

# Which mobster is more dangerous: El Chapo or Carlos Slim?

[Michael Massing](#)

While attention focuses on a mafia boss on trial in Brooklyn, the billionaire heads a power elite preserving inequality in Mexico

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▲ Carlos Slim owns 17% of the New York Times, making him its largest shareholder. Photograph: Bloomberg/Bloomberg via Getty Images

Every weekday morning at seven o'clock, a dozen or so reporters line up outside the federal courthouse in Brooklyn to assure themselves a seat at the trial of Joaquín Guzmán, the Sinaloa cartel boss. Articles have touted the many garish revelations that have emerged, including Guzmán's private zoo, his use of a diamond-encrusted pistol, his smuggling tunnels underneath the US–Mexico border, the huge bribes paid to officials, and the murder of a cartel leader's brother who refused to shake his hand.

"How Many Gory Details Can One Jury Take?" asked a headline in the New York Times, which has supplied its readers a steady stream. Vice News is offering an eight-part podcast, *Chapo: Kingpin on Trial*, based on years of reporting on the people "affected by El Chapo's rise and fall".

I've avoided using that moniker, for it feeds the sense of chummy celebrity that's arisen around the man. The trial's coverage recalls the star treatment given Pablo Escobar and the Medellín cartel three decades ago. The "Kings of Cocaine", they were then called, and their legend has been sustained by such blood-drenched productions as "Narcos".



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Such glamorizing not only insults the families of those who were murdered and disappeared by these criminals, but also blurs the fact that the drug war has been a dismal failure. In fact, that war has fed the violence, since removing cartel leaders disrupts the market, creating a vacuum that gangs fight to fill. It was the DEA's "success" in shutting down the cocaine transportation routes long used by the Colombians through the Caribbean that led them to redirect their trade through [Mexico](#), giving rise to the national nightmare that over the last decade has claimed an estimated 150,000 lives. If the Guzmán trial has had one salutary effect, it's been to show the impossibility of trying to keep drugs from entering the United States. By plane, train, truck and submarine they continue to arrive, drawn by Americans' insatiable demand for illicit intoxicants.

The coverage of the Guzmán trial reflects a deeper problem, too. For most western journalists, Mexico means kingpins, cartels, murders, military abuses, corrupt cops and migrants. They pay far less attention to another, even more significant feature of Mexican life: its extreme poverty and inequality.

With a GDP approaching \$1.15tn, Mexico's economy is now the 15th largest in the world, but its per-capita income of about \$9,000 ranks just 70th. According to the Gini scale of income inequality, Mexico is the world's 19th most unequal country – more so than even Nicaragua, Bolivia, the Dominican Republic, and Chad. A shocking 43.6% of Mexicans are considered poor.



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▲ Joaquin Guzmán listens to trial testimony in Brooklyn federal court in New York. Photograph: Jane Rosenberg/Reuters

That destitution is the root cause of many of Mexico's other ills. Drug trafficking, violence, corruption, impunity, migration – all are outgrowths of the country's high unemployment, low wages, poor schools, inadequate healthcare, farmers without land, youths without jobs. These conditions seem all the more intolerable in a country so blessed with resources, including fertile farmland, vast oil reserves, deep-water ports, a temperate climate, stunning beaches, and a population that the OECD ranks the most hard-working of the 37 nations surveyed.

Growing frustration with Mexico's stunted development helped propel last year's election of Andrés Manuel López Obrador as president. During the campaign, López Obrador, a fervent populist, promised to raise the minimum wage, freeze gas and electricity prices, expand scholarships and pensions, subsidize agriculture, provide loans to small businesses, and develop southern states like Chiapas. He won in a landslide, taking 53%

of the vote in a four-person race – nearly 30% more than his nearest rival.

López Obrador's Morena party also won control of both houses of the Mexican Congress and of many state governorships, giving him enormous power. Yet he faces tremendous opposition as well, especially from the political and economic elite, which he calls "*la mafia del poder*" – the power mafia – and whose grip, he believes, must be broken if the system is to be reformed.

While every lurid revelation of the Guzmán trial has been breathlessly noted, the power of this mafia has gone largely unremarked. The group is dominated by a dozen or so oligarchs and their families, who have a lock on such key economic sectors as telecommunications, media, mining and banking. Repeated forecasts of rapid development for Mexico have come to naught due to the suffocating hold that this small circle of super-connected individuals continues to have over its economy; by eliminating competition, they can keep prices high and profits surging.



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At the center of the power elite is [Carlos Slim](#). His estimated net worth of about \$60bn places him seventh on Forbes's international rich list. This one man's wealth is equivalent to more than 5% of Mexico's GDP. The core of his empire is América Móvil, Latin America's largest mobile phone company; its

longtime domination of Mexico's telecommunications industry has kept the nation's phone rates among the highest in the world, costing the economy an estimated \$25bn a year.

Slim also owns nearly 17% of the New York Times, making him its largest shareholder. Like other American news organizations, the Times rarely writes about him and the ways in which he and other Mexican oligarchs have used their power to stymie the tax policies, public investments and income transfers needed to enable more Mexicans to enjoy the type of comfortable middle-class life depicted in Roma, the recent acclaimed film set in Mexico City in the early 1970s.



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Last year, while campaigning to be Mexico's president, López Obrador told his supporters that the election was the most significant moment in Mexican history since the start of the Mexican Revolution in 1910. To some, that was typical López Obrador bombast. He sometimes sounds like a demagogue, and he denounces critics with an asperity that has drawn inevitable comparisons to Trump.

Commentators have warned that López Obrador could become another Hugo Chávez and scare off foreign investors or, alternatively, that he might sell out his supporters in the pursuit of power. Certainly his actions bear close watching, but it's no less critical to keep an eye on the oligarchs and other elite groups who are determined to preserve the status quo. The political resistance of Mexico's power mafia, rather than the crimes of a Mexican mafia boss in Brooklyn, should be the main focus of the press.

If López Obrador fails to deliver on his promise to alleviate poverty and improve the lives of ordinary Mexicans, it might be decades before such an opportunity arises again.

- Michael Massing is the author of *The Fix*, a critical study of the US war on drugs.