
Farewell to the Peasantry?

Political Class Formation in
Rural Mexico

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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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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

I have greatly benefited from the generous and thoughtful comments provided by Marilyn Gates, Peter Singelmann, and four anonymous reviewers for *Rural Sociology* before publication of Otero (1998a), parts of which are used in this chapter. Horacio Mackinlay, Jaime Moises Bailón, and David Myhre made useful comments to Otero (1998b), parts of which are also used in this chapter.

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 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 for land reconcentration, have been established by the new Agrarian Law.

This chapter explores the process of political class formation of sugarcane growers in the region of Atencingo, in the southwestern part of the state of Puebla; it is next to Emiliano Zapata's state of Morelos, in the warm and fertile valley of Izúcar de Matamoros. My account is based on the few published sources on the region, field observations, archival research done since 1988, and a survey questionnaire distributed in 1995. My field work was conducted in a series of one-month visits: July 1988, June 1992, June 1994, and June-July 1995. Strategic interviews were conducted with mill executives and field staffers, peasant leaders, *ejidatarios*, private landowners, local authorities, mill workers and union leaders. Archival research was conducted at the Puebla Office of the Secretariat of Agrarian Reform. All files pertaining to the *ejidos* 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 Carpin-teiro of the Autonomous University of Puebla.

The survey questionnaire was applied to a randomly selected sample of 250 sugarcane growers in the months of June and July of 1995 by Gómez Carpin-teiro and four of his best social anthropology students. I trained the team in the intricacies of the survey questions and sugarcane production; Francisco had already conducted field research in San José Teruel for his M.A. thesis (Gómez Carpin-teiro 1995).

From thirty-nine *ejidos* or communities that currently supply sugarcane to the Atencingo mill, we sampled twenty. Nine of these were the original communities making up the "*Ejido* of Atencingo and its Annexes" from 1938 to 1971. All nine were included in the sample, considering that the struggles against *ejido* collectivism, centered as they were in these *ejidos*, might have resulted in some differences in cultural orientation or political preferences. The other eleven *ejidos* were chosen at random. Once the twenty communities were selected, random samples of *ejidatarios* were drawn from each, using the latest list of all sugarcane producers in the village, which we obtained from the Mexican Institute for Social Security (*Instituto Mexicano del Seguro Social*, or IMSS). Numbers drawn from each community were proportional to their representation in the total of cane growers in the entire zone, which is close to 5,000. The sample size was 250 to obtain an error below three standard deviations. Each interview took about one hour, 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 offer their views. Questions and closed responses were read out by interviewers, who then wrote down the answers.

The Agrarian History and Cultural Setting

At the turn of the twentieth century, the Atencingo region had lushly fertile valleys and genetically diverse vegetation particularly well suited for sugarcane production (Palacios 1917). Although genetic diversity has declined considerably because of monocrop production, the region remains one of the most productive in sugarcane. The rest of the state of Puebla dedicates a large proportion of land to the cultivation of corn, the typical peasant crop in Mexico. In the central plateau of Puebla alone, about 50,000 peasant households produce corn on approximately 95,000 hectares of land. Thus, cornfields account for as much as 80 percent of cultivated land in the state. Of this production, fewer than 40 percent of the direct producers were selling any corn outside their own villages by 1970, which indicates a low degree of commodification (Felstehausen and Díaz-Cisneros 1985, 286). Some 87 percent of the state's arable land is cultivated through rainfall agriculture, and the rest is irrigated. The ownership of arable land is concentrated in a small number of proprietors: 25 percent of the land is concentrated in only 1 percent of the production units; whereas 37 percent is distributed among thousands of *ejidatarios* with holdings with a mean surface of three hectares each (Cortés Sánchez 1981, 50–51).

This is the larger context of the region of Atencingo. The *ejidos* in the region developed in relation to a capitalist sugar mill located in the town of Atencingo. William Jenkins, a former U.S. Consul in Puebla, who had gained considerable wealth and political influence in his official post by means of nonagricultural business investments, started an economic complex in the valley in 1921, when he purchased the mill and lands of the *hacienda* of Atencingo. This was followed, during the early 1920s, by his purchasing, little by little, of all the neighboring *haciendas*. This expansion was made possible by the financial weakness of the original owners and their fear of the agrarian reform pressures that grew out of the revolution. As he began to reconstruct the Atencingo mill, the other mills attached to the former *haciendas* were stripped and their equipment removed to Atencingo. He then appointed Manuel Pérez, a Spaniard who was reputed to be Mexico's best cane agronomist, as manager of the industrial complex. Pérez remained in this post until his death some twenty years later. The sugar mill eventually expanded to assume great importance in the national economy.

During the 1920s and 1930s, popular pressures for land reform mounted; the land-hungry villagers also constituted a reserve army of labor power for Jenkins. When the resident labor force was insufficient, the mill employees were dispatched to the villages to recruit temporary work gangs. "Owing to a labor surplus in the region, Pérez could readily recruit temporary outside laborers, locate

replacements for unsatisfactory ones, and subject those already employed to working conditions they might otherwise have objected to" (Ronfeldt 1973, 16).

Political Class Formation in Atencingo

The main social groups and classes involved in sugar production are sugarcane growers, cane cutters, mill workers, and industrialists. Growers might be *ejidatarios*, private farmers, or mill owners who have integrated industrial and agricultural production. *Ejidatarios* account for about 70 percent of sugarcane production in Mexico (71 percent in Atencingo), a fact that highlights the relevance of the new land tenure legislation.

Until 1988 cane growers had been one of the favored groups of land cultivators who had benefited from agrarian reform. Because sugar has been 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). Neoliberal 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 1995; Singelmann and Otero 1995).

Cane growers have undergone several structural changes 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 their current fragmentation as a semiproletarianized class of producers, with 25 to 35 percent having succeeded in becoming peasant entrepreneurs. There were two middle phases: an ephemeral experience with self-managed and cooperative production resulting in confrontations between agricultural producers and the mill's administration (1947–52) and a state-controlled phase in which the government appointed the agricultural cooperative manager (1952–61).

Creation of an Agricultural Proletariat in the Broad Sense

In 1937, when President Lázaro Cárdenas was preparing a sweeping national land reform program, impatience, militancy, and strength were growing in the several thousand landless village peasants who remained in the Atencingo region. 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 them.

The best lands in the Atencingo region were owned by William Jenkins. Just as the villagers were about to succeed in their demand for these lands, however, 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 forego 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, which had originally passed provisionally in 1936 to address the case of La Laguna. Before this law, only neighboring villagers had been eligible to receive land, while resident peons had been 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 that 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 guaranteed a continuous supply of raw material for Jenkins's 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 empowered, for instance, to select and appoint the manager of the *ejidatarios*' cooperative (Ronfeldt 1973).

Thus, while many of the fervently *Zapatista* villagers of this region fought for the revolution and the return of the lands they formerly owned, 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. 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* remained the mill's peons. As before, they were hired according to the mill's needs, and they had no practical rights over the new collective *Ejido* of Atencingo and its Annexes. 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. Because such direct producers were *ejidatarios* and thus had formal access to land, they fit Luisa Paré's definition of a "proletariat in the broad sense" (1977). In other words, cane growers at this point were proletarians in a peasant disguise whose labor process was controlled by the capitalist sugar mill. In this initial period (1938–47), state intervention succeeded in producing a bourgeois-hegemonic outcome with regard to sugarcane growers. As de Grammont put it, "After the

creation of the collective ejido and, at least until 1945, the mill had a better situation than in previous years since the state had practically eliminated its principal enemy: the Zapatistas" (1979, 206).

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 with internal assignment of individual plots, 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 in opposition to 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, until 1945 the main cleavage was between *ejidatarios* and their so-called representatives in the cooperative society, who, in fact, represented the interests of the industrial mill. In 1947, when they were replaced by leaders who actually represented the *ejidatarios*, a new cleavage emerged—between the *ejidatarios'* cooperative and the mill administration. At this point, the *ejidatarios* assumed the character of cooperative direct producers and tried to defend themselves from industrial capital. They were no longer wage earners but cooperative commodity producers (Paré 1979b).

This situation engendered new internal rifts among the *ejidatarios*. Once they were able to control the administrative apparatus of the cooperative, the leaders realized that parceling could rupture the class solidarity of the cooperative against the mill if the latter were to bargain individually with each of over 2,000 *ejidatarios*.

Several approaches thus arose among the *ejidatarios* and their leaders 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 they were 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 reflecting 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 relationship with the mill, systematically opposed Jaramillo. 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 among the *ejidatarios* 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 mem-

bers of a cooperative or a collective ejido. Lacking a strong democratic tradition, they felt the ejido, rather than providing a secure basis for unified struggle, might prove to be an organizational trap that would facilitate control by the mill or a strongman (Gómez Carpineiro 1997).

Some important events reinforced the cane growers' peasant cultural orientation 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. From 1946 to 1952, important investments were made in mechanization so as to free the ejido from the mill. Previously, the mill's power was reinforced by the ejido's need to rent most of the means of transportation from it. A government bank replaced the mill as the only source for ejido credit in 1948.

Another crucial event of the *Jaramillista* period (1947–52) 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 both cause and effect of the peasant orientation of Atencingo's rural proletariat (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, corn and beans, were primarily consumed at home, thus complementing wage incomes. Occasionally tomatoes and other vegetables were planted and any surpluses were sold in the local market. The conversion of this proletariat into a relatively prosperous semiproletariat with a strong peasant orientation influenced future struggles in the Atencingo region. Henceforth, direct producers always focused on resisting proletarianization and attempting to achieve the status of small, independent commodity producers, or peasant entrepreneurs.

Hobbled by 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 in 1952. 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 aggravated 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. This decree required the sugar mills to pay for all sugarcane contracted for, whether it had processed it or not. The result of the boycott was a drastic decrease in sugarcane production by *ejidatarios*, who, after 1949, favored other crops instead. By 1951–52, 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 wrote, 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 Mexican Communist Party (*Partido Comunista Mexicano*, or 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 to lead the *ejidatarios* in this region.¹ During Jaramillo's service as the cooperative manager (1947–52), 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 (1946–52), Jaramillo's approach, which promoted a popular-democratic alternative, could have hardly lasted very long. Alemán's administration systematically boycotted collective *ejidos* with socialist or Communist leaderships that proliferated during the Cárdenas administration (Carr 1986; Hewitt de Alcántara 1978).

An *ejidatario* from the ex-annex of Lagunillas remembers, however, that at that time "there were many cells [the basic organizational unit of a party of cadres] of the party [the PCM]. I still have that book on the *Problems of Leninism* with which they indoctrinated us," he commented. This *ejidatario*, having been a Communist, was in the 1970s and 1980s 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*.

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. The outcome was, in any case, a mismatch between Jaramillo's drive toward this type of cooperative production and the cultural aspiration of a majority of cane growers to become independent peasant producers. Because the popular-democratic alternative was more the leadership's project than its constituency's aspiration at the time, it could not be consolidated. When this mismatch was combined with the repressive response of the state, the result was firm state control for nearly a decade.

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 would, in turn, control most agricultural and political affairs of the region from 1952 to 1961. While the

increasing profits were distributed among *ejidatarios* during the first administration, it systematically discriminated against opposition *ejidatarios* and favored collaborationists through a patronage system established by the first state-appointed manager, who also introduced gunmen as a form of social control. 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 (*Frente Nacional Zapatista*). Thus, a negative state intervention against cane growers eventually resulted in their assuming an oppositional political stance.

After the two state-controlled periods came to an end through pressure from below, an elected *ejidatario* took over management but eventually became entrenched as a strongman. Atencingo's history in this period (1961–70) was one of increased factionalism, corruption, renewed intimidation through violence, 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 movement's triumph 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 imposed state control. The latter was achieved immediately as a precondition for *ejidatarios* to elect their cooperative manager, but the most fundamental demands were quickly put aside because of multiple legal and bureaucratic obstacles.

Ramírez soon broke ties with the independent National Zapatista Front, joining the new National Sugarcane Producers' Association affiliated to the National Peasant Confederation (*Confederación Nacional Campesina*, CNC), an affiliate of the ruling PRI.² 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 bourgeois hegemony.

The triumph of *ejidatarios* in electing one of their own to the management position was more apparent than real, since actual control over their work process and livelihood still eluded them. There arose a new dichotomy between the objectives of the leadership and those of the *ejidatarios*, but unlike the Jaramillo period, this time the leader was subservient to the mill's administration and 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 might sometimes be more important than structure.

New Peasant Entrepreneurs, Proletarians, and the Semiproletariat

Guadalupe Ramírez's reign came to an end in 1970 with mounting pressure from cane growers for division of the *ejido* and parceling of land. Government authorization of the division of the giant *ejido*, along with Ramírez's ouster from the

cooperative's administration, represented a peasant triumph. It would take years, however, before peasants were able not only to parcel out the *ejidos* but also to get individual credit for sugarcane production and finally obtain individual certificates for the lands they worked on. Formal and legal division of the *ejido* into nine *ejidos*, one for each of the villages making up "Atencingo and its Annexes," 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 was marked by increasing factionalism within each *ejido*, a development that further contributed to the transformation of the *ejido* from an organizational class capacity to an instrument of state control. Such class capacity had been at least latent (and at times overt) 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 an instrument to advance their own interests (Gómez Carpintero 1997).

The first archival record of the implementation of land parceling along "areas of individual responsibility" within the collective production system came from a group of peasants from the ex-annex of San José Teruel on June 11, 1972. It addressed the state official of agrarian reform, accusing Guadalupe Ramírez and other former leaders of directing the works of several engineers who were dividing up the land, even though the law required them to work collectively. By May, 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 policy did not amount to granting individual title to the land or making credit available to individual *ejidatarios*. Therefore, farm management remained collective. It was not until 1983 that individual credit was allowed by areas of individual responsibility (Gómez Carpintero 1995). While such areas had been allotted individually since 1974–75, the only money *ejidatarios* ever saw from the farming process was in the form of 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.

With new demands centering on individual production and credit, the political protest and turmoil of previous decades devolved into small-group politicking. The only important regional struggle after division and parceling happened in 1983, when every *ejidatario* had to comply with the 1979 sugarcane decree requiring sugarcane growers to affiliate with either one of the two PRI organizations that formally represented 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 or the CNPP (both part of the PRI) for political-economic affiliation. Therefore, growers have been legally prevented from forming oppositional organizations for struggle.³ For those not declaring an affiliation, each sugar mill discounts the 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 National Confederation of Small-Property Owners (*Confederación Nacional de Pequeños Proprietarios*, CNPP), renamed the National Confederation of Rural Producers (*Confederación Nacional de Productores Rurales*, or CNPR) in 1993. Ironically, the CNPP's affiliates have been private-property owners (as its name indicates), whereas peasants have typically identified with the CNC (National Peasant Confederation). The CNPP operates not so much as a political organization but as an economic trade union in which the leadership keeps a distance from the official politics and policies of the PRI and is less politicized than the CNC or the Workers' Confederation of Mexico (*Confederación de Trabajadores de México*, CTM). But it remains a corporatist organization affiliated to 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 remaining subsistence peasants or semiproletarians 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 truly constitute an agrarian bourgeoisie. 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 of whom expect to inherit the *ejido* titles; and migrant workers from the valley and highland peasant communities (Lara 1979). As small commodity producers, however, growers continue to confront industrial capital as their main antagonist in cane production. Furthermore, with vegetable production in the economic parcels, *ejidatarios* confront neither 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 the industrial mill and the landless proletariat, prevents an alliance between the small producers and the proletariat against the capitalist mill. Moreover, the *ejidatarios* clearly benefit from the exploitation of wage workers.

Having succeeded in dividing the *ejido* and parceling the land, cane growers effectively deprived themselves of the possibility of constructing class organizations based on the structural capacities of the *ejido*. State manipulation of the *ejidos* during the time of collectivism spawned a deep-seated aversion to anything that smacks of this form of organization, even in the face of clear and certain indications that cooperative production is economically superior to individual production.

That the collective organization of production was best for *ejidatarios* economically is demonstrated in Tables 6.1 and 6.2. These tables are based on eight of the

nine *ejidos*. By 1988, only San José Teruel continued to work collectively as a single group. La Galarza, Raboso, Colón, and Rijo each had two groups, one collective and the other individual; but Atencingo, Jaltepec, and Lagunillas fragmented more drastically, into six to seven groups each. The tables, which depict average gross monthly income and average productivity by *ejidatario*, make two points quite clear: (1) that those *ejidos* in which there were two groups, with one of them individual and the other collective, the latter group invariably had a higher productivity (Table 6.1); and (2) that productivity decreased further as more groups proliferated within each *ejido* (Table 6.2).

TABLE 6.1 Atencingo Region: Monthly Gross Income per Sugarcane Producer, by Form of Organization, 1987-88 Harvest^a

EJIDO	Average Surface (hectares)	Number of Members	Gross Monthly Income (current pesos, 1988)	Productivity Index ^b
Teruel	4.0	144	738,725	33.56
La Galarza				
Collective	2.5	127	801,939	44.99
Individual	2.5	154	710,005	28.37
Raboso				
Collective	2.5	140	629,428	13.80
Individual	2.5	99	567,139	2.54
Colón				
Collective	4.0	107	664,646	20.17
Individual	4.0	30	462,339	-16.41
Rijo				
Collective	n/a ^c	53	1,020,887	84.58
Individual	n/a ^c	58	731,315	32.23
Atencingo ^d	2.2	332	483,476	-12.58
Jaltepec ^d	2.9	309	513,189	-7.21
Lagunillas ^d	2.8	441	418,362	-24.36

^a The minimum wage in 1988 was 240,000 pesos per month.

^b This index is simply the percentage difference between the weighted gross monthly income of all producers in the nine Atencingo ex-annexes and the average within each *ejido* group, by form of organization. The general average is 553,072 pesos per month.

^c n/a = not available.

^d Atencingo, Jaltepec, and Lagunillas have been fragmented into five to six groups each.

SOURCE: elaborated from various internal documents of the Atencingo sugar mill, provided by members of its managerial personnel: "Padrón de Productores del Ingenio de Atencingo, S.A.," "Resumen General Diario de Caja Recibida en Bascula, Zafra 1987-88." The figures for average surface were provided by the chief of field operations.

TABLE 6.2 Atencingo, Jaltepec, and Lagunillas: Monthly Gross Income per Sugarcane Producer, by *Ejido* Group, 1987-1988 Harvest^a

EJIDO	Average Surface (hectares)	Ejidatario Members	Gross Monthly Income (current pesos, 1988)	Productivity Index (%) ^b
Atencingo				
Group #	2.2	332	483,476	-12.58
No. 1		129	444,520	-19.63
No. 1A		54	520,571	-5.88
No. 2		93	543,886	-1.66
No. 2 Collective		4	443,690	-19.78
No. 3		42	425,460	-23.07
Jaltepec				
Group #	2.9	309	513,189	-7.21
No. 1		137	548,940	-0.74
No. 1A		99	506,387	-8.44
No. 2		23	453,859	-17.94
No. 3		27	455,401	-17.66
No. 4		15	407,806	-26.27
No. 5		8	199,338	-66.96
Lagunillas				
Group #	2.8	441	418,362	-24.36
No. 1		173	441,097	-20.25
No. 1A		92	406,769	-26.45
No. 1B		80	474,252	-14.25
No. 2		66	361,925	-34.56
No. 2A		25	293,730	-46.89
No. 3		5	318,942	-42.33

^a The minimum wage in 1988 was 240,000 pesos per month.

^b This index is simply the percentage difference between the weighted gross monthly income of all producers in the nine Atencingo ex-annexes and the average within each *ejido* group, by form of organization. The general average is 553,072 pesos per month.

SOURCE: Same as for Table 6.1.

Even though average surface held by each *ejidatario* varies from one *ejido* to the next, this variation also reflects differences in the relative qualities of land; San José Teruel, for instance, with the highest land surface per individual, has the lowest quality of land. Therefore, variations in the productivity index are due to a number of variables, including the different stages of cane fields. In my view, however (confirmed by the mill's filed engineers and many cane growers themselves), such productivity differences are due mainly to the form of productive organization. From an economic point of view, then, the data in these tables provide a strong argument in favor of cooperative production. Yet because of

internal political fragmentation, 1988 was the last time there were any collective groups in the Atencingo region.

While the state now presents fewer obstacles to individual producers seeking to control their production processes, the traditional context has substantially shifted since the mid-1980s, 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 have been used to explain the character of political class organizations: state intervention. To be sure, the state remains a factor, but mostly as an enforcer of the rules of neoliberal reform: 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 nationalizations, taking over fifty-four of the sixty-four mills by 1982. This measure was an attempt to save jobs and establish tighter control of sugar production and distribution. After the debt crisis that erupted in 1982, however, President Miguel de la Madrid (1982-88) launched a profound restructuring of Mexico's economy and its role in world capitalism. Shifting from a strategy of state intervention, import substitution, industrialization, subsidies, and protectionism, Mexico moved to a neoliberal policy of emphasizing exports, downsizing the state, privatizing state firms, and opening the doors to foreign competition and investment to promote efficiency and productivity (Otero 1996a).

The decision 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 to restructure Mexico's foreign debt (Singelmann 1993). Another reason was the dramatic increase in internal demand for sugar, both by direct consumers and secondary industries (producers of sweet bread, candy, soft drinks, and so on).

This restructuring in the sugar industry signaled a major change in previous forms of state intervention (Singelmann and Otero 1995). Since 1953 *Financiera Nacional Azucarera, S.A.*, a state institution, financed all sugar production in Mexico 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).

Aside from this subsidy to consumers and secondary industries, production costs also increased because of 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 of all sugar mills operated with modern equipment, 45 percent with semiobsolete equipment, and 30 percent with completely obsolete equipment (Igartúa 1987, 27). This 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, the industry, by now largely in government hands, was being managed according to political rather than economic 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). The industry, moreover, suffered from corruption and winked at overstaffing to maintain employment levels. As a net result, sugar processing was a losing business for the state (Flora and Otero 1995).

Therefore, in an effort to increase competitiveness and efficiency, 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 longstanding 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 the ruling party are no longer assured. This novel context poses tremendous challenges to cane growers as producers and 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 to devise new political relationships with their constituency. At the same time, after nearly a decade since privatization of 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 lands in the country. The industrial plant was beset with problems of overstaffing and corruption, but a new plant had just been installed 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.⁴

The sale of the Atencingo mill 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 ten 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 combative 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 backward.

During the first meeting between representatives of the new owners and national and local representatives of CNPP, which I witnessed in July of 1988, the former made a number of promises that may help to give a picture 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, sports facilities, and so on. They also said that local managers would have total autonomy in decision-making, with minimal supervision from the corporate headquarters. They hoped to increase 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-drink 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.

Seven years after that first meeting, two key promises, unfulfilled as of 1995, were those regarding new technology and investments in community social projects from yields of the *Campo de Abajo*. In fact, there had been few investments in new production technology, although the computerized accounting system was already in place. Moreover, fifty hectares from the *Campo de Abajo* were converted for the expansion of housing for mill workers, but sugarcane growers had not gained anything from it.

By the time privatization of the sugar industry had been completed in 1993, much industrial concentration had occurred. Only fifty mills out of sixty-four in 1988 remained in operation, and it was expected that these would further consolidate into about twenty-five (Aguilar 1993). *Grupo Escorpión* now owns nine mills and controls upwards of 30 percent of sugar production in Mexico, 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 (Olgún 1993). 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 operational changes. From a situation in which they had a number of social guarantees from a paternalistic state, they now have to fend for themselves with no subsidies while facing a large and powerful buyer of their crop that is interested only in maximizing profits. While the state and previous mill owners were also large and powerful, state policy proceeded from political criteria designed 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 suggest that the category of peasant entrepreneurs will include between 25 to 35 percent of growers in the Atencingo region (likely fewer in other regions). The majority, however, will either fall back into subsistence farming or choose to sell their land to their more entrepreneurial neighbors and join the wage-labor market. The following analysis presents data from some of the main frequency distribution results of questions regarding growers' views of the mill and their relationship to it, their expectations in the new market-oriented environment, and their cultural orientation.

Questions that address the issue of relationships between cane growers and mill administration clearly reveal a mistrust on the part of cane growers. Missing cases (i.e., growers who did not respond to a question) on these questions range from a low of 1.2 percent (three 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. The objective truth about the latter is that the payment was indeed late: It was made after a legal grace period of thirty 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, 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, mainly because it provides the greatest security and only with sugarcane can growers avail themselves of some 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' are overwhelmingly pessimistic about the mill's privatization and the new sugar decree of 1991 requiring greater productivity and efficiency

from both the industrial and the agricultural parts. To the question of whether these changes benefit growers, 85.6 percent responded "no", 6 percent said "yes", and 8.4 percent did not respond to this question. A different question on the same issue elicited a very similar response. The question was, "From the positive and the negative repercussions of recent changes (previously described), which will prevail the most?" 83.6 percent said "the negative ones," while only 12 percent said "the positive ones," with 4.4 percent not responding.

When asked whether the new situation might present new opportunities, responses were not as pessimistic. Several questions on this topic were phrased differently but offered growers the same alternative responses. These are summarized in Table 6.3. While these results tend to be split, at least a substantial proportion of respondents sees that opportunities will also be there, notwithstanding new difficulties and risks. Slightly more than half of cane growers see no risks of losing their land, but more than a third think that there is such a threat (those answering "yes" or "maybe").

Another question on opportunities and risks had a slightly different set of possible responses, with very similar results. For the question, "Is the new government program that hopes to turn peasants into entrepreneurial producers a realistic one?" responses are shown in Table 6.4, below.

Personal identity is an important indicator of cultural orientation and is related to the productive strategies likely to be followed by cane growers. A direct question on personal identity was asked, and respondents were given a number of choices to pick from. They also could give their own words to capture their sense of 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, including "ejidatario," "producer," "proprietor," and "cultivator." Missing cases represented only 1.2 percent (or 3 respondents).

A related identity question was, "Who will have the greatest opportunities for success within the new environment?" Responses are given in Table 6.5, where it is clear that a substantial proportion of Atencingo cane growers, 39.2 percent, regard investing one's own capital as critical in exploiting new opportunities. Fol-

TABLE 6.3 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

TABLE 6.4 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

lowing closely with 34.4 percent is a very related aspect: hiring labor. Both of these items (73.6 percent) are crucial ingredients in producing a peasant-entrepreneurial class. An indication that few in the Atencingo region will turn to subsistence production (by choice) is that only 6 percent responded that "those who use their crops for self-consumption" will succeed.

The question shown in Table 6.6 takes the converse entry point to the same issue: What approach to cultivation is most likely to force growers to abandon sugarcane? It is quite obvious that reducing family labor investment is considered by most as a sure way to fail in this business, which highlights the household character of the operation. Curiously, relying on loans is also regarded by more than a fourth 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 mill.

Politically, cane growers are still trapped by having only one legal option—joining the corporatist PRI organizations. These organizations, however, are in turn facing unprecedented challenges to the control of their constituencies in the face of neoliberal state policies that prevent them from giving growers much

TABLE 6.5 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

TABLE 6.6 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

support in exchange for their affiliation. This is particularly true of the CNPR, whose members have always been primarily interested in economic performance rather than political favors from the state. Therefore, the continued imposition of neoliberal reforms will result in an increasing inability of corporatist organizations to control their constituencies. Hence new oppositional and popular-democratic struggles are sure to emerge in Mexico's countryside.

If this prospect is true for the sugar industry, it is even truer for most other subsectors of agriculture, which have had a less intimate and favored relationship with the state than sugarcane growers. This increased militancy is being demonstrated by the emergence, in 1993, of "El Barzón" (the Yoke), a rural debtors movement comprised of small- and medium-size cultivators. This social movement of nearly one million members has expanded its membership by half by including urban debtors (Rodríguez Gómez and Torres 1994; *La Jornada* 1995). The Chiapas uprising in January 1994 has as yet been but the most radical of such new struggles to emerge in Mexico's countryside since the advent of neoliberal reforms (Collier 1994; Harvey 1996; Nash 1995).

Theoretical Recapitulation

The purpose of this section is to theoretically summarize the material presented in this chapter by contrasting the theory offered in this book with established *campesinista* and *proletarista* positions. This discussion centers on the main elements of political class formation: objects of struggle and organizational outcomes. For the case of Atencingo, as well as for other regions, we can divide the historical period studied into five moments, each of which presents a different combination of elements in relation to the main agents involved, i.e., the original agricultural workers who became recipients of *ejido* land grants in the 1930s. Table 6.7 presents a summary of these combinations.

The most striking thing about this table, from a *proletarista* perspective, is that no matter how proletarianized, agricultural workers never posed proletarian demands

TABLE 6.7 Political Class Trajectory and Objects of Struggle in Atencingo

Moment	Agents	Objects	Outcomes
Time One 1938-1947	Agricultural workers	Land, individual production for subsistence	Collective <i>ejido</i> shell, private control; bourgeois-hegemonic
Time Two 1947-65	Same as above, with "economic parcels"	Land, individual production for market	From brief self-management to state control; oppositional
Time Three 1965-75	More proletarianized, with reduced economic parcels	Land, indiv., for market	Division and parceling of collective <i>ejido</i> individual subordination of producers to state; bourgeois-hegemonic
Time Four 1975-88	Peasant-entrepreneur social differentiation	Credit for viable farming, higher prices	State control of individual producers; bourgeois-hegemonic
Time Five 1988-97	Peasant-entrepreneur, increasing social differentiation	State subsidies, fair prices from sugar mill, good leaders	Private control by corporation with transnational capital (Pepsico); bourgeois-hegemonic, but could become oppositional, at least electorally

SOURCE: Elaborated from the analysis in this chapter.

in their struggle. On the contrary, when they were more highly proletarianized, in Time Three, the struggle for division and parceling out of the state-controlled collective *ejido* was fiercest. And it was at this time (1971) that the social agents finally achieved their goal of producing on individually allocated plots.

Paradoxically, this event took place in the context of Luis Echeverría's administration, during which collectives faced tightened control by the state. Later on,

Echeverría tried to restore state control with the creation of the National Sugarcane Commission and by declaring sugarcane a crop of "public interest" in October of 1975 (Pérez Arce 1979, 33-36).

The intent of this new state agency was to restore a collectivized production while maintaining individual bargaining with each *ejidatario* on the basis of sugarcane quality. At this point, the recently formed peasant-entrepreneurs organized themselves into the National Union of Sugarcane Producers, affiliated to the CNC. Their struggle now centered on obtaining credits for a viable farming operation and for getting increases in guaranteed prices for sugar cane. These struggles always remained within corporatist structures and did not present a threat to bourgeois hegemony.

The apparent mismatch between the position of class agents in production and their objects of struggle (from a *proletarian* perspective) stems from a deeply ingrained peasant culture. Although such a culture was certainly modified by the advancement of capitalism and commercialization, the social agents managed to maintain a great interest in individual control of production. This interest was intensified after their democratically elected leader, Porfirio Jaramillo, was able to allow that each *ejidatario* be assigned a one-hectare plot for subsistence crops.

Contrary to what radical *campesinistas* may have expected, on the other hand, the peasant character of demands in Atencingo did not in themselves result in oppositional struggles: They were always integrated into a hegemonic discourse and politics. Even in the most combative periods (especially 1947-52), the oppositional factions of Atencingo sought the favor of state officials to advance their political positions. Therefore, these factions were oppositional only in relation to the internal politics of the *ejido*, not in relation to the state. Most of the time, Atencingo *ejidatarios* were careful to maintain their distance from truly oppositional organizations for fear of upsetting their potential allies in the state bureaucracy.

The history of Atencingo, therefore, provides us with at least three theoretical lessons. First, merely ascertaining the class position of agents is not sufficient to predict the object of struggles or the character of organizations created for struggle. This is the most general lesson.

Second, once a struggle takes on a peasant character, even if it is waged by agricultural workers, it does not necessarily bear a revolutionary character, as radical *campesinistas* might hold. In fact, reformist *campesinistas* might be right on this count: If you consolidate the peasant economy, you might actually increase production, although not necessarily productivity. For increases in peasant production are usually labor-intensive. Thus, peasants might produce greater yields per hectare, but with greater expenditures of labor. The ultimate peasant triumph, which involved dismantling cooperative production, actually resulted in a decreased productivity, as shown in Tables 6.1 and 6.2.

The political outcomes are consistent with what *proletarian* expect of peasant struggles. The problem for *proletarian*s, though, is that in Atencingo the social agents were not peasants but agricultural workers (economically defined). Further-

more, a peasant economy can coexist with a capitalist developmental dynamic, but not without problems. Indeed, as soon as the Atencingo workers got their individual plots of land, the process of social differentiation accelerated considerably.

Given the imminent tendency to social differentiation within capitalism, however, I do not see any fundamental reason why the new peasant-entrepreneurs could not become politically articulated into a popular-democratic struggle that might lead to a new hegemony. The crucial point is the following: Peasants or peasant-entrepreneurs are neither intrinsically revolutionary (the *campesinista* fantasy) nor inherently conservative (the *proletarian* fantasy): They merely want to be left alone to produce according to their own logic. Whether they adopt a bourgeois-hegemonic or a popular-democratic discourse will depend on the context in which peasants or peasant-entrepreneurs develop. In my view they have much better chances of surviving in a popular-democratic global context than in a bourgeois-hegemonic one, but the condition is that such a society actually be democratic and not one in which the state imposes the form of production that its bureaucrats decide is best for direct producers. Statist socialism has plainly had grievous problems in dealing with agricultural producers (Szélenyi 1987).

The third theoretical lesson is that, given the regional balance of class forces in Atencingo, the *Cardenista* state was willing to be inconsistent with its own global agrarian policy regarding collective ejidos. The Atencingo land distribution was the most recent of our three case studies and there, in contrast to the other two regions, the state favored the instrumentalization of the collective *ejido* by the capitalist sugar mill. By contrast, in both La Laguna and El Yaqui the state interventions were decidedly noncapitalist, favoring direct producers who had become collective *ejidatarios*. Vast support was given to them in credits and organizational efforts from the state during *Cardenismo*. In Atencingo, *ejidatarios* were forced by law to produce only sugarcane and to look to the industrial mill as their only source of credit. Their *ejido* was thus just a fig leaf for what was actually an organization controlled by the capitalist mill. Similar inconsistencies in state policy, but of an opposite nature, emerged later, especially during Luis Echeverría's administration.

Conclusion

Given the vast heterogeneity of the structural class positions in rural Puebla, the agrarian struggles in the Atencingo region have been clearly dominated by the demands of the most homogeneous group: the *ejidatarios*. Their struggles since the 1930s centered on resisting proletarianization and attaining peasant status. They finally succeeded in 1971. From then on the question for direct producers became what kind of peasants they would become, subsistence or entrepreneurial. A neoliberal alternative is, of course, selling the land and relying entirely on wage incomes.

The *ejido* organization provided its members with a structural capacity for a coherent and unified struggle. It offered them a legal and organizational framework

in which to pose their demands. This structural capacity, however, did not predetermine the class character of their politics. Rather, each of the two critical aspects in this process was shaped by factors other than structural class positions or structural capacities, i.e., the prevailing or shifting cultural orientations, which fostered 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 the nature of the *ejidatarios'* leadership. State intervention determined whether the organizational outcomes were bourgeois-hegemonic, oppositional, or popular-democratic. Leadership hinged on factors such as the organization's degree of autonomy from the state and/or the ruling class and 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 evolves toward a genuinely democratic electoral system. The growth of citizenship and democratic leadership will further shake the foundations of corporatism.

While the outcome of the early phase of the *ejido* struggles (1947-52) was popular-democratic, the predominant outcome throughout was bourgeois-hegemonic. Ironically, as peasant demands advanced amid this rural proletariat (economically defined), its structural capacities for unified struggles weakened. With the emergence of the state's neoliberal reform, even the former corporatist organizations of the PRI are having to change: They will either become more effective economic organizations or they will further erode their political influence among cane growers. Neither these organizations nor the state they represent are capable of offering cane growers the low but secure incomes of yesteryear. Thus, the codependency of the past has been ruptured. Future structural and political developments will largely depend on the new cultural orientations of cane growers, their productive strategies as they confront market forces, and the types of leadership that develop. The leaders will have an impact on the character of the alliances established with other organizations in civil society and the autonomy (or lack thereof) of class organizations.

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 that involve major state subsidies or other forms of disbursements, apart from social assistance programs. As regards cane growers the state might, however, continue to require that they join either of the two PRI organizations for political representation. To the extent that cane growers become increasingly disenchanted with imposed representation that cannot restore the social guarantees of yesteryears, they might begin to seek other organizational options, perhaps parallel to those they are forced to join under the law.

From the various regional cultures prevailing among sugarcane producers, only two of them focus on trying to maximize profits: One is, of course, that of capitalist farmers; and the other is that of peasant-entrepreneurs. The main difference be-

tween these two cultures is how each type of producer tries to achieve his or 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 faces greater restrictions in other resource endowments. The option of seeking to maximize comparative advantages in other crops is simply not there for the peasant-entrepreneur because of insufficient resources and limited financial alternatives. Financial dependence on the sugar mill is taken as a given.

This mix of cultural orientations and peasant (or capitalist) productive strategies pose a serious antinomy for neoliberal reform in the Mexican sugar industry: The problem of productive scale will persist at least in the short-to-middle term, as most cane growers intend to hold on to their land and will remain small farmers. Similarly, the peasant subsistence 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 clearly a declining interest in maintaining sugarcane as their main product: Neoliberalism has opened an array of more attractive and previously unavailable options.

These antinomies lead to a logical conclusion. As capitalist cane growers consolidate a market-driven and profit-oriented culture, they will be less interested in supplying a dominant capitalist sugar mill and more 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 wherein 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 oriented to the market, yes, but 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 counteragrarian reform will result in a 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 even out of farming altogether and into the urban labor markets of Mexico, the United States, or Canada. As internal social differentiation accelerates within the *ejidos*, sugarcane *ejidatarios* will no longer fall into the relatively homogeneous social category of previous decades. The *ejido's* fate is steeped in uncertainty: Will it assume a new meaning as a class organizational force in the neoliberal context, and which internal group of *ejidatarios*, if any, might it come to favor politically?

Notes

1. 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.
2. 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, government 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 (de Gramont 1990, 1996b; Mares 1987). In 1993 CNOP changed its name to FNOC (*Frente Nacional de Organizaciones y Ciudadanos*, or National Front of Organizations and Citizens) and CNPP became CNPR or National Confederation of Rural Producers (*Confederación Nacional de Productores Rurales*), which, in line with the 1992 Agrarian Law, tends to erase the former distinction between ejidatarios and small property owners.
3. This did not prevent an important number of growers to affiliate with a Neocardenista 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 them more as economic than political tools.
4. 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 disappeared by 1995, when more adversarial relationships had developed with cane growers.

7

El Yaqui Valley: Toward Self-Managed, Democratic Production

Northwestern Mexico is usually regarded as the region where capitalism has developed most thoroughly in agriculture. This chapter focuses on southern Sonora, specifically the Yaqui Valley. We will follow a complex set of class trajectories for both the subordinate as well as the ruling classes. A central concern will be with the formation of a ferocious agrarian bourgeoisie that violently separated direct producers from their means of production. This process, initiated at the turn of the twentieth century, involved moving the Mexican frontier farther northwest, toward the United States, and crushing the Yaqui and the Mayo Indians who were in the way. Many of these Indians were converted from peasant producers into an agricultural semiproletariat. Although some land was distributed through agrarian reform during the Cárdenas administration (1934–40), the land-hungry bourgeoisie did not hesitate to run roughshod over the *ejido* to expand its agricultural production in one of the most fertile valleys of the country.

Located in the southern part of Sonora, the Yaqui Valley is adjacent to the Mayo Valley. These two valleys are named after the Indian tribes that used to inhabit the region and the two main rivers that irrigate their lands. Both the Mayos and Yaquis valiantly combated every attempt by the central government of Mexico to dispossess the Indians of their land throughout much of the nineteenth century. The histories of these two tribes diverged significantly in the 1880s, however, in the midst of the Porfirian expansion toward the Northwest.

By the mid-1880s, the Mayos were finally "pacified." They accepted the military, political, economic, and, eventually, cultural victory of the rising capitalism in Mexican society. Indeed, the Mayos entered a quick process of acculturation that dovetailed with their proletarianization. As workers, they were an extremely valued labor force. The Yaquis were regarded equally highly, except that their

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