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The Institute of Current World Affairs
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William F. Foote is an Institute Fellow examining the economic substructure of Mexico.

The Business of Buses

Modernizing public transport in Mexico City

MEXICO CITY, Mexico

March 7, 1997

By William F. Foote

At 6:30 A.M. on Monday, April 10, 1995, Mexico City's transport chief died violently in his office. The government ruled it a suicide, even though *two* bullets had pierced Luis Miguel Moreno's heart.

There were even more reasons for doubt. The week before, Moreno had declared the city's public bus company bankrupt. Route-100, as it was called, was to be liquidated. When the bus drivers' labor leaders were arrested on charges of graft, thousands of enraged union men hit the streets, paralyzing the federal capital with violent demonstrations. Were they angry enough for murder? Nobody knew. But when more bodies turned up — those of a city official and a judge, both involved in the case — suspicion soared.

It was quite an unfortunate way to kick-start the modernization of public transportation in Mexico City, yet the murky episode might have been inevitable. Route-100 had spun out of control. Founded in 1981, the public bus company had long been under the *de facto* control of its union, known as SUTAU-100, which was of Marxist-Leninist persuasion. Its leaders had studied the workers' struggle in Cuba and Central America. They had allegedly financed the Zapatista guerrillas in Chiapas. For them, public transport was never a business, but rather a socialist tool to redistribute capitalist wealth.

"Self-employed and hard working, they drive Mexico City's ubiquitous green and white minibuses and minivans. Unlike Route-100, they treat public transport as a business."

And redistribute they did. For 15 years, the public bus company reportedly offered free service in poor neighborhoods. Creating as many jobs as possible (26,000 during the 1980s), the union won numerous and costly workers' rights. Poor people applauded the company, yet as Route-100's operating losses and government subsidies increased, so too did corruption. By 1995, Route-100 accounted for only six percent of transport service offered in the capital. However, the company was devouring over one billion pesos (U.S.\$128 million) in subsidies per year — that is, more than the combined budgets of all of the 16 districts comprising Mexico City! Where, one wonders, did all that *dinero* go?

The disappearance of Route-100 heralded a period of reform in this city's public transportation sector. The void created was quickly filled. Today the protagonists of transport modernization are not leftist labor activists but rather tens of thousands of small-scale, private bus operators. Self-employed and hard working, they drive Mexico City's ubiquitous green and white minibuses and minivans. Unlike Route-100, they treat public transport as a business.

At first glance, the minibuses might seem a good substitute for the public bus company because they meet their users' basic demands: low prices and high avail-



The minibuses of Mexico City

ability. Having emerged in the mid-1980s, their rise to prominence inversely tracked the fall of Route-100. Today, the private concessionaires account for nearly 70 percent of public transport in Mexico City, easily out-competing the state-funded subway and electric trolley buses. A closer look at their service, however, reveals a series of hidden costs that may outweigh the benefits.

To begin with, there are *way* too many minibuses. A decade ago, as the government opened up service participation to the private sector, it neglected to establish a proper regulatory framework. Capitalizing on this shortfall, politicians doled out bus permits for electoral gain and corrupt officials duplicated licenses for profit. A black market for permits emerged and minibuses multiplied like rabbits, growing out of all proportion to the available space on the city's roads. By 1993, their numbers had surpassed 53,000 — about three times too many.

Meanwhile, controlled fares discouraged bus owners from investing in new units and undermined their credit worthiness. In the early 1990s, a vehicle-substitution program funded by the World Bank helped replace thousands of V.W. minivans with minibuses. In doing so, minibus owners assumed considerable debts. Unfortunately, the large majority of these (banks say 88 percent) entered into default as interest rates skyrocketed following Mexico's botched 1994 peso devaluation. Today, the drivers' financial troubles are reflected in the poor running condition of their vehicles: spewing thick columns of black exhaust, rattling apart around corners, swerving perilously to avoid potholes.

Curse the drivers, but there *is* a need to drive fast. The glut of vehicles, combined with controlled rates, cause minibuses to

compete fiercely for passengers. With profits solely dependent on user volume, operators completely ignore bus stops, driving like maniacs to get business. This has had a terrible side effect: over the years, the danger and discomfort of urban public transport encouraged Mexicans to buy old cars at the first opportunity. Thus the chaotic traffic that reigns on this city's roads, where eye-stinging air pollution is a function of the high number and low speed of motor vehicles.

"It has been a totally disorganized system," says Miguel Angel Solis of the city's Transport Ministry. "While some may be unsafe and falling apart, however, minibuses do get people where they need to go."

Because that's not good enough, last year the municipal legislature promulgated a new Public Transport Law designed to restructure the public bus system. Among other things, it requires the city's 100,000-plus minibus workers (owners and hired drivers) to transform their informal transport associations, of which there are 95, into registered companies. These companies, in turn, will receive new service concessions on a collective, not an individual basis.

For the first time ever, a new tariff policy will adjust fares annually to reflect real market rates and ensure reasonable rates of return for bus operators. This should help boost profits that, thanks to the new organizational structures, can be centralized and productively applied. Because they will be more financially and operationally accountable, private bus companies can obtain credit. This is key, as modernization will require considerable investment and local banks currently refuse to extend loans to individual minibus owners.

As for the service area once covered by Route-100, it



Mexico City traffic jams are related to the discomfort of public transport, which encouraged residents to buy old cars at the first opportunity.

has been carved into ten private-service concessions. These are being auctioned off to interested parties through competitive bidding processes. To date, only three such concessions have been awarded — two of which went uncontested to ex Route-100 workers as part of a liquidation agreement signed with the government. Likewise, of the 95 informal minibus associations, only six have formed companies as required by law.

"There's still a long road to haul," acknowledges Mr. Solis, who is overseeing these changes from the municipal Transport Ministry. "But finally," he adds, "our transport system is on the right track."

A COMBATIVE BUS COMPANY: ROUTE-100

For most of this century, bus service in Mexico City has been in private hands. Between 1920 and 1980, about 20 companies — called *pulpos transportistas* (transport octopuses) — monopolized the sector. It was no easy business. After World War II, as the country rapidly industrialized and urbanized, the federal capital became the focal point of Mexico's economic and demographic growth.

To minimize social unrest in the swelling urban slums, the government regulated the prices of public services, including transport. By the 1960s, even the most distant residential areas were being linked with downtown work places by dirt-cheap bus service. Affordable transport lent economic logic to the lives of the urban poor: maids, brick layers, boot blacks. However, controlled fares discouraged private bus operators from investing in new units. In 1981, with growing complaints that public transport was neither efficient nor sufficient, the city government took over the buses and created Route-100.

The timing could not have been worse. During the financial crisis that erupted in Mexico in 1982, state coffers — and thus public services — were hardest hit. The cost of running Route-100 quickly overwhelmed the city. By 1983, a total of some 22 million journeys (versus 46 million today), spanning a 500-square-mile urban area, were recorded in the capital each day. Budgetary constraints alone would have been enough to cripple the public bus company. Then came labor troubles.

To the government's horror, the bus workers rejected the traditional role played by Mexican unions. Since the 1930s, most of the country's labor movement had been coopted and controlled by the PRI, Mexico's long-ruling "official" party. In 1982, soon after SUTAU-100 declared itself independent from the Mexican Labor Confederation (CTM), some 2,000 protesting bus workers were jailed. Though they all walked free the next day, the incident foreshadowed the acrimony ahead.

Leonel Villafuerte Zavala, the current general secretary of SUTAU-100, recalled the early days of his union's struggle. It began with 23,200 workers, 7,000 buses and two main objectives. One was winning workers' rights. "We achieved that through constant mobilization," says Villafuerte, whose union will cease to exist as soon as Route-100's ongoing liquidation process ends. "We measured our might through benefits gained: vacations, bonuses, new uniforms, medical services."

Another way to gauge their success is to examine the amount of state subsidies required to pay for such labor conquests. Consider the year 1994, just before Route-100 went bankrupt. The bus company's subsidy represented 73 percent of its total budget of nearly 1.3 billion pesos (U.S.\$167 million). Of that amount, three-quarters went toward salaries, half of which represented paid holidays and overtime.¹

The union's second priority was social activism. In the early 1980s, SUTAU-100 joined the Independent Proletariat Movement, a national agglomeration of leftist intellectuals, rural and urban organizers, and fellow independent unions from around the country. SUTAU-100 also applied its socialist ideals to bus service itself. Because citizens pay taxes, so reasoned the labor leaders, they deserved rock-bottom rates. If the authorities aimed to control fares, the union wished, at least for the poor, to eliminate them. "We cared about our passengers' pockets," explains Villafuerte, "not the government's."

Transport Ministry officials criticize this attitude. "Route-100 was providing service for free!" exclaims Mr. Solis, who called it "a shrewd way of galvanizing support for their cause."

According to him, communist labor organizers had infiltrated the union's ranks from the very beginning.²



Leonel Villafuerte Zavala, the last general secretary of SUTAU-100, making a point during an interview at his Mexico City office

¹ *Proceso*, 17/04/95.

² In his book *Bordering on Chaos*, U.S. journalist Andres Oppenheimer states that Subcomandante Marcos, leader of the Zapatista guerrillas in the southern state of Chiapas, "worked briefly as a bus driver and labor organizer at what would be later known as the Route 100 union." A. Oppenheimer, *Bordering on Chaos*, (Little, Brown and Company), 1996, p.253.

Professional agitators, as Solis put it, quickly rose to leadership positions and filled their workers' heads with oversimplistic ideas about wealth redistribution. "They had been well trained in Cuba and Nicaragua," adds the official, who believes that the politicization of Route-100 led to the bankruptcy of the company.

Villafuerte, on the other hand, blames the financial troubles on the government-appointed administrators of Route-100. During the 1980s, he argues, the public bus company served as a political trampoline for PRI officials looking to land congressional seats or ministerial posts. During short stints at Route-100, venal administrators ignored their responsibilities, focusing rather on pillaging the bus company's subsidized coffers.

"When buying one bus," says Villafuerte, illustrating his point, "they paid 200,000 pesos when the real value was half that amount. When purchasing 500 buses at similar prices, they got rich."

Might the labor leaders have gotten rich, too? The union, after all, was awash in money. As documented by Andres Oppenheimer in *Bordering on Chaos*, his 1996 chronicle of Mexico's ongoing crisis: "Its [the union in 1994] declared assets surpassed U.S.\$46 million — some press accounts put them as high as U.S.\$600 million — and included 24 properties in Mexico City and several more in the countryside."

So was there really any difference between the administrators and the union bosses? Not according to a report based on a congressional investigation of Route-100 conducted in 1994. It reads: "The criteria by which the company was managed fostered a complicated yet solid network of co-administration between the union and certain public officials through which decisions were made based on personal economic interests..." The report goes on to catalogue a series of anomalies related to Route-100's allegedly sleazy operations: fraudulent commercial transactions; rigged bidding processes for contracts; altered accounting records; looted auto parts and tools.³

The first big clash with the government came in 1989. That year, during the annual revision of its labor contract, SUTAU-100 demanded a 25 percent salary increase for its workers. The authorities refused and the union went on strike. Desperate and angry, Mayor Manuel Camacho called in the Army to use troop transport vehicles to provide bus service. He then fired the entire union. Six days later, perhaps realizing that 800 or so military trucks could hardly replace 7,000 full-size buses, the mayor backed down and negotiated a deal with SUTAU-100. Its leaders agreed to reduce their fleet of buses to 4,000 as well as downsize the union from 24,000 to 12,800 workers. In exchange, the government promised to rehire the remaining workers and offered generous

severance packages to all voluntary retirees.

Four years passed with little change. As free-market reforms swept across Mexico and dozens of other parastatals disappeared, Route-100 endured. It might still be here, in fact, had it not been for the Zapatista rebellion that broke out on January 1, 1994. Soon after, press reports alleged that Route-100 had financed the guerrilla army in Chiapas. It was no coincidence that the rebels were wearing the same dark brown uniforms used by the drivers of Mexico City's Route-100 bus company. This was, as the government saw it, the last straw.



Zapatista guerrillas dressed in the same dark brown shirts worn by the Route-100 bus drivers in Mexico City

"The accusation," says Villafuerte, "was a big lie. The authorities turned the state-controlled media against us in a government effort to behead one of the last large unions outside the ruling party's control. The PRI finally had a pretext to eliminate us, once and for all."

On April 8, 1995, Mexico City Mayor Oscar Espinosa Villareal issued a decree declaring Route-100 bankrupt. Before sunrise, police had cordoned off all the bus stations in the capital. Within hours, the SUTAU-100 union bosses were behind bars. Days later, the transport minister was dead — by a double-twitch of the trigger finger of his own hand — or someone else's. Two more related murders followed. During the next year, constant marches paralyzed principal streets of Mexico City. Finally, after endless negotiations between government officials and incarcerated labor leaders, the adversaries signed a liquidation agreement, the protests stopped and the public bus company ceased to exist.

RISE OF THE MINIBUS, OR THE PULPO PESERO

Although the *pulpos transportistas* lost their private monopolies with the creation of Route-100 in 1981, they

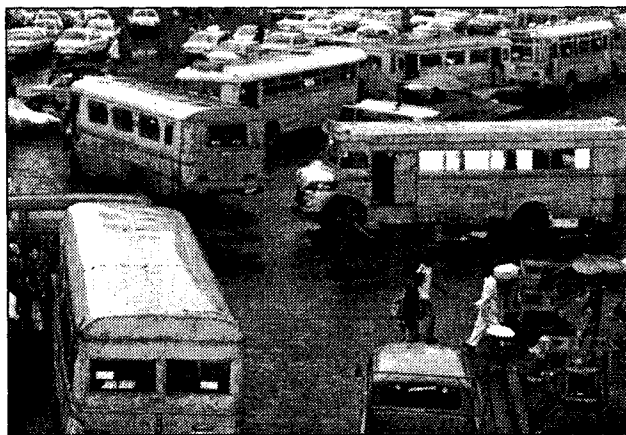
³ Ibid.

did not drift quietly away. They merely regrouped and extended their transport tentacles in other directions. Lobbying hard to stay in business, they turned to the one man who was sure to make new opportunities surface.

Carlos Hank Gonzalez, a bus manufacturer and former private transport concessionaire, happened to be the mayor of Mexico City at the time. As the government took over the buses, he moved quickly to accommodate the private *pulpos transportistas*. As a consolation, he granted them permits to operate small vehicles in areas of the city not covered by the full-size buses of Route-100. During his administration (1977-1982), Hank Gonzalez would issue no less than 100,000 permits to operate taxis and minivans.⁴ Charging a peso per ride, these new transport providers became pejoratively known as the *pulpo pesero*.

Actually, given Mexico's financial crisis, and the Route-100 labor troubles, there was much to be said for the *pulpo pesero*. Providing public transportation through the participation of small bus owners did lend great flexibility to the capital's transport system. In a city like this one, where new neighborhoods spring up almost daily and with employment patterns constantly changing, small independent bus operators could respond better to new service demands.

Still, problems arose. Drivers, for instance, began squabbling over routes. The city had neglected to establish controls over the allocation of buses to specific areas. Regulations to address safety and environmental concerns were also lacking. Over time, informal associations of bus operators emerged to fill the regulatory gap. These transport groups, called *Rutas*, held regular assemblies to elect leaders to represent their interests before the city government. Numbered from 1 to 95, the *Rutas* soon came to constitute an important link between the political elite and the atomized, lightly-regulated private bus owners. They formed coalitions, joined the ruling party, and wielded considerable political power.



Old-fashioned public buses



One of a dying breed, a Volkswagen minivan in Mexico City

What kind of power exactly? In addition to securing votes, the *pulpo pesero* offered the PRI an important political tool: free transport for party militants. Certain minivan associations, they say, offered free transport to thousands of slum dwellers whenever the PRI needed to pack political rallies downtown. In exchange, the *Rutas* allegedly received special treatment from the authorities: extra bus concessions, exemption from payment of traffic violations, access to soft credit.

So much access, in fact, that it transformed the *pulpo pesero*. This process began in the early 1990s, soon after Mayor Camacho scuffled with Route-100 and called in the Army to replace the striking bus workers. In an apparent attempt to weaken their union, the city moved to consolidate the minivan owners as the real backbone of public transport in Mexico City. A World Bank loan of 120 million dollars was secured to finance a vehicle substitution program. Thousands of new minibuses (24 to 28 passenger capacity) would replace the ubiquitous and ragtag V.W. minivans (10 passenger capacity). Mexico's twin development banks, Nafinsa and Banobras, were slated to channel these resources down to local banks and leasing companies who, in turn, offered extremely attractive financing packages.

Juan Labastida, 54, who began driving a minivan in the 1980s, was a typical client. Loading passengers recently at the Chapultepec bus station, he explained how he made a 3,000-peso (385-dollar) down payment on a minibus worth 120,000 pesos. "Everybody I know made the switch," says Labastida, gesturing at the long line of green and white minibuses lined up behind us. "You couldn't afford not to."

Thank credit happy commercial banks for that. When the Mexican government privatized the state-owned banks in 1991 and 1992, it inadvertently sparked a lending frenzy. This reflected two major errors. First, they allowed the buyers to pay exorbitant prices — on average,

⁴ Ibid.



With a small bribe, a local reporter (pictured in the photo ID.) bought this bus licence at a Mexico City public transport office.

the banks were sold at 3.1 times book value and 15 times earnings. Filling state coffers, it seems, took precedent over ensuring that new owners were well capitalized and knew how to run banks.

Second, the lack of an appropriate regulatory framework encouraged irresponsible banking practices. With Mickey-Mouse accounting standards, the novice bankers reaped profits without setting aside money to cover bad debts. To recoup their investments in a hurry, they shoveled credit out the door. On the receiving end, thousands of small entrepreneurs borrowed money to modernize their businesses. Among them were Mr. Labastida and countless other transport workers who purchased minibuses at wildly favorable terms. So favorable, in fact, that Mexico City had 53,352 new minibuses by 1993. Problem is, that was about three times too many.

The Vehicle Substitution Program went out of whack for other reasons, too. With no automated controls, the authorities had no way of keeping track of the number of bus concessions. As politicians doled out service permits for electoral support, a large black market for bus licenses emerged. With a small bribe, one could also buy a license at most any public transport office. That is what Francisco Almaraz, a reporter at *La Reforma*, an opposition newspaper, did. One day last year, he obtained a bus driver's permit with no credentials and no training, just a 154-peso fee and a 200-peso bribe.⁵

"It's sad but it's true," says Alejandro Lúñiga of the Transport Ministry. "Nobody knew who most of the real bus owners were."

Hence the dilemma when they stopped paying their debts. It was hardly surprising. The government had refused to increase bus fares from 1992 onward. With daily income and little savings culture, the bus owners had trouble making monthly debt payments from the start. When interest rates skyrocketed following Mexico's botched 1994 peso devaluation, the vast majority de-

faulted. Dreams of modernization crashed into reality. The *pulpo pesero* was drowning in bad debts. Meanwhile, by early 1995, the public bus company was on the verge of going under. Mexico City's transport system had become, in a word, ungovernable.

TAKING THE PRIVATIZATION ROUTE

Last year, the city government passed a new transport law designed to restructure the bus system through formal privatization. Encompassing both minibuses operators and the defunct Route-100, the legislation promises to facilitate modernization through parallel mandates: on one side, the former service areas of Route-100 are being auctioned off to private investors. On the other, informal transport associations are being required to transform themselves into registered companies so as to increase financial accountability and improve service quality.

"Thanks to these reforms," affirms Mr. Solis of the city Transport Ministry, "the transport chaos is largely behind us."

For the minibus sector, forming private companies will enable the self-employed, private transport operators to centralize their income and make it productive through long-term investment. As it stands, they have no access to credit, even though 60 million dollars remain of the aforementioned World Bank loan granted for the modernization of the city's public transportation system. Since the peso devaluation, local bankers have flatly refused to deal with bus owners on an individual basis, having sustained huge losses related to the vehicle substitution program of the early 1990s. This could change, however, if borrowers were to organize themselves into well-run bus companies offering financial guarantees, viable business plans and reasonable assurance of credit worthiness going forward.

The 1996 transport law was drafted with these goals in mind. Perhaps most importantly, increased fares will enable bus companies to turn profits. With an annual revi-

⁵ *La Reforma*, 4/25/96



Brand new, full-size buses parked at the station of a recently-privatized transport company in Mexico City

sion of transport prices, fares will increasingly reflect real market rates. With more profits, bus companies can invest in new vehicles and improvements in fare-collection technology, repair shops, bus stations, etc. That said, new legislation cannot nullify the old political logic for controlling prices for public services. Only time will tell whether local politicians can refrain from holding down bus fares for electoral gain.

A gas tax was also passed to create an Environmental Trust for urban public transportation. Levying one peso per liter purchased, the city has already collected about 200 million pesos for the fund. Eventually, these resources will offer additional guarantees to local banks willing to grant loans to the private bus companies.

In addition, a re-licensing program begun last year helped establish a computerized register — complete with photo I.D.s and fingerprints — of all minibus owners in Mexico City. Official figures claim there are now 27,100 minibuses and minivans in the capital, although this seems an improbably low figure given the official estimate of 53,539 just two years ago. Questionable estimates aside, the measure has helped control the black market for bus concessions while assisting the authorities in the design of yet another vehicle substitution program. By 2005, the city expects to replace close to all of the smaller buses with 12,000 full-size ones. Only 2,000 minibuses will have permission to continue circulating on roads that larger buses cannot access.

The results of these measures should be reduced traffic and air pollution and increased profits and governability. Still, these modernization efforts have drawn fierce opposition from many transport workers, as reflected by their foot-dragging in the reform process: to

date, only 6 of the 95 minibus associations have formed private companies. Talking to bus drivers about the new law, I heard opinions ranging from general skepticism to conspiracy theories involving rich monopolists bent on stamping out micro-entrepreneurs.

"The *pulpos transportistas* [transport octopuses] want to throw us small guys out of work," says Juan Labastida, who drives his minibus 12 hours a day from downtown Mexico City to the western fringes of the capital. One recent afternoon at Chapultapec bus station, he was collecting fares from a line of dark-skinned women, mostly downtown maids returning to their homes in the peripheral slums. "These poor people will always need our service," says Labastida. "Route-100 might have disappeared, but they will never eliminate us."

To counteract such opposition, the Transport Ministry has undertaken a public-relations campaign aimed at convincing the leaders of the minibus associations of the advantages of formal privatization. According to Mr. Solis, the city hired private consultants to help design traveling road shows for this purpose. Speaking before dozens of *transportista* assemblies, he and other public officials have embarked on what Mr. Solis called "a major didactic exercise."

Curiously enough, the impact of that didactic exercise has been greatly enhanced by the example set by the ex-workers of Route-100. In an ironic twist of fate, the combative bus workers have assumed a leading role in the modernization of the city's transport sector. Leonel Villafuerte, the last secretary general of the SUTAU-100 union, explained the turn of events. "We simply wore the authorities down with nonstop protests," he said, clearly impressed with the achievement. "After a year of demonstrations, the government agreed to place our people at the center of the privatization process."⁶

Originally, the government's plan was to carve Route-100's former service areas into ten private concessions. All of these would be granted to private investors through competitive bidding processes. To be eligible, interested parties would have to demonstrate their ability to comply with operational standards established by the Transport Ministry like environmental norms, minimum investment requirements and service-quality controls for buses and installations.

But that was before SUTAU-100 fought for inclusion. Worn down by scandal, the city eventually agreed to grant, uncontested, two private concessions to the bus drivers' union. To date, only one of the remaining seven bus concessions has been awarded to private investors. Thus, SUTAU-100 has twice as many companies as anyone else. Better than a traveling road show, their twin

⁶ In addition to granting SUTAU-100 two private bus concessions, the government agreed to additional demands which included 867 million pesos (U.S.\$110 million) in severance payments; 5,000 worker re-training scholarships; alternative employment for 1,500 former bus workers; and a service concession for 1,000 taxis.



Advertisements painted on buses like this one have helped boost income for newly-formed private bus companies

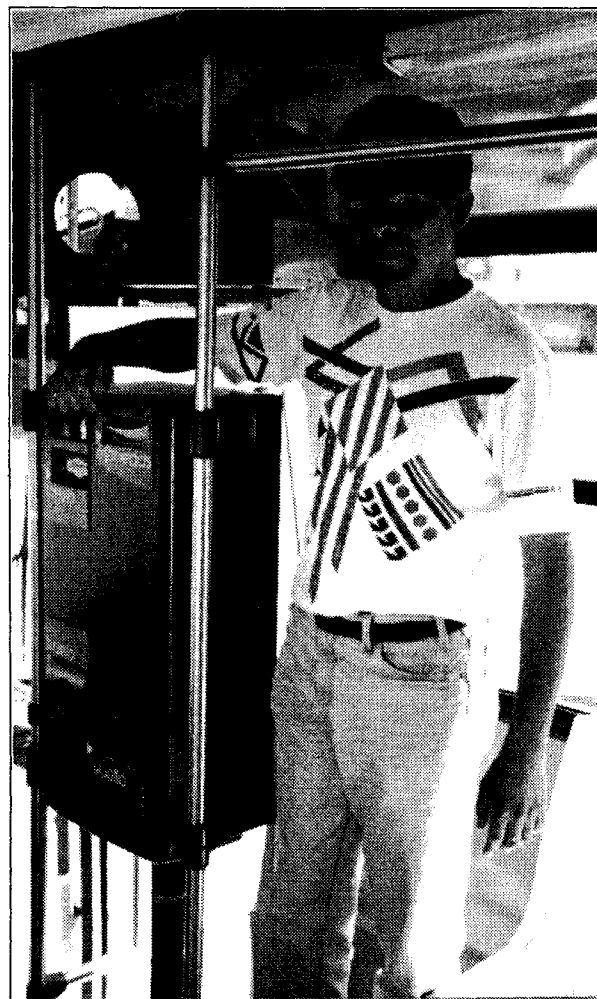
transport ventures offer minibus associations living proof of the benefits of forming private companies.

Union boss turned business man, Mr. Villafuerte is now the director of one of those two enterprises, called *Autotransportes Urbanos Siglo Nuevo*. Each transport concession allows for the operation of 500 full-size buses. To begin buying these and make investments in related equipment, his union members pledged 30 percent of the severance payments owed them as part of the Route-100 liquidation agreement. Using that money as collateral, they also took out loans with commercial banks.

On a recent visit to Siglo Nuevo's headquarters, located in Xochimilco in the south of Mexico City, I observed a dozen of the 120 buses already purchased. From top to bottom, several were painted with advertisements for consumer products like *Doritos* and the motion picture *101 Dalmatians*, ads previously forbidden on city buses that have substantially increased the company's revenue.

Gabriel Alfaro, Siglo Nuevo's operations manager, invited me inside one bus to observe its IBM-manufactured fare collection box bolted inside the door, beside the driver's seat. "You need three different keys to access the cash," he explained, pointing to the same technology used on public buses in Buenos Aires. "Our employees carry only one key on the road, which means nobody — not drivers, not robbers — can steal our revenue."

Inside his office, Mr. Villafuerte reflected on his role in company operations, which began only last January. Asked what his biggest challenge was, he pointed to the need to charge real market rates in low-income neighborhoods. Last November, when the city approved a 30-percent hike in public-transport prices, protests erupted across the outskirts of the capital.

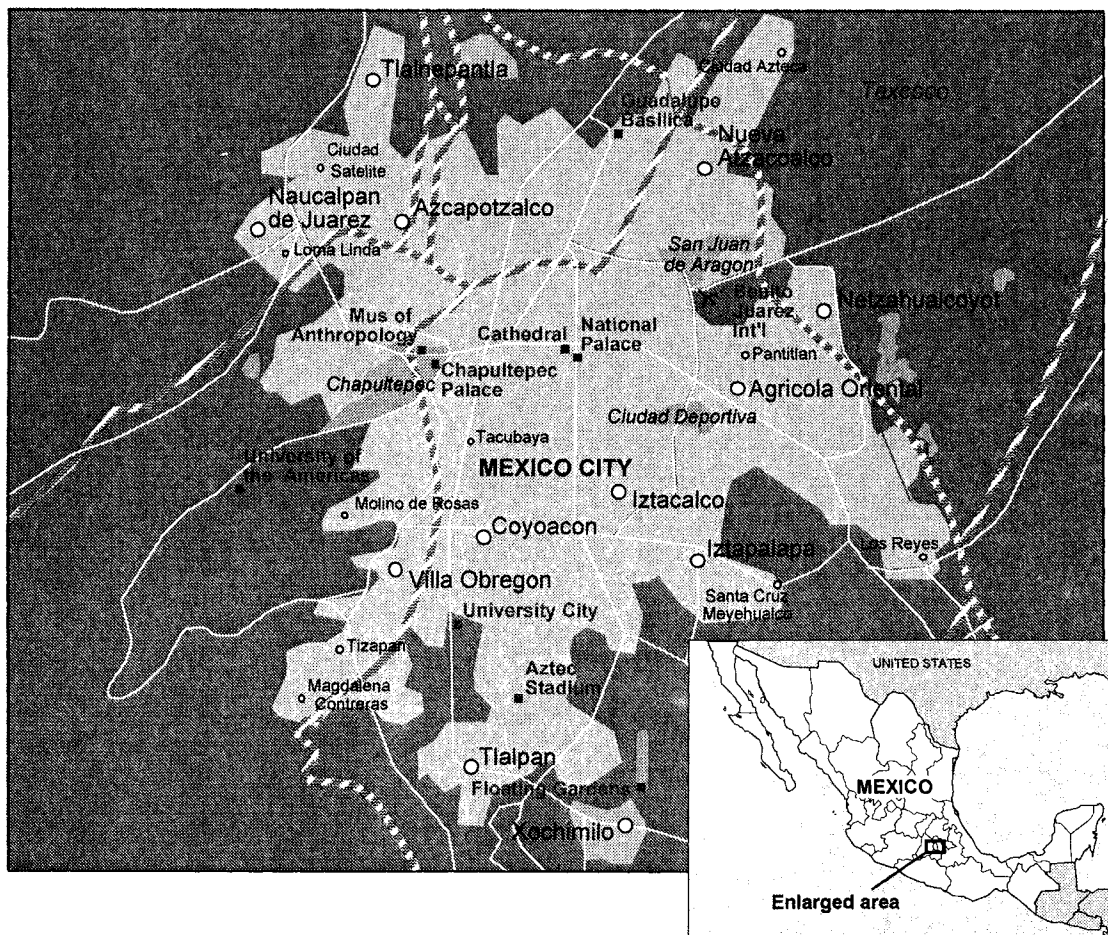


Protecting company cash, this IBM-manufactured fare collection box keeps Siglo Nuevo's passenger revenue safe from thieves.

After years of dirt-cheap bus service, poor people refused to accept the free-market logic behind higher fares.

"We try to reason with them," said Villafuerte, who has organized educational campaigns in the urban slums using loud speakers attached to V.W. bugs. "Problem is, many still see us as Route-100 workers, not private businessmen. In their eyes, we have betrayed their trust."

Shifting in his seat, the former labor boss seemed uncomfortable with his new job. Our interview had lasted 60 minutes, 50 of which he spent recounting his union's struggles. As he finally got around to the new transport company, I observed a photograph on the wall: a phalanx of striking bus drivers punching their fists into the air. "Don't get me wrong," he added. "We're still working for the people. But they have to understand, we must make a profit now. There is no free ride." □



Institute of Current World Affairs Fellows and their Activities

Adam Smith Albion. A former research associate at the Institute for EastWest Studies at Prague in the Czech Republic, Adam is spending two years studying and writing about Turkey and Central Asia, and their importance as actors the Middle East and the former Soviet bloc. A Harvard graduate (1988; History), Adam has completed the first year of a two-year M. Litt. Degree in Russian/East European history and languages at Oxford University. [EUROPE/RUSSIA]

Christopher P. Ball. An economist, Chris Ball holds a B.A. from the University of Alabama in Huntsville and attended the 1992 International Summer School at the London School of Economics. He studied Hungarian for two years in Budapest while serving as Project Director for the Hungarian Atlantic Council. As an Institute Fellow, he is studying and writing about Hungarian minorities in the former Soviet-bloc nations of East and Central Europe. [EUROPE/RUSSIA]

William F. Foote. Formerly a financial analyst with Lehman Brothers' Emerging Markets Group, Willy Foote is examining the economic substructure of Mexico and the impact of free-market reforms on Mexico's people, society and politics. Willy holds a Bachelor's degree from Yale University (history), a Master's from the London School of Economics (Development Economics; Latin America) and studied Basque history in San Sebastian, Spain. He carried out intensive Spanish-language studies in Guatemala in 1990 and then worked as a copy editor and Reporter for the *Buenos Aires Herald* from 1990 to 1992. [THE AMERICAS]

John Harris. A would-be lawyer with an undergraduate degree in History from the University of Chicago, John reverted to international studies after a year of internship in the product-liability department of a Chicago law firm and took two years of postgraduate Russian at the University of Washington in Seattle. Based in Moscow during his fellowship, John is studying and writing about Russia's nascent political parties as they begin the difficult transition from identities based on the personalities of their leaders to positions based on national and international issues. [EUROPE/RUSSIA]

Pramila Jayapal. Born in India, Pramila left when she was four and went through primary and secondary education in Indonesia. She graduated from Georgetown University in 1986 and won an M.B.A. from the Kellogg School of Management in Evanston, Illinois in 1990. She has worked as a corporate analyst for PaineWebber, an accounts manager for the world's leading producer of cardiac defibrillators and manager of a \$7 million devel-

oping-country revolving-loan fund for the Program for Appropriate Technology in Health (PATH) in Seattle. Pramila is tracing her roots in India, and studying social issues involving religion, the status of women, population and AIDS. [SOUTH ASIA]

Marc Michaelson. A program manager for Save the Children in The Gambia, Marc has moved across Africa to the Horn, there to assess nation-building in Eritrea and Ethiopia, and (conditions permitting) availing and un-availing humanitarian efforts in northern Somalia and southern Sudan. With a B.A. in political science from Tufts, a year of non-degree study at the London School of Economics and a Master's in International Peace Studies from Notre Dame, he describes his postgraduate years as "seven years' experience in international development programming and peace research." [sub-SAHARA]

Randi Movich. The current John Miller Musser Memorial Forest & Society Fellow, Randi is spending two years in Guinea, West Africa, studying and writing about the ways in which indigenous women use forest resources for reproductive health. With a B.A. in biology from the University of California at Santa Cruz and a Master of Science degree in Forest Resources from the University of Idaho, Randi is building on two years' experience as a Peace Corps agroforestry extension agent in the same region of Guinea where she will be living as a Fellow with her husband, Jeff Fields — also the holder of an Idaho Master's in Forest Resources. [sub-SAHARA]

John B. Robinson. A 1991 Harvard graduate with a certificate of proficiency from the Institute of Kiswahili in Zanzibar, John spent two years as an English teacher in Tanzania. He received a Master's degree in Creative Writing from Brown University in 1995. He and his wife Delphine, a French oceanographer, are spending two years in Madagascar with their two young sons, Nicolas and Rowland, where he will be writing about varied aspects of the island-nation's struggle to survive industrial and natural-resource exploitation and the effects of a rapidly swelling population. [sub-SAHARA]

Teresa C. Yates. A former member of the American Civil Liberties Union's national task force on the workplace, Teresa is spending two years in South Africa observing and reporting on the efforts of the Mandela government to reform the national land-tenure system. A Vassar graduate with a juris doctor from the University of Cincinnati College of Law, Teresa had an internship at the Centre for Applied Legal Studies in Johannesburg in 1991 and 1992, studying the feasibility of including social and economic rights in the new South African constitution. [sub-SAHARA]

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FOUR WEST WHEELOCK STREET
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Executive Director: Peter Bird Martin
Program Administrator: Gary L. Hansen
Publications Manager: Ellen Kozak

Phone: (603) 643-5548
Fax: (603) 643-9599
E-Mail: ICWA@valley.net

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