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## Political Change in Mexico's New Peasant Economy

*Jonathan Fox*

### INTRODUCTION

The Mexican state is recasting its long-standing leading role in the national economic development process. The postrevolutionary state balanced the competing challenges of economic growth and political stability by closely regulating the distribution of both income and property. This model of regulation framed Mexico's political development until the economic crisis of 1982. Since then, Mexico's presidents have been restructuring the nature of state intervention in the economy, gradually dismantling much of the "revolutionary nationalist" legacy in favor of increased integration into the international market.

The new official ideology of "social liberalism" calls for the state to encourage private sector-led economic development by largely withdrawing from most of its past regulatory and productive activities, while continuing its commitment to social justice through more efficient and less paternalistic distributive reforms. Like past Mexican policy makers, however, the social liberals base much of their political legitimacy on their success at encouraging both growth and distribution. And since both Mexico's contested 1988 presidential election and the Gorbachev experience underscored how democratic political competition could complicate efforts toward economic change, Mexican policy makers have worked largely within the existing political system to carry out their economic reform project.

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In spite of the relatively slow pace of change in national political institutions, economic and social policy reform has dramatically altered the context within which much of Mexican politics unfolds. Policy change alters the structure of political opportunities available to contending actors, just as political conflict conditions the viability of competing policy options. This chapter explores one dimension of this interactive process by analyzing how changing economic policy has affected politics in one important arena of Mexican society: the countryside.

Mexico has been a predominantly urban society for over two decades, but agriculture still accounts for more than one-quarter of the economically active population. The "rural" share of the national population is significantly larger, though underrepresented in national census data. Mexico's most extreme poverty is still concentrated in rural areas, but so is electoral support for the ruling party. If political competition in the countryside were to become as open as it has become in Mexico's larger cities, the overall national political balance would look very different. If the long-precarious peasant economy becomes increasingly unviable for large numbers of producers, how will it affect a regime that has long depended on social peace and predictable electoral outcomes in the countryside?

Poverty in the peasant economy is a long-standing problem. Agrarian reform parcels were often too small or too poor in quality to support a family, and have since been successively subdivided with population growth. The agricultural frontier can no longer absorb land-hungry peasants, and redistribution of large private holdings virtually ended in the mid-1970s. Most of those who remained on the land combined agriculture with migration and wage labor to survive (Grindle 1988). For landholders, government production support programs were uneven in coverage, unreliable in quality, and often conditioned on political subordination (Fox 1993). But if in the past the key rural development policy question was whether the terms of state intervention would favor peasant producers, today the question is whether there will be any significant economic support for the peasant economy at all.

Top agricultural-sector policy makers have predicted that the combination of subsidy cuts, trade opening, and privatization of the agrarian reform sector is likely to reduce the rural population by *one-half* within a decade or two.<sup>1</sup> So far, the rural political response has been muted, but as the new policies "trickle down" from Mexico City's newspaper head-

<sup>1</sup>See Undersecretary of Agriculture Luis Téllez's remarks, cited in Golden 1991. At a May 1992 Harvard forum, Dr. Téllez followed up with the prediction that the economically active population in agriculture would probably fall from 26 percent to 16 percent in the coming decade. Government critics made comparable predictions of massive rural proletarianization two decades ago, but they greatly underestimated the peasantry's capacity to resist full displacement. Protest drove renewed state intervention to subsidize the better-off third of the ejido sector, and campesino identity turned out to be more resilient than predicted. Recently, however, the prospects for state intervention have changed greatly, and perhaps peasant identity as well, at least among the younger generation with significant migration experience.

lines and reach inside hundreds of thousands of farm gates, will they open a political Pandora's box?

Analysts from across the spectrum agree that rural social and economic polarization is increasing, but the political implications are still far from clear.<sup>2</sup> It is difficult to generalize about rural politics because the Mexican countryside is made up of a diverse mosaic of contrasting scenarios. This chapter explores the principal political trends that are unfolding during this open-ended period of transition, and argues that the main cleavage in peasant politics will be between "voice" and "exit." Will peasants mobilize to make family farming economically viable, or will they decide to join long-standing city-bound and northward migrant streams? The chapter focuses on the diverse political actions of the rural poor, not because they will necessarily be their principal response, but because they are the actions most likely to affect the political system more generally.

The chapter begins with an overview of state economic intervention in smallholder agriculture in Mexico, followed by a focus on the principal political trends in the countryside since the national economic crisis began in 1982, including: rural electoral politics, ideological context, political conflicts over rural policy reforms, and changing patterns of rural social organization.

#### STATE INTERVENTION AND THE RURAL SOCIAL PACT

The land reform of the 1930s that laid the foundation for rural political stability was an uneven patchwork. In some regions the national state made pacts with local elites rather than redistribute land, ceding autonomy in exchange for political subordination (Sanderson 1981). The social pact with land reform beneficiaries involved a similar deal, as the state offered the "politics of promises" — the hope of access to social and economic supports in return for political subordination. This arrangement eroded significantly by the late 1960s, leading to a broad wave of land invasions throughout the country and the rise of guerrilla movements in the state of Guerrero. While security forces responded with repression, reformists within the state offered rural development programs to placate unrest. The state responded to pressure from below with an increasingly elaborate array of agricultural support programs from the mid-1970s until the 1982 crisis, but in the absence of accountability mechanisms they were largely turned to the advantage of rent-

<sup>2</sup>According to a study sponsored by the prominent Private-Sector Coordinating Council (CCE), "the modernization [of the countryside] is following two paths: the economic and political integration of the producers with access to the international market, and the economic exclusion of the majority of the unproductive peasants, who are still under tutelar control [of the government], have restricted access to resources, and are ideologically subordinated" (Varela et al. 1991: 2).

seeking bureaucratic entrepreneurs within the growing state agencies (Fox 1993).

Mexican agriculture is highly polarized. Most producers fall into one of two categories: either they are medium- and large-scale farmers, usually with irrigation, or they are nonirrigated smallholders with less land than needed to provide the equivalent of a full year's employment even at minimum wage (CEPAL 1982). Mexico also has a significant intermediate segment of market-oriented, surplus-producing family farmers, but the overall "bimodal" pattern of polarization contrasts sharply with the "unimodal" pattern of, for example, the U.S. Midwest or post-land-reform Taiwan, Korea, and China (Johnston et al. 1987). In Mexico, sub-subsistence producers tend to be poorly organized beyond the community level, family farmers have recently become moderately well organized, and large growers are the most organized.

This polarized pattern is the inheritance of past state intervention. Government subsidies and irrigation investment induced the creation of much of today's modern agribusiness, while intermittent waves of agrarian reform settled large numbers of former farmworkers on rainfed and forest lands of uneven quality (Barkin and Suárez 1985; Esteva 1983; Grindle 1986; Sanderson 1981, 1986). This "two-track" policy, alternating between presidential administrations since the Mexican Revolution, has reflected competing policy currents within the state, one that saw the government's creation of the ejido, or agrarian reform community, as a temporary political expedient and a reserve migrant labor source, and another that saw the ejido sector as a key pillar of a political project of national development with social justice. Overall, rural policy emphasized investment and subsidies for the benefit of agribusiness, except during the mid-1930s and mid-1970s, when populists briefly dominated national agrarian policy making, and peasant movements were able to win significant concessions. Though largely forgotten in the course of Mexico's economic instability of the 1970s and 1980s, this two-track model of regulation in agriculture made a major economic and political contribution to what used to be called the "Mexican miracle" of import-substitution industrialization from the 1940s through the 1960s.

#### ECONOMIC CHANGE, RURAL SOCIAL IMPACT, AND POLITICAL BEHAVIOR

The recent changes in the state's role in the agricultural economy are not the only factors that shape rural politics. The panorama is crosscut by independent trends in civil society, political parties, and rural social organizations, which will be discussed further below. The state's economic intervention in peasant agriculture does set certain key parameters, however, and it is changing in three principal ways.

First, the state has withdrawn from its long-standing major regulatory role in most of the peasant economy. Multiple layers of government programs had long protected parts of the peasant economy from market forces. Since the early 1970s, state enterprises had provided most of the formal production credit, crop insurance, and fertilizer available to peasants, and had regulated most output markets for peasant products by protecting them from cheaper foreign imports while offering crop support prices to purchase significant minorities of national grains, oilseeds, and key industrial crops directly (coffee, sugar, cotton, tobacco, and forest products). Fruit and vegetable production for export was less regulated, though the state still played an important role via public investment in irrigation, heavily subsidized water, energy, and credit, and concessioned export licenses. Reformists attempted to reverse the anti-peasant bias in agricultural policy with the 1980-1982 Mexican Food System (SAM), but political constraints led to a greater emphasis on production spending increases than on institutional change (Fox 1993). The 1982 economic crisis, provoked by a clash between ambitious state-led nationalist economic policies and international market forces, discredited the prevailing model of regulation. Agricultural subsidy and investment cuts followed, and by the end of the 1980s most agricultural agencies had been privatized or were cut back sharply.

One of the key levers of state intervention in smallholder production was its support prices for basic grains, but by the early 1990s only maize and beans still had "guaranteed" support prices.<sup>3</sup> The other major agricultural support policy, subsidized crop loans, was cut back to a small minority of relatively well-off peasants, leading to widespread defensive protests in 1993.<sup>4</sup> The generalized production supports were highly politically vulnerable, since they were widely considered corrupt and inefficient, but as of 1993 they had not been replaced by more targeted smallholder production policies. Most of the poorest producers had always lacked access to the generalized production supports, so those most affected were the surplus-producing peasants. Several key social safety net programs were maintained, however—most notably, the extensive networks of government-supplied village food stores and rural clinics, and the new National Solidarity Program's soft production loans and village-level public works programs. By the early 1990s, the

<sup>3</sup>See Appendini 1991, 1992; Hewitt de Alcántara 1994; Gordillo 1990; Salinas de Gortari 1990. In spite of government efforts to withdraw completely from the markets for wheat, sorghum, and soybeans, some ad hoc government purchases continued via negotiated prices (*precios de concertación*), depending on harvests, newly liberalized imports, and direct pressure from mobilized producers.

<sup>4</sup>Past official reports of smallholder credit access were probably highly exaggerated. According to a recent survey, during the 1985-1989 period, 22 percent of agrarian reform landholders received government crop loans, falling to 16 percent in 1990 (SARH-CEPAL 1992: 4).

dominant agricultural policy makers considered peasant producers to be an issue for social welfare rather than economic policy.

The second important change in economic policy was the reduction of agricultural trade protection, starting with oilseeds, sorghum, and wheat. By the early 1990s, only corn and beans still had more than ad hoc trade protection. Corn remained Mexico's most important crop in terms of land use and is the mainstay of the peasant economy (Appendini 1992; Hewitt de Alcántara 1994). Regulation of imports through licensing was a crucial backstop for the domestic white corn support price, which remained approximately 80 percent above international prices. Policy analysts debated the possible social effects of the likely opening of the corn sector under the proposed North American Free Trade Agreement (NAFTA). There was widespread agreement that since most peasant corn producers lacked irrigation and capital, they would never be competitive with U.S. producers.<sup>5</sup> Analysts disagreed, however, over whether significant numbers of new jobs would be created in export agriculture. In a worst case scenario of opening corn in the short run, one econometric model predicted that 850,000 heads of household would leave agriculture, representing 12 percent of the rural labor force.<sup>6</sup> Other studies of agricultural out-migration impact foresaw a more modest net increase, emphasizing the absorption of displaced farm labor in growing export agriculture (Cornelius 1992; Cornelius and Martin 1993; Levy and Wijnbergen 1991).<sup>7</sup> But diverse predictions of

<sup>5</sup>For example, 85 percent of *ejidatarios* grow corn but only 56 percent of them are able to purchase fertilizer. Average *ejidatario* corn yields are only 1.4 tons/hectare, and 40 percent less in rainfed areas (SARH-CEPAL 1992: 40). Irrigated growers of other crops, faced with increased international competition, switched to still-protected corn in the early 1990s, leading to national surpluses. Their yields could reach 8–10 tons/hectare.

<sup>6</sup>Six hundred thousand of those predicted to leave would go to the United States (Robinson et al. 1991; Solís 1991). Calva predicted even more dramatic disruption (Calva 1991; Calva et al. 1992). See also Encinas, de la Fuente, and MacKinlay 1992; González Pacheco 1992; Piña Armendáriz 1993; Salcedo, García, and Sagarnaga 1993.

<sup>7</sup>Levy and Wijnbergen (1991) stress the positive social impact of reducing corn prices for the rural poor who are net consumers. The landless poor do pay much higher prices for corn because of trade protection and support prices for corn producers. These authors' analysis overstates the benefits of trade opening because it assumes that if corn imports were completely liberalized, markets would automatically "clear" and consumers in remote rural areas would have access to significantly lower prices. Much of the countryside is characterized by fragmented, uncompetitive regional markets, however, which would not necessarily transfer price savings to rural consumers. Mexico's National Basic Foods Company (CONASUPO) already intervenes in many of these markets to some degree, supplying 18,000 village stores. In contrast to the millions of beneficiaries of Mexico's urban milk and tortilla subsidies, low-income rural consumers do not receive the benefits of low international prices in these stores, but the regulatory impact of the village store network does reduce consumer prices to levels significantly below what they would otherwise be. If corn imports were liberalized and this network made lower prices widely accessible, then the landless would be better off, surplus-producing smallholders would be worse off, and employment would fall. The impact on sub-subsistence producers would be ambiguous, since even though they produce less than needed to feed a family for a year, many now sell part of their crop at the high producer prices and buy corn for family consumption at the

Mexico's likely opportunities for growth in agroexports are quite mixed (Bardacke 1991; Monjarás et al. 1992; Zabin 1992). The key question may be one of sequencing: will new export-related jobs be created before, during, or long after the lowering of the corn price?

Though the North American Free Trade Agreement postponed the full opening of the corn sector for the maximum fifteen years, Mexican agricultural policy makers planned to lower domestic corn prices to international levels much more quickly, before the end of the Salinas administration (*Economist*, February 17, 1993). Salinas announced in January 1993 that the new policy, PROCAMPO, would be to support corn producers with direct compensatory payments, a system that would be more in line with NAFTA and GATT than with the existing program of high producer prices. The sequence of policy change, the institutional mechanisms for delivering the support, and its coverage and amount remained subjects of high-level policy debate throughout 1993. The key issues were whether the large corn growers would receive most of the proposed benefits, and whether all sub-subsistence producers would actually gain access as promised.<sup>8</sup>

The third important change in economic policy was the November 1991 reform of Article 27 of the Mexican Constitution. This measure permits the private sale and rental of land for the first time in the agrarian reform sector, which accounts for about half of Mexico's arable land. Prior to the 1991 constitutional reform, agrarian reform beneficiaries (*ejidatarios*) could not legally sell or rent their land-use rights, and many other forms of economic activity were sharply constrained by government regulations. The private sector had complained, meanwhile, that landholding ceilings and the threat of expropriation discouraged investment. In response, the reform formally ended the decades-long land redistribution process and legalized joint ventures with private investors and the direct ownership of land by agribusiness firms. The constitutional reform made major changes in the institutional structure of the ejido community, recognized its legitimacy as a form of tenancy (allowing intra-ejido land transfer and weakening the powers of the ejido "commissar" [*comisario*] while strengthening those of the membership assembly), and reduced government intervention in internal ejido affairs. The reform also creates an official "agrarian attorney general" and agrarian tribunals to deal with the backlog of adjudication

lower prices available in the government-supplied village stores. The general point here is that the conflict of interest between low-income producers and consumers of corn is real, but it can be and has been buffered by targeted public policies.

<sup>8</sup>See Gallegos 1993. The most extreme pro-market policy current reportedly supported using the private banking system to deliver the proposed support payments, while peasant organization advocates inside and outside the state proposed channeling them through the government crop procurement and storage agency (BORUCONSA), in conjunction with producer groups. The private banking system had no experience dealing with low-income producers, while BORUCONSA had an extensive network of infrastructure and relationships.

decisions and to encourage accountability in the process of land titling and boundary disputes.<sup>9</sup>

The impact of the land tenure reform is difficult to predict, but it will be far from uniform. Three simultaneous patterns of tenure change are most likely to emerge: (1) consolidation of medium- and large-scale irrigated agribusiness holdings through purchase, joint ventures, subcontracting, and long-term rental (especially in the northwestern states)<sup>10</sup> (2) transfer among smallholders, consolidating a capitalized small farmer class (especially in the central highlands); and (3) land concentration by local bosses, inside and outside ejidos, sometimes involving violence (especially in the south).<sup>11</sup> It is premature to predict the relative importance of each scenario, although the last one is likely to involve small amounts of land but high degrees of localized violence. Before changes in land tenure can be put into effect, however, the government must carry out the massive and complex task of individual titling of ejido members, so that decisions about property rights (ejido vs. private) are made based on documented holdings. This process is likely to be much slower than planned, in part because, according to the Ministry of Agriculture and Water Resources (SARH), only about 2,000 of the 28,000 ejidos have clearly defined internal boundaries between parcels, not to mention potential conflicts between communities over overlapping property rights.

It is difficult to predict the political impact of these three kinds of broad economic change for two main reasons. First, their eventual social impact is largely unknown, especially given the complex interactions between the three policy changes and newly invented land values for ejidos, fluctuating crop prices, the uncertainty of government support for economic conversion efforts, and labor market conditions that affect emigration decisions. For example, if corn prices fall to international levels and ejido land is sold before significant numbers of new jobs are created in other sectors of the economy, then rural wages are likely to be further depressed by an oversupply of migrant labor.

The second reason that the political impact of the state's economic withdrawal is difficult to predict is that even sharply negative social

<sup>9</sup>For the text of the reform and its enabling legislation, see SRA 1992.

<sup>10</sup>Among *ejidatarios*, 13.4 percent have irrigated lands, 11.2 percent are partially irrigated, and 75.4 percent are completely dependent on rainfall (SARH-CEPAL 1992: 4).

<sup>11</sup>On the implications of the tenure reform in Chiapas, for example, see García de León 1992. The lack of political space for democratic grassroots peasant organizing in Chiapas has fueled the growth of clandestine radical groups. In May 1993 the army carried out an unprecedented counterinsurgency sweep in the Ocosingo region of the state. In addition to independent journalistic accounts in *La Jornada*, see Minnesota Advocates 1993.

impact does not automatically translate into political behavior.<sup>12</sup> The withdrawal of many government agricultural programs has changed the context within which rural people decide whether and how to engage in collective action. As of 1993, electoral politics was still not sufficiently competitive in rural areas for voting to become a major channel for representation in national policy making. The main alternative channel for representation—peasant interest groups—has been in transition for a decade and a half. The traditional patterns of protest and petitioning no longer work, but newer forms of social bargaining (*concertación*) have yet to constitute a consolidated alternative, especially in the most authoritarian regions of rural Mexico, such as Chiapas. Perhaps most importantly, movements that represent the social and economic interests of the rural poor have yet to mesh fully with movements for *political* change either inside or outside the ruling party.<sup>13</sup>

#### CURRENT TRENDS IN PEASANT POLITICS

By the early 1990s the political situation in the newly liberalized peasant economy was a complex, diverse mosaic. The main trends can be organized in terms of the following themes: rural electoral politics, official rural development ideology, political conflict over public policies, and the ongoing transition from corporatist to more pluralistic forms of peasant interest representation.

#### ELECTORAL POLITICS AND THE COUNTRYSIDE

Rural votes still weigh heavily in contested national elections, even though Mexico's electorate is predominantly urban. Available evidence indicates that rural votes are still of national importance for three principal reasons. First, rural voters have little access to multiple sources of political information and viable alternative parties, greatly reducing effective electoral competition. Second, fraud is more widespread in rural areas, affecting both absolute and relative voting data.<sup>14</sup> Third, as

<sup>12</sup>Rural political behavior is hard to predict in part because very few opinion polls are carried out beyond large cities—with the exception of the government's own confidential polling, which it uses extensively to test out different policy options.

<sup>13</sup>On changes in the peasant movement in the 1980s, see, among others, Bartra 1989a, 1989b, 1990, 1991; Harvey 1990, 1992, 1993; Fernández Villegas 1991; A. García 1989; Fox and Gordillo 1989; Gordillo 1988a, 1988b; Hernández 1989a, 1989b, 1990, 1991, 1992a, 1992b; Martínez Borrego 1991; Mejía Piñeiros and Sarmiento 1987; Moguel, Botey, and Hernández 1992.

<sup>14</sup>According to Juan Molinar Horcasitas's comprehensive overview of party politics (1991: 9), "electoral fraud is a generalized practice in the Mexican electoral system, but it is not universal or homogeneous. It is more common and intense in rural and remote areas. . . . This is not only because the PRI gets better results using cacique-style clientelistic mechanisms of electoral mobilization rather than modern campaign techniques; it also has to do with the opposition, which, with few exceptions, only goes as far as the paved road."

far as congressional races are concerned, outdated district boundaries lead to overrepresentation of rural zones.<sup>15</sup>

The most notable indicator of the continuing importance of the rural vote was the geographic distribution of the returns from the 1988 presidential election. According to the hotly contested official tally, Salinas's slim majority depended largely on rural votes. In "very urban" areas Salinas won only 34 percent of the votes counted, but in "very rural" areas he received 77 percent. While rural and semirural districts accounted for 43 percent of the electorate, they produced 57 percent of Salinas's official vote (López et al. 1989: 31–32).<sup>16</sup> Most of the questionable ballots were cast in rural precincts, where citizen oversight was especially difficult and dangerous. The opposition's restricted access to the broadcast media also had a disproportionately greater impact in rural areas, and the threat of human rights violations limited freedom of expression and assembly for the opposition.<sup>17</sup>

The ruling party claimed to have recovered its urban base with the 1991 midterm congressional elections. In its search for a more "modern" image, its electoral dependence on the so-called green vote had come to seem embarrassingly backward. The ruling party clearly did recover urban support, but its rural share was still significantly higher according to Gallup/Televisa's exit poll (74 percent vs. 51 percent) (Medina Peña 1991: 25). The continued controversy over the validity of the overall 1991 turnout figures makes it difficult to quantify the urban/rural breakdown. Officially, turnout was significantly higher than in the much more important 1988 race, but sources involved in Gallup's extensive exit poll estimate that overall voter turnout was *at least 10 percent less* than official government claims. Moreover, the congressional races were much less seriously contested than the 1988 elections; only the 1994 presidential returns will allow a clear comparison. If one were to highlight an indicator from 1991 for comparison with 1988, it would be the two seriously contested governors' races in the states of Guanajuato and San Luis Potosí, where the ruling party continued to produce overwhelming victories in rural districts.<sup>18</sup>

In spite of continued rural electoral fraud, the Salinas government's rural electoral strategy was much more sophisticated than its prede-

<sup>15</sup>District boundaries do not account for the effects of more than two decades of urbanization. As one official in the Ministry of Agriculture put it, however, "it if isn't broken, don't fix it."

<sup>16</sup>For a critical analysis of the 1988 election statistics, see Barberán et al. 1988.

<sup>17</sup>On the rural human rights situation, see Amnesty International 1986, 1991; Americas Watch 1990, 1991; Minnesota Advocates 1993.

<sup>18</sup>The voting process in most of the rural districts in these states was not systematically scrutinized by either independent observers or the media. With fraud so evident in the urban areas, one might assume that it was at least as widespread in rural districts. Ironically, private polls and some political insiders concur that, with so little effective competition in rural areas, the ruling party might well have been able to win free elections in those states.

cessors. Traditionally the rural vote was seen as something to trade (for public works) in a context of clientelistic, machine politics that left little room for autonomous social or political organization.<sup>19</sup> But even in the absence in most rural areas of the broad programmatic debate generally associated with democratic party politics, the vote becomes more valuable to the rural poor when two new trends converge: more electoral competition, on the one hand, and the growth and spread of autonomous peasant organizations on the other. The ruling party continued to bargain for votes with patronage and projects, both before and after election day, but some campesino organizations gained greater leverage in the process. In regions where the "official" corporatist organizations have been eclipsed by new, more autonomous and representative organizations, voting patterns became harder to predict. Reformist state managers increasingly acknowledged that crude traditions of political imposition were counterproductive, but their influence over hard-liners was quite uneven.

These changes began to emerge in the mid-1980s in rural Sonora and Chihuahua, when federal and state authorities offered significant incentives in return for at least indirect support against the National Action Party (PAN).<sup>20</sup> Early in the 1988 presidential campaign, candidate Salinas's emissaries systematically met with leaders of a wide range of the more representative regional organizations, even though most had steered clear of electoral politics until then. Instead of the traditional process whereby government officials insisted on imposing their own preferred leaders along with offering some economic concessions, this new bargaining arrangement respected the new generation of peasant leadership. It offered to support their regional, self-managed economic development and to ally with them against their immediate enemies in local and state government, in exchange for at least indirect support in

<sup>19</sup>In his reflections on whether July 6, 1988, "truly awakened the deep Mexico," Guillermo Bonfil offers a well-informed discussion of voting patterns in indigenous areas. He supports Warman's suggestion that continued voting for the PRI in many regions indicates decisions made "*en corto*," that is, based on short-term considerations that have nothing to do with political programs offering alternative models of society for the future. The vote is seen there more as a resource for here and now, used to get promises to finish a road, build a school, put in drinking water, move along the bureaucratic titling of land, and other small contributions that help to resolve everyday problems, ancestral problems, those that overwhelm all moments of one's life. The other issues are still matters for 'the others,' the superimposed world created by the imaginary Mexico. The parties will have to dig very deep to get to the bottom and touch the levers capable of politically mobilizing the deep Mexico" (1990: ii–iii).

<sup>20</sup>In Sonora, for example, the famous Coalición de Ejidos Colectivos de los Valles del Yaqui y Mayo, a pioneer of autonomous peasant-managed economic development, reportedly made a deal to support the "official" candidate for governor in exchange for a government bailout after the group found itself overextended financially. In Chihuahua, the federal government made significantly more concessions to a mass movement for higher corn prices than it did for other similarly militant mass movements in states that did not face electoral competition (such as Nayarit and Chiapas) (Fox and Gordillo 1989).

the presidential race.<sup>21</sup> Remarkably, the principal national network of autonomous regional organizations, UNORCA (National Union of Autonomous Regional Peasant Organizations), maintained its pluralism under the strain when its members made their highly charged political choices, some opting for Salinas while others remained neutral or came out for Cárdenas.<sup>22</sup>

The balance of bargaining power for votes (whether through old-fashioned clientelism or new-style "concerted" deals) depended on perceived political alternatives. Most political parties were still absent from most of the countryside in the early 1990s. On the right, the PAN did not try to appeal to the rural poor, while significant organized rural support for the center-left opposition Party of the Democratic Revolution (PRD) was limited to a few states (Michoacán, Tabasco, Guerrero, and southern Veracruz). Rural support for Cárdenas's presidential race was quite uneven and diverse in the 1988 presidential race, including defections from traditional corporatist peasant organizations in La Laguna and Michoacán, diffuse civic anticorruption and antiauthoritarian sentiments, and a new electoral turn by some autonomous peasant organizations—perhaps not unlike the combination of diverse genres of support seen in urban Mexico, although the mix probably involved more independent social movements in the cities.

The best available poll of *ejidatarios*, sponsored by the Institute for Strategic Proposals, found that 20 percent sympathized with the PRD as of 1990, while the rest said they supported the Institutional Revolutionary Party (PRI). But more notable is that PRI support was quite thin; only 10 percent said their affiliation was based on "conviction." The rest reported that they supported the PRI because it was "convenient,"

<sup>21</sup>See Hernández 1989a, 1989b, 1990. In contrast to an official organizational endorsement, indirect support might involve a leader's declaration as an individual, or an at-least neutral-sounding public political statement. In these scenarios, bitter intra-organizational battles are avoided, while the group is removed from the potential opposition. The result was a series of newspaper spreads throughout the 1988 campaign season from many key regional nonofficial peasant groups. These declarations led to deep divisions within those groups that did not process the decision with the membership.

<sup>22</sup>UNORCA's key election campaign statement noted: "UNORCA is a pluralistic network of organizations, which means that some organizations are affiliated with various peasant federations (*centrales*) and others are not. We have been able to develop our convergence based on the most scrupulous respect for each organization's internal structures and decisions. . . . We understand . . . autonomy as the capacity of each organization to make its own decisions internally, and mutual respect for these decisions. Because of UNORCA's very nature, it cannot and will not take any partisan political position in the upcoming electoral process. Each regional organization is free to take, through its internal mechanisms, the position that it judges most convenient" (*La Jornada*, June 16, 1988, emphasis in original). UNORCA's August 1988 national meeting in the heart of Cardenista territory (Costa Grande, Guerrero) was another turning point, sustaining its commitment to political pluralism in spite of the sharply polarized political moment. For the report on the proceedings, see UNORCA 1988. Parenthetically, the frequency with which UNORCA's initials are spelled out in the press and other public forums without explaining that the "A" stands for "autonomous" is remarkable.

because of various kinds of imposition, or because they knew of no alternatives (Morett Sánchez 1991: 110–11).

Most analyses of democratic transitions focus on "high politics"—national-level elections and pact making. In Mexico, however, the institutionalization of free and fair elections evolved much more unevenly, moving more quickly at the municipal and state levels than at the national level (Fox and Hernández 1992).<sup>23</sup> Specifically rural democratization in Mexico remains rare, and so far it is led by local rather than national political actors. To encourage the sustained and sometimes risky mass civic action needed to promote the transition to electoral democracy in rural areas, locally attractive alternatives need to be combined with the perception that citizens' efforts could pay off. These two conditions are most likely to hold in local municipal elections, where the results of the actions of both electors and elected are most immediate and public.

The rural democratization process is most often led by regional civic and social movements, rather than by local branches of national political parties. As in much of Latin America, regional civic protest movements combine demands for the defense of the ballot box and accountable, representative government with economic demands for regional development investment (Fox 1992). As social organizations begin to play the role of local political parties, however, they risk subordinating long-term social and economic goals to short-term political exigencies. Their challenge is to participate in civic and political movements without losing their autonomous identity.<sup>24</sup>

Electoral conflicts force peasant organizations to make political choices. They can act as an interest group, pursuing their economic interests by playing parties off against one another. Or they can define a public political identity either through allying with an established party or by fielding candidates of their own. But under the current rules of the game in Mexico, the political trade-offs that peasant organizations face are rarely of their own choosing; defining a clear political or civic identity can endanger access to political elites and the discretionary resources

<sup>23</sup>This may fit the Indian Congress Party model, where the ruling party retains federal power while ceding state and local elections (suggested by Cornelius, Gentleman, and Smith [1989]).

<sup>24</sup>So far, however, in those cases where autonomous regional organizations have won local mayoral elections, the peasant organization has tended to lose force in the aftermath. This new process has yet to receive systematic study. Note, for example, the cases of the Unión de Ejidos "Lázaro Cárdenas" in Ahuacatlán, Nayarit, and the Cooperativa Agropecuaria Regional "Tosepan Titataniske," in Cuetztlán, Puebla. In both cases key leaders won local office through the PRI, offsetting local elites with their federal contacts. One of the most successful experiences, from the point of view of the survival of peasant organization autonomy, was in Ignacio Zaragoza, Chihuahua, in the mid-1980s under the PSUM. Other notable cases of peasant-based municipal political victories—such as Juchitán, Oaxaca; Alcozauca, Guerrero; and rural Michoacán—were driven by political organizations rather than producer groups.



they control.<sup>25</sup> Even if they abstain from electoral opposition but defend the ballot box against fraud, as in Guerrero's Costa Grande region, they still put their limited access to government funding for self-managed economic development at risk.<sup>26</sup> Political conditionality was especially strict in the aftermath of the 1988 election, but it began to relax somewhat after the ruling party won the 1991 midterm elections.

One important trend in rural politics is the opposition's growing capacity to focus national political attention on long-forgotten small-town electoral conflicts. Pioneered by a local left-wing movement in Juchitán in the late 1970s, this process was led by the right-wing PAN in the mid- and late 1980s in medium-sized cities. National political attention did not focus on clearly rural municipalities, however, until the hotly contested 1989 local races in Michoacán and Guerrero. Conflicting views on how and whether to negotiate electoral outcomes complicated the opposition's response to fraud. Two kinds of patterns began to emerge, one more party-led, the other driven by local civic and social movements. The unprecedented popularity and success of the "Exodus for Democracy" antifraud mass protest march from rural Tabasco to Mexico City had a truly national impact on the PRD's fortunes in late 1991 as its first clear-cut success following the demoralization of the August 1991 elections. Where state and national opposition party elites mesh poorly with representative local social and political groups, however, this critical mass of pressure is unlikely to develop (for example, the Costa Grande region of Guerrero).

<sup>25</sup>See Bartra 1992. More generally, there are inherent tensions between social and political representation for the rural poor. First, depending on local political demography, electoral pressures may lead to a blurring of important class, ethnic, and gender conflicts, weakening the social organization's capacity to represent its original base. Second, electoral politics may permit social organization leaders to "take off" from their bases and, with the help of new national allies, pursue individual ambitions while leaving their original constituency underrepresented. Third, political party competition may introduce ideological divisions into organizations previously united by social and economic demands. Fourth, as social organizations get involved in electoral politics they may endanger their autonomy vis-à-vis political parties even if those parties are their allies.

<sup>26</sup>Note, for example, the case of the *Coalición de Ejidos de la Costa Grande*, based around Atoyac, Guerrero, one of Mexico's most consolidated, democratic, and autonomous regional organizations (A. García 1989). Most of the rank and file supported Cárdenas for president in 1988. The leadership was concerned about the long-term survival of their self-managed economic development project and chose to remain nonpartisan, knowing the government's unforgiving attitude toward open political opposition. Rank-and-file Cardenista sentiment expressed itself again in the 1989 municipal elections, which led to months of broad-based antifraud protests. After a long, drawn-out conflict, a compromise PRI candidate was named to lead a pluralistic municipal council, but the most authoritarian elements in the ruling party struck back again. The state police commander took over the town hall, proclaiming, "I've got a thousand men here to sit down and talk with you." Meanwhile, PRD leaders bypassed the *Coalición* in their own closed-door negotiations with the government. Both "official" and opposition party elites pushed the group to define its political allegiances, but the *Coalición* made the political choice to emphasize its democratic economic development project while defending electoral democracy from a nonpartisan stance. See Moguel 1991; Nava 1991. For background, see Bartra 1992.

#### NATIONAL IDEOLOGICAL CONTEXT

The constitutional reform brought together two debates that had long been kept separate—the agrarian issue, dealing with land tenure, and the agricultural issue, dealing with production and growth. Agrarian policy has long reflected a political stalemate. No significant land distribution has been carried out since 1976; land reform advocates were unable to revive it or to slow the widespread distribution of "untouchability certificates" for private landowners. At the same time, critics of the ejido were unable to challenge its legitimacy until recently. Because of this stalemate, since 1976 the rural policy debate had been largely framed in terms of agricultural rather than agrarian issues. The reform of Article 27 broke the stalemate and "re-agrarianized" the debate.<sup>27</sup>

The ideological importance of the constitutional reform resonated far beyond the agricultural sector, since it served as yet another sign that no hitherto sacred postrevolutionary legacy would remain untouched. This does not mean that the constitutional reform was a response to pressures from private capital, though one could get that impression from the business press. Rather, land tenure reform became an issue in the business media in response to lobbying by pro-deregulation advocates within the government who needed support to offset resistance by more traditional members of the political class.<sup>28</sup>

The rural ideological context has changed far beyond the land tenure issue. Official discourse recasts the entire relationship of the state to the rural poor. The new agrarian ideology keeps the state involved in rural society, but in a very different role. Postrevolutionary populism acknowledged the existence and legitimacy of class conflict; the state's role was to regulate this conflict and side, at least sometimes, with the oppressed. With the new discourse of Solidarity, the state reaffirmed that poverty is a problem, but it rejected its past position that class oppression was the cause and held that class struggle is certainly not the

<sup>27</sup>The previous round of the debate took place in 1980–1981, in the context of the Agrarian Development Law (LFA). Critics of the LFA misread the balance of forces within the state, equating the Mexican Food System (SAM) and the LFA in a contestatory discourse that fell into the trap of believing the state's own rhetoric, rather than looking closely at what state managers were actually doing with oil boom resources. In spite of the drastic predictions at the time that the LFA would roll back the agrarian reform, discreet critics within the government inserted provisions in the enabling legislation that made ejido joint ventures unattractive to business. The LFA served primarily as a pro-business ideological signal while the rest of the state's agricultural apparatus went about rapidly expanding interventionist operations in the name of the SAM (Fox 1993).

<sup>28</sup>The reform of Article 27 is a necessary but not sufficient condition for encouraging significant agribusiness investment, since many factors other than land tenure influence private agricultural investment decisions (such as trade barriers and, especially, exchange rates). The degree to which rural investment will increase and create significant numbers of jobs beyond a few irrigated enclaves is unknown. During the first year at least, most private investors maintained a wait-and-see attitude (Schwedel 1992). The first high-profile joint ventures between large firms and ejidos were highly subsidized by the government, so the prospects for a "spread effect" are uncertain.

solution. Rather than proposing to regulate markets and promote production, the state offered a practical problem-solving partnership with the poor to confront problems of public works and social welfare.<sup>29</sup>

Official rural development ideology occupies a remarkably broad ideological space. As with Solidarity's discourse, official rural development ideology synthesizes alternatives from both left and right, which divides potential opponents across the spectrum. There is something for almost everyone. As in other policy arenas, Salinas preempted the PAN's position with his focus on land tenure security, investor confidence, and the withdrawal of the state. The PRD, in contrast, rejected the reform in its entirety, defending the institutional legacy of agrarian state intervention inherited from Cárdenas and Echeverría. Initial PRD declarations insisted that the ejido as such did not have fundamental flaws. Instead, its main problem was lack of funding. This position was reportedly drawn up by former leaders of the PRI's dissident Democratic Current, with little consultation of national and regional peasant leaders, including many who sympathize with the PRD. In contrast to the PRD's defense of the institutional status quo, many peasant leaders across the political spectrum felt that the system did indeed need basic change (as well as increased funding). Although many differed with Salinas about the changes needed, they supported the official promises to reduce paternalistic government controls and to increase ejido autonomy.<sup>30</sup>

#### THE POLITICS OF RURAL POLICY MAKING

The two tracks of rural policy making—agricultural and agrarian—began to come together in the process of state withdrawal. In agricultural policy, state economic intervention shifted from sector-wide to organization-specific. In the past, declared policy toward the peasant economy focused on efforts to increase production on the smallest plots, though in practice it was tilted toward surplus-producing peasants and larger farmers (Fox 1993). State managers thought their capacity to regulate the economy was virtually unlimited, and sector-wide policies

<sup>29</sup>The ideology of Solidarity involves a sophisticated combination of diverse political strands, just like its Polish namesake. From the center, Solidarity draws on Christian Democratic notions of community participation. From the right, Solidarity resonates with the patterns of nonconfrontational, pro-management styles of labor organization that have long had influence from Costa Rica to Monterrey. Solidarity draws most directly, however, from Mexico's social left tradition, which has long played a key role in organizing autonomous social movements. Drawing its original ideological inspiration from the idealistic French interpretation of China's Cultural Revolution, these political currents focused on building mass organizations that would give poor people more control over their daily lives. The politics that is considered to really matter is local. Like the social left, however, Solidarity's idea of participation is limited to local participation, excluding debate over national alternatives.

<sup>30</sup>Not coincidentally, the authors of the new pro-autonomy official discourse included former critics Arturo Warman and Gustavo Gordillo (previously one of UNORCA's leading strategists). For his UNORCA-era works, see Gordillo 1988a, 1988b. For more recent analyses, see Gordillo 1990, 1992, and his remarks in CNC 1991b.

were the norm. As recently as the 1980–1982 Mexican Food System era, some policy makers considered rainfed peasant producers to be economic actors of national importance. Now they are treated as targets of welfare rather than production policy.

Since the withdrawal of the state in the late 1980s, peasant production policies have been targeted in terms of groups with bargaining power rather than the sector as a whole.<sup>31</sup> Targeting peasant production policy combines substantive concessions to the generally better endowed minority who already produce a surplus for the market, while assuming that most subsistence and sub-subsistence producers should change their occupations. This changing economic policy terrain inherently segments production politics in two ways. First, it reinforces the gap between the organized and the unorganized (the majority of ejidos, for example, do not function as economic units).<sup>32</sup> Second, it creates sharp political trade-offs for organizations, since those who challenge the national policies risk losing access to their targeted concessions. The outcome is much cheaper for the state than trying to increase the efficiency and accountability of past sector-wide policies. Moreover, as long as targeting is flexible, it can manage most protest.

For those producer movements that are trying to broaden and consolidate the organized smallholder enclaves that might have a chance of economic survival in the future, the path has been called the "appropriation of the production process." Advocates of peasant organization-managed production within the state turned this into official discourse, especially while Gustavo Gordillo was undersecretary of agriculture during 1989–1990. One of the most developed examples of state support for this process is in the coffee sector, but the results so far are mixed, highlighting the limits of group-specific supports in the absence of an overall hospitable policy environment for smallholder production. The

<sup>31</sup>The Ministry of Agriculture signed numerous "concertation" agreements to fund the development projects of producer organizations early in the Salinas administration. Both "official" and autonomous organizations were funded. Government-affiliated producer groups were funded in part to support the more "modern" wing of the "official" CNC vs. the entrenched agrarian political class (see discussion of CNC below), while many autonomous groups were funded in part because some had solid development management track records, and in part to dissuade them from joining the overt political opposition during the period of intense polarization in the aftermath of the contested 1988 elections. The traditional political class, threatened by both trends, counterattacked behind the scenes, claiming that this funding strategy was responsible for a perceived increase in producer protest in 1989–1990. Perhaps as a result, in 1990 a new coalition was named to run the Ministry of Agriculture, combining a strong secretary associated with the old political class with a pro-market deregulation economist in charge of policy reform. The concertation strategy funding was eliminated.

<sup>32</sup>See Morett Sánchez 1991: 9. There is little national public survey data regarding levels of peasant organization. As of 1981, 26 percent of *ejidatarios* were members of existing ejido unions (Fernández and Rello 1984). This finding seems to have been confirmed by Morett Sánchez, who also found that 21 percent of ejidos have some kind of internal organization (1991: 89). Varela's survey of rural individuals found that 18 percent participate in some form of organization (Varela et al. 1991: 8).

coffee sector is an especially important case because coffee is one of the few export crops grown by smallholders, and it supports two million people.<sup>33</sup> This process of extending self-management with capitalized group credit, processing, and marketing has clear limits as a policy alternative, since most peasants lack either the necessary organizational resources or viable productive alternatives (Bartra 1989a, 1990, 1991).

Much of the targeted supports for producer organizations, as well as the welfare supports for "nonproductive" producers, are channeled through the National Solidarity Program (PRONASOL; also referred to simply as "Solidarity"). PRONASOL combined elements of traditional clientelism with relatively "modern" pluralism (see Cornelius, Craig, and Fox 1994; Dresser 1991; Fox 1994). The principal traditional channel was through the municipal authority, including both public works and Solidarity's production credit line (on-your-word loans) for producers who fell below the government bank's threshold in terms of ability to pay. Mayors selected the recipients of these soft loans, who got the equivalent of U.S.\$100 each—far less than enough to invest in production, and less than enough to support consumption until the harvest comes in. PRONASOL's spectrum of programs also included more innovative production-oriented programs, which built in more accountability mechanisms and strengthened representative producer organizations, especially in the case of the National Indigenous Institute's support for autonomous coffee-producer groups and its Regional Solidarity Funds for Indigenous Peoples' Development. The Regional Solidarity Funds aim to turn local socioeconomic investment decision making over to autonomous regional councils of representative indigenous social and economic organizations. In contrast to most PRONASOL programs, where the state created its own interlocutors, these new channels for pluralistic state-society interaction could bolster existing representative organizations.<sup>34</sup>

<sup>33</sup>On the politics of the coffee sector, see Ejea and Hernández 1991; Moguel and Aranda 1992; Hernández and Célis 1992.

<sup>34</sup>For details, see Fox 1994. More generally, one can frame the range of possible PRONASOL policy implementation scenarios along a continuum with three distinct categories. At one extreme are those social policies that are "captured" by traditional political elites. Their policy implementation style is generally associated with clientelism, corporatism, and corruption. At the other possible extreme are PRONASOL's most innovative elements, associated with the official discourse of equity, transparency, pluralism, and power sharing with civil society. In between are those PRONASOL activities whose targeting and policy style are most ambiguous. They are not traditional, in the sense that they do not condition access to benefits with crude partisan electoral manipulation. Nor are they completely pluralistic, in the sense of respecting the political diversity of civil society, since beneficiaries are obliged to organize through certain official channels, to petition within predetermined constraints, and to avoid public criticism of the government's broader policies. In this scenario, all politics is required to remain local. Citizens must sacrifice some of their political rights in exchange for "social rights." This subtle modernization of the state structuring of interest representation is sometimes called neocorporatism in Mexico, although the concept is usually poorly specified. This view of PRONASOL is widely held among Mexico's social movements. For example, in

Agricultural policy came firmly under the control of the pro-market deregulation advocates by early 1991, and land tenure policy was next on their agenda. The debate followed a similar trend, with peasant organizations largely unable to influence national policy making but finding some room for maneuver in terms of their particular regional problems and projects. Policy was determined largely by the balance of forces within the executive branch. Peasant organizations had at most a partial, reactive impact, such as temporarily reversing some of the grain import policy decisions and encouraging the president to issue his "Ten Points of Freedom and Justice for the Countryside" as a follow-up to the Article 27 reform announcement.

The constitutional land tenure reform debate revealed a great deal about how decisions are made, although many crucial details remain secret. It was carried out in three phases. First, Salinas's cabinet and advisers debated options behind closed doors. The reform that was made public was a compromise, including pro-business and pro-*ejido* measures. The original proposals ranged from those that did not want a constitutional reform at all (promoted especially by individuals with strong ties to the old political class) to moderate pro-deregulation reforms, to more radical deregulation proposals. Some of the more business-oriented cabinet members reportedly supported immediate, obligatory parceling and privatization of all *ejido* land, although one policy maker suggested that this was a bargaining tactic to make the voluntary privatization position seem more moderate by comparison. In the end, the president's proposal left the privatization decision in the hands of *ejidatarios* rather than imposing wholesale privatization from above, consistent with official *autonomista* discourse.<sup>35</sup> Policy

the view of a leader of one of Mexico's more consolidated autonomous indigenous producers' organizations, "with PRONASOL the government tries to create the appearance that it recognizes us, but the reality is different; everything comes with strings attached" (author interview, October 1991).

<sup>35</sup>Dr. Gordillo, undersecretary of agrarian reform and former independent peasant movement strategist, framed the agrarian policy debate in a provocative way, arguing that it transcended past left-right dichotomies. In a September 1992 presentation at a meeting of the Latin American Studies Association in Los Angeles, he suggested that the agrarian debate over the last two decades can be cast along two axes, with more-vs.-less political freedom for peasants along one axis and more-vs.-less freedom for the market along the other.

	More state intervention ↔ More market freedom	
More state political control	Traditional corporatists	Neoliberal policy makers
	↓	
More freedom of association for peasants	Most autonomous peasant groups	Article 27 reform?

In this view, the traditional corporatists in the old political class and the "official" peasant organizations defended both authoritarian politics and state intervention in the agricultural economy. The neoliberal policy makers promoted deregulation and free markets, but they did not encourage a rural political opening. The autonomous producer groups pushed for increased political pluralism and public-sector accountability to organized peasants, but they called for the state to play a major role in buffering the social impact of the market in the peasant economy. In this view, the constitutional reform represents a compromise, satisfying the pro-market forces with significant deregulation while recognizing the autonomy of the *ejidos* from government control and the legitimacy of independent peasant organizations.

makers who advocated the voluntary privatization approach emerged from the intense closed-door debates claiming that they won the first round, but many peasant movement leaders—not privy to the debate—disagreed, highlighting a major gap between ostensible allies in state and society.

The next phase of the debate began when the reform initiative became public. The proposal caught peasant leaders off guard across the spectrum, without coherent alternatives. This public phase of the debate split virtually all major peasant organizations along a whole series of fault lines (Hernández 1992a, 1992b; Moguel 1992, 1994). The initiative was seen as a threat by both traditional corporatist bosses and the traditional left, while the new generation of autonomous organizations was at least as angry about the closed-door, top-down process as it was about aspects of the initiative itself. While very few changes in the proposed constitutional amendment were forthcoming, the debate did oblige Salinas to meet with representative peasant leaders, leading him to elaborate on the ostensibly pro-peasant elements of the reform in his Ten Points, drawing directly from the words of independent leaders (“peasants should be the subjects, not the objects, of change”).<sup>36</sup>

The Salinas administration managed to persuade almost all national and regional peasant leaders, whether “official” or independent, to either support or not oppose the reforms of Article 27.<sup>37</sup> The Permanent Agrarian Congress (CAP, the national umbrella group that included almost all major peasant organizations and originally promised more peasant representation in the policy process) turned out to have very little impact on the government’s proposal. The government did address one of the group’s important concerns—the distribution “backlog” for lands officially ceded to claimants by “presidential resolution” but de facto still in the possession of private owners. The government made payments to organizations for the value of the contested lands. Leaders who still opposed the Article 27 reform outright were threatened with loss of access to the few government support programs still available, as part of the overall policy of limiting support to peasant production to targeted programs.<sup>38</sup> Leaders who

<sup>36</sup>Even though concerned independent peasant leaders won relatively little in terms of substantive concessions with the Ten Points, they at least achieved recognized interlocutor status outside the “official” confines of the Permanent Agrarian Congress. The president began the Ten Points with: “This meeting with peasant representatives, with real leaders, is important.” For the reform, the Ten Points, and the official positions of the main national organizations, see CAP 1992. For a range of critiques, see Bartra 1992; CIOAC 1991; Paré 1991. The most comprehensive forum for public debate, including peasant leaders, policy makers, and independent agrarian experts, was the Monday supplement of *Unomásuno*, edited by Julio Moguel beginning in November 1991 (which later became the monthly *La Jornada del Campo*).

<sup>37</sup>See the Manifiesto of December 2, 1991, published in all major Mexican dailies.

<sup>38</sup>The leader of one traditional populist peasant organization, the Movement of the 400 Pueblos, accepted government payments in return for supporting the reform but then threatened to oppose it in an effort to extract further payments. Some government officials considered this blackmail, beyond the usual bounds of corruption, and jailed the leader.

signed on risked alienating major segments of their rank-and-file membership, which had very little information on which to base their own decisions and even less opportunity to express themselves in the narrow window of time nominally open for input. Nevertheless, open protest of the Article 27 reform was minimal.

The third phase of the debate focused on the enabling legislation, and here the pro-peasant organization policy makers lost ground. For the *autonomista* position, perhaps the single most important procedure in the reform is the privatization decision-making process, to be carried out in ejido assemblies. The fine print regulating the decision-making procedures is perhaps not so crucial in areas of consolidated peasant organization strength, but only a minority of the rural poor have such local advocates. Because of the lingering power of traditional caciques and the growing strength of agribusiness, it is possible that some minority of ejido assemblies will make major land-titling decisions that flout the will of the majority. The key question is how large a minority, which in turn depends on whether the decision-making procedures create “*candados*” (literally padlocks) that make manipulation more difficult. Some optimistic pro-ejido policy makers claimed that the enabling legislation would require a three-fourths majority to allow privatization of ejido lands. After some public debate, however, the legal threshold fell, quietly but significantly. The final enabling legislation indeed requires a two-thirds majority, but there is a loophole. If the first effort to call an assembly does not produce a quorum, the legal minimum for the quorum for the next assembly called is only one-half plus one of the membership (Articles 26 and 27). In this scenario—not difficult to arrange—one-third of the membership can therefore decide for the rest of the ejido, indicating an important shift in the mix of pro-ejido and pro-privatization elements of the reform.<sup>39</sup> More generally, the importance of the assembly in the legislation means that the political character of the privatization decision-making process will depend on the degree of internal democracy in each ejido.

The implementation of the Article 27 reform will test the limits of state capacity. Lessons from Salinas’s earlier policy successes may not apply to the ejido reform. These initiatives involved surprise radical moves by using concentrated state power (for example, removing union bosses, privatizing the banks, and so forth), and they tended to work (see Córdoba 1991). Such was the process of legislative approval of the

<sup>39</sup>Another revealing indicator of the shift in the center of gravity of the pro-business/pro-ejido mix of provisions is the role of the “*áreas comunes*” (common lands) of the ejidos, which account for two-thirds of their area. The second of the Ten Points promised that: “To propose that the common lands be inalienable establishes at the constitutional level that social property in Mexico will be permanent” (in CAP 1992: 28). In the enabling legislation, however, the ejido “will be able to transfer control over common lands to corporations or joint ventures in which the ejido participates,” under the oversight of the agrarian attorney general (Article 75). The implications are especially serious in the forestry sector.

Article 27 reform. But its implementation will be much more complex than past policy successes, requiring adjudication of hundreds of thousands of micro-decisions regarding land titles and boundaries, far from the purview of federal reformists. Providing written titles for ejido parcels is a prerequisite for most other land tenure changes, including sale, rental, and mortgaging of plots, but government plans to finish this difficult process within a year had to be revised (Nauman 1993).

As the ejido privatization trickles down through the system and confronts peasants directly, many will fully perceive the importance of the changes for the first time. Peasants may react defensively if the ejido privatization process is carried out with less democracy and accountability than promised, which is especially likely in the poorest rural areas of central and southern Mexico. Pro-ejido organization policy makers acknowledged that the process will be flawed in some cases, but they hoped that the importance of the decision would provoke a revitalization of grassroots participation within many ejidos (Warman 1992).

#### CHANGING CHANNELS OF RURAL SOCIAL REPRESENTATION

The economic-vs.-political cleavage continues to crosscut the whole spectrum of the peasant movement. Both independent and "official" peasant organizations can be divided into more political and more economic development-oriented wings. Among the nongovernmental groups, the militant movements (generally based in the poorest and most conflictive rural regions) tend to identify ideologically with the political opposition more generally. These include the Coordinating Committee of Agrarian Organizations (COA), the Independent Confederation of Agricultural Workers and Peasants (CIOAC), and the National "Plan de Ayala" Coordinating Committee (CNPA). Some are linked to political parties, but most are not. They were strongest in the early 1970s and grew again in the early 1980s, but by the late 1980s most had succumbed to internal divisions and pressures from the state.

Since the early 1980s, the main trend in the peasant movement was the change of terrain from agrarian to agricultural issues. Organized smallholders increasingly developed their own self-managed economic projects and learned how to bargain with both state and market. In contrast to past traditions of militant, all-or-nothing confrontation with the state, these organizations combined peaceful mass mobilization with practical negotiating styles and concrete policy alternatives. Many of these regional organizations formalized their convergence in the UNORCA in 1985. The UNORCA process later spun off a series of more sectorally focused national networks of peasant-managed credit unions, fertilizer distributors, and corn, coffee, and lumber producers. Many are struggling to survive in the new policy environment, encouraging a tendency to turn inward to defend their existing membership rather

than broadening to include a larger fraction of small producers. Most are currently nonpartisan, but if the government does not follow through with its promises to buffer the impact of the economic changes, then some may decide to become active in rural electoral opposition. The long-term shift continues from the "central" or classic top-down pyramidal structure to the more horizontal network as the main form of national rural interest articulation.<sup>40</sup>

The government-affiliated groups, most within the CNC (National Peasants' Confederation), can also be divided into more political and producer-oriented wings. The political groups include the agrarian elements of the PRI left over from their heyday in the mid-1970s, and the old-fashioned rural electoral machines linked to authoritarian governors, some of whom quietly opposed Salinas on many issues. Some of these coalitions are behind continuing rural human rights problems, especially in Chiapas, Oaxaca, and Guerrero (Americas Watch 1990, 1991; Amnesty International 1986). The new, presidentially installed leader of the CNC, a former UNORCA strategist, emerged from a base in the "modern" commodity-producer branches and began to shake up the organization with what he called "CNCestroika." The power struggle within the CNC continued and its outcome is still unclear.<sup>41</sup> There was some common ground between the producer-group wings of both the independent and official organizations, and they began to meet at pluralistic conferences in 1991 and 1992 under the banner of the "New Peasant Movement." At the third such meeting, however, one speaker from an independent regional organization dared to criticize agricultural policy in Salinas's presence, embarrassing the reform leadership of the CNC and leading them to break off the convergence with the nongovernmental organizations (Hernández 1992a, 1992b).

<sup>40</sup>Many groups that stood to the left of UNORCA until the late 1980s, such as the General Worker-Peasant-Popular Union (UGOCP) (or the parts of the CNPA, have since moved quickly toward the center with their own "cambio de terreno" and signed a wide range of concertation agreements to get official funding and private-sector partners for their rural development projects. Some UGOCP leaders now lobby actively in favor of government policy and joint ventures. The CIOAC had in some ways pioneered this strategy when it received massive government funding for its national credit union in 1981. The Comisión Nacional Bancaria claimed that the credit union was a financial failure and withdrew official registry in 1991 after years of losses (perhaps not coincidentally, around the time of the ejido reform debate).

<sup>41</sup>See Araujo et al. 1992; CNC 1991a; Hernández 1992a, 1992b. Upon assuming the CNC national leadership, Araujo began "reorienting" most of the state and regional bodies (Pérez 1992). As of May 1992, seventeen state branches of the CNC had been shaken up to varying degrees, through ad hoc combinations of local elections and behind-the-scenes negotiated power sharing between the newly ascendent modernizers and the more traditional agrarian apparatus. Only Campeche and half of Coahuila changed leadership through direct base elections. Relatively few of the commodity associations (bean and ixtle producer groups were among them) were brought quickly under clear control of the new leadership, while the top leadership of some important ones (associations of corn and coffee producers) remained in the hands of the "dinosaurs" (author interview with member of the National Executive Committee of the CNC, May 1992). The CNC had little influence in the debate over the reform of Article 27.

The Article 27 debate greatly widened the existing gap between national and local peasant organizations. Most ended up internally divided, and the old-fashioned agrarian politics of both left and right were weakened. Even the CIOAC, the national group that most firmly opposed the reform, experienced a split as key elements of its Chiapas state leadership came out in favor of the reform, apparently under intense pressure from the governor. Even the CNC lacked influence. In fact, its old-guard leadership was one of the main targets of the reform.<sup>42</sup> National leaders were sandwiched between strong pressure from the government to at least frame their criticism in terms of nominal support, and a rank and file that was poorly informed and little engaged with the intricacies of proposed changes in agrarian law. Since the PRD declared that any peasant leader who did not share the party's position of total rejection was a sellout, it lost credibility with independent peasant leaders whose criticisms of the reform were more nuanced.

While the ejido reform and subsidy cuts encourage people to abandon family farming, farmworkers still lack social and political representation, in spite of their growing importance in the rural population.<sup>43</sup> Farmworkers are not unionized, nor are their interests represented by existing small-holder organizations. Farmworker unionization efforts peaked in the late 1970s and early 1980s, but the combination of repression with powerful labor market and migration pressures made sustained collective action very difficult (López Monjardín 1991; Zabin 1992). While independent farmworker unionization has long been de facto prohibited (except for a few official CTM contracts in Sinaloa), President Salinas promised to permit it as part of his Article 27 ejido reform package. Meanwhile, many of the organizations that in principle could have taken the president at his word and tried to organize farmworker unions were focused primarily on holding their own in the general atmosphere of economic uncertainty in the peasant economy.<sup>44</sup>

<sup>42</sup>During the early stages of the public debate, the CNC's Political Commission made a futile call for "unanimous rejection" of ejido privatization (Rojas 1991). After Article 27 was changed and the Salinista reformists had taken over the national CNC leadership, the new secretary general complained that government policy undermined his efforts to support the constitutional reform. Araujo declared: "the absence of policies in support of agriculture, together with a conservative and bureaucratic attitude in the government agencies, has generated feelings of irritation and deception among campesinos, who blame the situation on the reforms of Article 27" (Orduña 1993).

<sup>43</sup>According to a 1988 Ministry of Agriculture survey, farmworkers number over 4.6 million. Even with this low estimate, they account for 78 percent of the rural population. Almost one-third are women (Varela et al. 1991: 16).

<sup>44</sup>Some analysts of rural workers have noted trends toward the concentration of the farmworker population in the town centers of the agroexport regions, leading in turn to a "rurbanization" of their demands (De Grammont 1992). Rather than pursue the risky and often fruitless path of unionization, farmworkers have a much greater chance of winning improvements when they press "urban-popular" demands such as electricity or water. See López Monjardín 1991; Zabin 1992 on farmworker movements.

New forms of social organization are emerging in rural Mexico around issues of ethnic self-determination, natural resources, human rights, and gender, but the process is uneven. The most important new kind of rural organization is explicitly ethnically based.<sup>45</sup> The process began in the 1970s but accelerated significantly in light of the preparations for the five hundredth anniversary of the Conquest. Various initiatives to form national networks have yet to produce a unified national interlocutor.<sup>46</sup> The most notable indigenous protest—on October 12, 1992—was in San Cristóbal, Chiapas, where ten thousand people from at least seven ethnic groups marched, tearing down along the way a statue that was a hated symbol of colonial rule (Pérez and Henriques 1992).

President Salinas actively tried to frame the national debates on indigenous issues, including a proposal to reform Article 4 of the Constitution to recognize officially Mexico as a multiethnic nation (though in the part of the Constitution dedicated to the protection of minors). The proposed reform was quite general and far from radical, but it provoked sharp opposition from both the PAN and the PRI. Even important elements of the PRD were unenthusiastic. The legislative lobbying coalition that eventually passed the amendment brought both independent and "official" indigenous rights activists together. As with the fine print of Article 27, however, the Article 4 reform's still-undefined enabling legislation will most clearly reveal the balance of forces and shape its actual impact in practice.<sup>47</sup> (At the end of 1993, this legislation was still tabled, and the reform was therefore frozen.)

Salinas also responded to increasing indigenous mobilization with an eighteenfold increase in the budget of the National Indigenous Institute (INI) and the nominal exemption of indigenous land reform communities from the privatization option under the new Article 27 (in the name of "respecting the territorial integrity" of ancestral lands). They can engage in long-term contracts with private enterprises, which is especially important in the forestry sector, and they also are permitted to vote to become ejidos and then decide to privatize their lands.

The increased national projection of ethnic movements for self-determination overlaps with two related movements with similarly long histories combined with recent growth: the movements for local control of natural resources and campaigns in defense of human rights. Indige-

<sup>45</sup>Mexico's fifty-six indigenous peoples are estimated to account for between 9 and 15 percent of the total population, adding up to the largest indigenous population in absolute terms in the hemisphere.

<sup>46</sup>For the most comprehensive overview of recent trends in ethnic politics, see Sarmiento 1991; see also Consejo Mexicano 1991. For background, see Mejía Piñeiros and Sarmiento 1987. For an important analysis of the social construction of ethnicity in Mexico, see Nagengast and Kearney 1990.

<sup>47</sup>For the best coverage of the Article 4 debate, see the journal *México Indígena* (now called *Ojarasca*).

nous peoples had been active in defense of their natural resources (especially in the cases of forestry and water rights) long before environmentalists became available as political allies (Bray 1991; Bray and Irvine 1993). The most notable indigenous-led environmental victory so far was the suspension of a planned hydroelectric dam in the Nahuatl region of the Alto Balsas, in alliance with Mexico City and international environmentalist and indigenous rights advocates—the first such victory in Mexico (Good 1992; M. García 1992).

Ethnic rights movements have also worked closely with human rights advocates, especially those based in the church, since state-sanctioned violence and impunity are concentrated against the indigenous population (Pérez 1993). The 1992 Xi' Nich' grassroots protest march from Chiapas to Mexico City put the issue directly on the national agenda. Following the successful antifraud marches from San Luis Potosí and Tabasco, the Chiapas march focused specifically on violence and police abuse rather than electoral rights (Bellinghausen 1992).

Rural social movements for gender equality lag far behind ethnic, environmental, and human rights movements. Women's rights were left out of the Article 27 reform (Rojas 1992). Government programs have promoted group economic projects for women for two decades, but it is difficult to speak of a specific rural women's movement. These local development projects have yet to "scale up" to generate social subjects and encourage rural women to represent themselves politically, with the exception of several autonomous regional producer organizations that have promoted networks of women's economic projects.<sup>48</sup>

## CONCLUSIONS

The broad trends that frame the diverse patterns in party politics, ideology, policy, and social organization in the peasant economy can be understood most generally in terms of the competing options of "exit" and "voice."<sup>49</sup> How will peasants decide whether to leave the countryside or to fight to remain peasants?

First, the economic viability of most of the peasantry—always precarious—is under qualitatively new levels of strain. Yet the response has not been, and probably will not be, overtly political. A few will be

<sup>48</sup>Pioneering women's networks have emerged within mixed-gender regional organizations in the *Coalición de Ejidos de la Costa Grande* (Guerrero), the *Unión Campesina de Alamos* (Sonora), and the *Unión de Ejidos "Lázaro Cárdenas"* (Ahuacatlán, Nayarit). See Aranda 1988; Arriaga et al. n.d.; Stephen 1991.

<sup>49</sup>Hirschman (1970: 76) observes that "the exit option can sharply reduce the probability that the voice option will be taken up." He also introduces the concept of loyalty, which makes exit less likely and may give voice more scope, depending on actor perceptions of their ability to exercise influence (p. 77). In this view, exit vs. voice decisions by Mexico's rural poor would depend on their estimation of their ability to influence the policy process. In some organizations, the threat of exit increases the power of voice and therefore loyalty, but this does not seem to hold for Mexico's agricultural policy makers.

able to capitalize themselves and become small farmers. This is not an option for most smallholders, but some may be able to ally with larger producers to lobby for particularistic benefits (such as trade-linked compensatory payments via PROCAMPO). Most of rural civil society will respond with family-based survival strategies most of the time, including out-migration and illicit crop cultivation, rather than engage in sometimes risky and often fruitless collective action. This could change if national political competition manages to make mass action seem more meaningful to more people at a future turning point, but this prospect will be decided in Mexico City. The first trend is exit.

The second trend, unfolding at the same time, is voice—the increasing capacity of peasant movements to speak for themselves, as a significant minority of rural civil society represents itself directly. This growing center of political gravity has shown a qualitatively new capacity to propose practical, pro-self-management policy alternatives. In spite of increased party competition in national politics, the peasant movement's autonomous political "gray area" between traditional "official" corporatism and militant independent opposition is growing rather than shrinking. Political parties are still not involved in the way most peasants are represented, most of the time, though municipal-level democratization has led to local breakthroughs in several regions.

This trend has contradictory elements. As peasant organizations move away from past efforts toward class-wide representation and demands, they find themselves pulled between interest group and civic identities. They mobilize for greater governmental accountability in the rural development process, but to what degree is there a spillover effect, that benefits the vast majority who lack autonomous self-representation?

Is the withdrawal of the state from regulation of much of the peasant economy risky from the point of view of political stability? While growing numbers of agrarian brushfires may be in store as the ejido privatization process gradually unfolds, so far state managers have proven adept at putting them out before they can come together into a larger conflagration. Until the end of 1993, immediate production issues such as lack of credit had provoked more protest than had the constitutional changes in land tenure.

In this context, the state's economic withdrawal seems to be implicitly based on a twofold political calculation. First, policy makers seem to be gambling that most of those who are supposed to leave peasant agriculture for good will be too busy trying to find employment to engage in protest. Opposition movements are growing among immigrants in California, but since Mexicans lack the right to vote via absentee ballots, most parties have little incentive to appeal to their interests.

Second, policy makers seem to be betting that their urban strategy will be able to incorporate those rural out-migrants who go to Mexican

cities. Recent rural reforms undermine one of the electoral pillars of the regime by greatly reducing the proportion of rural voters. In the medium run, however, it could well be easier for reformist state managers to incorporate displaced peasants into Solidarity's urban neighborhood organizations than it would be to create effective channels for rural participation. For those policy makers who want to keep antipoverty spending to a minimum, it is probably cheaper to encourage peasants to join the urban informal sector than it would be to sustain gainful employment in the countryside—as long as the peasants do not protest too much on their way to the city.

For those peasant movements that choose voice over exit, targeted production and welfare supports, combined with the threat of their withdrawal, will probably be sufficient to keep most dissent within the bounds of the political system (though authoritarian Chiapas may be an exception). The government's strategy depends on keeping peasant movements relatively small and segmented, because if they were to grow significantly, then they would be likely to propose broader policies to support the peasant economy as a whole, thereby challenging the government's low-cost targeted concession strategy. Political stability depends, then, on most of those whose livelihoods are being restructured choosing exit over voice. If voice becomes a more plausible political option for the rural poor, then the political outcome becomes increasingly unpredictable.

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# 11

## The Art and Implications of Political Restructuring in Mexico: The Case of Urban Popular Movements

*Paul Lawrence Haber*

Economic restructuring in Mexico has compelled important changes in relationships among the state, political parties, and collective actors in civil society. The so-called popular sectors in Mexico—the urban poor, the peasantry, and the organized working class—are all incorporated through corporatist institutions. While the de la Madrid administration (1982-1988) was careful to guard against labor militancy that could have impinged upon the ability to implement far-reaching reforms, other sectors were not so carefully managed. Popular sectors increased their activities outside official corporatist channels in ways that weakened the regime's capacity to ensure that political activity remained supportive of the regime. This chapter begins by analyzing how social movements were able to form among the least incorporated of these sectors—the urban poor—and the extent to which these movements were able to influence political outcomes as relatively autonomous actors during the de la Madrid administration. The chapter then turns to its primary focus, analyzing how the administration of Salinas de Gortari (1988-1994) exercised the art of political restructuring so as to decrease the power of the tentative alliances that formed between social movements representative of the urban poor and the nationalist populist electoral effort headed by Cuauhtémoc Cárdenas.

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# The Politics of Economic Restructuring

*State-Society Relations and Regime Change  
in Mexico*

MARIA LORENA COOK  
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