
Farewell to the Peasantry?

Political Class Formation in
Rural Mexico

Gerardo Otero

SIMON FRASER UNIVERSITY

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This book is lovingly dedicated to the memory of my son and great friend Rodrigo Otero-Ordóñez (1979–1997). His company during and after his seventeen years of life has been warm and inspiring. Even now, with the deep pain of his loss, I feel his presence as a strong, invigorating force that has been essential to my completion of this project, which I dedicate to his life and surviving spirit.

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Torreón now stands." (Wilkie 1971, 11). The industrial-agricultural connection began also in 1846, when the Sánchez Navarro family installed a cotton gin in Monclova, Coahuila. They were also among the large landholders who had cotton fields irrigated by the Nazas river (del Castillo 1979). By 1936 the "La Laguna region was one of the few areas in Mexico where corporate farming became dominant. . . . Foreign corporations owned large tracts of land before the expropriations." (Senior 1958, 54). During this time, La Laguna accounted for half of Mexico's cotton production, and it was third in the production of wheat.

TABLE 5.1 Contrasts Between Northern and Southern Haciendas

<i>La Laguna Hacienda</i>	<i>Traditional Hacienda</i>
1. Highly capitalized	Low investments
2. Administration by land-renting companies	Absentee ownership
3. Payment of wages	Indebted peonage, in kind or tillage
4. Most supplies from outside	Economic self-sufficiency
5. Cash crops dependent on world market	Subsistence crops
6. Wage labor characterized peon-owner relations	Paternalistic relations
7. Bipolar class structure	Highly segmented class structure, including middle strata
8. Not a political unit	Formal political unit with government posts inside hacienda
9. "Ties between husband and wife do not seem to have been strong, judging from the large number of separations. Ritual kinship was extensive, but the bonds did not have great importance in terms of rights and duties."	"migration was impossible for the resident peons, so the communities inevitably became closely related."
10. No church within hacienda, only baptism was universal	A church inside hacienda, with priest exercising much ideological control
11. First- or second-generation immigrants in region	Families long settled in localities

SOURCE: Elaborated from Wilkie (1971, 13-16).

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La Laguna: From Agricultural Workers to Semiproletariat

The history of La Laguna involves combative agricultural workers who advanced labor-type demands in the 1930s but got land instead. After a period (1936 to 1947) of postcapitalist organization of production centered on self-management and the democratic control of a cooperative production process, the state converted direct producers into a "broad proletariat." This proletariat "in the broad sense" (Paré 1977) became subordinated to the economic apparatuses of the state, although many observers have classified it as peasantry because of its access to land. The direct producers' resistance to this subordination ended up converting them into a semiproletariat with small subsistence crop parcels alongside cotton, the predominant cash crop in La Laguna. Distribution of more than 75 percent of irrigated land into 311 collective *ejidos* in 1936 was a significant setback for the agrarian bourgeoisie. Thus, it was the state itself, through its economic and political apparatuses, that controlled the destinies of direct producers in La Laguna agriculture.

The Agrarian History and Cultural Setting

Before addressing the agrarian struggles in the region, I will present an outline of its agrarian history and cultural setting. La Laguna is a region located in north-central Mexico, which includes nine municipalities of the states of Coahuila and Durango (some classifications encompass fifteen municipalities). An oasis in the desert, all of its significant agriculture is irrigated. Rainfall is only 300 to 500 mm per year. Thus, irrigation is largely dependent on the Nazas and Aguanaval rivers and the Lázaro Cárdenas and Francisco Zarco dams. After land reform in 1936, however, the number of deep water wells increased enormously and now irrigate about a third of the land in normal years (up to two thirds in drought years) (Otero San Vicente 1986; Salinas de Gortari and Solís González 1994, 12).

Capitalist origins in La Laguna can be traced to 1846, "when Leonardo Zuloaga and Juan Ignacio Jiménez . . . built dams across the Nazas river at the place where

The distribution of registered *haciendas* by size in 1928 was as follows: Seventy-five *haciendas* of 1,000 to 10,000 hectares each, nineteen of more than 10,000 hectares, and three of more than a 100,000 hectares. Many of these *haciendas* belonged to foreign companies and were efficiently managed (Eckstein 1970, 273). In fact, the contrasts between La Laguna *haciendas* and the traditional ones from central and southern Mexico are remarkable. Table 5.1 above, where the criterion for comparison is self-evident in each case, summarizes such contrasts.

Although *haciendas* definitely dominated the agricultural scene in La Laguna, there were small parts of the population producing under different relations from that of resident peon-*haciendado*, and this had its own cultural impact. There were sharecroppers and small holders: "Their number was extremely limited, but their role in the agrarian struggle was nevertheless an interesting one" (Landsberger and Hewitt 1970, 5). Sharecroppers obstructed the agrarian movement for fear of losing their superior position.

In contrast to communities in central Mexico, where kinship and religion are rather strong institutions (Nutini, Carrasco, and Taggart 1976; Nutini and Bell 1980), in La Laguna life is more secular and individualistic. As we will see, this is closely related to differences in the production and social reproduction processes.

An Agricultural Proletariat Is Awarded Land Grants

Given the profile of La Laguna *haciendas* and agricultural workers, it is not very surprising that the mass movement in 1935–36 centered mostly on labor demands rather than land. There were about 104 agricultural labor unions struggling for such demands and only twelve groups petitioning land grants. In 1935 legislation was formulated in such a way that most of La Laguna direct producers were excluded from the possibility of agrarian reform, since resident peons were not eligible to obtain land grants. Only eleven *ejidos* had been formed in La Laguna before 1936, with 2,318 members and 5,000 hectares.

After the depression of the early 1930s, the *haciendados* further mechanized their operations to cut labor costs, "to which workers reacted by renewing their efforts to organize unions and obtain *ejido* grants." (Wilkie 1971, 18). In response, *haciendados* offered to buy land and create some *ejidos* to silence demands, on the condition that the president of Mexico give them "unaffectedability" titles to avoid land reform thenceforth. Only 3 percent of the workers got land in this way, i.e., by *haciendado* initiative.

When Cárdenas came to power in 1934 and encouraged the organization of labor unions, La Laguna workers responded immediately: In 1935 there were 104 strikes by agricultural laborers. In May of 1936, urban unions joined the rural ones in a general strike protesting previous repression in former strikes, such as the firing of union leaders by *haciendados*. The president then requested a postponement of the strike in exchange for appointing a commission of experts to study the La Laguna situation. The strike's goal was a collective contract for

28,000 agricultural workers in the region. By August the State Labor Services of Coahuila and Durango declared the strike illegal and protected 10,000 strikers from outside the region, who had been brought in by the *haciendados*. In view of this local stalemate, Cárdenas asked the strike leaders to end the strike with the promise of applying agrarian reform laws in La Laguna and modifying impediments to resident peons' receiving land. Then, on October 6, 1936, Cárdenas decreed the expropriation of about three-fourths of the irrigated land in the region. This land was turned over to approximately 38,000 workers organized into 311 *ejidos* (Senior 1958; Whetten 1948; Restrepo and Eckstein 1979).

Most observers agree that unions played the leading role in the La Laguna agrarian reform and that their struggle centered on labor demands. Although Senior misnames *hacienda* peons or workers as peasants, his own description makes it clear that they were structurally wage laborers:

Their demands included the signing of a collective bargaining contract, increases in wages to 1.50 pesos (42 cents) a day, reduction of hours to eight per day, and the right to name a checker when cotton delivered by peasants was being weighed (Senior 1958, 65).

For his part, Eckstein also points out that "the syndicalist [labor union] movement played a predominant role in bringing about the reform. At a later stage the same unions were instrumental in persuading the emancipated *ejidatarios* to adopt the collective system." (1970, 275) The same point was made later by Restrepo and Eckstein (1975).

Fernando Rello (1986) explained that agricultural workers in La Laguna were totally dispossessed of land. And although they had formerly struggled for land, they had to shift to labor demands, given the ferocious response of the agrarian bourgeoisie. In 1935 many working-class organizations were being created in order to defend *Cardenista* reforms from the reactionary threats of *Callesismo* (Loyola Diaz 1980; Medin 1982). Many of these organizations were heavily influenced by Vicente Lombardo Toledano (then secretary general of the Workers Confederation of Mexico, CTM) and the Communist Party of Mexico (PCM). Rello argues that, on the whole, the principal actor and crucial force were organized agricultural workers, linked with other sectors of the national proletariat (1986).

A slightly different account has been provided by Henry A. Landsberger and Cynthia Hewitt (1970). According to them, fifty unions posed formal labor demands, while only twelve groups were organized as agrarian committees whose demands centered on land. Based on statements by one of the leaders, however, these authors suggest that such labor demands may have been only tactical ways of weakening the *haciendados* while pursuing the ultimate goal of land reform for the direct producers (1970, 15).

Landsberger and Hewitt also suggest an important difference between Durango and Coahuila regarding both *haciendas* and demands. In Durango *hacienda*

das were more traditional, and demands more clearly centered on land, while in Coahuila direct producers confronted large companies, and thus labor demands appeared easier to carry out vis-à-vis the impersonal capitalists. In addition, Durango agrarianists were supposedly more combative than those in Coahuila.

The accuracy of this account is difficult to assess because it is based mostly on one leader's interpretation and was done some forty years after the fact. It is not that the interpretation seems unreasonable. In fact, it is quite plausible that the labor demands, centered on wages and working conditions, were tactical demands; yet it is possible nonetheless that the ultimate desire for all the land was in fact a postcapitalist rather than a peasant demand. What appears first as a possibility was later confirmed by the actual struggle immediately after land redistribution, which centered on a self-managing, democratic, and collective agriculture in which a great deal of independence was gained with respect to the Mexican state. The unions were not only struggling for collectivization but also for control over various aspects of the agricultural production process, such as the purchase of inputs for agricultural production, credit, insurance, and the marketing of produce.

Initially, then, the La Laguna struggle had a popular-democratic character in its demands, the nature of organizations, and the kinds of alliances formed by direct producers. Unfortunately, this character changed because of stern and repressive opposition by the state.

From Postcapitalist Self-Management to Productive Disappropriation

The Cardenista plan for La Laguna collectivization was definitely crucial for this administration (1934–40). Designed to set an example for future collectivization in other regions of modern capitalist agriculture, it had to demonstrate the economic superiority of the collective system and make it politically viable at the same time. The latter objective entailed organizing enough popular strength to offset the reaction of the *hacendados* facing expropriation of their lands. After land redistribution, direct producers also had to maintain a solid organization to resist the attacks from ex-*hacendados* and to fulfill the productivity levels expected by the state.

The plan that emerged from the bottom up was to achieve a self-management arrangement by *ejidatarios* in order to develop both economic and political strength in the newly created collectives. This goal was to be achieved through a web of fifteen regional unions that would eventually replace the administrative presence of the Ejido Bank. Moreover, the fifteen unions would constitute and be coordinated by the Central Union of Collective Credit Societies (henceforth, Central Union), which was intended to perform the following economic functions:

sell the cotton crop . . . ; purchase of supplies including machinery; own and operate machinery stations; [operate] cotton gins and embark on other industrial enterprises; engage in extension, general education and agricultural research activities;

and supervise the expenditure of the so-called "social funds" of each *ejido* to provide wells, new schools and clinics (Landsberger n/d, 16–17).

This plan took shape through the interaction of the Central Union practices and the collaboration of government technicians, whose agencies had the official duty of fully supporting the collectives. Cárdenas not only approved of this initiative from below but also converted this organizational form into law so that all future collectives would take the same shape. This organizational format was incorporated into the Credit Law in 1940, one year after the de facto constitution of the Central Union, as the state-preferred model.

Land, Water, and Credit

In 1936, the total land in the region was 1.5 million hectares, out of which 190,000 hectares were irrigated and 1.31 million were unirrigated. Under the new legislation passed in 1936 for La Laguna, resident peons became eligible for *ejido* grants. Thus, the La Laguna work force now included the following groups of workers, all of whom were eligible for land grants: permanent or resident peons, 15,000 to 16,000; temporary workers from nearby villages, 10,000; and seasonal migrant workers, 5,000. Additionally, there were still about 10,000 strikebreakers who had been brought in by the *hacendados* in 1936 (*Liga de Agrónomos Socialistas* 1940, 57). Thus, there were about 40,000 workers ready to receive land in a region that usually supported up to 30,000.

In the end, the total *ejido* grants consisted of 468,386 hectares, of which 147,710 were irrigated (nominally). This means that 31.2 percent of agricultural land was granted to *ejidatarios*, which included 77.7 percent of irrigated land. The number of beneficiaries totaled 38,101 *ejidatarios* (Whetten 1948, 216–17).

By 1944 35.4 percent of all loans granted nationally by the Ejido Bank were assigned to La Laguna *ejidos*, where only 7.6 percent of all *ejidos* were located at the time (Whetten 1948, 216–17). This indicates the extent of modernization in La Laguna agriculture, which required huge capital investments by the state lending agency. It also reflects the fact that collective *ejidos* were a fundamental piece in the overall Cardenista capitalist development project. In fact, commercial agriculture in the reformed sector concentrated in the collectives. Even though only 14 percent of *ejidatarios* operating with the Ejido Bank were in collective *ejidos*, they received 57 percent of all funds lent in 1944 by that bank. Collectives concentrated in five regions: La Laguna, the Yaqui Valley (in Sonora), Los Mochis (Sinaloa), Lombardía and Nueva Italia (Michoacán), and El Soconusco (Chiapas) (Whetten 1948, 215). Other sugar-producing collectives such as El Mante (Tamaulipas), Zatepec (Morelos), and Atencingo (Puebla) were financed directly by the sugar mills they supplied.

By 1948 the government had withdrawn support to collectives and had actually staged a tremendous boycott to their economic success and their political strength.

The Ejido Bank classified *ejidos* into three categories, based on their capacity to repay loans: "A" for those *ejidos* in La Laguna that were normally able to repay the loans, or 59 percent of the total; "B" for those in arrears but that still managed to pay, 29 percent; and "C" for insolvent *ejidos*, 12 percent of the total (Senior 1958, 115).

In percentage terms, the evolution of credit assignments to La Laguna collectives in the early years is as depicted in Table 5.2.

Although incomplete, these figures begin to hint at the withdrawal of official support or actual boycott to collectives. These figures can be updated indirectly with information from Banrural, which was providing loans to a substantial number of *ejidatarios* once they had dismantled their collective *ejidos* and came under the bank's grip as individuals. According to the bank's own figures, during the 1988 spring-summer season the institution granted financing to a bit more than 34,000 producers (that is, 88 percent of the total number of *ejido* producers in La Laguna) covering 76,619 hectares, with 93 percent of these resources being channeled towards cotton cultivation. By 1992 credit was granted to only 13,000 producers (33 percent of the total number of *ejido* producers) covering 30,000 hectares, and the resources were channeled towards the production of basic grains and other crops that were not cotton (Salinas de Gortari and Solís González 1994, 14–15).¹

The official boycott in the 1940s only compounded several original problems—technical and political—of agrarian reform in La Laguna: (1) the rushed land distribution into *ejidos* without sufficient planning, (2) legislative barriers to developing a thorough collectivization program that would enable the actual maintenance of the productive unity of *haciendas*; and (3) overpopulation in the region at the time of reform (Eckstein 1966, 138). The distribution of land within each *ejido* was also quite problematic. Some of them had plots of land separated from one another by private properties. In addition, the quality of land distributed was very heterogeneous, particularly with regard to availability of irrigation facilities.

Some [*ejidos*] have almost 100 per cent of their area in first-class lands; others have almost their total area in lands practically worthless agriculturally. Some *ejidos* were cut off from irrigation ditches and roads. . . . In computing the total area of irrigable land, serious errors were made, and lands which had been irrigated only during seasons of exceptional river flow were classified as irrigable (Senior 1958, 91–93).

TABLE 5.2 Official Loans to La Laguna Collective, 1940–1961

Year	Percent of Ejido Bank Loans
1940	40.0
1944	35.4
1961	20.0

SOURCE: Elaborated with data from Eckstein (1970, 273) and Senior (1958, 115).

Overestimation of irrigable land at the time had a very negative effect on *ejidos*, given the legislative structure. Since *hacendados* were allowed to choose which hundred hectares they would keep, they invariably picked the most fertile land, and that which included water wells and buildings. Moreover, they kept all the farming machinery. The consequence of this is that *ejidos* had to become quickly indebted to the state bank for the purchase of fixed capital in order to keep modern agriculture going. After a few years much of the new indebtedness was due to the installation of water pumps for underground water irrigation, which was the only way to get additional water. The problem for *ejidos* is that underground water irrigation is twenty times costlier than gravity irrigation! (Restrepo and Eckstein 1975).

Thus, postreform *hacendados* had a comparative advantage from the outset in three crucial fields: irrigation, machinery, and finances. By 1950 "66 per cent of the land possessed by the private owners was irrigable land while only 37 per cent of that of the *ejidos* was so rated" (Senior 1958, 96). The per capita distribution of irrigated land by land-tenure system was 4.4 hectares in *ejidos* and 25.7 hectares in private properties. But these per capita figures should not lead us to overlook the concentration process within the private sector. Of private owners, 5 percent held 26 percent of private land, and 14 percent owned 55 percent. Furthermore, as Senior rightly points out, "even these data underestimate the amount of concentration because they do not reflect the *simulated sales* which took place widely on the eve of and immediately following the expropriations [emphasis added]" (1958, 96). In fact, there are several huge fortune-holders nowadays in La Laguna who purchased land during the Cárdenas administration at extremely low prices. It is also widely known that many *hacendados* rushed to change the title of their lands to artificially "divide" them up among their children and other close relatives in order to avoid land reform. This phenomenon of land reconcentration was later called *neolatifundismo* in the Mexican literature (Stavenhagen et al 1968; Warman 1975).

By the 1970s concentration of land and water resources could be seen in the following figures, published in one of Torreón's local newspapers: *Ejidatarios* controlled practically 85 percent of river water (*agua rodada*) and 35 percent of pumped water, and they made up 95 percent of producers. On the other hand, private owners controlled 15 percent of river water and 65 percent of pumped water, and they made up 5 percent of producers. Furthermore, the 5 percent of private owners controlled 25 percent of total irrigated land, while *ejidatarios*, 95 percent of producers, controlled only 75 percent of irrigated water (*El Siglo de Torreón*, 1 January 1977, 11.) On average, then, *ejidatarios* only had 1.7 irrigated hectares each from river and wells by 1985.² Water from the river, though, which was the cheapest source, has been sharply curtailed by the Ministry of Water resources (SARH). The following table depicts a tremendous drop from an average of 2.8 hectares per plot in 1936–63 to 1.0 hectare in 1984.

TABLE 5.3 Evolution of Average Surface Cultivated with Cotton and River Water Allotted to Ejido Plots in La Laguna, 1936-1984

Years	Average Annual Surface per Plot
1936-63	2.8
1964-70	2.0
1971-82	1.5
1983	1.3
1984	1.0

SOURCE: (Pucciarelli 1985, 57)

The Ejido Bank and Productive Disappropriation

There have been three major epochs in the relationship between *ejidatarios* and the Ejido Bank (henceforth referred to as the bank), one during and immediately after *Cardenismo*, another one consolidated during the 1950s, and a third that began only in 1990 and is still taking shape. Only the first two are discussed at some length here. The first is characterized by considerable margins of autonomy by direct producing *ejidatarios*, and the second resembles more of a state-controlled agriculture. As Wilkie puts it, however, the bank's presence has been crucial since the beginning.

The majority of the Ejido's transactions were made through the Ejido Bank, which had to approve major expenditures, and since all crop loans were obtained from the bank, it exercised almost total control over important financial decisions (1971, 43).

There was an elected work chief in charge of planning and assigning all agricultural tasks. In the initial years of the ejido, the work chief directed all field labor and was one of the most important officials for the economic success of the community. He merely directed the implementation of decisions previously taken by the general assembly of the ejido, however. The treasurer of the ejido paid weekly wages (*anticipos*) to each *ejidatario* and checked the fields to see if the work had been done. In the beginning the major problem that work chiefs had to deal with was worker motivation. But such a problem apparently ceased to be an issue after land was subdivided in 1944. Consequently, the work chief position became less crucial. With land subdivision, *ejidatarios* were now evaluated and paid according to productivity in their assigned plots.

The process of subdivision started by allowing each *ejidatario* to grow corn in one or two acres. Later on, each member was assigned a number of hectares for which he was responsible in growing cotton. "The primary change effected by this subdivision of the land was that incomes of the *ejidatarios* . . . became propor-

tional to the production of their parcels" (Wilkie 1971, 57). The principal goal of reorganizing work was to avoid the so-called problem of "free riders." With partial individualization of parcels, the new work method "rewarded individual effort and ability in the irrigation and cultivation of cotton" (Wilkie 1971, 58).

There was also the development of a *libre* group of laborers "that competed for employment in the collective work [which remained]" (Wilkie 1971, 46). *Libres*, which literally means "the free ones," were agricultural workers who did not have an *ejido* parcel but lived in the *ejido* village in a piece of land lent to them by the *ejido* assembly. Some of the *libres* were kin of *ejidatarios*, while others were migrant workers who had asked for permission to stay in the village.

Apart from the individual labor devoted to each parcel, there were many tasks that remained collective: Some were the administrative tasks of elected officials and the work chief; others were those of truck drivers, well keepers, mechanics, employees of the cooperative, mule herders, and the school caretaker. Most of the nonelective tasks were held by *libres*. "Non-collective work was performed or directed by the individual *ejidatario*, and the wages paid for it were loans [*anticipos* or cash advances], which the *ejidatario* repaid to the Ejido Bank from the sale of the cotton from his parcela [emphasis added]" (Wilkie 1971, 63).

The economic and political success of direct producers became too threatening for the state and the newly consolidated agrarian bourgeoisie. Thus, the bank began to promote dismantling the collectives in 1941. By 1944 the San Miguel ejido had subdivided all its land into permanent parcels assigned to individual members. In Wilkie's view this decision did not necessarily mean that the *ejidatarios* were entirely opposed to the collective system; it seemed to be simply a reorganization of the labor process to allow more adequate compensation of individual productivity. The main policy decisions, however, remained subject to a vote in the *ejido* assembly. In Wilkie's view San Miguel *ejidatarios* did not value collective or individual work as such, "but only as one or the other resulted in specific and observable advantages" (Wilkie 1971, 71).

Promoting *ejido* subdivision and individualized work methods was the chief tactic used by the state, nonetheless, to weaken the independent economic and political organization achieved by direct producers in La Laguna. This interpretation was quickly held and publicized by the Central Union:

The Central Union has denounced officials of the Bank for promoting dissension which leads to the formation of several sectors within an *ejido*. . . . The individual working of plots has made cotton theft and the illegal traffic of unginned cotton much easier. It has made the bookkeeping of both bank and *ejido* more involved (Senior 1958, 114).

New Ejido Credit Societies proliferated with subdivision. Their legal statute gave great powers to the bank, such as dictating the internal rules of each society. Although the statute also foresees the possibility of important *ejidatario* participation,

little by little the logic of bureaucratic and vertical control began to impose itself (Rello 1986). Such new functioning resulted in a number of social structural changes in the relationships among the *ejidatarios*, the bank, and other workers. The bank became the virtual employer of *ejidatarios*, who came to rely increasingly on hiring *libres* to do their work while searching for other paid jobs for themselves.

Fragmentation and Decline of the Ejido Economy

Because the La Laguna *ejidatarios* were committed to modernization, they had to become heavily indebted to purchase machines for a modern agriculture after land reform. Between 1936 and 1950 Mexican peasants increased ownership of mules by 339 percent, while in La Laguna the number of mules dropped from 21,731 in 1940 to 9,195 in 1952. In contrast, the number of tractors owned directly by *ejidos*, excluding the ones in machinery centers, grew to 610 in 1952 from none in 1936. In addition, by 1952 there were "141 combines, 506 pumps, 286 trucks, 155 automobiles, 452 tractor-drawn harrows and 461 animal drawn, 2,078 seeders, 6 electric light and power plants, 4 gins, and 2,624 horses" (Senior 1958, 124).

Fragmentation of credit societies led, among other things, to underutilization of equipment bought by members of the same *ejido*. Fragmentation began quickly after *Cardenismo* and made La Laguna *ejidos* look like most others in Mexico (which were not "collective"), except that fragmentation in La Laguna occurred to an even greater degree. In 1940 there were 296 credit societies with an average of ninety-nine members each. That is, 29,279 *ejidatarios* were "served" by the bank out of 38,000. By 1967 the number of credit societies had soared to 1,182, with an average of fifteen members each, and only 17,316 *ejidatarios* of the original 38,000 were being served (Landsberger and Hewitt de Alcántara 1970).

These data partially reflect the tremendous deterioration suffered by the *ejido* economy in La Laguna. Quite unfavorable developments in prices and costs for cotton had taken place by 1967. In fact, 1954 was the year of a turning point in which costs increased faster than prices. The gap between prices and costs only worsened for *ejidatarios* in the following decades (Landsberger and Hewitt de Alcántara 1970).

In spite of such adverse circumstances, both *ejidatarios* and the bank kept hanging on to cotton as the main cash crop. The reasons were different for each party, however. For *ejidatarios*, cotton was the most labor-intensive crop and thus the one that enabled them to "milk" the bank through weekly cash "advances" (wages). For the bank, holding on to cotton was the easiest way to maintain social equilibrium in a potentially volatile region (Rello 1986).

Contemporary Productive Process

Although much of what has been said about the labor process in La Laguna has not changed, it is worthwhile to look at the productive process as a whole through

the 1990s. The balance and programming assemblies had ceased to exist many years earlier, having become a mere facade. Starting in the early 1980s, the bank established stricter conditions to grant loans. *Ejido* groups had to organize as the bank told them to or they got no credit. If loans are not paid, the bank has the right to take over the harvested crop and commercialize it to secure payment. In the bank's operation plan, which specifies tasks and costs for the full agricultural cycle, the bank now tends to reduce loans to their minimum, even at the price of diminishing the work for cultivation. The bank's field inspector has become tantamount to a foreman for *ejidatarios*.

By the mid-1980s, sometimes *ejidatarios* did not complete the soil preparation tasks, given the extremely low wages assigned to them in the operation plan. Seeds were imposed by the bank and were produced by another state-owned company, Pronase (*Productora Nacional de Semillas*, or National Seed Company), which often provided low-quality seeds. The same happened with fertilizers, which were produced by state-owned Fertimex (*Fertilizantes de México*, or Mexican Fertilizers). Pest management was usually standardized by the bank, and pesticides were handed to *ejidatarios* with delays and in lower quantities than needed, with terrible implications for productivity. For instance, per-hectare yields for private landholders, who had control over inputs, were five tons of cotton in the mid-1980s, while those for *ejidatarios* were only three tons. Agricultural insurance, which was mandatory in order to obtain a loan, was purchased from another state company, Anagsa (*Aseguradora Nacional Agrícola y Ganadera*, S.A., or National Agricultural and Livestock Insurance, Inc.) and only covered 70 percent of total losses. Marketing, in turn, was carried out by yet another state company, *Algodonera Comercial Mexicana* (Mexican Cotton Company).

In sum, the *ejidatarios* lost control of their productive process as a whole, although they retained some margin of decision-making in the immediate labor process. But even at this level they must face the bank's field inspector, who acts as the *ejidatarios'* foreman. According to Rello, the bank is the true director of the *ejidatarios'* economic life. Bureaucratically controlled by an economic state apparatus, its organization of production closely resembles that of statist agriculture (1986).

Rello argues that through "productive disappropriation" the bank deprived *ejidatarios* of their own accumulation fund. In order to achieve this end, the bank extended the disappropriation process and control of the reproduction of labor power. Thus, the bank controlled both necessary and surplus time of direct producers—not only their source of surplus, but also the source for simple reproduction. Furthermore the bank's policies nearly precluded the possibility of producing surplus labor. What the state was most concerned with, therefore, was not control of surplus product but political control of *ejidatarios* through hampering their economic strength.

Some elaboration on the mechanisms by which the bank came to control the reproduction of labor power is necessary, for they give a clue to the kind of social

relationships and regional culture that developed in La Laguna's *ejidos*. The bank normally grants two types of loan, *refaccionario* and *avío*. The former is for mid-term investments in fixed capital, while *avío* loans are for circulating capital, chiefly wages. Thus, *avío* is the main instrument the bank uses to control the reproduction of labor power and takes the form of *anticipos*, or cash advances. The production of subsistence crops—corn and beans—was forbidden by the bank until the early 1990s because direct producers began to divest funds granted for cotton into subsistence crops. Even some irrigation went to corn, beans, and watermelon, since all cotton would at most simply pay back the *ejidatarios'* debts. Rello (1986) has characterized this practice as one of resistance to the bank's dictates.

The *ejidatarios'* relationship to the bank is thus rather ambiguous. In some ways *ejidatarios* function like slaves, in others like serfs, but can also be seen as simple wage laborers working for the state bank. This ambiguity is reflected in the existence of the "statement of freedom" (*carta de liberación*) awarded by the bank to *ejidatarios* who wish to sever ties to it. Before being able to work on other crops or occupations, the *ejidatario* must obtain a "statement of freedom" from the bank. The requirements for this document, says Rello, are so stringent that in practice it is all but unobtainable. Thus, *ejidatarios* are kept incarcerated in a bureaucratic network. It is quite symptomatic that the name for *ejidatarios* working outside the bank is "free *ejidatarios*" or "independents."

Ejidatarios who have lost control over their labor processes to the bank have also fallen into the trap of a determinate technological paradigm, highly intensive in the use of agrochemical and mechanical inputs, very costly, and therefore, not very profitable. In fact, they stay in this network for lack of better options. This is a state network with a double trap: One represented by the official bank, usually the only source of credit for *ejidatarios*, and the other represented by monopolistic control over river water for irrigation by the Ministry of Agriculture and Water Resources. The state was determined (until 1990) to support the domestic textiles industry with domestically produced cotton, a crop that requires extensive water resources. The problem is that, in order to support industry, cotton had to be offered at international prices even though domestic production costs ran so high that there was barely any margin for profit.

Based on a study conducted in La Laguna in 1984, Alfredo Pucciarelli (1985) estimated that 80 percent of 43,811 *ejidatarios* made up the semiproletariat of bank-dependent producers. The rest consisted of what the author calls middle and enriched peasants. These data are consistent with those presented in Chapter 4 with regard to the North region. This is how Pucciarelli describes the La Laguna producers in social terms:

They are no longer peasants in the strict sense of the concept, they do not plan or control their production process, they cannot fix the destination of their surpluses, when they have any. The natural evolution of the new regime has deprived them of their peasant condition but has not transformed them into simple wage workers.

They form part of an expanding universe of new subjects, socially hybrid, located in various regions of the country, a new form of labor power in a state-controlled agriculture that has not received an adequate name and has not yet been adequately studied [author's translation] (Pucciarelli 1985, 48).

One consequence of depriving peasants of the control of their labor process is the atrophy of peasants' skills as cultivators: They have become very dependent on the bank's decisions on what to plant, when, how, and so on.

Because cash advances through *créditos de avío*, or short-term credits, have become de facto wages for these "peasants," they have lost any consciousness of being part of a peasantry and instead have developed a quasi-proletarian culture. For instance, they struggle for increasing the amounts of *créditos de avío*, the weekly advances that are tantamount to wages, but there is no correlation between these payments and productivity increases because the direct producers no longer see the crops as their own. Moreover, because these *ejidatarios* have also been deprived of any consciousness of being independent workers, they usually try to find ways to trick the bank: for example, trying to sell some inputs such as seeds or fertilizers, renting out their water allotment, irrigating their corn and bean crops rather than cotton, not performing certain tasks that require their own labor, and so on, all of which results in lower total yields, which, in turn, deepens their indebtedness to the bank.

One way in which *ejidatarios* have tried to resist the bank's domination is by diversifying their crops in order to overcome the water limits imposed for cotton. The vast majority of *ejidatarios* in La Laguna, over 74 percent, were still specializing in cotton by the end of the 1980s, with an additional 12.8 percent having diversified crops as well as cotton. The other 12 percent are divided into those specializing in alfalfa (4.79 percent) and dairying (7.83 percent). Table 5.4 below, with figures for 1983, is representative of most of the 1970s and the 1980s.

After a major abandonment of cotton in the early 1990s, the proportions reflected in this table are probably true again today. From a high of 47,000 hectares

TABLE 5.4 La Laguna *Ejidatarios* by Type of Economic Activity, 1983

Type of Activity	Average <i>Ejidatarios</i>	Number of Crop Size (hectares)	Total Cultivated Surface (hectares)
Cotton Growers	32,568 (74.4%) ^a	1.5	48,852 (64.4%) [*]
Alfalfa Growers	2,098 (04.8%)	2.9	6,084 (08.0%)
Dairy Producers	3,432 (07.8%)	2.4	8,237 (10.8%)
Diversified Growers	5,613 (12.8%)	2.3	12,910 (17.0%)
Total	43,811	1.7	76,083

SOURCE: (Pucciarelli 1985, 54)

^a (Percentages do not add up to 100 because of rounding error.)

devoted to cotton in 1990, La Laguna dipped to less than five hundred in 1992. The cultivation of basic grains increased from 16,000 to 63,000 hectares in the same period. This change of crop patterns was due not only to Banrural's new policies of not financing cotton in order to favor basic crops, but also to the fact that maize and beans had become (and remain) the only crops with subsidized guaranteed prices, which are relatively high (Salinas de Gortari and Solís González 1994, 10 fn).

The only *ejidatarios* who have managed to escape the state cotton network (about 26 percent) have liberated themselves from the technical conditioning to which the bank subjects cotton growers, an example of which is that the *ejidatarios* can get irrigation water for a maximum extension of 1.5 hectares, a restriction that limits production severely. With pumped water, diversified or noncotton producers are able to irrigate an average of 2.4 hectares each, or 60 percent more than specialized cotton producers. In these cases they can diversify their agriculture or specialize in alfalfa, which is very profitable because of the regional deficit of alfalfa in the midst of a booming dairy industry, or they can also go into alfalfa and dairy production combined. The latter have also adopted the private sector's highly modernized technological paradigm, which is predicated on heavy use of purchased inputs. While yields are quite high, so are costs, and profit margins are not very high, although absolute income is comparable with that of the better-off cotton-producing *ejidatarios* (Pucciarelli, 1985).

If one compares the productivity of *ejidatarios* with plots of similar size, one sees that association with Banrural yields worse results. In contrast, private producers have the highest yields, followed by "independents," *ejidatarios* freed from Banrural (Pucciarelli 1985).

The costs for dairy *ejidatarios* are four and a half times those for cotton growers; yet their net incomes are similar because of very high production costs and the monopolistic control exercised by the milk processor over milk prices: There is only one major milk processor in La Laguna, *Leche LaLa*, (which means "La Laguna Milk"). Since the 1970s *LaLa* has become a major nationwide milk producer and a major supplier for Mexico City. Dairy production, therefore, does not represent a stable long-term alternative for La Laguna *ejidatarios* for two main reasons, one technical the other social.

Technically, alfalfa consumes more water than cotton, a critical consideration in a semiarid region. Socially, it would be very hard to break the monopoly of the milk processor in order to get better prices. And because all dairy farmers are wedged into the technological paradigm created by the large transnational corporations that supply agricultural inputs from the United States, costs will only continue to increase.

The credit situation changed dramatically with the advent of neoliberal policies starting in the late 1980s. Close to 80 percent of *ejidatarios* received credit for cotton in 1990, but this proportion dropped to only 33 percent by 1992. Most other *ejidatarios* continued to receive other loans (*crédito a la palabra* or loans on their oral commitment to repay) from the welfare program Pronasol, a program that

was characteristic of Carlos Salinas de Gortari's administration (Salinas de Gortari and Solís González 1994, 14–15). The problem with these loans is basically that they were too small to cover any form of investment expenditure. The *Banco Rural*, in contrast, now operates only with *ejidatarios* and private cultivators that are clear of debt. In other words, in conformity with neoliberalism, only prosperous peasant-entrepreneurs and agrarian bourgeois are now credit-worthy.

Class Organizations in La Laguna

The history of class organizations of direct producers in La Laguna is that of an overwhelming attack and eventual appropriation by the state. The state could not tolerate the possibility of self-sustaining growth by democratic, self-managed cooperatives with substantial economic and political independence. Thus, the state implacably deployed its mighty economic and political forces against direct producers. It turned the bank against the Central Union, and at times it even used police armed forces against organized workers. The CNC (*Confederación Nacional Campesina*, or National Peasant Confederation), initially democratic and representative, was confiscated by the state and turned into a corporatist state apparatus for political control of the peasantry. The result was one of a major split in La Laguna agrarian organizations, with most taking a bourgeois-hegemonic direction by affiliating with the PRI, while a minority remained in oppositional or popular-democratic organizations and/or alliances.

The CNC was born in 1935 and initially became truly representative of peasants and agricultural workers despite the fact that it was created after the state's initiative. In fact, neither the *Liga Nacional Campesina* (National Peasant League, or LNC) or the *Confederación Campesina Mexicana* (Mexican Peasant Confederation, or CCM) succeeded in unifying local peasant organizations in 1935, precisely because they attempted to do so without Cárdenas's approval, consent, or support (González Navarro 1968, 140). Cárdenas also opposed Lombardo Toledano's initiative to organize peasants and agricultural workers within the CTM, arguing that such a move would incubate germs of dissolution and division that would prove fatal to the "industrial proletariat" (Medín 1972, 85). In fact, he wanted to prevent Lombardo Toledano from accumulating so much power. Thus Cárdenas ordered the PNR (*Partido Nacional Revolucionario*, or National Revolutionary Party, the first incarnation of the current PRI in 1929) to carry out the unification of peasants and rural workers based on the existing CCM, the organization that had proposed him as the presidential candidate in 1933.

The Central Union saw its de facto birth in 1939 in the "Consultative Committees," all of which were articulated in the "Central Consultative Committee." It represented all of La Laguna *ejidatarios*, and its initial results included debureaucratization, decentralization, conciliation of internal conflicts, betterment of social services, design of internal rules, and an accounting system. SICAs (*Sociedades de Interés Colectivo Agrícola*, or Agricultural Societies of Collective Interest) were

soon formed to control the purchase and use of agricultural machinery and Gins. An Agricultural Insurance Company (*Comarcana de Seguros Agrícolas*) was also organized by the Central Union.

The history of the Central Union is closely linked to that of the bank and the CNC. As Rello has suggested, the state faced two options regarding La Laguna collectives in the 1940s. One was to strengthen the *ejidos* so that they became wholly independent from the bank; the other was the economic subjection of *ejidos* by the bank (1986). The state chose the latter, bureaucratic option. Rello suggests that the state feared the possibility that *ejidos* might achieve economic independence and self-sustaining growth outside the corporatist control of the bank and the CNC.

The process was neither smooth nor fast. It took about thirteen years for the state to take control of the majority of La Laguna *ejidatarios* after it began its boycott in the 1940s. And even into the 1990s the Central Union survives, although with a different name: *Asociación de Sociedades Locales y Grupos Solidarios de Crédito Ejidal de la Comarca Lagunera, de R. L.*, 40–69 (Association of Ejido Local Societies and Solidarity Groups of the La Laguna Region, Ltd.), or simply “The 40–69.” The last number used to change with every calendar year, and 40 is the year of its formal beginning as Central Union. The year 1969 marked the organization’s break with the Communist Party, when it became a more strictly economic organization, independent from the state and politically autonomous.

The state’s fear was sparked chiefly by the Communist influence. In the beginning several of the highest posts within the local CNC had been won by members of the Communist Party through democratic elections. Thus, Communist leaders were truly representing the *ejidatarios’* aspirations and interests, at least as reflected in their electoral choices. Landsberger (n/d) provides a slightly different interpretation, though. He suggests that the state’s intervention was more a matter of power than of fears of Communist influence. In his view, the leadership could just as well have been a rightist one, and the state would have moved to clamp down on the regional political situation.

I tend to favor an eclectic interpretation on this issue. Both Rello and Landsberger probably exaggerate their positions, yet both are partially correct. Communist affiliation was undoubtedly taken as the ideological excuse by the state to justify its attack. As the 1940s advanced, the administrations of Manuel Avila Camacho (1940–1946) and Miguel Alemán (1946–1952) drew closer to the United States, and after World War II, anti-Communist rhetoric was quite fashionable. Nevertheless, Rello might overemphasize Communist influence as the main spur to state action.

In any case, the Central Union managed to constitute a powerful economic and political organization based on broad participation in democratic mechanisms of decision making by its rank-and-file members. Such participation started at the *ejido* level, where the important production and political decisions were made in a general assembly.

Initially the Central Union was chiefly concerned with coordinating and promoting the economic interests of La Laguna collectives, while the original CNC was supposed to pursue political interests. Almost as soon as Manuel Avila Camacho assumed the presidency in 1940, the Central Union was accused of espousing Communist tendencies. By 1943, the independent elements were removed from the state league of the CNC, and official authority was extended from the national level of CNC to the regional level. “The original peasant officers of the Regional Committees (some of who were members of the Communist Party) were removed and new appointments made without election” [emphasis added] (Landsberger and Hewitt 1970, 39).

By 1942 the bank took control of the Agricultural Machinery Central, the cotton gin, a power plant, water wells and other parts of the agricultural productive process. This was the first important economic attack on the Central Union, which was followed by the removal of independent leaders from CNC.

Central Union leaders were subsequently removed from three levels of the CNC in 1943: (1) “Leagues of Agrarian Communities,” the name which the CNC adopts at the state level; (2) the National Union of Rural Workers, the CNC labor organization; and (3) the Regional Peasant Committees. With this purge, only the leaders most loyal to the new and conservative administration remained in the official CNC. This organization then became the political arm of the state apparatus in the countryside to subserve the electoral needs of the state while providing limited and weak lobbying services to direct producers through its corrupt, opportunistic leaders.

The crucial blow to the Central Union, however, occurred in 1947 with the creation of a parallel “Central Union” by the CNC, this one with official approval and support. But this union was never legally constituted, for such a measure would have required approval by the majorities of the general assemblies of every *ejido*. Nevertheless, this “Central Union (CNC)” managed to boycott every economic activity initiated by the original union. None of those destructive attacks were followed by positive alternative programs. The CNC waged a purely destructive boycott (Landsberger and Hewitt 1970, 41).

In 1950 the CNC seized control of the last stronghold of the Central Union: the *Mutualidad Comarcana de Seguros Agrícolas*, the insurance company thus far owned and administered by the *ejidatarios’* organization. There were three moves which led to this takeover by CNC. First, when elections were about to be held in the *Mutualidad* buildings in Torreón, *ejidatarios* found the installations surrounded by state police. Second, once they could finally hold the elections, only half of the electors arrived to vote for Central Union incumbents; five days later the CNC held a secret meeting where supposedly the other members elected CNC candidates for the executive committee of the *Mutualidad*. The third and final move was the physical taking over of the administrative building and having the Central Union leader, J. Cruz Sifuentes, sentenced to six months in jail (Landsberger and Hewitt 1970, 43).

Once more and more components of the Central Union were taken over by the CNC people, their resources were subordinated to the political and personal purposes of the leaders. This process of expropriating the class organizations from direct producers also involved the creation of a social group of CNC cadres (*líderes*) who became the contact point, the brokers, between the state and the masses. These cadres developed patron-client relations with their constituency, and they personified what Roger Bartra (1975b, 1978, 1993) has called the "structures of mediation" of the Mexican state. These appointed cadres (rather than elected leaders) usually became corrupt and established their own agricultural enterprises, often under the guise of an *ejido*. Although these cadres played a fundamental role in boycotting the Central Union, they became a problem for the state by the late 1970s, when the state was trying to combat the agricultural crisis by adding productivist measures to political control.

In the midst of continual economic and political attacks, the Central Union underwent an oppositional political realignment at the national level in 1948. Arturo Orona, its secretary general, and Jacinto López, formed a coalition of opposition groups around the new Popular Party (PP, eventually renamed Popular Socialist Party) of Vicente Lombardo Toledano. López had just broken with the labor CTM, where he had been head of peasant affairs. In 1949 Orona and López formed the UGOCM (*Unión General de Obreros y Campesinos de México*, or General Union of Mexican Workers and Peasants).

Despite the fact that the Central Union lost its majority influence among La Laguna *ejidatarios*, representing less than 10 percent of them by the mid-1950s, it nevertheless still enjoys much greater respect than CNC today. The "40-69," as it is now called for short, is a democratic and independent organization with clear and effective communication patterns between directorate and the rank and file. Even though the Communist Party had been active in the organization in the 1940s, it is now the least politically active of all regional organizations in La Laguna. It concentrates on the economic problems of its constituency, although its leaders as individuals remained active in the Communist Party until 1969.

The basic goal of "40-69" remains the creation of a strong cooperative system in La Laguna, one that controls both inputs and outputs in the production process. The organization has always demanded the expropriation of all private agricultural land in La Laguna to solve the problem of overpopulation. Similarly, it demands that all irrigation water be granted to the *ejido* sector.

Although the organization has not been successful in many of these demands, it has maintained some economic independence from the bank. The "40-69" has been very successful in marketing, for instance. It has usually achieved the highest cotton prices for its credit societies. This fact is "widely recognized among peasants of all political affiliations in La Laguna . . ." (Landsberger and Hewitt 1970, 85). In 1967 the union got private funding to purchase a cotton gin for its affiliates, and it managed to overcome the bank's opposition. Moreover, there has been a tactical alliance with the private sector in matters such as credit, opposing

taxes on cotton, higher electricity rates for pumping water, and so on. In other words, many of the Union's tactics are not dictated by "rigid adherence to ideology but by the needs of their organization" (Landsberger and Hewitt 1970, 86). In fact, Landsberger and Hewitt conclude that the Union is "better equipped to function effectively within the existing political system than any of the official peasant committees." (Landsberger and Hewitt 1970, 87).

In contrast, the CNC almost entirely lacks any semblance of democratic mechanisms in its internal life; communication between representatives and rank and file is kept to a minimum, except at election time. "No informant interviewed, whether leader or member of a Regional Committee, could remember, for example, the last time his organization held a general assembly." (Landsberger and Hewitt 1970, 78)

After 1942 CNC increasingly became part of the political machinery of the official party. Its leadership was no longer elected by the peasantry and its primary function was less and less that of articulating peasant demands. Rather the Regional Committees became paid employees of the official political party, dependent upon key politicians at the state level for their appointment and devoted to assuring those politicians (or their candidates) of the political support of the peasantry (Landsberger and Hewitt 1970, 77).

Given the fact that most CNC cadres were on the payroll of the bank or some other government agency, the Regional Committees "have never attempted to promote the economic independence of peasant groups from government agencies through the formation of regional peasant cooperatives. . ." (Landsberger and Hewitt 1970, 81). The only things *ejidatarios* get from the CNC is the processing of complaints against government agencies. However, the matter "is always handled as a petition . . . not as a demand. The committees can threaten no sanction if their requests are not heeded" (Landsberger and Hewitt 1970, 81).

Why, then, do 80 percent of La Laguna *ejidatarios* remain in the CNC? Landsberger and Hewitt suggest that it is mostly because of the patronage system involving all government agencies, an arrangement that holds out the promise of upward mobility to the most loyal members of CNC (Landsberger and Hewitt 1970, 82).

State Control and the Reemergence of Postcapitalist Struggles

Luis Echeverría's administration (1970-76) began in the midst of a crisis of legitimacy for the Mexican state. The Secretary of Interior in the previous administration, Echeverría was personally identified as the intellectual author and commander of the student massacre on October 2, 1968. Moreover, a popular demonstration in Mexico City again ended in bloodshed and murder at the hands of a paramilitary squad on June 10, 1971. It was also the end of a long period of growth in the

Mexican economy, when the signs of the agricultural crisis had already become apparent (see Chapter 3). Many discontented activists of the 1968 student and popular movement opted for a guerrilla armed strategy to pursue social change, but others concentrated on rural or urban mass organizations.

In confronting the crisis of legitimacy, Echeverría combined a discourse of "democratic opening" with heavy repression of the most radical discontent. By 1973, when land invasions were proliferating in several states of Mexico, Echeverría resorted to agrarianist and populist discourse to appease the movement. Such discourse was imposed on him by the rising discontent of the masses, although Echeverría's administration left its own imprint on the ensuing forms of state intervention. He resurrected the whole idea of collectivism for agriculture, establishing legal mechanisms that would encourage it, but simultaneously guaranteed state control of the new collective *ejidos*.

As an example of this intent, I will briefly describe how the *Empresas Ejidales* (Ejido Enterprises) were conceived of and implemented in La Laguna in 1971. Seven of these enterprises were started as a pilot experiment in this region. Article 6 of the founding statute indicated that the administration board would invariably be headed by the administrative technician, an employee of the bank who would be assisted by an accountant and by those responsible for the several branches being managed. Article 16 describes the tasks of the "administrative technician":

- a) to be responsible for the technical, productive, economic, accounting, organizational, commercial and financial aspects [of the enterprise];
- b) to coordinate all activities with the Bank, as well as with the agencies which have a relationship with the enterprise;
- c) to listen to the opinion of associate members [i.e., the *ejidatarios*] and accept those which he considers pertinent [emphasis added];
- d) to comply with the official disposition of his superiors, except those which affect the good functioning of the enterprise;
- e) to inform the associate members of all the activities of the enterprise when the Bank so requests and at least once a month;
- f) to attend the assemblies of associate members (cited in Aguilar Solís and Araujo 1984, 23).

Quite clearly, the tasks delineated above expected the administrative technician to be a "one-man band" guaranteeing state control. As a bank employee, he had to look after the state's interests.

This ambitious state-control project failed, however. In San Miguel, the enterprises only worked for a few years, and they hardly ever showed a profit. Corruption soon developed among the bank employees, and the *ejidatarios* became disillusioned. By the end of 1985, a mattress enterprise had been closed for about five years, and the cement-blocks factory had been rented out to a bank employee for several months.³

Therefore, in 1975 the state implemented a more important initiative to secure state control of the newly encouraged collective *ejidos*: the unification of the three official banks for rural credit to form the new National Bank for Rural Credit (*Banco Nacional de Crédito Rural*, or Banrural). This measure was accompanied by the promulgation of a new General Law for Rural Credit (*Ley General de Crédito Rural*, the central implication of which was to combat the fragmentation of *ejidos*: Only whole *ejidos* were now considered credit-worthy subjects.

Ironically, then, the longstanding tradition of boycotting *ejidos* by splintering them into several "credit societies" was now reversed. It had been an effective policy for dismantling the economic and political power of the Central Union, but it had also created a terribly inefficient and bureaucratic monster. The new policy obviously came into conflict with the CNC cadres, for their clientele was precisely the multiple-credit societies that they had helped to engender. All of these societies were now to be recentralized; they were to deal directly with the bank, not through the mediation of the cadre-brokers.

The new statist and productivist approach met with heavy resistance in La Laguna, both from the local cadres and the state governor of Coahuila, Oscar Flores Tapia. He had established a close alliance with the cadres in order to achieve political control of agrarian unrest. This group's opposition to federal measures was finally resolved through violence. Several high officials of federal agencies were beaten up by the cadre thugs at a party, and the main leaders were eventually incarcerated on charges of fraud. Flores Tapia was accused of "unexplainable enrichment" and removed from his gubernatorial post. Moreover, the bank withdrew all its subsidy for the CNC.

At the same time, in mid-1975, land takeovers proliferated in the region, along with labor disputes in capitalist agricultural enterprises. A new agrarian movement began to emerge in La Laguna. Several capitalist farms faced militant agricultural workers, the majority of them sons of *ejidatarios*. Most of these labor disputes originated in the firing of workers who had financial problems or who wanted to organize into unions to demand a collective bargaining process.

The most significant struggle was that which took place in the property called Batopilas. The owners had failed to pay wages for ten weeks; they wanted to dismiss the workers and then sell the property. But the workers mobilized and started a strike on January 27, 1976 (*El Día* 1985a).

This struggle quickly mushroomed from a labor dispute into an agrarian movement for land and self-managed collective production. The four-month strike grew into a regional conflict. The urban-squatter settlers' movement was at its peak in the cities of Torreón, Francisco I. Madero, and San Pedro de las Colonias, Coahuila. The urban squatter settlers, predominantly of rural background, supported the agricultural workers, sent them food, helped them distribute leaflets, and participated in demonstrations in the urban centers of the region. Many students and *ejidos* also joined the solidarity moves, and in April 1976 the agricultural workers took over the land. As employer resistance stiffened, the struggle escalated into a

postcapitalist agrarian movement. In May the governor agreed to proceed with the land expropriation and to support the credit requests by the new *ejidatarios*.

By the end of the 1980s, the Batopilas *ejidatarios* had become exemplary collective producers with a self-managed and democratic organization of production. Moreover, several other *ejidos* followed their route: They wanted to reconstitute the experience of the old Central Union, in which their parents had been activists. They also founded a Coalition of Collective Ejidos of La Laguna (*Coalición de Ejidos Colectivos de La Laguna*) and joined a national organization of independent oppositional organizations: UNORCA (*Unión Nacional de Organizaciones Regionales Campesinas Autónomas*, or the National Union of Autonomous Regional Peasant Organizations), founded on April 6, 1985 (*El Día* 1985b).

Batopilas and the nine other *ejidos* in the coalition are small fraction of La Laguna *ejidos*, however. The vast majority of them are still in disarray or under firm control by the economic apparatuses of the state.

Conclusion

The agricultural workers of La Laguna have most closely resembled the typical idea of proletarians, both in structural as well as in cultural terms, at least in the beginning of the period under study: The class agents were agricultural workers who lived predominantly from wages, and the original objectives of their struggle centered on labor-type demands (wages and collective bargaining). Given their background in capitalist farms, it is not surprising that these class agents got involved in postcapitalist production when they got land grants in the form of collective *ejidos*. Although its benefits accrued privately, the labor process in capitalist farms generally involves cooperation among direct producers. This character contrasts with the more isolated and individually-based peasant labor process. Thus, the new collective *ejidatarios* were ready to pursue a democratic and self-managed productive organization in Time One, as summarized in Table 5.5.

As their economic and political power increased, however, La Laguna collective producers became the target of a major state attack and boycott. Procapitalist state policies in Times Two and Three of this region's social history, however, had the effect of transforming the very structural position of class agents. Their self-managed cooperative production units were severely fragmented, converting direct producers into peasant-workers dependent on the state and its network of corrupt, opportunist cadres. By Time Four, however, the bulk of La Laguna *ejidatarios* had been turned more clearly into a semiproletariat dependent on wages (*anticipos*) from the state.

This form of statist proletarianization certainly did not involve a popular-democratic politics, except in the beginning, when direct producers maintained control of their productive process. The changes in the structural position of class agents provoked by the state also precipitated cultural changes that substantially modified the original objects of struggle. Indeed, the structural changes in La La-

TABLE 5.5 Political Class Trajectory and Objects of Struggle in La Laguna

Moment	Agents	Objects	Outcomes
Time One 1935-47	agricultural workers	wages/collective bargaining	self-management/collective <i>ejido</i>
Time Two 1947-65	noncapitalist collective producers	defense of collective and credit to become peasant-workers	fragmentation, peasantization, subordination to the state
Time Three 1965-75	peasant-workers, somewhat proletarianized	credits and water for viable peasant enterprises	state-controlled, fragmented individual <i>ejidos</i> , with cadre brokers
Time Four 1975-90s	semiproletarians under state control	wages, credit, and more land	state-controlled, fragmented <i>ejidos</i> , postcapitalist organization in coalition of <i>ejidos</i>

SOURCE: Elaborated from analysis in this chapter.

guna entailed a shift from a rather proletarian culture (which might easily take a postcapitalist direction) to a peasant culture focused on individual production. Undoubtedly, this peasant culture was geared more to the market than to subsistence thanks to a generations-old tradition of heavy market involvement. What accounts for this cultural change is the fact that *ejidatarios* have been left with some decision-making capacity on an individual basis, at the level of the immediate production process. Thus, for instance, certain individual productivity differences among *ejidatarios* have clearly emerged and have strengthened individualistic tendencies.

When the Central Union was still strong, it was identified with the policies of the Communist Party of Mexico or the Popular Socialist Party (*Partido Popular Socialista*, or PPS), depending on the time involved. Such identification and the actual links of some *ejidatarios* to these political parties sometimes resulted in the use of the economic organization of *ejidatarios* as a "conveyor belt" for the political purposes of the party. The effects of these practices were quite damaging for the productive organization in La Laguna. First, the productive organization often had to proceed according to a political rather than an economic logic, with negative consequences for productivity. Second, once the identification was clear between collectives and left political parties, the former became an easy target when the state decided to attack the left organizations, even though the collectives had been generally quite productive economic units. Although independent from the state, then, class organizations were not autonomous from the party (either

the PCM or the PPS). This distinction between independence and autonomy has been rightly stressed in recent Mexican literature on the agrarian movements (Moguel, Botey, and Hernández 1992; Grammont 1996).

As anticipated in Chapters 1 and 2, the Mexican state did not hesitate to be inconsistent in implementing its agrarian policies in a given region to accomplish its political goals. During *Cardenismo* policies were generally noncapitalist in regions like La Laguna, where there was a strong and militant movement. Peons were organized into labor unions, and they acquired tremendous power, enough to stop agricultural and (with the solidarity of urban workers) industrial production. It was the real power of direct producers in La Laguna, therefore, that accounted for the predominantly noncapitalist character of initial state intervention there. As we will see in the following chapter, however, where the regional correlation of forces favored an agroindustrial bourgeoisie, the same *Cardenista* state did not hesitate to side with the powerful against the agricultural direct producers.

Notes

1. These authors take a fairly broad definition of the Comarca Lagunera, in which they include 15 municipalities, rather than only 9, as most other authors do. In their case, 10 municipalities are from Durango and 5 from Coahuila; whereas in the narrower definition it is only 4 from Durango and 5 from Coahuila. With the broad definition, according to the preliminary 1991 Agricultural and Livestock Census, "there are 41,842 rural producers, of whom 38,555 are ejidatarios, 2,872 are private producers, and 415 are mixed producers" (Salinas de Gortari and Solís González, 1994:12).
2. Personal interview by the author with Enrique Vázquez, former general manager of the Banco Agropecuario de La Laguna (one of three government banks for rural credit that had been merged into Banrural in 1975), 10/29/85.
3. Personal interviews by the author with Luis Ortega, 10/30/85, who was the first "administrative technician" in the San Miguel Ejidal Enterprises from September 1971 to August 1972; and with Jesús Ortiz Morales, who was one of the founding ejidatarios in San Miguel, 11/1/85.

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Atencingo: Peasant-Entrepreneurs and Social Differentiation

Agrarian reform in Mexico, as we saw Chapter 3, was one of the central results of the first major revolution in the twentieth century (1910–17), apparently recreating a peasantry (Wolf 1969). In the sugar industry, as well as in other agroindustries, however, the state was more interested in securing 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 preponderant proletarianization of direct producers.

Paradoxically, the embrace of economic liberalism by the Mexican state after the mid-1980s (called neoliberalism in Mexico) has fostered a counteragrarian reform that has nevertheless conduced to setting up the conditions for a peculiar type of peasantry to prosper. The new Agrarian Law of 1992 reversed the main features of the legendary agrarian reform that had crested in the 1930s. This law, which resulted from revising Article 27 of the Mexican Constitution, formally ended the state's responsibility for land redistribution. It also allowed for the possibility of selling and privatizing formerly inalienable *ejido* land and promoted associations between private capitalists and *ejido* farmers (Barry 1995; Cornelius 1992; DeWalt, Rees, and Murphy 1994; Gates 1996; and Chapter 3 in this volume).

Simply put, the historical paradox is that while the legendary agrarian reform actually proletarianized large masses of agricultural direct producers, the current counterreform has created 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 subordinated to the needs and interests of corporate sugar-mill

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