

GUNNED DOWN

An assassin kills Mexico's heir apparent

e had just wound up a campaign rally in one of Tijuana's poorest barrios with his usual chant—"Viva México!"—when the shots rang out. As two bullets from a .38-calibre Brazilian Taurus handgun ripped through his stomach and brain, Luis Donaldo Colosio Murrieta, the handsome 44-year-old heir apparent to the Mexican presidency, slumped to the dirt road in a pool of blood, mortally wounded. With his

death three hours later, those twin shots plunged Mexico into a state of dazed shock—and its pivotal August presidential elections into uncertainty. They also shattered the facade of stability that

President Carlos Salinas de Gortari had constructed after another rusillade from a peasant rebellion in the southern state of Chiapas on New Year's Day exploded the expensively cultivated myth of Mexico's economic miracle.

As word of Colosio's death spread, Salinas took to the microphones at the presidential palace, Los Pinos, urging his citizenry to "maintain our unity." But he appeared visibly shaken by the assassination of the man he had handpicked as his protégé more than a decade ago, then anointed as his political successor late last year. "We will keep in place

our regime of liberty and of constitutional order," Salinas declared. Even as he spoke, analysts both inside and outside Mexico were questioning, often in apocalyptic terms, the future of his economic and democratic reforms. Most agreed the country would never be the same. "Mexicans are re-examining their whole society, where they're going politically and the choices they've made," said Roderic Camp, a Mexican expert at

Tulane University in New Orleans. Added Carlos Heredia, a Washington-based economist and formerly a senior official in the Mexican finance ministry: "It is the beginning of the end of

Mexican politics were know it "

For Prime Minister Jean Chretien and the 450 Canadian businessmen he had led to a trade show in the capital early last week, Colosio's murder threw doubt on the two countries' still-tentative economic ties. Fresh from unveiling a new foreign policy that called for a stronger tilt towards Latin America—and away from Washington—Chretien landed in Mexico City only hours before the assassination. In quick succession, he found his state dinner with Salinas cancelled and his attempt to pay respects

to Colosio's grieving third wife turned into a public relations disaster (page 26).

Like U.S. President Bill Clinton, whose administration announced an \$8-billion line of credit for Mexico to prop up the peso, the Prime Minister answered his host's request for help in international damage control. Touring the Canadian trade fair a day after the killing, Chrétien said it was no time for investors to flee Mexico. "In a political situation like that, people get nervous," he said. "If we believe in democracy and stability, you stick around, you don't run away."

Not all investors were reassured. Gordon Hainstock, the Canadian Imperial Bank of Commerce's man in Mexico, predicted that many companies would delay pumping money into the country until its course becomes clear. "You would want to be very, very cautious," he said. "It will slow things down."

Any such reduction in foreign investment could prove disastrous—and risk provoking further unrest—at a time when Mexico's battered economy has slipped into recession. To service the country's massive external debt and maintain the vast infrastructure program that Salinas has promised to ease the introduction of the North American Free Trade Agreement, he needs a reliable source of for-

468/1994