

Atencingo Revisited: Political Class Formation and Economic Restructuring in Mexico's Sugar Industry¹

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ABSTRACT Sugarcane growers have had a close relationship to the state since the 1940s when a series of decrees established a heavy state intervention in the sugar industry, which then became highly regulated. Growers became loyal to the state in exchange for low but secure incomes and other social guarantees. After the introduction of economic liberalism in Mexico during the mid-1980s (called "neoliberalism" in Mexico), the sugar industry became largely de-regulated, and sugar mills were re-privatized. This article explores the process of political class formation in the sugarcane region of Atencingo, in the state of Puebla. Whether cane growers posit peasant, proletarian, or peasant-entrepreneurial demands is examined, as is the character of organizations and alliances that direct producers have established since the 1930s (oppositional, popular-democratic, or bourgeois-hegemonic). This paper documents the emergence of a peasant-entrepreneurial class and presents initial results from a survey questionnaire administered in 1995. Rather than offering an economic argument based on a narrowly defined class position, this explanation emphasizes the prevailing regional cultures, the forms of state intervention, and the types of leadership—the crucial mediating determinations that explain political outcomes in Atencingo and other regions of rural Mexico.

Introduction

Agrarian reform in Mexico was one of the central results of the first major revolution in the twentieth century (1910–1917), apparently (re-)creating a peasantry (Wolf 1969). However, in the sugar industry, as well as in other agroindustries, the state was more interested in securing a tight control of agricultural production for industrial processing (e.g., tobacco and barley) than in creating a peasantry. The social result of agrarian reform in such sectors was the virtual proletarianization of direct producers.

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Paradoxically, the embracing of economic liberalism (called “neoliberalism” in Mexico) by the Mexican state since the mid-1980s has involved a counter-agrarian reform which introduces the conditions for a peculiar type of peasantry to thrive. Changes contained in the new Agrarian Law of 1992 reverse the main tenets of the legendary agrarian reform that had its main impetus during the 1930s (Otero 1989a). This law, which resulted from revising Article 27 of the Mexican Constitution, formally ends the state’s responsibility for land redistribution. It also allows for the possibility of selling and privatizing formerly inalienable *ejido* land,² and it promotes associations between private capitalists and *ejido* farmers (Barry 1995; Cornelius 1992; DeWalt et al. 1994; Gates 1996).

Simply put, the historical paradox is that, while the legendary agrarian reform actually proletarianized large masses of agricultural direct producers, the current “counter-reform” is setting the conditions for the peasantization of at least a minority of them. In fact, if such a peasantry does develop in sugarcane production, it will still be one subordinated to the needs and interests of corporate sugar-mill owners. Given the market-driven nature of current reforms, direct producers are now being forced to take on much greater responsibility for the productive process in agriculture than in previous decades; they run the risk of being thrown out of the market of commodity producers if they do not comply (Singelmann and Otero 1995). Moreover, the conditions for obtaining—and selling—individual land certificates, and thus the conditions for land reconcentration, have been established by the new Agrarian Law.

Methods

This article explores the process of political class formation of sugarcane growers in the region of Atencingo, Puebla, since the 1930s, but the analytical tools developed can be used to study political developments in rural Mexico in general. My account is based on the few published sources on the region, on field observations, and on archival research since 1988, as well as on a survey questionnaire administered in 1995. My field work was conducted for about a month each stay in July, 1988; June, 1992; June, 1994; and finally in June–July, 1995. Strategic interviews were conducted with mill executives and field staffers, peasant leaders, *ejidatarios*, private land owners, local authorities, mill workers, and union leaders. Archival research was conducted at the Puebla office of the Secretariat of

² *Ejido* is the form of land tenure of estates distributed through the agrarian reform program originally legislated in 1917, from which *ejidatarios* (the beneficiaries) had the right to usufruct but could not sell or rent the land legally until 1992.

Agrarian Reform. All files pertaining to the ejido of Atencingo and its annexes were consulted. The nine former annexes eventually became ejidos in their own right, one for each of the following villages: Atencingo, Colón, Jaltepec, La Galarza, Lagunillas, Raboso, Rijo, San José Teruel, and San Nicolás Tolentino. Archival research was facilitated by the able assistance of Francisco Javier Gómez Carpinteiro of the Autonomous University of Puebla.

The survey questionnaire was administered to a randomly selected sample of 250 sugarcane growers in the months of June and July of 1995, by Gómez-Carpinteiro and four of his best social anthropology students. Gómez-Carpinteiro (1995) had conducted field research in San José Teruel for his M.A. thesis.

From a total of 39 ejidos or communities that currently supply sugarcane to the Atencingo mill, a sample of 20 was drawn. Nine of these were the original communities making up the "Ejido of Atencingo and its Annexes" in 1938. All nine were included in the sample, considering that the struggles against the collective *ejido*, and for becoming small peasant producers, were centered in these ejidos, and may have resulted in some differences in cultural orientation or political preferences. The other 11 *ejidos* were chosen at random. Once the 20 communities were selected, random samples of *ejidatarios* were drawn from each, using the latest list of all sugarcane producers in the village, obtained from the Mexican Institute for Social Security (*Instituto Mexicano del Seguro Social*). Numbers drawn from each community were in proportion to their representation of cane growers in the entire zone (close to 5,000). The sample size was 250 to obtain an error below three standard deviations. Completing the questionnaire took about one hour each, with questions ranging from the organization of household production to cultural and political opinions. The vast majority of growers were eager to participate in the survey and to offer their views.

The main social groups and classes involved in sugar production are sugarcane growers, cane cutters, mill workers, and industrialists. Growers were either *ejidatarios*, private farmers, or mill owners who have integrated industrial and agricultural production. *Ejidatarios* accounted for about 70 percent of total sugarcane production in Mexico (71 percent in Atencingo), which highlights the relevance of the new land tenure legislation. Until 1988, cane growers had been one of the relatively favored groups of land cultivators among the beneficiaries of agrarian reform. Because sugar has been regarded as a key element in popular diets, the state played a central role in controlling the production of sugarcane and its industrial transformation into sugar. The relationship between sugarcane growers and the state became a dependent but reciprocal one: the state received political loyalty from this group of cultivators, and the latter received low but secure incomes (Singelmann 1993). Neo-

liberal legal and policy changes since the mid-1980s have basically eliminated this reciprocal relationship, fundamentally throwing into question both the political loyalty to the state and the formerly secure incomes of cane growers and other peasant groups (Barry 1995; Gates 1993, 1996; Singelmann and Otero 1995).

Culture and the state in political class formation

Political class formation refers to the process by which groups and classes define their demands (or objects of struggle), construct class organizations to defend and promote their interests, and establish alliances with other groups and classes. Given the relation between the economic position of agricultural direct producers (peasants, semiproletarians, and proletarians) and their political class formation, what are the mediating determinations in this process? Once identified, in what ways do these determinations shape the political outcomes? These questions imply that a simple economic and class reductionist approach, one which derives political behavior directly from positions in production, cannot properly address the process of political class formation (Laclau 1977; Laclau and Mouffe 1985). My proposition is that examining regional cultures, state intervention, and leadership types is also necessary.

This perspective attempts to provide a synthesis between views that see economically defined classes as crucial and those that privilege culture in their explanations. With regard to the peasantry, Hamsa Alavi (1973) was one of the first contemporary scholars to suggest the cultural mediation. James Scott (1976, 1985) later became the main proponent of culture as a key dimension in peasant studies. For the case of Mexico, Claudio Lomnitz-Adler (1992) has produced a materialist response to post-structuralist analysis of culture and identity, a response rooted in the empirical and spatial existence of classes and ethnic groups at the regional level. One of the key concepts he proposes is that of regional culture, which he defines as "the internally differentiated and segmented culture produced by human interaction within a regional political economy" (22). This concept of culture is bounded by space, unlike a more general concept of "class culture." The latter is an a-spatial concept which rarely corresponds to any specific set of cultural practices observed in the field. The way classes are found is in a complex spatial relationship with other classes, which corresponds to variations in the culture of the class. Based on his case-study of Morelos, a neighboring state to the west of Puebla, Lomnitz-Adler generalizes which types of culture are residual, emergent, or dominant in that region: "From the perspective of the regional political economy, peasant cultural cores are residual, working-class cores are emergent, and petit-bourgeois cores are dominant" (1992:39). I will ar-

gue that this configuration of regional cultures is also present in Atencingo. What Lomnitz-Adler calls a "petit-bourgeois" cultural core, however, I call "peasant-entrepreneur."

In rural Mexico, generally, despite the heterogeneity of economic class positions that exists among land cultivators, most rural conflicts have centered on land as an object of struggle, though often under the ethnic guise (Schryer 1990). This demand may nevertheless acquire very different class or social contents, depending on how it is articulated with other demands, which are largely shaped by regional cultures. Demands of a peasant type, for instance, limited to land for autonomous family production, should be distinguished from struggles accompanied by the demand for control over the rest of the means of production *and* the democratic control of the production process at large by direct producers. The latter demands involve expanding the realm of democratic struggle to the sphere of production, both in terms of decision-making and in the distribution of economic surplus (Otero 1989b).

Class organizations refer to the problem of interest representation: they may be constructed either by the initiative of their class agents as means to struggle for their own material interests, or they may be constructed and/or appropriated by the dominant class or a fraction of it. Such an appropriation of the organizations of subordinate classes is precisely the political content of the process of hegemony in civil society (Gramsci 1971; Laclau and Mouffe 1985), even if this takes place through the mediation of the state apparatuses, as is the case in Mexico. This aspect of political class formation has to do with the fact that classes are never formed once and for all; rather, their formation is a continuous process that involves organization and disorganization, at times appropriated by subordinate classes themselves, and at times built under the hegemony of a dominant class (Poulantzas 1975). Class organizations often constitute the very object of struggle; that is, the state or the ruling class tries to destroy or gain control of the organizations of subordinate groups and classes, while the latter try to gain or regain their control over them.

Furthermore, the process of political class formation is limited in its organizational aspect by the "structural capacities" for struggle (Wright 1978), which consist of the material environment in which subordinate classes produce their livelihood, including social relations *in* production (Burawoy 1979). Such an environment may be conducive to unite and form organizations for struggle, or it may encourage the fragmentation of direct producers, thereby inhibiting their organization. It has been commonplace, for instance, to consider that factory industrial workers have structural capacities that facilitate their political class formation. The factory environment is supposed to enable them to unite and jointly identify their

interests as a class which, in turn, facilitates the formation of organizations to struggle for such interests (Wright 1978).

Conversely, it has also been common to portray the peasantry as a class with structural *incapacities* for struggle, referring to their isolation in the work process. The most popular reference in this regard is Marx (1981), who states that, while peasants share a similar position in the work process as individual owners of land, which makes them a class, they are unable to form political organizations that transcend the local level due to their great dispersion in that very process. Hence, they would need a Bonaparte to represent them.

However, peasantries in different parts of the world or in different regions within a country may have distinct structural capacities, depending on the differential histories and cultures of the villages or regions where they develop. In some of them, the social relations of reproduction may knit tight community networks and thus may help create a culture of solidarity that amounts to a structural capacity. It thus becomes an empirical question whether peasants have structural capacities or incapacities for their formation as a political class. In Mexico, the forms of organization that have arisen as resistance and defense mechanisms to conquest and colonization, along with contemporary *ejidos* in some cases, may constitute structural class capacities rather than incapacities (Gómez Carpinheiro 1997). If such institutions and cultural traditions bring peasants together, these facilitate their forming class organizations for struggle.

This article focuses on three types of political outcomes regarding the character of class organizations: bourgeois-hegemonic, oppositional, and popular-democratic. Bourgeois-hegemonic class organizations are those promoted by a political force beyond the class whose interests it formally represents. In Mexico, this political force is best exemplified by the corporatist organizations formed from above by the ruling *Partido Revolucionario Institucional* (Institutional Revolutionary Party, or PRI) which is the political arm, so to speak, of the state apparatus itself. Oppositional class organizations are those formed independently from the state apparatus and the ruling class and represent the interests of their constituencies, whichever they may be, as manifested in the concrete demands of their struggle or social movement. Oppositional organizations are usually a reactive form of outcome, in response to adverse state interventions. Their being oppositional implies a loss of hegemony and control for the state and the ruling class, but such organizations are unable to impose their own demands on the state. Finally, popular-democratic class organizations are a successful variant of the oppositional type when they are able to shape certain state policies in their favor, while maintaining (or regaining) their autonomy from the state and the ruling class. The proliferation of popular-

democratic organizations within a capitalist state would indicate that a counter-hegemonic project is being consolidated.

In terms of political outcomes, therefore, whether sugarcane growers posit peasant, proletarian, or peasant-entrepreneurial economic demands must be considered, but so should the character of organizations and the alliances that they have established since the 1930s. Rather than offering an economic argument based on narrowly defined class positions, the explanation suggested here emphasizes the regional cultures, the forms of state intervention, and the leadership types. While cultures largely shape the objects of struggle, state intervention mediates in forming the character of class organizations, and leadership types (democratic and representative or corrupt and coopted) build alliances with other groups and classes and shape the extent of autonomy of their organizations. Alliances may be broadly bourgeois-hegemonic, oppositional, or popular-democratic.

*Political class formation in Atencingo*³

Families of current *ejidatarios* in Atencingo have undergone several structural changes in economic class position in the past few decades, moving from a highly proletarianized position, heavily dependent on wage income from the sugar mill and with nearly no autonomy in the production process, to the current situation characterized by a highly fragmented and semiproletarianized class of producers. A substantial minority (25–35 percent), however, is succeeding in becoming peasant-entrepreneurs. Two middle phases of this process involved an ephemeral experience with self-managed and cooperative production (1947–1952), resulting in confrontations between agricultural producers and the mill's administration, and a state-controlled phase in which the government appointed the agricultural cooperative manager (1952–1961). In the latter phase, the state became the virtual employer of *ejidatarios*.

In 1937, when President Lázaro Cárdenas was preparing a sweeping national land reform program, the several thousand landless village peasants who remained in the Atencingo region manifested increasing impatience, militancy, and strength. Because most of these landless peasants lived in villages that had already been granted *ejidos*, the local *ejido* authorities were petitioning for the enlargement of existing *ejidos* or the formation of new ones to accommodate these landless peasants.

The best lands in the Atencingo region were owned by William Jenkins, former U.S. consul in Puebla, who also owned a sugar mill

³ Most of the social-historical information in this section comes from Ronfeldt (1973), unless otherwise specified. Interpretations using the concepts proposed in this article are my own.

located in Atencingo. However, just as the villagers were about to succeed in their demand for these lands, Jenkins teamed up with his friend, the state governor, and intervened to convince President Cárdenas that the resident laborers of the Atencingo complex should have first claim to the property. His goal was to control cane production through the mill, even if he had to forgo land ownership. Conveniently enough, not only for Jenkins but also for many other owners of industrialized haciendas and plantations in Mexico, on August 9, 1937, Cárdenas promulgated new laws confirming and clarifying the rights of resident peons over the lands they worked. Before this law, only neighboring villagers were eligible to receive land, while resident peons were excluded from the benefits of the agrarian reform (Ronfeldt 1973).

Furthermore, in order to make the deal more attractive, Jenkins offered to bestow the lands to his peons and workers and to forego compensation for his property. Hence, 8,268 hectares were allocated to 2,043 of the eligible resident peons living in the area of Atencingo and eight other villages. The expropriation excluded the maximum private property holding which Jenkins was legally allowed to retain, some 150 hectares in Atencingo. It also excluded some 2,585 hectares that were occupied by buildings or that were deemed unfit for cultivation. The new legislation contained a number of regulations that would guarantee a continuous supply of raw material for Jenkins' sugar mill. All lands were to be worked collectively, and only sugarcane would be planted, rotated with rice every three years. A new cooperative society was to manage the giant *ejido's* financial and agricultural affairs. While this cooperative was supposed to be managed by the *ejido*, and only *ejidatarios* were admitted as associate members, the manager of the industrial mill was given considerable power over its operation. He was able, for instance, to select and appoint the manager of the *ejidatarios'* cooperative (Ronfeldt 1973).

Thus, while many of the villagers of this region fought for the revolution and the return of the lands they formerly owned, and they had remained fervently *Zapatista*, they lost the decisive battle to Jenkins. Thanks to his political dealings, the least revolutionary, least mobilized workers in the valley were granted the best lands. Moreover, all leadership posts in the cooperative, whether elective or appointive, were filled by people loyal to the mill administration. In practice, therefore, the Atencingo *ejidatarios* continued to be the mill's peons. They would or would not be hired, like before, and they had no practical rights over the new collective *ejido* of Atencingo and its annexes. Furthermore, they lived only from their wages, since no profits were distributed between 1938 and 1947. Any grievance could be settled with repression, and no significant organization could emerge for most of this period. In this initial

period (1938–1947), state intervention succeeded in producing a bourgeois-hegemonic outcome with regard to sugarcane growers.

Self-management and democratic production: an ephemeral alternative

By 1945, however, the *ejidatarios* began to make the following demands: the collective *ejido* was to be divided into nine separate ones (i.e., one for each village); a new *ejidatario*-controlled cooperative was to be created, and individual plots were to be internally assigned; and the *ejidatarios* were to have freedom to cultivate crops other than sugarcane and rice. Clearly, these demands were meant to create an independent peasant economy, against the domination by industrial capital. It did not matter that the economic class position of direct producers was that of a rural proletariat. Their demands bore an obvious peasant character.

Thus, the main cleavage until 1945 was between *ejidatarios* and their representatives in the cooperative society, who in fact represented the interests of the industrial mill. Once these were substituted, in 1947, by leaders who actually represented the *ejidatarios*, the cleavage shifted toward one between *ejidatarios*-cooperative and the mill administration. At this point, the *ejidatarios* assumed the character of peasant producers and tried to defend themselves from industrial capital, no longer as wage earners but as cooperative commodity producers (Paré 1979).

This situation created new internal rifts among the *ejidatarios*. Once they were able to control the administrative apparatus of the cooperative, the leaders realized the problems involved in parceling: it could weaken the cooperative vis-à-vis the mill, if the latter were to bargain directly with each of over 2,000 *ejidatarios*. The structural class capacity potentially derived from the large *ejido* cooperative organization would be fragmented.

Several approaches thus arose among the *ejidatarios* and their leaders, approaches that were closely linked to prevailing cultural orientations in the region. One approach was to oppose the division of the *ejido* in order to maintain a strong position in its struggle against the mill. Another group of leaders had a similar approach, but it was motivated by the possibility of becoming political strongmen (*caciques*) through control of the cooperative. Porfirio Jaramillo, who was democratically elected as cooperative manager in 1947, had an ambiguous policy, one which reflected the other approaches in his constituency: he proposed to maintain one single *ejido*, divided into individual plots, but working collectively for sugarcane and individually for other crops. A different group, which benefited from the mill, systematically opposed Jaramillo in order to keep profiting from the current relationship. Still others were convinced of the need to parcel the *ejido* and began to oppose the Jaramillo administration they had elected.

Thus, far from staying united in their struggle against the mill, multiple cleavages appeared among the *ejidatarios*, which postponed the confrontation with their main antagonist while severely weakening their organizational class capacity. All of this, of course, had much to do with most of the *ejidatarios*' cultural preference for becoming small, independent, peasant-family producers rather than being members of a cooperative or a collective *ejido*. Lacking a strong democratic tradition, they felt the *ejido* could become the organizational means to their control by the mill or a strongman, rather than the basis for a unified struggle.

Some important events reinforced the peasant cultural orientation of cane growers during Jaramillo's administration. After the 1946–1947 harvest, profits were distributed to *ejidatarios* for the first time in the *ejido*'s nine-year history. Also, from 1946 to 1952, important investments were made in mechanization so as to free the *ejido* from the mill. Previously, the *ejido* had to rent most of the means of transportation from the mill, which represented another mechanism of control for the mill. In 1948, a government bank replaced the mill as the only source for *ejido* credit.

Another crucial event which took place in the *Jaramillista* period (1947–1952) was the assignment of "economic parcels" to *ejidatarios*: each member received a one-hectare plot so that the family could produce crops other than sugarcane. This event was the result of, and reinforced, the peasant orientation of Atencingo's rural proletariat (as economically defined). It pushed direct producers into a semiproletarian status, torn between wage income from cane production for the mill and the income from the small plots of land they now controlled. The main crops planted in these plots were corn and beans, primarily for self-consumption, thus complementing wage incomes. Occasionally, tomatoes and other vegetables were planted, and surpluses were sold in the local market. The conversion of this proletariat into a relatively well-off semiproletariat with a strong peasant orientation would mark the objects of future struggles in the Atencingo region. Direct producers would always focus on resisting proletarianization and on attempting to become small, independent commodity producers, or peasant-entrepreneurs.

In 1952, in the midst of the contradictory goals of the cooperative administration and its social base, the experience of self-managed and democratic production came to an end after only five years. Despite all the efforts by the cooperative's democratic management, its financial and production policies for sugarcane failed. Such failure was due mainly to a systematic boycott waged by the mill, which exacerbated internal divisions in the *ejido*. One example of the effects of this boycott was that the mill left sugarcane unprocessed and failed to pay for it, as provided by a legal decree of

1943. The result was a drastic decrease in sugarcane production by *ejidatarios* who, after 1949, favored other crops instead. By 1951–1952, harvested sugarcane had decreased by 50 percent (Ronfeldt 1973).

This critical situation ultimately led the state to plan direct intervention to ensure a continuous supply of raw material to the sugar mill. On January 29, 1952, the President of Mexico issued a decree creating a reorganizing committee to supervise the administration of Atencingo and its annexes. The main mandate of this commission, led by the state governor, was to appoint a manager for the *ejido* cooperative. The mill thus received state support in order to return *ejidatarios* to their position of de facto wage workers and to stimulate industrial profits. Nevertheless, as Ronfeldt notes, during this period “the government commission replaced the mill administration as the primary target of a new opposition struggle for power and reform” (1973:105).

One crucial point left out by Ronfeldt (1973) in his otherwise exceptional political history of Atencingo is the presence of the *Partido Comunista Mexicano* (Mexican Communist Party, PCM) up until Jaramillo’s ousting by the state. Porfirio Jaramillo, a member of the PCM, was actually recruited from the neighboring state of Morelos, in order to lead the *ejidatarios* in this region.⁴ During the time Jaramillo served as the cooperative manager (1947–1952), many Atencingo *ejidatarios* became members of the PCM, as had occurred in La Laguna and other regions with a predominantly capitalist agriculture (Carr 1986). In the midst of President Miguel Alemán’s Cold War administration (1946–1952), Jaramillo’s approach, which promoted a popular-democratic alternative, hardly could have lasted very long. Alemán’s administration systematically boycotted the collective *ejidos* with socialist or Communist leadership that proliferated during the Cárdenas administration (Carr 1986; Hewitt de Alcántara 1978; Otero 1989b).

However, an *ejidatario* from the ex-annex of Lagunillas remembers that, at that time, “there were many cells [the basic organizational unit of a party of cadres] of the party [the PCM],” adding that “I still have that book on the *Problems of Leninism* with which they indoctrinated us.” This *ejidatario*, having been a Communist, in the 1970s and 1980s had become one of the main leaders of individual (as opposed to collective) agriculture. In fact, he claims to have been the promoter of the first individual group against the collective in Lagunillas, one of the nine original villages. Moreover, by 1988, he had already defended the idea of privatizing the *ejido*.

⁴ This information comes from various founding *ejidatarios* interviewed several times since 1988 (their names could be made available to other researchers). Ronfeldt (1973) recounted that Jaramillo’s administration was sabotaged during its last two years, but he did not mention the important role played by the *Jaramillista* Communist affiliation.

Much of the explanation for this change in him and most other *ejidatarios* lies in the peculiar forms of collectivism that they endured before and after the *Jaramillista* experience; first, the collective was a virtual appendage of the mill, and then it became a quasi-state enterprise. Both forms are a far cry from self-managed and democratic production in which direct producers gain control of the production process (Otero 1989b). In both cases, the outcome was a mismatch between Jaramillo's drive toward this type of cooperative production and the cultural aspirations of a majority of cane growers to become independent peasant producers. The popular-democratic alternative was thus more the leadership's project than a reality of its constituency's aspirations at the time.

From state control to strongman rule

The state's response to Jaramillo's administration was strong, authoritarian, and repressive. It imposed two cooperative managers who, in turn, would control most agricultural and political affairs of the region from 1952 to 1961. While increasing profits were distributed among *ejidatarios* during the first administration, it systematically discriminated against opposition *ejidatarios* and favored collaborationists. Collaboration was possible through a patronage system established by the first state-appointed manager, who also introduced gunmen as a form of social control. Indeed, Porfirio Jaramillo and other leaders of the opposition movement were assassinated during this administration. The mill was generally favored insofar as a steadily increasing cane supply was secured. Expressing their disagreement with the state, however, *ejidatarios* joined the opposition National Zapatista Front. Thus, a negative state intervention against cane growers eventually resulted in their oppositional political alignment.

After the two state-controlled periods came to an end through pressure from below, an elected *ejidatario* took over management, but he eventually became entrenched as a strongman. Atencingo's history in this period (1961–1970) was one of increased factionalism, corruption, renewed violence as means of control, and erratic economic achievements in cane production. The main protagonist of this history was the neo-*Jaramillista* leader, Guadalupe Ramírez, who became the new manager of the cooperative. For the *ejidatarios*, his reaching this post was initially supposed to symbolize the triumph of the opposition movement against state control. Ramírez's promises during his campaign for office centered on the division and parceling of the *ejido* and on revoking the 1952 presidential decree which had imposed state control. While the latter was achieved immediately as a precondition for *ejidatarios* to elect their cooperative manager, the most fundamental demands were quickly put aside due to multiple legal and bureaucratic obstacles. In terms of

organizational affiliations, Ramírez soon broke ties with the independent National Zapatista Front, and he joined the new National Sugarcane Producers' Association, affiliated to the *Confederación Nacional Campesina* (National Peasant Confederation, CNC), itself affiliated to the ruling PRI.⁵ Thus, the Ramírez regime continued to serve state and industrial interests, while reaping the benefits of administrative power and control over the patronage system: a positive state intervention combined with corrupt leadership resulted in a bourgeois-hegemonic outcome.

The apparent triumph of *ejidatarios* in electing one of their own to the management position remained a mere illusion in terms of the actual control over their work process and livelihood. A new mismatch between leadership and *ejidatarios*' aspirations ensued, but in contrast to that of the Jaramillo period, this time the leader was functional to the mill's administration and to the state. This outcome highlights the need to further explore the role of leadership in political class formation. Depending on the type of leadership, agency may be more important than structure in certain situations.

New peasant-entrepreneurs, proletarians, and semiproletarians

Guadalupe Ramírez's reign came to an end in 1970 due to mounting pressure from cane growers for division of the *ejido* and for parceling of land. Government authorization for the division of the giant *ejido*, along with Ramírez's ouster from the cooperative's administration, represented a peasant triumph. However, it would take years before peasants were able to parcel the *ejidos*, to get individual credit for sugarcane production, and finally to obtain individual land certificates for the lands on which they worked. Formal and legal division of the *ejido* into nine *ejidos*, one for each of the villages making up Atencingo and its annexes, only took place between the end of 1973 and early 1974. But pressures to parcel each *ejido* among individual members bore fruit early on. This struggle would be marked by increasing factionalism within each *ejido*, fur-

⁵ The CNC, is one of the corporatist pillars of the ruling PRI, along with the CTM, its labor counterpart, and the *Confederación Nacional de Organizaciones Populares* (CNOP, National Confederation of Popular Organizations). The latter, which includes teachers, bureaucrats, and a host of other urban groups, also includes "small" property owners in the CNPP (National Confederation of Small Property Owners). In contrast to the CNC, the CNPP is supposed to articulate non-*ejidatario* agricultural producers, which include the whole spectrum from small peasant proprietors to the agrarian bourgeoisie. The latter, however, tends to be organized in other lobbying organizations (Carton de Gramont 1990; Mares 1987). In 1993, CNOP changed its name to FNOC (National Front of Organizations and Citizens), and CNPP became CNPR or National Confederation of Rural Producers which, in line with the 1992 Agrarian Law, tends to erase the former distinction between *ejidatarios* and small property owners.

ther contributing to the transformation of this organizational class capacity, which had been at least latent (and at times exercised) in the possibility of a united struggle based on the single large *ejido*. In the *ejidatarios*' eyes, though, the collective *ejido* had functioned primarily as an instrument of the state to implement control over them rather than as their own class capacity to advance their interests (Gómez Carpineiro 1997).

The first archival record of the implementation of land parceling along "areas of individual responsibility" within the collective production system comes from a group of peasants from the ex-annex of San José Teruel on June 11, 1972. It addresses the state official of agrarian reform, accusing Guadalupe Ramírez and other former leaders of directing the work of several engineers who were dividing up the land, when the law required them to work collectively. By May 10, 1974, however, there was a formal petition from several *ejidatarios* from Lagunillas to form a group separate from the collective *ejido* in order to work along the lines of "individual responsibility." While organizing production along individual lines was permitted by law, government officials made it clear that this did not amount to having individual title to the land or enable *ejidatarios* to receive credit on an individual basis. Therefore, farm management continued to be collective, and it was not until 1983 that individual credit was allowed by areas of individual responsibility (Gómez Carpineiro 1995). While such areas had been allotted individually since 1974–1975, *ejidatarios* never saw any money from the farming process, other than wages. They were paid as peons and complained that there were many deductions for items such as celebrations, sports courts, bridges, canals, and so on.

Given new demands centering on individual production and credit, the political protest and turmoil of previous decades faded into a multiplicity of small-group politicking. The only important regional struggle after division and parceling happened in 1983, when each and every *ejidatario* had to comply with the 1979 sugarcane decree requiring sugarcane growers to affiliate with one of the two PRI organizations that formally represent their economic interests. With this provision, which has been renewed in later sugarcane decrees up to the latest in 1991, each cane grower was forced to choose between the CNC and the CNPP (both part of the PRI) for political-economic affiliation. Therefore, growers are legally prevented from forming oppositional organizations for struggle.⁶ For those not declaring an affiliation, each sugar mill discounts the

⁶ This did not stop an important number of growers from affiliating with a Neo-Cardenista organization in the region after the tainted national elections of 1988. For the most part, though, growers retain their forced membership in one of the official organizations and use the organizations more as economic than political tools.

membership fee anyway and then disburses it between the two PRI organizations in proportion to its total regional membership.

The CNC had obtained a loan for the collective operation of agricultural machinery in 1982 but, given the *ejidatarios* phobia toward collectivism, more than 70 percent of sugarcane growers in Atencingo chose to affiliate with the *Confederación Nacional de Pequeños Propietarios* (National Confederation of Small-Property Owners, or CNPP, re-named National Confederation of Rural Producers in 1993). A symptomatic irony is that, traditionally, primarily private-property owners affiliate with CNPP, as its name indicates. Peasants, on the other hand, presumably identify with the CNC (National Peasant Confederation). The actual operation of CNPP is not so much that of a political organization but that of an economic trade union in which the leadership keeps a good distance from the official politics and policies of the PRI, and it is less politicized than the CNC or the *Confederación de Trabajadores de México* (CTM, Workers' Confederation of Mexico). But it remains a corporatist organization affiliated with the ruling PRI.

Such political-economic affiliation of Atencingo cane growers reflects the fact that the aspirations of many are to become peasant-entrepreneurs, rather than being just subsistence peasants or semi-proletarians torn between wage labor and subsistence agriculture. Given the dual production of sugarcane and vegetables, Atencingo peasant-entrepreneurs have come to find themselves in a rather complex economic class situation. They do not constitute an agrarian bourgeoisie properly speaking. As sugarcane producers, they usually hire wage labor from three sources: *libres* (freemen) living inside the *ejido* villages, literally a "free" labor force with no access to land except to produce for an employer in exchange for a wage; sons of *ejidatarios*, the eldest expecting to inherit the *ejido* titles; and migrant workers from the valley and highland peasant communities (Lara 1979). However, as small commodity producers, growers continue to confront industrial capital as their main antagonist in cane production. Furthermore, with vegetable production in the economic parcels, *ejidatarios* neither confront wage workers nor monopoly capital; rather, the character of this part of their production is typically that of small commodity producers in a competitive market. This real stratification, which involves the development of a middle stratum between industrial mill and landless proletariat, prevents an alliance between them against the capitalist mill. Moreover, the *ejidatarios* clearly benefit from the exploitation of wage workers.

In the end, having succeeded in the division of the *ejido* and in parceling the land, cane growers effectively deprived themselves of the possibility of constructing class organizations on the basis of *ejidos* as structural class capacities. The concrete forms in which *ejidos*

worked for them during the time of collectivism generated a tremendous phobia against anything that has to do with this form of organization. While individual producers now face fewer obstacles from the state to control their production processes, the overall context in which they had worked in the past few decades has substantially shifted since the mid-1980s, but particularly since the privatization of sugar mills that started in 1988. In fact, the new context involves a major change in one of the variables that has been used to explain the character of class organizations thus far: state intervention. While the state continues to be present, it is mostly to enforce the rules of neoliberal reform, and it is a market-centered dynamic.

Privatization and restructuring of the sugar industry

Because most of the sugar mills in Mexico were on the brink of bankruptcy in the mid-1970s, the state began a process of nationalization by which it came to own 54 out of the existing 64 mills by 1982. This was an attempt to save jobs and to establish tighter control of sugar production and distribution. However, after the debt crisis, which erupted in 1982, President Miguel de la Madrid (1982–1988) launched a profound restructuring of Mexico's economy and its place in world capitalism. From an import substitution industrialization strategy, with heavy state intervention, subsidies, and protectionism, Mexico entered an export-oriented model and a "leaning" or downsizing of the state. This involved eliminating subsidies, privatizing state firms, and opening the doors to foreign competition and investment to promote efficiency and productivity in the national economy (Otero 1996a). The "choice" to privatize the sugar industry was not made by the de la Madrid administration alone; it was also a condition imposed by the International Monetary Fund as part of its 1986 structural adjustment package for Mexico (Singelmann 1993). Another reason for privatizing the sugar industry was the dramatic increase in internal demand for sugar, both by direct consumers and secondary industries (producing sweet bread, candy, soft drinks, etc.).

Such restructuring in the sugar industry represents a major change in previous forms of state intervention (Singelmann and Otero 1995). Since 1953, *Financiera Nacional Azucarera, S.A.*, a state institution, financed the totality of sugar production in Mexico, so as to maintain low prices for the sweetener: "sugar prices were fixed from 1958 to 1969, and they were the lowest in the world" (Igartúa 1987:25). In addition to this subsidy to consumers and secondary industries, production costs also increased due to the great inefficiency and lack of incentives for industrialists to renew their equipment. A study conducted by Nacional Financiera on the adequacy of industrial equipment in sugar mills concluded that, as of 1969,

only 25 percent operated with modern equipment, 45 percent operated with semi-obsolete equipment, and 30 percent operated with completely obsolete equipment (Igartúa 1987:27). This situation of industrial inefficiency soon took its toll on sugarcane growers, whose income depended partly on how much sugar the industrial mills extracted from their sugarcane.

By the mid-1980s, sugarcane growers were already facing unfavorable terms of trade with respect to industrial products (García Chavez 1992). They were being doubly squeezed by increasing costs and declining relative prices of their crop. At the same time, by now largely in government hands, the industry itself was being managed according to political rather than economic-efficiency criteria. The government's dilemma was huge: it had to promote capital accumulation in the sugar industry while meeting sugarcane growers' demands for higher crop prices, offer sweeteners to domestic consumers at politically acceptable prices, and subsidize costs of raw materials in secondary industries (Singelmann 1993). Moreover, the industry suffered from much corruption and overstaffing to maintain employment levels. As a net result, sugar processing was a losing business for the state (Flora and Otero 1995).

It was thus in an effort to increase competitiveness and efficiency that the Mexican government began to privatize sugar mills in 1988. The state's newly reduced role in the economy has involved, among other things, the elimination of most price supports for sugarcane and subsidies for agricultural inputs. As a result, the long-standing alliance between cane growers and the state is being redefined. The low but secure incomes that cane growers took for granted in exchange of political loyalty to the state and to the ruling party are no longer assured. Such a new context posits tremendous challenges to cane growers as it does to the corporatist organizations of the PRI that had been "representing" them since the early 1980s. Because they can no longer guarantee any special concessions from the state, grower organizations are scrambling for new forms of doing politics with their constituency. At the same time, nearly a decade since re-privatization of the sugar mills, the industry has become highly concentrated in a few large corporations. These are perceived by most sugarcane growers as a new threat to their incomes.

The Atencingo mill was one of the first to be sold, partly because its sugarcane suppliers are endowed with some of the very best land in the country. The industrial plant was beset with problems of overstaffing and corruption, but a new plant had just been installed during the eight years before its sale. This investment alone may largely explain the heavy losses that the Atencingo mill was showing in the years prior to its privatization in 1988. Installation of the new

plant was plagued with multiple technical problems and delays, requiring a total of eight years instead of the initial estimate of two.⁷

The sale of the Atencingo mill itself can be seen as a bargain for the new owners; the government wanted to give them an incentive to engage in industrial restructuring. The mill's book value was \$65.22 million in 1988, but it was sold for only \$20.65 million. Moreover, the purchase was arranged with a down payment of only 10 percent of this amount, with the rest payable in 10 years. The new owners, however, would need to be very able administrators to cope with the challenging political task of industrial restructuring in a highly conflictive sector.

Grupo Escorpión, the new corporate owner of the Atencingo mill, was the second largest producer of bottled soft drinks in Mexico in 1988. It encompassed eight bottling companies from central and southern Mexico, including *Embotelladora Metropolitana*, which produces Pepsi Cola for Mexico City. Since this industry is a major consumer of sugar, *Grupo Escorpión* decided to control its important raw material by integrating backwards.

During the first meeting between representatives of the new owners and national and local representatives of CNPP (witnessed by this researcher) in July of 1988, the former made a number of promises that may help to draw a profile of their managerial approach. They said, for instance, that 90 percent of the yields from the 102 hectares of the *Campo de Abajo* (a field used for experimentation with new sugarcane varieties) were to be devoted to social investments in the community, such as schools and sports infrastructure. They also said that local managers would have total autonomy in decision-making, with minimal supervision from the corporate headquarters, and they hoped to expand processed sugarcane by 50 percent and to introduce new technology in order to produce liquid sugar directly, rather than producing refined sugar first and then melting it for use in soft-drinks production. Furthermore, a computerized accounting system would be introduced to give clear figures to each grower. Employment opportunities would be expanded, but the mill itself could not be the main employer of surplus workers. The overall goal was to convert the industrial part of the operation into the most efficient in Mexico.

After almost a decade since that first meeting, two key promises that as yet have gone unfulfilled have been those regarding new tech-

⁷ During my first visit to Atencingo, a few days after its sale had been announced, its management personnel was unusually helpful. I had access to financial statements, industrial personnel, payroll, retirements, and agricultural data for several years with virtually no restriction. Such openness progressively diminished in subsequent visits, and it disappeared by 1995, when more adversarial relationships had developed with cane growers.

nology and investments in community social projects from yields of the *Campo de Abajo*. In fact, there have been few investments in new production technology, although the computerized accounting system is now in place. Moreover, 50 hectares from the *Campo de Abajo* have been converted for the expansion of housing for mill workers, but sugarcane growers have not gained anything from it.

When privatization of the sugar industry was completed in 1993, much industrial concentration had occurred. Only 50 mills remained in operation out of the 64 in operation in 1988, and it was expected that these would further consolidate into about 25 (Aguilar 1993). *Grupo Escorpión* now owns nine mills and controls upwards of 30 percent of sugar production in Mexico, production which has come to be dictated by the corporate needs of the Pepsi Cola bottling conglomerate and its drive to gain market share from its arch-rival, Coca-Cola. It seems to be succeeding, too. Grupo Gemex, Escorpión's corporate parent (whose stocks are publicly traded in New York), is now the largest PepsiCo franchise in the world in terms of sales volume and territorial coverage (Varela and Villegas 1993). It generates \$100 million in yearly sales in the Mexico City metropolitan area alone (Olguín 1993). Moreover, Coca-Cola de México removed its chief executive officer in 1994, partly due to his "failure to snap-up a few sugar mills when that industry was privatized. . . . The company is now forced to buy sugar from Pepsi distributors that had more foresight" (El Financiero Internacional 1994).

For cane growers, industrial restructuring has involved significant changes in their way of operating. From a situation in which they had a number of social guarantees from a paternalistic government, they now have to fend for themselves with no subsidies while facing a large and powerful buyer of their crop, one interested only in maximizing profits. While the state and the previous mill owners were also large and powerful, in both cases, the state also acted with political criteria to insure minimum social guarantees to cane growers.

The new situation confronts growers with both economic challenges and opportunities. Some will be successful by pursuing a peasant-entrepreneurial approach and meeting the new efficiency requirements. Data from the survey I conducted in 1995 suggests that the category of peasant-entrepreneurs will include 25–35 percent of the growers in the Atencingo region (likely fewer in other regions). The majority, however, will either fall back into subsistence farming or opt to sell their land to their more entrepreneurial neighbors and join the wage-labor market.

The 1995 survey

Following is a presentation of results from questions regarding growers' views of the mill and their relationship to it, their expect-

tations in the new market-oriented environment, and their cultural orientation. Questions that address the issue of cane grower-mill administration relationships clearly reveal a mistrust on the part of cane growers. Missing cases on these questions range from a low of 1.2 percent (3 respondents) to 2.4 percent. With regard to timeliness of payments made by the mill, 57.6 percent of growers said that payments were usually late. The amount received in loans was insufficient according to 68.0 percent, while these were disbursed later than required according to 78 percent. The final liquidation or payment was late according to 87.2 percent of respondents. The objective truth about the latter is that these payments were indeed late: they were made when the legal grace period had passed (30 days after the official end of the sugarcane harvest). The fact that not all respondents said that the payment was late probably reflects that a few, less than 10 percent, have a good feeling about the mill, or that they are basically used to getting their final payments late, or that they are unaware of the mill's legal obligation for timely payments.

To the general question, "Do you trust the new mill administration," 47.6 percent responded, "less than before," and fully 90.8 percent think that the sugarcane is not accurately weighed upon delivery to the mill. Despite such lack of trust toward the mill, sugarcane producers continue to grow this crop. The main reasons for this are associated with the fact that this crop provides the greatest security and that only with this crop can growers avail themselves of loans for cultivation. Indeed, these two reasons account for 78.6 percent of responses as to why growers stick to sugarcane (43.6 percent going to "more secure income," and 25.6 percent saying that they "may obtain loans").

Cane growers' opinions with respect to the changes regarding the mill's privatization and the new sugar decree requiring greater productivity and efficiency from both the industrial and the agricultural parts is overwhelmingly pessimistic. To the question of whether these changes benefit growers, 85.6 percent responded "No," 6.0 percent said "Yes," and 8.4 percent were missing cases. A different question on the same issue elicited a very similar response: "From the positive and the negative repercussions of recent changes (previously described), which will prevail the most?" To this question, 83.6 percent said "the negative ones," while only 12 percent said "the positive ones" (4.4 percent were missing cases).

When asked whether the new situation may bring some new opportunities with it, responses were not as pessimistic. Several questions in this regard were phrased differently but had the same alternative responses. These are summarized in Table 1. While these results tend to be split, at least a substantial proportion of respon-

Table 1. Growers opinions on new threats and opportunities

Question or issue	No	Yes	Maybe	Don't know	Missing values
Are there new opportunities?	45.6	32.4	7.6	7.2	7.2
Are there new difficulties?	22.0	62.0	2.4	3.2	10.4
Are there new risks?	37.6	36.8	2.4	7.2	15.6
Are there risks of losing land?	50.8	26.0	8.0	8.8	6.4

Source: 1995 Survey of Sugarcane Growers in the Atencingo Region.

dents see that opportunities will be there, as well as new difficulties and risks. Slightly more than half of the cane growers see no risks of losing their land, but more than one-third think that there is such a threat (those answering "yes" or "maybe"). Another question in this regard had a slightly different range of response, with very similar results to those enumerated above: "Is the new government program that hopes to turn peasants into entrepreneurial producers a realistic one?" The responses to this question are given in Table 2.

Self-identity is an important indicator of cultural orientation, and it is related to the likely productive strategies to be followed by cane growers. A direct question on self-identity was asked, and respondents were given a number of choices from which to pick. They also could use their own words to capture their identity. The results were as follows: 55.6 percent consider themselves plainly "peasants"; 16.8 percent "workers"; 6.4 percent "peasant-entrepreneurs"; 2.4 percent "renters"; and 17.6 percent mentioned "other" categories, which included "ejidatario," "producer," "proprietor," and "cultivator." Missing cases represented only 1.2 percent (three respondents).

A related question was: "Who will have the greatest opportunities for success within the new environment?" Responses are given in Table 3, where it is clear that a substantial proportion of Atencingo cane growers, 39.2 percent, regard investing one's own capital as critical in order to take up the new opportunities; followed closely

Table 2. Realistic for government to expect entrepreneurial peasants?

Response	Number	Percent
No	113	45.2
Maybe	75	30.0
Yes	27	10.8
Don't know	17	6.8
Yes, with government help	13	5.2
Missing values	5	2.0
Totals	250	100.0

Source: 1995 Survey of Sugarcane Growers in the Atencingo Region.

Table 3. Type of producer with greatest opportunities to succeed

Type of Grower	Number	Percent
Those who invest more capital	98	39.2
Those who hire more workers	86	34.4
Those who invest more with loans	48	19.2
Those who use their crops for self-consumption	15	6.0
Those who sell their land	1	0.4
Missing values	2	0.8
Totals	250	100.0

Source: 1995 Survey of Sugarcane Growers in the Atencingo Region.

(34.4 percent) is hiring labor, a closely related response. Both of these items together (73.6 percent) are crucial ingredients to produce a peasant-entrepreneurial class. An indication that few in the Atencingo region will turn to subsistence production (by choice) is that only 6.0 percent responded that "those who use their crops for self-consumption" will succeed.

The question depicted in Table 4 takes the converse approach to the previous one: what is most likely to force growers to abandon sugarcane cultivation? It is quite obvious that reducing family labor investment is considered by most as a sure way to fail in this business, and this highlights the household character of the operation. Curiously, relying on loans is also regarded by more than one-fourth of respondents as a danger which may end up in abandoning sugarcane cultivation. I say "curiously," because 100 percent of *ejidatario* cane growers currently depend on financing by the government, via the mill.

Politically, cane growers continue to be trapped by the sole legal option of joining the corporatist PRI organizations. However, these organizations, in turn, are facing unprecedented challenges to control and retain their constituencies in the midst of neoliberal state policies that prevent them from giving growers much support in exchange for their affiliation. This is particularly true of the CNPP,

Table 4. Type of producer most likely to leave sugarcane cultivation

Type of Grower	Number	Percent
Those who invest least family labor	113	45.2
Those who resort most to loans	68	27.2
Those who focus on crops for self-consumption	39	15.6
Those who hire more workers	24	9.6
Those who invest more capital	5	2.0
Missing values	1	0.4
Totals	250	100.0

Source: 1995 Survey of Sugarcane Growers in the Atencingo Region.

whose members have always been primarily interested in economic performance rather than in cultivating political favor from the state. Therefore, the continued imposition of neoliberal reforms will result in an increasing incapacity for corporatist organizations to control their constituencies. Hence, new oppositional and popular-democratic struggles are sure to emerge in Mexico's countryside.

If this is true for the sugar industry, it is more so for most other subsectors of agriculture that have had a less intimate and relatively less favored relationship with the state than have sugarcane growers.

This was demonstrated by the emergence, in 1993 of "El Barzón" (The Yoke), a rural-debtors movement comprised of small and medium-sized cultivators. This social movement of nearly one million members has expanded its membership by half to urban debtors (La Jornada 1995; Rodríguez Gómez and Torres 1996). The Chiapas uprising in January 1994 has been the most radical of such new struggles to emerge in Mexico's countryside after neoliberal reforms (Collier 1994; Harvey 1996; Nash 1995).

Conclusion

Given the vast heterogeneity of the structural class positions in rural Puebla, the agrarian struggles in the Atencingo region clearly have been dominated by the demands of the most homogeneous group: the *ejidatarios*. Their struggle, since the 1930s, centered on resisting proletarianization and on acquiring a peasant condition. It finally succeeded in 1972. From then on, the question for direct producers became what type of peasantry they would become—a subsistence-focused or a market-oriented and entrepreneurial peasantry. Of course, an alternative that has come to the fore once again with neoliberal restructuring is selling the land and systematically relying on wage incomes.

The *ejido* organization itself provided its members with a structural capacity for a coherent and unified struggle. It offered them a legal and organizational framework on which to ground their demands. Such structural capacity, however, did not involve any predetermined direction about the character of their political class formation. Rather, each of the two aspects critical in this process was shaped by mediating determinations different from structural class positions or structural capacities: demands or objects of struggle were shaped by the prevailing and changing cultural orientations, ending up in a market-oriented, peasant-entrepreneurial struggle for land and autonomy in production. The resulting class organizations, in turn, depended rather closely on the character of state interventions and on the type of leadership among *ejidatarios*. State intervention shaped the organizational outcome in terms of whether organizations were bourgeois-hegemonic, oppositional, or popular-democratic. Leadership was associated mostly with whether

the resulting organization was autonomous from the state and/or the ruling class, as well as with the character of alliances or affiliations with other organizations. Leadership is a variable that requires further exploration, and it will likely assume more salience as Mexico's political system moves forward into a transition to electoral democracy. The growth of citizenship and democratic leadership will further shake the foundations of corporatism.

While a popular-democratic outcome was obtained in the early phase of the *ejido* struggles (1947–1952), the most predominant outcome throughout was bourgeois-hegemonic. Ironically, as peasant demands advanced amid this rural proletariat, its structural capacities for unified struggles were being weakened. With the emergence of the state's neoliberal reform, even the former corporatist organizations of the PRI are having to change: they must either become more effective economic organizations, or their political influence among cane growers will further erode. Neither these organizations, nor the state they primarily represent, are capable of offering cane growers the low but secure incomes of yesteryear. Thus, the dependent reciprocity that used to exist has been broken, and future structural and political developments will largely depend on the new cultural orientations among cane growers, their productive strategies as they interface with market forces, and the types of leadership that develop. The leadership that develops will have an impact on the character of alliances established with other organizations in civil society.

While the state will continue to provide the general context in which rural struggles take place, it is no longer capable of responding to pressures from rural social actors which involve major state subsidies or other forms of disbursements, apart from social assistance programs. However, with regard to cane growers, the state may continue to require by law that they join either of the two PRI organizations for political representation. To the extent that cane growers become increasingly disenchanted with these organizations while they are incapable of restoring the social guarantees of the past, they may begin to seek other organizational options, perhaps parallel to those they are forced legally to join.

From the various regional cultures prevailing among sugarcane producers, only two focus on trying to maximize profits: one is, of course, that of capitalist farmers; the other is that of peasant entrepreneurs. The main difference between these two cultures resides in how each type of producer tries to achieve his/her goal of profit maximization: while the capitalist grower does it on the basis of typical capitalistic mechanisms of exploiting wage labor and comparative advantages, the peasant-entrepreneur is still based on the logic of a peasant household. The latter focuses on maximizing the use of family labor as its most abundant resource, and it faces greater

restrictions in other resource endowments. The option of seeking to maximize comparative advantages in other crops is not there for the peasant-entrepreneur, due to insufficient resources and financial alternatives. Financial dependence on the sugar mill is taken as a given.

This mix of cultural orientations and peasant (or capitalist) productive strategies posits a serious antinomy for neoliberal reform in the Mexican sugar industry. That is, the problem of productive scale will continue, at least in the short and mid-terms, while most cane growers continue to be rather small farmers. Similarly, the subsistence-peasant culture will not necessarily adapt to neoliberal expectations for a greater rationalization in the use of land, machinery, and so on. On the other hand, while capitalist growers could resolve the problem of productive scale and the "rational" use of technological resources (according to the profit motive), there is a clear trend for them to lose their interest in maintaining sugarcane as their main product: the neoliberal context has opened more attractive options that were not present before.

These antinomies lead to a logical conclusion. As capitalist cane growers consolidate such a culture, they will be least interested in supplying a capitalist and dominant sugar mill; instead, they will be inclined to seek better financial alternatives in export crops. One alternative is that the mill itself will have to take full responsibility for sugarcane production, as is happening already in the northwestern states of Nayarit and Sinaloa, in a renewed form of corporate-plantation agriculture where the mill rents and operates between 80 and 90 percent of *ejido* lands (Field Notes from Los Mochis, Sinaloa 1996).

In Atencingo, however, the trend is to strengthen the growth of a new type of producer: a peasant-entrepreneur who is quite oriented to the market, but who is working under a basically family-based logic. Considering that a peasant-entrepreneurial culture has emerged in the region since the 1950s, what has been regarded as a counter-agrarian reform will result in an historical paradox. This reform will finally establish the conditions for a small but vigorous peasant-entrepreneurial class to thrive. Conversely, a majority of cane growers will probably be forced into traditional subsistence farming, or be forced from farming and into the labor market of Mexican cities and/or further north into the United States or Canada. As internal social differentiation accelerates within *ejidos*, sugarcane *ejidatarios* will no longer be the relatively homogeneous social category that they had been in previous decades. The question thus emerges whether the *ejido* will assume a new meaning as an organizational class capacity within the neoliberal context, and which internal group of *ejidatarios* it might come to favor politically, if any.

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