

votes, for the first time in history the PRI needs some opposition support to make major legislative changes.

State governors are elected for six-year terms; and even though they exercise considerable local power, they are, in practice, subservient to the president. (The first opposition governor was elected in Baja California in July 1989.) State legislators, mayors and municipal councils are elected for three-year terms and are, in turn, strongly influenced by their state governors.

E. ECONOMY

Mexico is one of the more advanced developing countries. Its primary sector accounts for some 13% of GDP (gross domestic product), manufacturing for 23% and services for 64%. Unemployment and under-employment affect up to 60% of the population and together with fiscal evasion have created a black market economy estimated at 35-40% of GDP.

Mexico has faced major economic problems since the early 1980 (dropping oil prices, high external debt, high inflation) and has been following a comprehensive economic adjustment program since 1987, aimed at reducing inflation and correcting external balances.

1. Gross Domestic Product

Total GDP	<u>1989</u>	<u>1990</u> <u>1991</u>
Total GDP (\$US billion)	201.4	234.4
280.3		
Growth rate over previous year (%)	3.1	4.4 3.6
GDP per capita (\$US)	2,480	2,874
3,307		
		<u>1991</u>
Main Economic Activities		% of
GDP		
Trade and tourism		27
Manufacturing		23
Community, social and personal services		15
Agriculture, forestry, fishing		8