **I.- COVID-19 Figures Reported by The Federal Government Do Not Match with Those Reported by Local Governments.**

The figures are released through morning conferences by the Undersecretary of Prevention and Promotion of Health Lopez Gatell. Until April 27, 2020 Lopez Gatell informed that 14,677 people have tested positive for the disease and 1351 dead<sup>2</sup>.

Nevertheless, we don't know if the data released is real because in previous conferences, it was the same the Undersecretary of Prevention and Promotion of Health who spoke of larger numbers than the official figures<sup>3</sup>. In April 08, 2020 he affirmed that the numbers of the epidemic in Mexico are 8 times greater than what is being handled, arguing that he is using “Sentinel Surveillance System”<sup>4</sup> despite the fact the World Health Organization recommended not to use it with the Coronavirus pandemic.

In addition to the above, in an interview with a news agency, the polemic with the states of Baja California and Tamaulipas broke out, because its governors have openly stated that the federal government has been unwilling to update its data with the information that the states send them on a continuous basis, Thus, a gap of 6% in infections and 12% in deaths for the first state and 50% in infections and 20% for Tamaulipas<sup>5</sup>.

1.- <https://cnnespanol.cnn.com/2020/04/27/coronavirus-27-de-abril-minuto-a-minuto-casi-3-millones-de-personas-se-han-contagiado-de-covid-19-en-el-mundo/>

2.- <https://coronavirus.gob.mx/datos/>

3.- <https://cnnespanol.cnn.com/video/gatell-mexico-estima-26-mil-casos-coronavirus-covid-infectados-en-mexico-pandemia-cifras-brk/>

4.- [https://www.who.int/immunization/monitoring\\_surveillance/burden/vpd/surveillance\\_type/sentinel/en/](https://www.who.int/immunization/monitoring_surveillance/burden/vpd/surveillance_type/sentinel/en/)

5.- <https://www.infobae.com/america/mexico/2020/04/21/la-omision-es-del-estado-lopez-gatell-revelo-porque-las-cifras-federales-de-coronavirus-no-concuerdan-con-las-estatales/>

This has generated a level of instability and panic among Mexican society, as they begin to doubt their own government, since they realize that the figures are manipulated.

As if that weren't enough, in Friday, April 17 of this year, one of the news with the most viewers said that we should ignore the data offered by the Federal Government<sup>6</sup>, because it has been altered and the Government of Baja California supports it. This generates an absolute distrust of the statistics.

## **II.- The Federal Government is Not Being Fair in The Distribution of Federal Incomes, Which is Why Some Federal Entities Plan to Get Out of the Tax Agreement.**

The Tax Coordination Act or the so-called "fiscal pact" consists of a general collection by all states of the republic, which implies that all federal taxes that are collected, are deposited in a joint account. These same taxes are again distributed to the Federal Entities, which, following the 2007 amendment, follow the criteria according to the needs of the entities, such as population, poverty, development, GDP<sup>7</sup> and finally, the level of collection. This generates a degree of discomfort among the states that contribute the most because they receive the least<sup>8</sup>.

As a result of the foregoing and given the country's economic situation as a result of the COVID-19 health emergency, in addition to the austerity of the Mexican Government, the fiscal pact has posed a problem for the states of Coahuila, Nuevo León, Jalisco and Tamaulipas<sup>9</sup>.

The damages would be irreversible if one of the Federal Entities accomplish the tax segregation. The losses of the Mexican Federation and the Federal Entity could deteriorate the health and economic systems that are already harmed because of COVID-19.

It would not be an easy task for the Mexican President to manage this problem with the Federal Entities that threaten to break away from the "fiscal pact" because the course of action of the current Mexican President since he is in the power is to impose his will no matter what.

## **III.- The Lack of Regulation of Salaries Collected by The Working Class.**

The coronavirus pandemic has left nothing but a health and economic crisis throughout the country. It was not until 23 March 2020 that the General Health Council, through an agreement published in the Official Journal of the Federation recognizes the coronavirus epidemic as a serious disease of priority attention<sup>10</sup>. The following day, the Ministry of Health, through an agreement published in the DOF, established the preventive measures to be implemented for the mitigation and control of the health risks that COVID-19 represents. These measures include avoiding attendance at workplaces and busy places and suspending activities in the public, social and private sectors. Subsequently, in March 30, 2020, the Ministry of Health declared a health emergency, and the following day, the Ministry of Health ordered the suspension of non-essential activities<sup>11</sup>. Reason why several small enterprises have been forced to stop their production drastically, and thus must cut back on their staff.

According to Section VII of article 427 of the Federal Labor Law<sup>12</sup>, the suspension of work declared by the health authority in the event of a contingency is a cause of temporary suspension of employment in an enterprise. However, it is necessary to be precise when differentiating between "emergency" and "contingency". The Federal Government classifies Mexico in an "emergency status" but this "legal concept" is not regulated by Mexican law, so there is no legal basis for employers to reduce workers' wages. The fear of the Mexican President to declare the country in a "contingency status" is generating chaos between employers and workers because, the employers did not have legal grounds to decrease wages and at the same time the employer is not making enough profits to support their businesses.

6.- <https://www.merca20.com/no-hagan-caso-a-lopez-gatell-el-polemico-llamado-de-javier-alatorre-que-azteca-transmitio>

7.- Gross Domestic Product (GDP).

8.- <https://politica.expansion.mx/voces/2020/04/13/gobernadores-comodos-y-flojitos-buscan-modificar-pacto-fiscal>

9.- <https://expansion.mx/economia/2020/04/20/estados-amenazan-salirse-del-pacto-fiscal-es-posible>

10.- [https://www.dof.gob.mx/nota\\_detalle.php?codigo=5590161&fecha=23/03/2020](https://www.dof.gob.mx/nota_detalle.php?codigo=5590161&fecha=23/03/2020)

11.- [https://www.dof.gob.mx/nota\\_detalle.php?codigo=5590745&fecha=30/03/2020](https://www.dof.gob.mx/nota_detalle.php?codigo=5590745&fecha=30/03/2020)

[https://www.dof.gob.mx/nota\\_detalle.php?codigo=5590914&fecha=31/03/2020](https://www.dof.gob.mx/nota_detalle.php?codigo=5590914&fecha=31/03/2020)

12.- [http://www.diputados.gob.mx/LeyesBiblio/pdf/125\\_020719.pdf](http://www.diputados.gob.mx/LeyesBiblio/pdf/125_020719.pdf)

What many companies are doing is reaching “bona fide”<sup>13</sup> agreements with their employees, but in the event that an agreement is not reached, it is necessary to proceed under article 50 of the Federal Labor Law to compensate the fired worker.

#### **IV.- The Austerity Decree to Face COVID-19.**

In addition to the needs that have arisen as a precaution against the spread of the COVID-19 pandemic, in April 23 of this year the decree establishing the austerity measures to be observed by Federal Public Administration agencies and entities entered into force, effective until December 31, 2020<sup>14</sup>.

Among the issues contained in the decree, it is worth noting that it establishes that no public administration workers will be dismissed and that there will be no increase in personnel; that the salaries of senior public officials will be voluntarily reduced by up to 25% in a progressive manner, and that they will not have end-of-year benefits; that 75% of the available budget for general services and materials and supplies will not be used; the cancellation of ten under secretariats; that half of the public administration offices must remain closed, except for those that directly serve the public for its well-being; and, the suspension of government actions and spending, with the exception of some social programs and priority projects<sup>15</sup>.

The intention of the law is to increase the budget to strengthen the armor of social programs and priority projects that involve the adequate integration of the rights of the governed and the family, the access to information, public transportation and priority areas. Under the principles of honesty, austerity, and justice, the distribution of resources among the people who make up the federal public administration is correctly intended, resulting in the conservation and permanence of their employment, without direct exposure to the crisis of the pandemic and without stopping work on social welfare<sup>16</sup>.

Nevertheless, the salaries and other remunerations are rights of that each person earns and it is the same public employee that decided reduce or not his remunerations. This means that the Federal Government cannot know the exact amount that would benefit the State.

#### **V.- The Amnesty Law to Face COVID-19.**

In order to decongest the prisons and reduce the spread of Covid-19 inside the prisons, the Amnesty Law comes into force seeking an amnesty (a pardon from criminal liability) for persons against whom criminal proceedings have been brought, or who have been prosecuted or sentenced, provided that they were not committed before the entry into force of the Law. This is based on the recognition that many of the crimes that keep those who committed them deprived of their liberty did not cause serious damage to a protected legal asset, did not put the fundamental rights of third parties in insurmountable danger, and did not reveal the active subject’s intention to re-offend.

Among the assumptions for amnesty, we find: the crime of abortion, in any of its modalities; crimes against health, when the person who commits it is in a situation of poverty or extreme vulnerability due to his or her condition of exclusion and discrimination, because he or she has a permanent disability, or when the crime has been committed at the indication of his or her spouse, cohabitant, sentimental partner, blood relative or by affinity without limitation of degree, or by a well-founded fear, as well as by consumers who have possessed narcotics; for any crime committed by persons belonging to indigenous peoples and communities, for not having full access to the jurisdiction of the State; for the crime of simple and non-violent theft, provided that it does not merit a prison sentence of more than four years. For these pardons, persons benefiting from the law may not in future be detained or prosecuted for the same acts<sup>17</sup>. Despite the fact the Amnesty Law is in full force and effect some congressmen invite their peers to regulate provisions in order to protect the good citizens instead to regulate law that put out criminals from jail.

In order to defeat the coronavirus or any other enemy, the Mexican President Lopez Obrador should change his modus operandi. He should starts listening scientist and experts, he should act in order to benefit the citizens and not in benefit of his political party, he should stop deceiving Mexican People and most important he should respect, protect, promote and fulfil human rights.

13.- *In Good faith*

14.- [http://dof.gob.mx/nota\\_detalle.php?codigo=5592205&fecha=23/04/2020](http://dof.gob.mx/nota_detalle.php?codigo=5592205&fecha=23/04/2020)

15.- *Ibidem*.

16.- *Ibidem*.

17.- [https://www.dof.gob.mx/nota\\_detalle.php?codigo=5592105&fecha=22/04/2020](https://www.dof.gob.mx/nota_detalle.php?codigo=5592105&fecha=22/04/2020)

## **Mexico will be the third country of Latin America, with the worst recession this year.**

Mexico will be the third country of Latin America after Venezuela and Belice, with the deepest economic recession this year; the international monetary fund stated. Due to the confinement, caused by Covid-19, the national production in terms of gross domestic product, will retreat to 6.6 this year. If this, prognostic is confirmed it will constitute the second consecutive year of the worst annual rate since 1932, when in that time the production fall for 14.8% due to the consequence of the great depression in the USA. [www.eluniversal.com.mx/cartera/mexico-sera-el-tercer-pais-latino-con-la-peor-recesion-economica-este-ano-fmi](http://www.eluniversal.com.mx/cartera/mexico-sera-el-tercer-pais-latino-con-la-peor-recesion-economica-este-ano-fmi) 15/04/2020.

## **Four states are threatening to get out of the Fiscal Pact, is it possible?**

The governments of Coahuila (PRI), Jalisco (MC), Tamaulipas (PAN) and Nuevo León (Jaime Rodríguez Calderón) consider that, in the face of the current crisis, the federal government is not supporting them and are threatening to leave the fiscal pact. This is because governments say they are contributing more than they receive, so they threaten to walk out of the pact if tax distribution is not restructured. [www.expansion.mx/economia/2020/04/20/estados-amenazan-salirse-del-pacto-fiscal-es-posible](http://www.expansion.mx/economia/2020/04/20/estados-amenazan-salirse-del-pacto-fiscal-es-posible) 20/04/2020.

## **López Obrador sees viable the entry into force of the TMEC on July 1.**

Mexican President, Andrés Manuel López Obrador, announced this Monday, that as for now, the epidemic by Covid-19 in the country, has not provoked something "extraordinary" other than what has been predicted by scientists and doctors. From the presidential point of view, if everything goes well, on May 17 some of the municipalities in the country could recover their normality and on June 1 the rest of the national territory would do the same. Therefore, he considers viable the date of July 1, for the trade agreement with the United States and Canada to enter into force. [www.excelsior.com.mx/nacional/ve-lopez-obrador-factible-entrada-en-vigor-del-tmec-el-1-de-julio/1378498](http://www.excelsior.com.mx/nacional/ve-lopez-obrador-factible-entrada-en-vigor-del-tmec-el-1-de-julio/1378498) 27/04/2020.

## **Unprecedented economic recession of 19 months.**

The economic crisis caused by the pandemic on Covid-19 will be like never before in history. It is expected to be one of the longest economic recessions that is estimated to last for about 19th months, mentioned Ernesto Acevedo, sub secretary of Industry, Commerce and Competitiveness. Due to the aforementioned, he stated that it is fundamental to develop a tax reform that can aide avoid tax elusion and evasion. [www.eluniversal.com.mx/cartera/economia/preven-recesion-economica-inedita-de-19-meses](http://www.eluniversal.com.mx/cartera/economia/preven-recesion-economica-inedita-de-19-meses) 27/04/2020.

## **Coronavirus in Mexico: 53% of intubated patients die.**

There are 6,581 sick people with Covid-19 who have required hospitalization in Mexico, of which one out of every 10 patients is in intensive care, that is, 709 individuals are intubated, according to a report by the Health Ministry, as of April 28. In relation to the patients of coronavirus that were intubated (709), 53% died, that is, 376 people, it should be noted that the proportion by entity is different. The highest number of deaths has been recorded in April, with 10 times this month reporting 15 or more deaths per day. For now, the most critical day was Tuesday, April 21, with 27, which only corresponds to deaths of seriously ill people or those on ventilators. During the week of April 19-25, 133 people lost their lives. [www.infobae.com/america/mexico/2020/04/29/coronavirus-en-mexico-muere-el-53-de-los-pacientes-intubados/](http://www.infobae.com/america/mexico/2020/04/29/coronavirus-en-mexico-muere-el-53-de-los-pacientes-intubados/) 29/04/2020.

## **Pandemic to be reduced 97% in Mexico by June 10.**

On June 10, the transmission of Covid-19 will decrease 97 percent in Mexico and by September 7 the first wave of infection will end, estimated the Data-Driven Innovation (DDI) laboratory in Singapore, specialized in the development of mathematical models and artificial intelligence. He notes that on a global scale, the pandemic will end on November 27. Regarding Mexico, it states that in the period of maximum circulation of the SARS-CoV-2 virus, 1,200 new cases will be registered per day, which will begin to decrease around May 9 and in June, until day 22, when it is expected that the transmission will have dropped 99 percent. The information is relevant because it helps governments plan and decide their future actions. The experience of other pandemics and the availability of data on the behavior of the current one makes it possible to make estimates using mathematical models and DDI made them for more than 80 countries based on the information available as of April 25. [www.jornada.com.mx/ultimas/politica/2020/04/29/se-reducira-la-pandemia-97-en-mexico-para-el-10-de-junio-4690.html](http://www.jornada.com.mx/ultimas/politica/2020/04/29/se-reducira-la-pandemia-97-en-mexico-para-el-10-de-junio-4690.html) 29/04/2020.

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