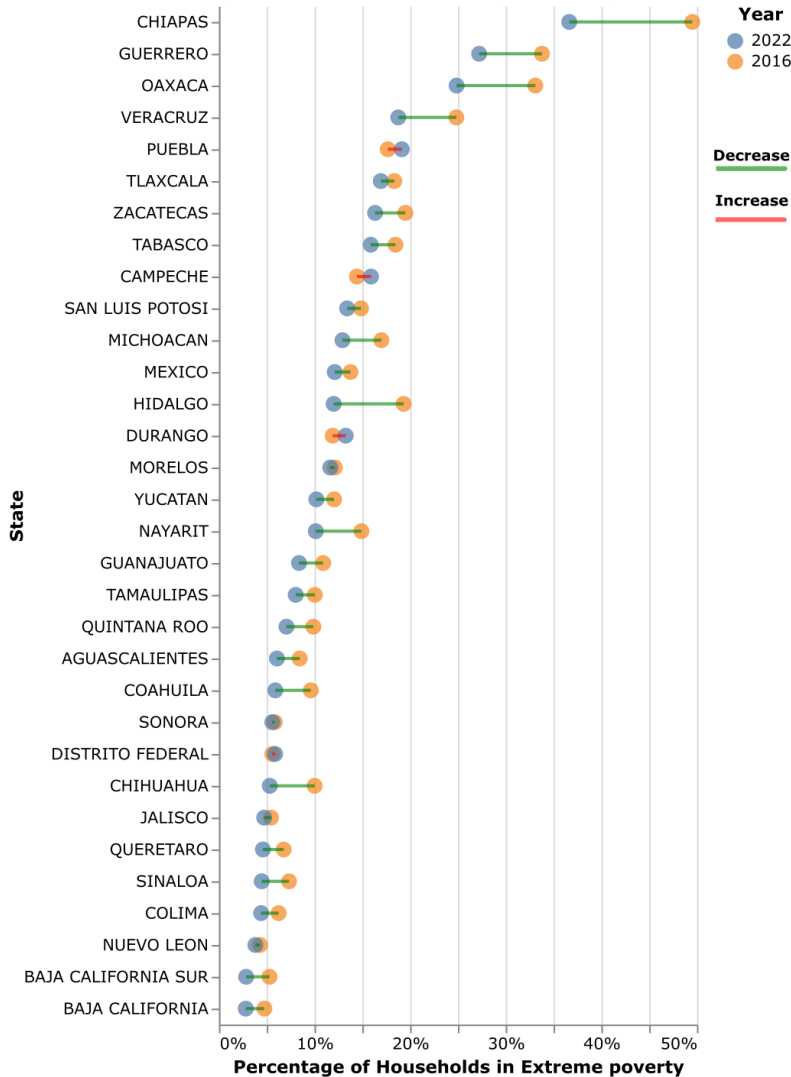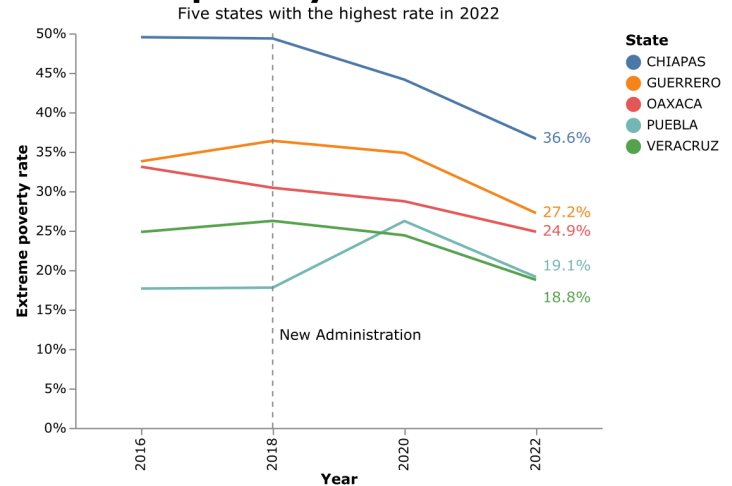To ease visualization of each state evolution, the left graph shows the change in extreme poverty rate. Almost every state showed a decreased from 2016 to 2022 (green lines)

## Change in Extreme Poverty Rate by State



## Extreme poverty in Mexico Over Time
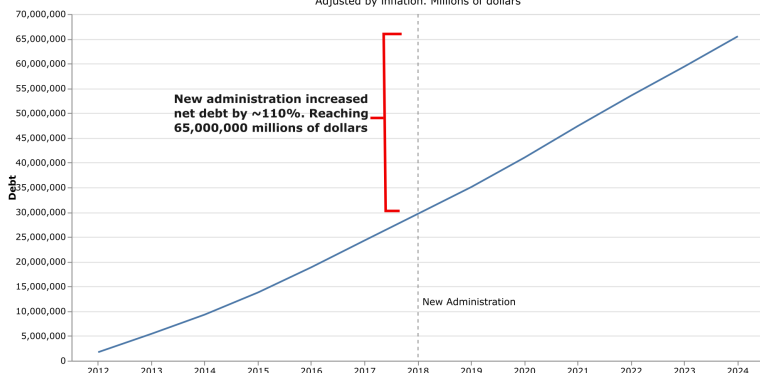Five states with the highest rate in 2022



If we focus the analysis on the five states with the highes rates we see that four out of five states decreased their extreme poverty rate and the turning point seems to be the year 2018.

# Can Mexico maintain these results in the long run?

Nevertheless, Mexico has increased their net debt dramatically in the last years and the total federal spending showed constant growth. This is caused by multiple infrastructure projects that have not been productive such as the new CDMX airpot and Mayan Train, and the mentioned monetary transferences programs.
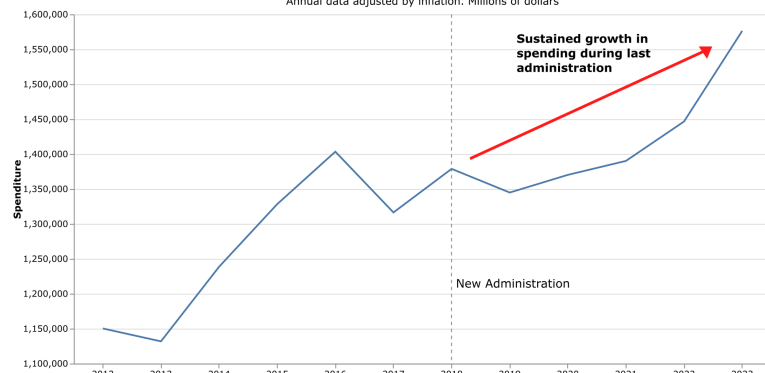
## Total Federal Debt
Adjusted by inflation. Millions of dollars



New administration increased net debt by ~110%. Reaching 65,000,000 millions of dollars

## Total Federal Spending
Annual data adjusted by inflation. Millions of dollars



Sustained growth in spending during last administration

The current administration policies have indeed decreased the extreme poverty rate in Mexico, but they may not impact in the long run if Mexico is unable to stop federal debt growth. The GDP growth has remained stable compared to the last two administrations, which is concerning since the federal debt and spending growth may not be translating into productivity. Therefore, the critiques stating that these policies may have an effect on poverty rates only in the short run are well sustained.