

# The Mexican System is outdated and requires a long term fiscal commitment: Roberto González Barrera

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Monterrey, N.L. November 9th, 2009. "The Mexican system is outdated and has produced few results in the last 25 years, with very little economic growth and low employment generation. To come out of this unprecedented economic crisis we must work together with President Felipe Calderón", asserted Roberto González Barrera, President of the Board of Directors of GRUMA and Grupo Financiero Banorte at the 2009 Monterrey Business Summit.

After assuring that Mexico has sufficient elements to confront the country's difficult situation if Mexicans decide to act with a united long term view, the businessman from the State of Nuevo Leon said: "the country needs to sustain annual growth rates between 5 and 7 percent for at least the next 20 years. We should not settle for a growth rate of 2.5 percent, such as the one forecasted for 2010."

Hence, he continued, the fiscal measures approved by Congress should be considered temporary and subject to a thorough revision. What we should make is a long-term fiscal commitment between the different levels of government, political parties, corporations, workers and society that promotes public investment, strengthens the production platform and supervises the careful administration of public expenditures. The first step is to increase the number of taxpayers and to simplify the tax system as much as possible.

He believes that Mexico will recover, but that it won't be easy. "As a country we have to do important things such as:

- Preserve and strengthen our domestic market.
- Manage the banking system cautiously, just as financial authorities and bankers have done so far.
- Increase investment in infrastructure.
- Strongly increase investment in quality education.
- Unify the electrical system, as well as strengthen oil exploration and perforation with alliances, without losing the state's control and sovereignty of this sector.
- Increase investment in scientific, technological and market research to be competitive internationally.
- Promote growth of agriculture and related activities, with a policy that stimulates an increase in yields per hectare of harvested land."

Roberto González Barrera, also asserted that it would be very positive for the country if the Comisión Nacional del Sistema de Ahorro para el Retiro (National Retirement Savings Commission), CONSAR, authorized investing a portion of workers' savings, under a safe mechanism, in companies and infrastructure projects that would stimulate the country's development and increase employment, the only way to combat poverty.

To end his speech at the 2009 Business Summit, the president of GRUMA and Grupo Financiero Banorte, stated that "banking should be managed with all the precautions that the financial authorities and bankers have put in place until now, taking advantage of the fact that banks are still well capitalized and with growing loan portfolios".