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**THE POLITICAL ORGANIZATION  
OF SUGARCANE PRODUCTION  
IN WESTERN MEXICO**

**Elsa Guzman-Flores**

STELLINGEN

1. Most of the dominant paradigms in sociology have been contested in this century, though new ones are hard to come by. This intellectual impasse has sapped the ability of academics to believe in the reality of either the inner world or the social world. Current trends have reduced most analytical and political discussions to the 'tropes' of post-modernist discourse. I am looking forward to the time when we will be able to read some all-time classics with renewed eyes.
2. The obsession with concepts of power and empowering - apparently indispensable buzz words in academic and general parlance - has reified the social processes in which individuals make their living. The diversity in the interpretation of these concepts has rendered them vacuous words that can signify anything, everything or nothing.
3. In the process of analysing the field data I became aware of the enormous responsibility I had to portray as faithfully as possible what my informants had confided in me. Consequently I sought to make the paradigms fit the data rather than the other way around. The result was an eclectic analysis of state intervention and decision-making in sugarcane production.
4. I collected the data in Spanish and wrote the first drafts in English. However, the rewriting of the final ones should be seen as a collective creation of me, my husband and friends.
5. I am very puzzled by the Dutch. They speak a language that they are reticent to share with anybody, have manicured their landscape, have sacrificed flavour to beauty in the production of their vegetables, produce an incredible amount of dairy products, yet eat margarine.
6. Social scientists who do fieldwork should be aware of the burden they can be to their informants.
7. I am concerned that the *ad hoc* British style of organisation and respect for amateurism (meaning studying or doing something for the sheer love of it) are being eroded by the let-loose Total Quality Management (TQM) pundits. They are making significant contributions to both the commercialisation of academic work and the process of under-development in Britain.
8. The PRI has finally exhausted Mexicans' patience. But the party's long political patronage has managed to throttle the development of a strong independent opposition. Thus the right wing party, which passes as the opposition, lacks an alternative political vision capable of driving Mexico into the next century. Poor Mexico, so far from God and now formally tied to the USA by NAFTA.

Elsa Guzman Flores  
'The Political Organization  
of Sugarcane Production  
in Western Mexico'  
Wageningen, June 19, 1995



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03 JUN 1985  
UB-CARDEX



40951



**Promotor:** dr. N. Long, hoogleraar in de rurale ontwikkelingssociologie

# **THE POLITICAL ORGANIZATION OF SUGARCANE PRODUCTION IN WESTERN MEXICO**

**Elsa Guzman-Flores**

**PROEFSCHRIFT**  
ter verkrijging van de graad van doctor  
in de landbouw- en milieuwetenschappen  
op gezag van de rector magnificus  
dr. C.M. Karssen  
in het openbaar te verdedigen  
op maandag 19 juni 1995  
des namiddags te vier uur in de Aula  
van de Landbouwuniversiteit te Wageningen

UW = 911495

CIP-DATA KONINKLIJKE BIBLIOTHEEK, DEN HAAG

Guzman-Flores, Elsa

The Political Organization of Sugarcane Production in Western Mexico / Elsa  
Guzman-Flores

[S.l.:s.n.]

Thesis Wageningen. - With ref. - With summary in Dutch.

ISBN 90-5485-345-X

Subject headings: sugarcane production ; political organization ; Mexico.

BIBLIOTHEEK  
LANDBOUWUNIVERSITEIT  
WAGENINGEN

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## **ACKNOWLEDGEMENTS**

This research was made possible by the sponsorship of the Ford Foundation and Wageningen Agricultural University. I would like to thank all the people who have helped and encouraged me to complete this work. I regret not being able to mention each of them individually. But the following deserve special acknowledgement.

First I would like to thank Norman and Ann Long, not only for their supervision and direction, but for their friendship and generosity. I should mention Stella Kerkhoven and Jos Michel who edited and polished my draft into the final version. Next I would like to thank the sugarcane producers in the Valley Autlán-El Grullo, who not only put up with my long list of open questions and participant-observation intrusion but also offered me their generous hospitality, especially Sara, who made me feel at home in hers.

I want also to mention Elsa and Guz, my parents, and Delia, my auntie, who have always been behind all my endeavours. Finally I would like to thank Chris, my husband and best friend, who not only has supported me all the way but on several occasions has dragged me out of anxieties I had about my research.

## INTRODUCTORY OVERVIEW

This thesis examines the struggles between different social actors involved in sugar cane production for the Melchor Ocampo refinery in the Valley of Autlán-El Grullo in Western Mexico. It opens (Chapter 1) with an account of a strike organized by one of the sugar cane producers' associations, which provides a social drama through which the main protagonists involved in the process of sugar production are identified. This also serves to introduce a critical discussion of literature on Mexican peasants, giving especial attention to works on sugar cane growers, and commenting on the relevance of these studies for understanding the processes and dilemmas of sugar cane production in the case of Autlán.

This is followed, in Chapter 2, by an overview of the general historical background to sugar cane production in Mexico and of the expansion of sugar cane in the area serving the Melchor Ocampo refinery. The argument also takes account of changes in government policy. Having provided this contextual backdrop, we move in Chapters 3, 4 and 5 to a detailed analysis of various categories of sugar cane producers. These categories differ according to the size of their plots planted with sugar, their economic assets and social origins, and their affiliation to one of the two sugar cane producers' associations. These different interests shape, on the one hand, their involvement in sugar production and their role in producers' organizations, and, on the other hand, the ways in which sugar activities articulate with their other economic or livelihood concerns. The comparisons reveal marked differences between *ejidatarios* and private landowners.

Chapter 6 identifies the political concomitants of these socio-economic differences and patterns of livelihood and enterprise organization. Its main focus is on the dealings and tribulations of the leaders and producers involved in the running of the two associations of sugar cane producers, one affiliated to the *Confederación Nacional Campesina* (the CNC) and the other to the *Confederación Nacional de Pequeños Propietarios* (the CNPP).

After this the spotlight (in Chapter 7) turns on those actors involved in the administration of the refinery and on their career profiles. The individuals concerned are embedded in a government bureaucratic structure but to be successful in their tasks and responsibilities they must reach a

strategic balance in their relations with the various parties involved: producers of different types, the leaders of producers' associations and other politically and administratively influential actors. If they achieve this, then they have a good chance of furthering and consolidating their personal careers and enhancing their economic opportunities. In the second part, I depict the outcomes of the meetings of the Production Committee where producers' representatives and refinery administrators discuss and negotiate the organization of sugar production. When these negotiations fail, the kind of confrontation described in the social drama of Chapter 1 is likely to follow.

The ethnographic description from the point of view of the different social agents involved in sugar cane production in Western Jalisco illustrates the types of social changes that have taken place in the organization of production as it has evolved in the past twenty years in Mexico. Their accounts present a complex social fabric where sugar cane production, which was the first agro-industry in Mexico, mirrors the national plans for industrialisation, land reform and the character of national politics as embedded in the everyday life of the social agents involved. The latter have to find ways of expressing their economic interests and forging local political alliances within the framework of national politics. At the same time, these wheelings and dealings have buttressed the national political and economic structures and relations with the *Partido Revolucionario Institucional* (PRI), as well as highlighting the roles played by local individuals within the wider framework. These actors have been key contributors to the integration of local markets into the national and international markets. They have achieved this task by various means and at different levels of participation varying from their individual insertion into the international labour market to the management of the organization of sugar production and their political participation in local and national bodies.

Sugar cane production was in fact one of the first industrialised production processes. Indeed Mintz (1986: 47-48) wonders whether the integrated process of sugar cane production in the seventeenth century should not be called the harbinger of industrialization in a pre-industrial era. The combination of farming and manufacturing in sugar cane production demands a more tightly controlled organization of the labour force than other crops. Colonial plantation owners in Latin America and the Caribbean islands, like it happened in the colonial plantations in other regions, organized their slave labour in strenuous shifts. In post-colonial Mexico, indebted and landless peasants replaced slave labour in sugar plantations (Barret, 1977 and Ronfeldt, 1975); and the land reform initiated in the 1930s granted the



usufruct of the plots surrounding the sugar mills to peasants, though the landlords retained the ownership of the factories. During the 1940s and 1950s, the Mexican state imposed controls on the price of sugar, which secured the provision of cheap sugar to the sweet-toothed Mexican population and the fledgling food industry (Coote, 1987). However, this policy hit both the sugar mill owners and peasant sugar growers badly. The state had to provide large loans to the refinery owners to maintain the internal supply of sugar, while the cane growers continued to endure their wretched living conditions.

During the 1960s, the sugar cane agro-industry in Mexico ran into another of its recurrent production crises. The magnitude of this crisis compelled the Mexican Government to take drastic measures which included increasing the price of sugar and acquiring sugar mills at the brink of bankruptcy (Paré, 1987). The 1960s saw the peak of economic growth in Mexico based on import-substitution industrialization and, in spite of its inefficiencies, sugar production was one of the leading industries (Hansen, 1971 and Teichman, 1988, 1992). This made it possible for the sugar mill workers and sugar cane growers to consolidate their unions under the umbrella of the PRI and to flex their political muscle against both the refinery owners and the Mexican state. Thus, on the one hand, sugar workers and growers through their leaders obtained better salaries and cane prices, and, on the other hand, refinery owners received large low-interest rate loans and handsome payments for what were obsolete factories.

In the 1970s, the Mexican state bought most of the sugar refineries still in production and even opened a handful of new refineries, one of which was the refinery Melchor Ocampo in the Valley of Autlán-El Grullo. This modern factory had to entice local peasants and farmers to grow sugar cane, which had not been the case in the longer-standing sugar cane producing regions. The negotiations between the refinery administration and the potential sugar producers in this new area were fairer than the traditional settlements in the old sugar cane producing areas. Sugar cane growers in Autlán-El Grullo managed to negotiate good terms and a better price for their cane. They were lucky to join the national struggle of the sugar cane producers at the time when their political struggles were coming to fruition and thus benefited immediately from the going mode. Hence sugar growers in this valley have faced different kinds of problems from those of other sugar producing regions. For one thing they did not have to fight the refinery owner during the period of the land reform, though they fought other local landlords. The accounts of different sugar cane producers in the Autlán-El Grullo area highlight the diversity in their economic strategies

aimed at accommodating the use of their *ejido* plots with their other economic activities such as seasonal migration to the USA.

Land reform in the Valley of Autlán-El Grullo divided most large estates into small *ejidal* plots which were handed out to local landless peasants. Most of the land in the valley was rainfed which limited the choice of crops that peasants could grow. It was not until the 1960s when the state sponsored the building of the irrigation system in the area (van der Zaag, 1992) that the agricultural alternatives were increased. The opening of the refinery at the end of that decade added sugar cane to the choice of cash crops in the region. As the sugar growers explain (in Chapter 3, 4 and 5), sugar cane did not attract the immediate attention of local agricultural producers. It was for this reason that the refinery administration offered low interest loans for growing sugar cane to entice producers to plant sugar. Most of the first growers were *ejidatarios*, who had to struggle to acquire funds to finance their crops, living from season to season. However, sugar cane was only one of their possible choices. They were therefore social agents making decisions under social conditions not entirely of their own choice (Long, 1992: 24-25). Decision making for these growers was embedded in a diverse set of economic and political opportunities which they aimed to manage skilfully. The individual accounts of their dealings are described in Chapters 3, 4 and 5.

Economic activity is interlocked with politics and success in one paves the way for success in the other. All sugar cane growers - large and small - have combined their economic activities with political participation, to different degrees, in the *ejido* committee, the organizations of sugar cane producers at local and national level, and as local authorities and members or officers of the PRI. Sugar cane producers have pursued these activities with different outcomes thus highlighting the stochastic component of socio-economic activities carried out by individual agents. However, the relevance of intertwining political and economic activities shines through the sugar cane producers' accounts of their socio-economic achievements. Social agents deal with conditions that are not of their choice but they nevertheless develop their own strategies which re-organize and change these conditions. The degree to which they manage to do so depends not only on the objective conditions but also on their subjective abilities to handle them. Thus some *ejidatarios* have been able to increase their assets through the skilful handling of networks and the seizing of opportunities to obtain low interest loans and acquiring or extending the size of their *ejidal* plots. Others have opted for combining sugar production with migration mainly to the USA.

The trends in local politics and the organization of sugar cane production in Autlán-El Grullo are influenced by national political and economic tendencies but they are contested and shaped by the social agents in the local arena, who in an expanding economy, had ample room for manoeuvre. The opening of the state-owned refinery was not a gift from god, but a reward for the hard lobbying of local politicians and cabinet ministers within the local constituency. The Mexican state led economic development with substantial public investment in all economic sectors. Such economic interventionism was coupled with, what it is called the corporatism of the Mexican state, in which "representation is mediated through a system of public 'corporations' which are constituted on the basis of their members' function within the division of labour" (Jessop, 1990: 120).

The kind of corporatism characteristic of Mexico has managed to develop the support of different social agents through a system of sectorial political representation. Under this system disagreements are resolved within the PRI and the decisions legitimised and accepted by the all parties concerned. The sexennial political turnover of the president and his senior coterie keeps the different groups rotating positions of power (Cornelius and Craig, 1988 and Gonzalez Casanova, 1985). The drawback of corporatism, however, is that it brings labour conflicts into the core of the state apparatus which can obstruct the political milieu of accumulation. The wheeling and dealing of the different interests of the Mexican state, through its ruling party (PRI), have surpassed this obstacle and developed an operational arena of negotiation wherein politics and economic policies are legitimised (Purcell and Purcell, 1980). How this is negotiated and enacted by sugar cane producers, their leaders and the refinery administrators in Autlán-El Grullo is described in the Chapter 6 and 7.

Active members of the PRI in Autlán were approached by the national leader of the refinery workers and the Ministry of Defense to mobilise local farmers and *ejidatarios* to petition for the opening of a sugar refinery in the region. This was considered for those involved as a boost to the local economy which had been set back since the closure of the manganese mines. They were successful in their bid and the factory, which was intended to go to some other region, was built in the middle of the Valley of Autlán-El Grullo. This contrasted with earlier experiences of sugar cane producers in other regions who became subjected to the will of the refinery owner, with little room for pushing their own interests (Paré, 1979). This time independent farmers lobbied for the sugar refinery to be installed. The accounts of how this came about in Autlán portray the conjunction of local and national agents harnessing public funds for a regional project. The local

agents (farmers, community leaders and politicians) had in common the fact that they were all involved with the PRI; and those who became involved early in the process had an edge over others and drew more benefits from it.

The refinery administration encouraged sugar producers to form associations; and to facilitate the organization of production. All such sugar cane producers' associations were affiliated to CNC up until the 1970s, when they had the alternative of joining the CNPP. The first leaders of the organization in Autlán-El Grullo were selected from among the leading local negotiators in the bringing of the refinery to the valley. They retained their leadership roles during the trial-and-error years of expanding sugar cane production in the region. During these years local farmers learnt to deal with their leaders and the refinery administrators and started to participate more actively in the running of the organization. At the same time a local sugar cane producer worked his way up to become head of the extension department in the refinery. Thus, a decade after the state opened the refinery of Melchor Ocampo in the region, local agents had in effect taken over the control of the organization of sugar cane production.

In the 1980s, sugar cane production was one of the priority areas of the agricultural policy implemented by the Mexican state. The government pegged the price of sugar cane to the soaring inflation rate. This made sugar cane an attractive cash crop with an agreed, secure basic price. Although other cash crops could produce larger profits than cane, the security of the protected price of sugar and the subsidised credit enticed more local farmers to grow sugar. Sugar cane begun to attract not only small-scale farmers, who otherwise had to struggle to obtain access to credit, but also the large ones who were facing more profitable choices. In this way sugar cane production and the profits of producers in the valley increased steadily in this decade.

Middle and large sugar cane producers have different interests to those of the small producers. These larger producers rallied to create an organization which would cater for their own specific interests, though it took a few attempts before the CNPP finally took off in 1980. Their main concerns were reduced costs and increased profit. The CNPP members, it seems, have a more detached and utilitarian approach to the PRI than most CNC members do. In contrast to the larger ones, small-scale producers have not been able to invest in their own agricultural machines and lorries to carry the cane to the refinery. Whereas CNPP members have to balance out their interests as machine owners with the interests of those sugar growers who hire them; most CNC members have to hire machines to work their plots. The few CNC members owning machines or lorries drive them themselves. Thus, several CNPP members have invested considerable capital in sugar

cane production, whereas, most CNC members have only their small plot to risk. These different economic interests pervade the political agenda of the two associations of sugar cane producers, even though their main targets vis-à-vis the refinery administration. The CNPP producers, while being more instrumental politically, are shared take entrepreneurial risks with the capital they have sunk in the sugar venture. In contrast, the CNC, predominantly made up of small farmers and having less, risk less, and therefore use sugar as a subsistence supplement rather than an enterprise. 'Security first' (Scott, 1976) small producers juggle with their economic chances but without risking their life's security.

The corporatism of the state is embedded in the all-encompassing structure of the PRI, which includes among its membership all the groups taking part in the organization of sugar cane production. This political commitment to the party has, over the years, worn thin and is now taken with different degrees of seriousness depending upon their interests. The negotiations over the organization of production take place in the Committee of Sugar Cane Production. The negotiations mainly center on economic issues and are skilfully handled by all the parties involved as described in Chapter 7.

The negotiators represent the sugar cane producers affiliated to the CNC or CNPP, the refinery's administrator and the head of the extension department. All parties are, through their insertion into the corporative political structure, members of the PRI, though this does not entail that they have common interests and goals. With corporatism as a backcloth, the different parties focus their discussions mostly on economic issues. The refinery administration aims to cut down its costs and the sugar cane producers to increase the credit allowances and the price of cane, the latter being subject to national policies. Of course sugar cane producers, especially the CNPP members, are concerned about cost but in a more complex and delayed way. The current administration pursues a cost-effective management style and tries to bring market considerations into its decisions as much as possible in a publicly-owned refinery. Whereas sugar cane producers have to weigh up their different economic needs, some producers might be short of cash and prefer to draw credit for some of the work undertaken, though it would be discounted later when they are paid for their cane. Interest can be as high as the commercial rates though it tends to be pegged a few points lower. Thus, even as a pure speculative measure, getting credit from the refinery can be profitable. However, most sugar cane producers borrow money because they need it at that time in their economic cycle.

The refinery administrator is the person most concerned with implementing a more cost-efficient managerial style, which reduces the negotiable economic agenda, thereby loading against the sugar cane producers. However, their response - and inspite of their differences - is quick and well coordinated as described in Chapter 7. CNC leaders are not as concerned as the CNPP to take care of their pennies. In the case of the CNC leader in Autlán-El Grullo, his political ambitions pervade his careful balancing of the interests of the sugar cane affiliated to the CNC, as is illustrated by his intervention in the incident discussed in Chapter 7. In contrast, the CNPP leader seems to be mainly concerned with cutting down costs and improving profits. In the analysis of the negotiations of the Committee of Sugar Cane Production these differences are carefully discussed before reaching a agreement satisfactory to all parties involved.



## CHAPTER 1

### INTRODUCING THE POLITICS OF SUGARCANE PRODUCTION

Sugarcane producers and refinery employees have reached, through negotiations and confrontations, a *modus vivendi* for the organization of sugarcane production in the zone served by the Melchor Ocampo refinery in the Autlán-El Grullo region of western Jalisco, Mexico. The producers' leaders and the refinery's manager have created a framework in which each of the partner's interests are respected and given space. In this thesis I describe how local farmers and politicians lobbied to attract state investment for a refinery in the region, and how refinery employees and management devised their own strategies vis-à-vis the state and producer interests, and I examine the social characteristics and organization of different groups of producers. Throughout institutional politics pervades at both local and national level with the ruling party, the PRI (*Partido Revolucionario Institucional*), playing a major role.

I start the thesis by describing a social drama in which the larger of the two associations of sugarcane producers called a strike, which had far reaching repercussions for the political organization of production and processing. Following the account of the drama, I sketch in the background of the *dramatis personae*, followed by a summary of the prevailing theoretical cast, including a brief outline of the sociological paradigms that underpin current interpretations of the interactions between the different actors involved in sugarcane production in Mexico.

#### Social Drama: The Strike

On Thursday, 14th of May, very early in the morning, Maximino Castillo Arenas, general secretary of the CNC (*Confederación Nacional Campesina*, National Peasant Confederation) and several other members of the CNC committee, stood guard at the gate of the refinery. They gave instructions to all drivers, arriving with lorries full of cane from CNC producers, to queue



up at the side of the road and wait for instructions before emptying their loads. The drivers obeyed without question. In a couple of hours parallel lines of sturdy lorries balancing their mounds of sticky black cane extended from the entrance to the refinery to as far as the eye could see. By mid-day there must have been some eighty lorries waiting there. Drivers leaned on their vehicles or sat resignedly on the grass and ate their breakfast, while some organized teams to play football at the side of the road. They tolerated the delay, stoically eyeing the sticky mounds, knowing that even when the strike was called off and they could shed their loads, they would not have time to make a second trip. This would mean a considerable reduction in income for the day. Of course they complained. They were able vaguely to guess the reason for the standstill. According to them it had something to do with Limón, a former head of the extension department at the mill, recently reinstated after having been dismissed two years previously. But they were not sure about the real cause and commented that the drivers were likely to lose the most.

Meanwhile, Maximino, wearing a black leather jacket, paraded in front of the gate, pushing back his sombrero, twirling his moustache, engaging in lively conversation with lorry drivers and some of the sugarcane producers who had arrived at the entrance of the sugar refinery. These conversations were often interrupted by the bleep of the walky-talky that Maximino held in his hand which he answered in a loud voice. He was in great spirits. He knew that every minute of delay in the delivery of the sugarcane meant a considerable economic loss for the sugar mill and that seemed to be his main aim in keeping the strike going; he recognized that the lorry drivers were going to lose part of their regular daily income (most lorries were owned by the cane producers) but he said that there were times when sacrifices had to be made: "it is better to lose money than your dignity" he told them. Jacinto Rojo, the secretary of CNC was very busy going to different plots to check that they had stopped burning the sugarcane and telling the team in charge of burning to wait for the strike to be called off before they continued with the scheduled list of burnings.<sup>1)</sup>

The producers belonging to the other, smaller association of producers in the valley, affiliated to the CNPP (*Confederación Nacional de Pequeños Propietarios*, National Confederation of Small Landowners) did not join the strike, but on the contrary, mobilized all the lorries and carts they could get hold of in order to make up the missing delivery quota produced by the strike of the CNC producers. The amount of sugarcane that CNC producers deliver every day accounts for two-thirds of the three thousand metric tonnes of sugarcane that the refinery grinds every twenty four hours during the

*zafra* or harvesting season. The CNPP members tried to collect as much cane as they could above the eight hundred tonnes that they were supposed to deliver themselves that day. They managed to deliver one thousand tonnes before noon but were unable to supply the amount needed. The refinery quickly ran out of the sugar stored up at the side of the mills, called *batey*, and with a sharp and resigned wail from the siren, it was obliged to announce, before midday, that the mills were stopping until sufficient sugarcane was accumulated to keep them fed.

Maximino was in an expansive mood that morning and he treated lorry drivers and the CNC affiliated sugarcane producers who happened to pass by the refinery gate to a barrage of condemnatory comments about Limón's administration. He declared that Limón had bribed the judges of the Committee of Industrial Relations, and that they had therefore convened the trial when the refinery's defendants were on holiday so that Limón would be absolved and reinstated. He asserted that Limón was supported by the López Arreola family (a powerful local family with political presence in the region) to whom he had given huge credits to grow sugarcane, and that they had paid him a commission for getting permission from the refinery.

While the drivers and CNC committee members buzzed around the lorries and looked for shade from the scorching sun, I visited the offices of the CNPP to find out why they had decided to continue to deliver cane to the refinery. The secretary and the administrator were busy coordinating the suddenly increased level of activity. I could hear the exchange of instructions through the 2-way radio. The person in charge of the transportation team announced that they had loaded all the cut cane available and there would be no more before late afternoon. Arturo Sánchez Ruy, the general secretary of the CNPP, came into the premises and in response to my questions gave me his appraisal of the strike and the reasons why the CNPP members did not agree with the refinery's sanctions against Limón, or support the CNC's industrial action.

"The harvest before Maximino became president of the CNC, the mill manager said that if we backed him he would sack Limón because he had accumulated a long list of credit defaulters and had lots of land planted with sugar-cane in his own name. However, I think that the truth of the matter was that General Santiago López Arreola was the sugar-cane producer. When he asked for credit they had to give it to him and the manager and the accountant at that time had to approve the credit, not just Limón. Castillo Arenas is very heavy-handed with him, he has accused Limón of bribing

some sugarcane producers and charging them input costs that they have not received. I'm not saying he did, I'm not saying he didn't. Power corrupts anyone. Castillo is sick with power... the CNC and CNPP are like oil and water, we don't mix. But we need each other to control the costs that the refinery would like to charge us. We are better organized than the CNC sugarcane producers and have lower harvesting costs than them. In spite of my position as president, I am a-political and have rebelled against the policies of our national committee."

Back at the gate I talked to Jacinto Rojo, secretary of the CNC, who had just returned from supervising the sugar plots. He looked tired and agitated. He had a wet handkerchief hanging loosely round his neck and he slowly came alive as he described to me his reason for supporting the strike to get rid of Limón.

"When Limón was superintendent of the extension department he did many things to his own advantage. He ordered his own cane to be transported immediately after cutting while others had to wait up to fifteen days, which is disastrous since the sugar in the cane begins to ferment. He used to rent bad quality land and ask the refinery for big loans to plant sugarcane on those plots even though that money could not be repaid because of the low yields from such land. The list of credit defaulters increased tremendously during his time in the refinery. Limón is honey-tongued and treacherous, the more pleasantly he speaks the less you should believe him... He is always friendly to your face, but he'd just as soon stab you in the back when you are not looking. He put the rope around his own neck when he declared that he was not the one to blame for the expanding list of debt defaulters. Limón was supported by the regional director of Azúcar, S.A.<sup>2)</sup> When Maximino attacked Limón, the regional director came to his support and demanded that we stop. Maximino was not around at the time but I told him that we were all one on the matter. Maximino criticized Limón in public many times, once in the national meeting of sugar producers and various times in the assemblies of the CNC. The last time was in Guadalajara two years ago. Roque, the national leader of sugarcane producers affiliated to the CNC, supported our demand to remove Limón from office. Sugarcane producers of this region threatened not to harvest if he remained in his post. We finally

won. We gave the director of Azúcar S.A. a file with copies of all the illegal transactions and abuses he had inflicted upon many sugarcane producers."

Jacinto was one of the people who had participated longest in the organisation of sugarcane production in the valley. He not only knew the practical side of production but had known most of the previous managers and heads of the extension department in the refinery and he was openly against Limón's reinstatement.

Although the factory had to stop midway through the morning shift, the workers remained on the premises until it was over. When the morning shift workers, among them Engineer Limón and Adán Romo, left the refinery, Maximino and the other members of the CNC committee went in to talk to Armando Osuna Gómez, the general manager. According to some of the secretaries they talked for more than an hour. Maximino must have reached an agreement with Osuna who dictated a letter to one of the secretaries formally accusing Limón and Adán Romo of having arrived in an inebriated state at the factory and of using foul language to employees, including some of the secretaries. When the accusation was typed and ready they took it around the different departments pressing employees to sign it. Some did, but others, in spite of the threats, refused to sign. The latter were informed that they would have to suffer the consequences of not supporting the manager's decisions.

Later I learnt that Maximino took the accusation against Limón to court, which gave the factory administration an injunction against the previous court decision that reinstated him.

Next morning, just before nine o'clock, Limón and Adán Romo drove towards the refinery gate and were stopped by the permanent gate keeper. Limón got out of his car to talk to the gate keeper and behind him appeared four rural policemen holding machine guns dark with rust tightly to their chests, an obvious discouragement to Limón's attempt to reason with the gate keeper.<sup>3)</sup> He turned around, got into his car and drove off at speed. They drove straight to the court of civil law in Guadalajara to register a complaint against the Melchor Ocampo manager for denying them the right of entry to the premises, against the court ruling that had reinstated them as employees. He also made a statement to the press declaring that he and his family's lives were in peril. The incident was mentioned in the local weekly tabloid and in the regional newspaper. However, when a journalist interviewed the manager, Armando Osuna Gómez, he denied that there had been a strike and that no sugarcane had been delivered that Thursday morning. The CNC secre-

tary, Maximino, confirmed all of Osuna's comments and added that he did not want to see Engineer Limón in the refinery ever again. The manager explained to the journalist that Maximino had threatened to stop the refinery but had not done so because an agreement had been reached with the administration, an agreement that he declined to make public. They were both openly lying and covering for each other.

The CNC leaders and the mill administration were thus temporarily able to abrogate Limón's right to reinstatement as head of the extension department. Maximino, though denying the journalist his involvement, proudly admitted to those present at the monthly CNC assembly that he had been instrumental in the second dismissal of Limón. He claimed that he was protecting the sugarcane producers interests against the corruption of Limón's administration. Maximino had just been re-elected for his second period as president of the CNC and he was concerned to reassure the members that he was still defending their interests above all else. Maximino repeated vehemently that he had been the main instigator in getting Limón sacked the first time around and that "he would not allow any f...er make fun of him. If we don't demand respect from the factory administration, it would be easy for them to deceive us".

The decision to interrupt the delivery of sugarcane produced by CNC producers brought the mill grinding to a halt, delayed the schedule of the harvest and meant economic loss for the mill. However, the negotiations among the different parties involved in this industrial action take us beyond the mere confrontation between one of the producers' organizations and the state-owned mill administration. The various social actors involved in sugar production in the valley, depicted briefly in the above account, played different roles and adopted different strategies which reflected the existing socio-political conditions of the region. In order to understand the nature of these confrontations and negotiations it is necessary to place the background of the actors and their social strategies in the wider national context of state intervention in Mexican agriculture.

### **State Intervention in Sugar Production**

The Mexican state intervenes directly in different sectors of the economy i.e. oil, steel, electricity; and in agriculture in sugar and tobacco production. This intervention is organized and negotiated by different groups, channelled through the government administration, the PRI that has been in power for the last sixty years, and the producers' and workers' organizations (Stevens,

1977). The organization of sugar production and the way the state intervenes reflects a general tendency in Mexico whereby the interest of the sugar sector has managed to stretch to its limits the policies implemented by the state. Likewise those actors in charge of national economic policy have, in spite of their revolutionary rhetoric, established financial and political structures in which private entrepreneurship has thrived; politicians have encouraged all production sectors to work under the political umbrella of the PRI (Purcell and Purcell, 1977).

In the 1930s, in order to make sugar affordable to the majority of the population, the state intervened by controlling the price. Since the price fixed by the state fell below the production costs of many refineries some went bankrupt, and so to ameliorate the impact of this price policy, the state created a development bank to support those who had survived. During the 1940s and 1950s, although the Mexican economy grew at a steady pace (Hansen, 1977), the refineries could not pull themselves back into solvency and their debts steadily increased. Thus, at the end of the 1960s, the sugar industry was on the edge of collapse. The state had two alternatives, either to renegotiate the debts or to acquire them. The latter was chosen and so the state began taking over the administration of most refineries, a policy that continued throughout the 1970s.

The consumption of sugar in the diet of the majority of Mexicans is one of the highest per capita in the world - 45.3 kilogrammes in 1985 (Coote, 1987: 75). Thus by keeping an artificially low price for sugar in the domestic market, the government could indirectly subsidise its consumption by the low-income earners whilst providing the biggest users of sugar, namely the subsidiaries of large multinational food and drink processing companies, with a cheap input (Coote, 1987: 95).

The organization of sugarcane *producers* was proceeded, during the private ownership period, by the consolidation, at national level, of the powerful union of sugar *workers*, with which the government had to reckon when faced with the collapse of the sugar industry. This greatly influenced the government decision to acquire the ransacked sugar refineries and keep them in production. Although sugar refinery workers have had political clout for a long time, they followed the rules laid down under the corporative labour structure led by the PRI. When the government took over the sugar refineries they had to negotiate the terms of production individually for each refinery, because there was no national organization that represented the majority of the producers with whom to deal. Therefore the government encouraged local leaders in the PRI and CNC to extend their political and organizational influence beyond their regional boundaries, which they did

with great success, to the point of becoming a strong political force in their own right. At the same time leaders of the sugarcane producers acquired more elbow room than they had when they dealt with the private refinery owners. Between 1977 and 1985, the sugar producers organized confrontations with the authorities and strikes which were among the most important and numerous in Mexico in that period (Rubio, 1987: 115). At the end of the 1970's, the regional organizations of sugar producers, having consolidated their regional position, extended their influence to the national political arena where they seized control in a similar way to that held by the refinery workers.

Government administrators sponsored sugarcane production by negotiating the distribution of financial rewards between the different groups involved. In the 1930s, they gave financial support to the refinery owners; in the following two decades, government (the PRI) supported the organized refinery workers who in return closed their ranks behind the PRI. From the 1960s onwards, with direct government intervention in the administration of the majority of sugar refineries, sugar producers' organizations came to play a more relevant role in the organization of sugarcane production. Thus in the Mexican political scene, state representatives, producers' and workers' organizations, through their affiliation with the PRI, became inextricably intertwined with the corporatist state, in which the interests of state and civil society are institutionally bound. Hence government intervention in sugar production has resulted in more and stronger participation of the different groups involved in its organization. The nature of this organizational arena and its structure is described in the following sections and more fully elucidated in other chapters of the thesis.

### **Dramatis Personae**

The principal protagonists in the social drama described were the leader and secretary of the CNC, the manager of the Melchor Ocampo refinery, and the former head of the extension department, all of whom were directly involved in the events that led to the strike. The others who influenced the outcome of the strike did so by negation. Thus the abstention of the representatives of the CNPP, the smaller of the two producers' associations, deprived Limón of his only political support against the attacks of the CNC leaders and the acquiescent condoning of their actions by the refinery administration. The following paragraphs provide a brief account of the social characteristics of these actors, concentrating on their activities related to the organization of

sugar production. Each character has different interests and perspectives which pervade their participation in the organization of sugar cane production.

Until the 1980's, there was only one producers' organization to which all sugar cane producers in the valley belonged. It was affiliated to the CNC,<sup>4</sup> and is still the larger of the two sugar producer organizations in the Autlán region. However, the CNC association belongs to the peasant sector within the PRI, whereas the newer CNPP organization is part of the mixed-bag called 'the popular sector'. The party is made up of three main sectors: the sector of workers, convened under the CTN (*Confederación de Trabajadores Mexicanos*, Confederation of Mexican Workers); the peasant sector assembled under the CNC (*Confederación Nacional de Campesinos*); and the 'popular sector', consisting of the CNOP (*Confederación Nacional de Organizaciones Populares*, National Confederation of Popular Organizations) which includes all the other groups, ranging from teachers and small merchants to professional employees and entrepreneurs. The smaller organisation of sugar cane producers is part of the CNPP which is affiliated to the CNOP. Although both associations of sugar cane producers are members of the PRI, their interests and policies do not always coincide. Yet, Maximino and Jacinto, as leaders of the CNC, and Arturo as president of the CNPP, are all active members in the PRI. Osuna, as manager of a state-owned refinery, can also be considered an active member of the PRI, though not a voluntary one, since he complains about his quota for the party being automatically deducted from his pay cheque.

All the producers have to sign a contract with the mill, in which the latter commits itself to buying the crop and extending credit for the growing and cutting of the cane. The growers agree to sell all their produce to the mill at a nationally-agreed price. The individual contracts signed by producers and refinery have to be sanctioned by one of the two producer organizations. Both organizations are very keen to attract as many farmers as possible to their ranks, regardless of the size of their plots or economic situation. However, most of the small producers, mainly *ejidatarios*<sup>5</sup>, join the CNC; and most of the larger producers tend to gather around the CNPP. Both organizations are constitutive members of the PRI, though representing different interest groups. The refinery is a parastatal institution which, in contrast to the entrepreneurial leeway for decision making in privately-owned refineries, must follow certain general regulations about the administration and organization of sugar production, thus making it subject to politically-tainted decisions to a greater extent than those in the private sector.



## The Leaders of the CNC

### *The Rise of a the New Political Figure*

Maximino Castillo Arenas became the president of the CNC for sugar producers in January 1984. He agreed to run for the presidency if Jacinto Rojo continued as secretary and agreed to teach him how to direct all the activities that the organization was expected to perform. Maximino was a keen learner and after one harvest as the organization's chief had understood how to deal with the employees in the refinery and the way to cultivate the producers' acquiescent support. His style is rowdy and self-assured. He is very proud of having climbed up from a poor childhood in a large family to his current position of power as president of the larger of the two organisations, and as municipal president of a town located just over the mountains that enclose the valley of Autlán. Maximino divides his time between both official appointments, though the CNC takes more of his time.

When Maximino took over the presidency of the organization in 1984 from his predecessor, Ramón Gordillo, Limón was still superintendent of the extension department, the then current general manager of the refinery had only been in office a few months, and the Committee of Sugar Cane Production<sup>6</sup> had been working for only two years. According to some of CNC representatives, the refinery administration was not aware that it might be possible for the Committee to curtail the refinery's control over sugar cane production and enlarge the producers' room for manoeuvre. From the beginning, Limón kept a tight hold on the meetings of the Committee. He had, after all, more experience in sugar production in the valley than other committee members. However, the arrival of a new mill manager in 1983, and the election of a new president to the larger producers' organization the following year, tilted the balance of power in favour of the Committee. Limón's leadership was under siege from then onwards. Sugar cane producers felt more confident and able to voice their dissatisfaction with the extension department service. The complaints grew and became more forceful and were heard beyond the local Committee, in both regional and national meetings. Finally, their protests were heard and Limón was dismissed without compensation on the grounds of professional dishonesty, though a legal demand was not pursued by the refinery administration. As president of the CNC affiliated organization, Maximino was instrumental in removing Limón from his post. Meanwhile, the leaders of the CNPP affiliated association remained quiescent and refused to follow the other organization's surprise attack on Limón.

*From Ejidatario to the Secretary of CNC*

Jacinto Rojo was one of the first sugar cane producers in *Ejido Escondido*. He started to work for the CNC in 1980, when he was invited to help organize the cutting. This was the time of *la tripartita* (a faction within the CNC) which in Autlán organized sugar production with Limón taking the decisions and coordination of the groups of cutters and transporters. Jacinto was in charge of burning the cane before bringing in the groups of workers involved in cutting and transporting the cane to the refinery. In those first years he learned a lot about all the stages of the production process and how to deal with the people in the refinery. When *la tripartita* members decided to fuse into one organization, elections were held and Jacinto was voted secretary of the unified organization and Ramón Gordillo, a member of his *ejido*, was chosen as president for a period of three years. Gordillo was very easily persuaded by Limón to do what he wanted, regardless of whether it was in the producers interests or not. At the end of his term, he decided to run for re-election. Jacinto disapproved because of Ramón's poor achievements as president and he started to organize a group that would lobby for a different president. The election of Maximino Castillo Arenas as their candidate to run against Gordillo was covertly approved by Limón and other producers committed to the local branch of the PRI.

As Jacinto points out, the conditions offered by the mill provided small producers with advantages, such as loans to improve the levelling and furrowing of their plots. Through the credit that the refinery offered, they had access to cash, regardless of the use to which they put it. The local producers were then encouraged by their representatives and local politicians to plant sugar cane. But they would not have been successful, if it had not been the most attractive option at the time for the majority of the small producers, as well as to some large farmers in the valley. Planting cane offered producers, among others things, an opportunity to improve the conditions of their plots. Although the economic return was not high during the early years, the refinery was required to provide those growing sugar with health services not generally available in Mexico. Access to health services and a scheme for a minimum retirement pension were perks that tipped the balance in favour of cane. These conditions did not resemble those in other regions of Mexico, such as Morelos in the central plateau, where sugar cane has a long history going back to the arrival of the Spanish Conquerors and was cultivated during the colonial period (1519-1821) by Indian serf labour and processed by African slave workers, and where the refinery administrator still ruled over most aspects of cane production

(Barret, 1977). Nor did the conditions in the valley of Autlán resemble the harsh circumstances endured by peasants and workers in the Atencingo refinery, as described by Ronfeldt (1973), and by Paré (1979).

### *The CNPP Leaders*

The conspicuous refusal of the CNPP to support the strike called by the CNC reflected the different interests that attracted sugar producers to one or other of these organization. Small landholders, who account for the majority of members of the CNPP, have different property arrangements to those held by *ejidatarios*. They look down with some contempt on the rights of *ejidatarios* to a small plot following the agrarian reform in the 1930's. A large number of the private farmers only started to grow sugarcane in the late 1970's when it had already proved its comparative advantage. Seventy-six of them are members of the CNPP organization which represents seventy per cent of the membership, and the other thirty or so members are *ejidatarios*. Although as a whole the CNPP members make up only eleven per cent of the thousand or so sugarcane producers in the valley, they plant one quarter of the sugarcane milled by the Melchor Ocampo mill on some 1,700 hectares. Extension workers and early producers experimented with different varieties of cane and overcame the shortcomings of some of those experiments. The initial costs of opening access roads to the sugar cane plots had been covered already by the innovative *ejidatarios* before the price of sugarcane was raised considerably in 1980. Growing sugarcane had by then become a profitable and attractive economic activity to local farmers.<sup>7</sup>

### *Local Entrepreneur*

Arturo Sánchez Ruy remained president of the local branch of the CNPP until the end of the 1987 harvest. He is a young entrepreneur, the oldest son of a family of six children. His only brother had emigrated to the USA. Arturo inherited the responsibility for administering the family businesses that included two petrol stations, a video shop, various lorries, agricultural machinery and land planted with sugarcane. He is very proud of the achievements of the CNPP in the relatively short time that it has been working, and he thinks they might have done more if the members were more cooperative.

Landowners who produce sugarcane in the Autlán valley do not resemble the proletarianised sugarcane producers or paid producers described by Paré (1987) and Rubio (1987), and to a lesser degree the medium to

large-scale producers. The latter could be described as wealthier farmers, who combine growing sugar cane with other business ventures. The differences between these larger and wealthier sugar producers and the small *ejidatario* producers should not be described in terms of the homogenizing generalizations made about sugarcane producers in the Mexican literature, which obscure important differences among producer groups. In the chapters that follow, I will describe the critical differences that distinguish the various groups and show how my ethnographic data support an alternative theoretical interpretation which emphasises actor strategies and social diversity.

It is important to analyse the lack of involvement of the CNPP leaders in the strike, as it reflects the different commitments among the two sugar producer organizations. The strike was organized by the CNC leaders against the refinery administration because they had re-instated the suspended head of the extension department, even though not to his previous job. However, as the events unfolded, it became clear that the manager of the refinery was not against the CNC demand that Limón be kept out of the refinery, but had different reasons for wanting this. This highlights the diverse interests that inform discussions between the different parties involved in the organization of sugar cane production.

## **The Administration of the IMO**

### *The Rise and Fall of Limón*

High level employees in the Melchior Ocampo mill have always been appointed by the senior bureaucrats of the parastatal company, Azúcar, S.A., in charge of organizing and controlling state-owned sugar mills in Mexico. The appointments have always been politically tainted and they tend to be shuffled around among their employees. Thus it was very unusual for Gabriel Limón, one of the local topographers hired during the construction of the refinery, to be kept on when it went into production, and for him to remain in the extension department for over ten years. He was, at the time of its construction, a young, recently graduated engineer.<sup>9</sup> He is a member of large and well known local family and his father owns a medium-sized farm. He thus comes, not from a peasant, but from a small landholder background. He worked first as a topographer and in August of 1971 he was hired as an extension worker. At the end of 1974, the refinery administration changed and a new head of agricultural extension was appointed. Limón was promoted to the post of technical coordinator of the extension officers. He

worked hard and acquired a detailed knowledge of the area. He could identify soils types by sight and had memorised the map of soil types in the valley.

In 1978, the refinery administration changed and again Limón was made head of the extension department. He remained in this post until 1984, when he was sacked by Ramando Osuna Gómez, the newly-appointed general manager. He was accused of dishonest management and denied compensation. Limón sued the refinery. A Federal court of labour heard his case and dismissed the accusations, ordering that he be reinstated or granted legal compensation for having been unjustly dismissed. In an interview with him in his shop in May 1987, he commented that people should defend their rights. He felt that the Federal court ruling concerning his innocence was not something to be sneezed at and that the charges were dropped because there were clearly no grounds for them. He had the law on his side and felt that he had been dismissed for political reasons.

Before the establishment of the CNPP in the 1980's, the local branch of the CNC had supported the strategies of the National Committee to obtain a better deal from the Mexican State (for historical background see Paré, 1988). The confrontations and negotiations between the producers, under their united organizations, and the State lasted until December 1979, when President Lopez Portillo signed the sugarcane decree that laid down the rules and regulations, rights and obligations of all the parties involved in the sugar industry in Mexico. There were three main points in this document: 1) the price of sugarcane was bound to the inflation rate as calculated by the central bank, based on indices of wholesale prices of basic products; 2) the local price of sugarcane was to be determined by the level of sucrose obtained by the refinery and not to be lower than the basic national price; 3) a production committee was to be created where representatives of the producers could discuss with administrators the organization and harvesting of production.

These agreements were a great improvement, especially compared with the conditions for production of other agricultural products. The active participation of the representatives of the sugarcane producers in the organization of production, harvesting and transporting sugarcane from the plots to the refinery was thus legally reinforced and the mill administration had to accept them as partners in deciding policies and shared administrative tasks concerned with sugarcane production. The mill administration had to comply with the decree, because the leaders of sugar producers demanded it, which did not happen in the majority of sugarcane refineries or mills in Mexico.

The shift in control from the extension department to producer organizations took place very shortly after the formation of the second association of sugarcane producers in the valley, the CNPP. As is always the case in such periods, the approach in sexennial political upheaval when national elections take place, bred uncertainty among government employees. This, together with the feeling that the CNC did not represent the interests of all those involved in sugarcane, was the background to the emergence of the CNPP association, sponsored by Limón and the mill manager of that time. In the Spring of 1983, a new manager arrived at the refinery, Armando Osuna Gómez.

### *An Efficiency Seeker*

Then in the spring of 1983, a new manager arrived at the refinery, Armando Osuna Gómez. Appointments of managers and chiefs of various departments in the refinery are closely linked to the political changes of national directors and ministers at government level. Osuna Gómez was appointed when the newly elected government came into power. Although he had twenty years earlier obtained a degree as an engineer in sugar production and had worked in the sugar industry when it was privately owned, he had been employed during the previous sexennial in administrative positions in various ministries. One of these had been as sub-director of the *Industrias de Azúcar, Celulosa y Papel* (Sugar, Cellulose and Paper Industry), which was state controlled and under the Ministry of Mines and Parastatal Industries.

Osuna Gómez concentrated all decision-making in his own hands and left little room for the heads of the different departments in the mill. Osuna Gómez has wide ranging experience from direct knowledge of the chemical processes involved to political intrigue, which makes him a shrewd manager to deal with, and which sometimes subdues his counterparts in the industry. However, the producers, through their respective organizations, have encroached upon Osuna's organizational territory. They are now equal partners in the Committee of Sugarcane Production, though the refinery administration can still impose some financial pressures. In spite of these the producers have their own forms of resistance, as evidenced by the disruption that the strike created.

The strike highlights the intricacies of how the different social actors involved in sugarcane production in the Valley of Autlán defend their particular interests and how they finally create an interactional *modus vivendi* where the conditions of sugarcane production are negotiated. Hence the assumption that cane producers have surrendered to an imposing industrial

administration clearly is not valid for this case. On the contrary, the producers have found various ways of dealing with the refinery administration, and especially through their two associations they have consolidated their influence over the organization of sugar production.

As I show in Chapter 2, these events can better be understood when placed within the historical context encompassing the various interests and social processes at local level, in which the actors pursue their own interests. But before turning attention to the local context, let me provide a brief overview of the national political scenario and outline the theoretical framework that underpins the ethnographic account of how the actors have made their mark on the organization of sugar production in the Valley of Autlán.

### **Interpreting the Political Scenario**

Differences in resource endowment and political structure, together with the periodization of the development of sugarcane production, account for the specific forms of regional political and economic organization that emerge. The feasibility study for the refinery in the Valley of Autlán was made at the beginning of 1968 and the negotiations and lobbying of different national and local agents finally succeeded in bringing the team of engineers and workers to the valley in 1970. They built the Melchor Ocampo mill, its basic infrastructure and the roads. The building of the mill was not part of a national plan to develop agricultural production in the region, but the outcome of active negotiations by local farmers and politicians, through their contacts with national actors who wielded political power and had a particular interest in bringing a new source of economic development to the region. Nevertheless the difficulties of those negotiations and their outcome has to be set against an understanding of the consolidation of the State in Mexico, its direct involvement in agricultural production and, in particular, its control over sugar production, and the political organisation of agricultural producers.

#### *The Mexican Government and the Political System*

The political complexity of modern Mexican government institutions is tied to the workings of a one-party state, which is embedded in what González Casanova (1981: 62) describes as a political culture that accommodates popular interests to those of the oligarchy, the former often being subsumed by the latter under the hegemonic logic of power which trammels the

everyday lives of the Mexican population. Purcell and Purcell (1980: 200) make a similar point when they describe the Mexican political system as 'simultaneously mass-based and elitist'.<sup>9</sup> This ideological conflation has pervaded political action in Mexico and colours the methods political agencies use for political action.

The predominant modes are built upon patron-client networks, where the patron has gained control of the different private and public resources which he hands over to his clients following an unwritten code of unequal reciprocity and exchange. De la Peña (1986) highlights the relevant role that local and regional patrons have played in Mexican politics, being the pivot between local needs and national policies. These patron-client relations skilfully combine, at two levels, what we might call the 'politics of appearances' and the 'politics of facts' which are intermingled beyond recognition in everyday political negotiations. Both sets of relationships play equally relevant roles in the public decision-making process and should always be kept in mind alongside each other, since there is always a blurred threshold between what political agencies actually say and what they actually mean. For example, when the refinery administrator denied to the journalist that there had been a strike, explaining that the reason for the mill's stoppage was a mechanical fault, he was in fact denying the political action taken by the CNC leaders, although he had to admit that the refinery did in fact stop functioning for several hours on Thursday 14th, May 1987.

Maximino made it very clear to the cane producers attending the monthly CNC general assembly that he was proud of their intervention, that their action constituted a blow to the reinstatement of Limón, who was openly accused of embezzlement. Such apparently contradictory interpretations of events are part of the manipulations of political discourse. They have to be understood within a wider political perspective, which must build upon an analysis, not only of the opinions of the main characters directly and indirectly involved in the strike, but also on an explanation of the interests they share with other actors in similar positions.

The forms of political action based on patron-client networks explain the kind of relationship that Limón developed with an important local political group within the PRI who rallied around the figure of the late General López Arreola, a nationally prominent figure, who was instrumental in the establishment of the sugar mill. Limón's extended family has leant on their close relations with the general's group. The other characters in the social drama i.e. Maximino Castillo and Jacinto Rojo, the CNC representatives, participated in the political arena through networks other than those of the general's group. Jacinto is a local peasant who had not politically participated beyond



his *ejidal* community until he was employed in the refinery extension department. Limón was already the head of the extension department when Jacinto joined it. He said he got on with him, but even then there were rumours about Limón's dishonest practices.

Maximino was the first newcomer to the valley to be elected president of the CNC. He further enhanced his position by allying himself to José Zarate a regional patron who had expanded his political influence in the area when his brother-in-law Luis Echeverría became President of Mexico between 1970-76. Maximino arrived in the valley in 1974 on a government project, sponsored by *la Comision del Sur* (The Commission of the South, i.e. the south of Jalisco) to provide drinking water for the population of El Grullo. When the project was finished and the *sexenio* came to an end, Maximino decided to remain in Autlán. He found a job in the local office of the Ministry of Agriculture, where he was put in charge of an irrigation section. It was in this way, in 1982, that, by chance, he became involved in sugarcane production. A year later, in 1983, he was approached by some members of the CNC, including Jacinto, then current secretary, to run against the president of the CNC, who had already started his campaign for re-election. Maximino made his candidacy conditional on Jacinto remaining secretary. Maximino and Jacinto won the election by a small majority.

In January, 1984, just before the start of the harvest, new members of the Committee of Sugarcane Production (the refinery manager and the CNC president) began to juggle with the balance of power, thus curtailing Limón's influence, the doyen of the Committee. Osuna and Maximino were not only newcomers to the Committee, but they were, in differing degrees, aliens to the regional political scene. Maximino had already been in the valley for ten years, during which time he had established solid local political networks. Osuna was in a different situation. He had only held his position as manager at the mill for six months and had not had time to master the political intrigue at local level. However, Osuna was a shrewd public employee, who had survived the political and bureaucratic turnover that comes with the change of president every six years. He would soon become familiar with the local political arena.

The periodic renovation of Mexican political cadres is quantified by Peter Smith (1979) who compares the continuity of Mexican elites with Russian and American elites. His study estimates that continuity in the Mexican political elite from 1920 to 1970 reached no more than 35%, whereas in Russia this fluctuated between 65 and 80%, and in America, when power shifts from one party to the other, only 10% keep their top public offices, though they always strike back when their party returns to

power. Smith also reveals that in Mexico after three presidential periods, that is every eighteen years, 90% of the political leaders are replaced by new political stars.

Smith's analysis considers this sexennial reshuffling one of the most enduring characteristics of the Mexican political system, which has been considered by several political scientists as an 'atypical political system'. González Casanova (1981: 195) comments that the majority of the political leaders and public administrators in Mexico have a middle class background. They start their careers attaching themselves to a political cadre (*camarilla*), that spreads its network as far as possible into different ministries and sectors within the PRI. The entrapped networks of public offices and ruling party are set in motion by political groups usually rallying around a strong figure, such as, for example, General López Arreola of Autlán. When the negotiations for bringing the sugar mill to the region took place, the General was the Ministry of Defence and pulled the strings of political groups within the PRI in Autlán.

Grindle (1986) describes how the Mexican state has wielded power through its agrarian reform and its development policies, which have, on the one hand, managed to keep under control violent outbursts in the countryside, and, on the other, provided the economic infrastructure for the development of modern agriculture, though mainly among the better-off farmers. In the case of cane production, government participation increased in response to the demands of the different groups involved in the organization of production. At the beginning, in the 1930's and 1940's, it was financial support for the refinery owners who had seen their profits reduced by capping the price of sugar. The state financially supported sugar production because it provided a cheap source of energy for the low-income majority and a low priced input for the fledgling food processing industry. The next stage in sugar production, during the 1950's and 1960's, balanced financial support to the refinery owners with attention to the demands from the nationally-organized labour force in the refineries under a corporative union affiliated to the CTM (Confederation of Mexican Workers), one of the main sectors within the PRI. It was at this stage that the decision was taken to build the Melchor Ocampo refinery. In the 1970's and 1980's, the cane producers, who had been fighting regionally to improve their conditions, finally managed to form a national organization to represent their interests. However, local producer groups differed greatly in the amount of power they could wield. Producers in the Valley of Autlán-El Grullo achieved much better conditions than those linked to longer-standing refineries in Mexico. Cane producers for Melchor Ocampo began growing sugar cane when

national negotiations for the organization of the industry had been settled on much better terms for the producers than ever before. Cane producers in the valley have no memories of being exploited heavily by refinery owners. Neither can they dwell on the cruel fight against refinery owners in their attempts to obtain land, as was the case among older sugarcane producing regions. Thus cane producers in Autlán, who were instrumental in the opening of the refinery in the valley, also capitalised on the favourable terms that the leaders of the national organizations of sugarcane producers had negotiated.

The intertwining of party politics and government policies has been at the core of the development of the Mexican state. Purcell and Purcell (1977: 192) have described the involvement of the Mexican government as politically authoritarian, with unorganized constraints, and as having a 'relatively well-defined ideology of "state-interest"', all of which could be detected in government intervention in sugar production. All the parties involved were and are linked to the PRI. The headship of the national institution in charge of administering state-owned refineries became an important public post that was highly contested for by high ranking politicians, indicating that middle-range administrative jobs also suffer from the sexennial shake-up.

Thus although there is some evidence to substantiate Olson's generalisation that '...the Mexican state nurtures the capitalist class, constructing institutions necessary for capitalist accumulation' (1985: 24), the process is far from all-embracing, and the diverse forms it takes must be the object of a more careful analysis that sheds light on the historical conditions shaping the specific actions and possibilities of the different actors. Indeed in recent years the corporative control of the state has dwindled.

### *Conceptualizing Agrarian Change and State Intervention*

State participation in the expansion of agricultural production in Mexico is a topic that has been depicted and analysed in detail from various perspectives and at different times. Discussions about the peasantry, agrarian reform, rural change and transnationalization of agriculture have been going on for the last thirty years, about which many articles, theses and books have been written.

Early discussions focused upon the study of the social and cultural obstacles to development using concepts such as Redfield's 'rural-urban continuum' and Foster's 'limited good'. Whereas Redfield explained in a linear fashion what he considered the unavoidable path from traditional peasant community to modern urban society, Foster attempted to explain the

apparent lack of economic ambition among the dwellers of a rural community in southwestern Mexico by depicting their idiosyncratic assumption that all good things in life are available in limited quantities and that therefore taking a larger slice of the cake deprives somebody else of her/his fair share (see Hewitt de Alcántara, 1982). Long (1977: 48) criticises these contributions for giving causal priority to cultural phenomena.

Other researchers, such as Eckstein (1966), have focussed on a quantitative analysis of differences between rural producers, and have constructed typologies where the use of labour force outside the household is taken as one of the key factors causing socio-differentiation. These studies stress the material limitations that most small-scale peasants, mainly *ejidatarios*, endure, and help to contextualise the structural characteristics of the peasantry and agrarian transition.

Among the next batch of critical approaches to rural development, Stavenhagen's work opened up new ground in Mexican studies when, in the sixties, he criticised the interpretations of obstacles to development based on material and cultural deprivation, offering instead an analysis based on notions of external dependency and internal colonialism, thereby placing the blame for underdevelopment not only on international capital but also on national power structures and local ruling classes (1975: 16-18). Gutelman (1974) adds to Stavenhagen's analysis of agrarian classes by concentrating on the process of accumulation, or the lack of it, in most small farm units. Later, in the early eighties, Schejtman (1985) refurbishes these typologies of rural producers, adding two factors: the hiring or not of labour and the balance of production and consumption within the productive unit. His study provides a revised, more complex and up-to-date typology of agricultural units of production at national level, which calls for more systematic regional and local studies to thrash out the bare bones of such a typology and analysis.

As peasant unrest in several regions of Mexico hit the news in the 1970's (see Rubio, 1987), the polemics on agrarian structures split into two main currents, one predicting the imminent process of proletarianisation of peasants (see Bartra, 1974, Paré, 1977), and the other proclaiming that capitalist exploitation had only partially ruined Mexican peasants, pushing them to recover their long-time demand for land (see Bartra, 1979; Warman, 1974 and 1976). Interestingly, these opposing analyses became part of the political discourse which impinged upon peasant organisations, the PRI and various left-wing organizations and independent parties. There was also a third analytical current with a wider scope that joined the debate. Writers such as Hewitt de Alcántara (1978), Feder (1979), Barkin y Suárez (1983),

Echeverría (1984), Sanderson (1986), and Goodman (1981), all highlight the participation of the state in the transnationalisation of agricultural production in Mexico. Intervention is seen as an inevitable responsibility for most governments in developing countries, a responsibility, however, that is withering away as national productive processes are more fully integrated into the international division of labour. This incorporation of agricultural production into the international market, it is argued, either transforms peasant producers into small agricultural entrepreneurs or reshuffles them into rural labourers or industrial workers (Sanderson 1986: 239).

The debate between what has been called the *campesinistas*, who stress the 'peasantization' of the rural producers, and the *descampesinistas* who argue for the eventual proletarianisation of the mass of the rural population, has, it seems, reached an impasse which allows more recent studies to pick up the threads from both perspectives and interweave them in a more penetrating social analysis. Processes of socio-economic change taking place among different groups of producers in the Mexican countryside have often resulted in the persistence of peasant production alongside the participation of some members of the same households in external labour markets through either temporary or permanent migration to urban centres or agricultural zones in Mexico and the USA.

Although it is possible to explain these composite economies along the lines suggested by Meillassoux, who analyses the exploitation of peasant labour force and its 'domestic community' through international temporary migration (1981: 120-123), his analysis remains skewed towards the generalising assumption that capitalism, as a *deus ex machina*, has to create its necessary labour-power. Furthermore, the way in which peasants, on the one hand, have become commodity producers, and on the other, have joined intermittently both the national and international labour force, cannot simply be understood within this general framework; it must be explained through detailed studies of the configuration of local circumstances. In the case to be examined in this thesis, the tradition and opportunity to work in the USA and to earn income in sugar production has given actors the freedom to assemble a combined income from these particular income-earning opportunities. This, I suggest, is better explained by defining the diverse interests of the actors involved in decision making aimed at securing their livelihoods, than by recourse to either some cultural notion of a persisting 'peasant way of life' sustained by state intervention or by the laws of capitalist accumulation.

The concept of the 'logic of capital' assumes that the economy is directed by universal laws of capital accumulation in which the processes of commoditisation, the polarisation of social classes and surplus value

extraction are seen to set in motion similar tendencies wherever this form of production predominates. This approach has had a great influence in studies of developing countries, notably in dependency theory (Kay, 1989:128-9). This paradigm sees the development of the advanced capitalist economies as inextricably connected to the 'underdevelopment' of 'third world' nations. Facing these obstacles, the State is given a primordial 'developmentalist' role in fostering capitalist development (de Janvry 1981). This type of analysis may provide an overview of the general tendencies of capital accumulation but, in doing so, it leaves out of its analysis the diverse socio-economic processes that take place in the producers' daily struggle to earn their living. Long exposes this shortcoming in his discussion of de Janvry:

'The major difficulty with de Janvry's formulation is that, while pinpointing certain crucial dimensions of Third World underdevelopment (e.g. the role of cheap labour, dualism and income inequalities between the peasant and export linked sectors), it interprets the pattern of agrarian development in peripheral economies as resulting from the logic of capital accumulation, thus according little attention to other factors such as the style of political intervention and ideologies of development represented by State programmes, or the influence of forms of peasant organisation or resistance' (1988: 110).

It is important to recognise that there are individual economic logics, not necessarily congealing into a coherent whole, even though this might be expected from these individuals' involvement in the larger processes of accumulation (Block 1990: 293-309). Economic laws are not autonomous and the economy is always the creation of a combination of individual decisions, State action and other economic agencies. The ethnographic material I present in the chapters that follow illustrate this point.

The State's development and implementation of agricultural policies is not the straight forward management of the crisis of capitalist accumulation as suggested by de Janvry (1981) and O'Donnell (1973). The corporatism that the Mexican State spawns has provided its officials with room for manoeuvre (Grindle 1977 & 1986). Furthermore, these bureaucrats have been involved in agricultural production in a variety of ways, which range from being extension officers and policy administrators to managers of the state-owned sugarmills. Thus we cannot assume State policy to be a coherent system of policies serving some abstract entity promoting capital accumulation. There are other forces at play which can be seen in the multiplicity of ways the different parties organize and involve themselves in

agricultural development. Whereas Grindle focuses on the negotiations among the bureaucratic cadre involved in agriculture, Long and Arce (1989) have brought our attention to the sparkling interactions between the officers and the producers. It is this level of analysis which demands an actor-oriented approach, of the kind I take in this thesis. This perspective aims to take full account of human agency in agrarian processes (Long 1988).

My study is located in the area of peasant politics within the context of commercial agriculture. I am particularly interested in the way that sugarcane producers seize and mould the conditions in which they find themselves. It was for this reason that I took issue with Paré et al earlier on.

Parallel to the discussion on peasants or proletarians, there have been other works that have made their object of analysis the processes through which bureaucrats and politicians involved in policy making and implementation mesh their networks and consolidate their alliances with different political cliques. Grindle (1977), for example, describes how agricultural policies in Mexico are the object of tough political negotiations among state employees with different interests, and shows how the outcomes of policy implementation in Mexican agriculture (e.g. the low guaranteed price of staple crops) have undermined the already precarious income of most small producers. Such policies, combined with the expansion of transnational agricultural production, have limited the production of staple crops, mainly among small producers (see Spalding 1984). In an attempt to reverse this process, the Mexican government, relying on its oil revenues, launched a development programme to improve the production of staples and their distribution among low-income groups in rural and urban areas. The programme was called SAM (*Sistema Alimentario Mexicano* or the Mexican Food System)<sup>10</sup>.

The different government organizations involved in the implementation of this SAM programme became enmeshed in bureaucratic contests for the unexpected, generous funds that were available. Then with the collapse of the oil price, the programme ran out of funds and was terminated soon after the new President came to power in December, 1981. The resources that eventually reached the agricultural producers were mostly seized by the wealthier producers to increase their production of staples, thus creaming off the economic incentives that SAM offered (Arce, 1993; Grindle, 1985; Gates, 1988). Following this, SAM's objectives were reshuffled into more modest programmes called PRONAL (*Programa Nacional de Alimentación*), which hardly got off the ground, though some of SAM's aims have impinged on more programmes for rural development, which the Ministry of Agricul-

ture has promoted in a more subdued style than during the oil boom years (see Esteva, 1988: 56).

Studies of the policies and politics of agriculture tend to endow state organizations with the protagonist's role in rural development. The better-off farmers, the main beneficiaries of state expenditures on agriculture, are accorded a secondary role, and the small producers, who are in the majority, are merely cast as sundry extras, who combine the production of staples with the sale of their cheap labour to the agricultural sector and other sectors of the dependent capitalist system of production in Mexico. These studies conflate the diverse social actors involved in agriculture into all-encompassing categories that depict the general trends of social change among rural producers. This is done at the cost of leaving out of the picture the historical conditions in which social actors assume and recreate their socio-cultural values and interests and find ways of reproducing their livelihoods. Hence sugarcane producers are not only a diverse group, but, regardless of their material conditions, are also very resourceful. The better-off farmers have diversified their sources of income by both investing in agricultural machinery that could be used on sugar production and by going into other businesses, whilst the small and less well-off cane growers have consolidated their sources of income by growing staple crops and entering, when they need to, outside labour markets.

In order to understand the interrelations between the different groups involved in the organization of sugarcane production in the Autlán-El Grullo Valley, I draw on political analyses of the Mexican State that highlight its peculiar way of intertwining patron-client relations with the consolidation of a ruling party (see Purcell and Purcell, 1980; González Casanova, 1985; De la Peña, 1986; and Stevens, 1977). At the level of direct government intervention in the organization of production I bring to the fore the arguments of Grindle (1986) and Sanderson (1986) who analyze how Mexican government representatives negotiate and impinge upon agricultural production. The political arena where negotiations over the organization of sugarcane production take place can be characterised along the lines of Burawoy's (1985) concept of 'production regime'. In deploying this notion, Burawoy highlights how the organization of work has political repercussions that are linked to a process of production that is constantly reshaped by struggles and negotiations with respect to industrial action and state intervention.

The organization of production involves the negotiation of the different interests of all the parties involved. The local agricultural producers and their representatives have to push the sugar mill administrator to get all the credit



they need and the national government to agree to a good protected price for the cane. The sugar cane producers aim to obtain as much profit as possible, whereas the domestic and industrial consumers of sugar, especially the latter, try to reduce the cost of this basic input. In this way, the Mexican State has had to juggle with the demands from both parties and, at the same time, fulfil the career expectations of its employees. Adding to these demands the state has made a commitment to implement agro-industrial policies geared to providing employment in the rural areas and to supporting the domestic production of such a basic input. Although the international price of sugar cane has very often been below its production cost in Mexico, the state has maintained its support for the domestic production of sugarcane, even now, after the North American Free Trade Agreement (NAFTA)<sup>11)</sup>. Cane has been the only cash crop that has withstood the flood of imported goods that NAFTA has swept into the Mexican market. The state's support for sugar cane has made it an even safer cash crop. This has attracted more farmers to growing cane on their land. Thus sugarcane production in the Autlán-El Grullo valley has expanded by 50% <sup>12)</sup>.

The Mexican state on the one hand has yielded to the pressure for free trade and opened its markets, making imported sugar generally available in Mexico. On the other hand, it has sustained a guaranteed price for sugarcane so as to encourage producers to increase their production. Considering that the protection for other cash crops has been lifted, this policy has privileged sugarcane producers, and they have certainly seized the opportunity. In the 1990s, the state has been engaged in privatising most sugar mills but has not relinquished the control of the financial institutions involved in sugarcane production. However the role of the state has changed and its direct intervention has been curtailed. This new political-economic scenario should be the subject of further research.

The discussions in the chapters that follow are based upon case studies of different categories of sugarcane producers: *ejidatarios*, and medium and large-scale private producers. I describe how they have developed their respective organizations, emphasising their political leanings and the role their representatives play in the Committee for Sugarcane Production. In this way I explore the participation of different cane growers and other actors in this particular production regime. The majority of sugarcane producers in Autlán are *ejidatarios*, though the better-off farmers produce one third of the sugarcane crushed in the mill. Thus, *ejidatarios*, private land owners and the leaders of their organizations, together with the refinery employees, constitute the key figures in my analysis of the political organization of sugarcane production in the Autlán-El Grullo Valley.

## Methodology

I have used an actor-oriented approach which combines qualitative and quantitative methods in the collection of the data for this study. The initial research question was why local farmers and peasants decided to grow sugarcane when the production of vegetables seemed more profitable at the time. This perspective made it imperative to conduct intensive field research among the main actors involved in sugarcane production in the area of study. I went straight to meet the sugarcane producers in their fields, households and associations; I also followed them to their interfaces with the refinery administration. After establishing a rapport with the producers, I gained access to the files in both producers' associations. I soon realised that the committee meetings were the key arena wherein sugarcane producers negotiate and establish the ground rules for sugarcane production. For this reason I made these meetings a vital aspect of my field research agenda. Fortunately I was granted the right to attend the meetings as an observer, which I did every two weeks for a year.

In order to gather detailed information on the management of sugar plots, and on local politics, I lived in an *ejido* about six months. This was made possible thanks to the hospitality of one of my key informants. She not only made me feel at home but also spelt out to me the difficulties of bringing up a family on her own, when the only asset she possessed was a small *ejidal* plot planted with sugar. Since the income from this crop was insufficient to raise her four children, she, like many others, had to supplement her income with wages from migrant labour in the USA.

My data on sugarcane production included the wealthier producers whose distinct interests were reflected not only in their comments but also in their greater financial investment in the crop. My participant observation and long interviews with a snowball sample of sugarcane producers sometimes placed me in awkward situations, such as having to listen to the litany of complaints that most interviewees would direct towards the refinery administrator, and the contempt of the wealthier producers for the *ejidatarios*. I tried to be impartial and avoided taking sides with any party as much as possible. And I hope that I have succeeded in presenting a balanced account of the processes involved in organizing the sugarcane production in the Valley of Autlán-El Grullo.

To supplement these ethnographic data, I also consulted the relevant literature and the official statistics on sugarcane production in Mexico. However, the backbone of my study consisted of interviews with the producers themselves, which furnished me with detailed accounts of their

involvement in sugarcane production, and my extensive notes on meetings, conversations and productive and social activities, as I became an accepted participant observer. The diverse voices provide detailed information on how each individual pursued her/his own interests in the context of regional, national and international structures, which not only influenced their individual decisions but in a dialectical way were also affected by them. Thus by adopting an actor-oriented perspective, the study attempts to flesh out the skeleton depicted by macro theories.

Paraphrasing Sennett (1978: 43), I wish to excuse myself for not 'arriving at an immutable statement'. However, I hope I am able to reveal significant analytical connections through the ethnographic data I recount. The earlier description of the strike has introduced some of the protagonists in the organization of sugarcane production. Other protagonists, their roles in production and the degree of involvement in the negotiations with the sugar mill administration, will be identified in the chapters that follow. However, before I describe the case studies, I step back from the strike scene and present, in Chapter 2, the historical background of agricultural development and the opening of the refinery in the valley Autlán-El Grullo. I also provide a brief reference to national arenas where policy decisions have been taken that have had great repercussions for the sugarcane production in the region.

## NOTES

1. The cane is burnt in the fields, a few hours before it is cut. Though this is not the most environment-conscious practice, the cutters prefer to do it that way because the burnt cane is easier to cut. All sugar cane is cut manually in the Autlán Valley.
2. Azúcar, S.A. is the parastatal company that administers all the sugar mills owned by the Mexican State. The national director appoints regional directors to coordinate the refineries' organization in each of the ten sugar-cane producing areas of the country.
3. It was not unusual to see the police on the premises since every Friday they escort the payroll from the bank to the mill.
4. Before the seventies, sugar cane producers were organized regionally. At the end of the decade three regional organizations managed to seize power and coordinate organizations beyond regional boundaries. National policies to restructure sugar production bolstered the consolidation of producers' organizations with national coverage. See Luisa Paré (1988).
5. An *ejidatario* is a peasant who is granted by the Mexican State the individual usufruct of a small plot of land but not the unconditional ownership of it.
6. On October 22nd, 1982, presidents and secretaries of the different sugar cane producers' organizations and the general manager of the refinery and superintendent of the extension department came together to form the

Committee of Sugar Cane Production. Further details are discussed in Chapters 6 and 7.

7. Some private farmers were among the first sugar cane producers in the area and a few of them accumulated large debts that they defaulted on. I managed to get a quick look at one list of defaulters and the largest debtors by far were the private farmers.
8. Gabriel Limón joined the refinery as a student doing his social service, a service that most public universities demand from their students before they can obtain a degree.
9. This characterization fits uneasily the changes in political discourse introduced since 1988 when president Carlos Salinas de Gortari came to power.
10. For a detailed analysis of the nature and consequences of this system in parts of Jalisco, see Arce, 1993.
11. The North American Free Trade Agreement includes the participation of Canada, United States of America and Mexico and started its operation on 1st January 1994.
12. Information provided by the current president of the CNPP association in an interview in El Grullo, December 1994.

## **CHAPTER 2**

### **THE MELCHOR OCAMPO REFINERY COMES TO THE AUTLÁN-EL GRULLO VALLEY**

#### **History and Development of the Local Sugar Industry**

This chapter gives a historical summary of the development of agriculture in the Autlán-El Grullo Valley and discusses the impact of the opening of the Melchor Ocampo refinery on local farmers. In the last section I examine the relationship of local agricultural processes to national policies for sugarcane production.

The Autlán-El Grullo Valley is situated 900 metres above sea level, and is surrounded by hills and mountains which reach between 1500 and 2700 metres of altitude. The mountains of Manantlán that border the valley constitute the threshold to the southeastern region of Jalisco. The temperature remains warm, with a yearly average of 26° centigrade, being lowest (23.5°) in January and February, with an occasional night frost. The annual rainfall fluctuates between 800-1200 mm. The River Armería runs through the valley and is crossed by the rivers Ayuquila and Tuxcacuesco that drain an area of 72,300 hectares, creating a flow of 652 million cubic metres of water every year.

The main irrigation system (El Operado) in the valley, which was inaugurated in December 1960, presently irrigates some 8,700 hectares, of which 69% is planted with sugarcane. A doubling of the system is expected once the new Trigomil dam comes into operation. A further 2,662 hectares are irrigated from 88 deep wells, though the indiscriminate drilling of these in the valley is decreasing the ground water level (see van der Zaag, 1992: 51-56; Proyecto, 1985: 39,43-5).

## **A Brief Historical Description of Agriculture Development and Sugar Production in Autlan-El Grullo**

The historiographical and archaeological records show that there was a large population living in the valley when the Spanish conquerors arrived in the area in the sixteenth century. The Spanish immigrants who followed took over the land from the local *caciques* (bosses) and subjected the rest of the population to a system of *peonage*, which turned the majority of the native population into a locally available pool of labour. During the three colonial centuries spanning the mid-sixteenth to mid-nineteenth, harsh conditions and epidemic diseases depleted the valley of a large section of its population (Olivier, 1977: 50). After independence in the nineteenth century, Autlán, like other relatively isolated areas of the country, expanded its population and developed a regional subsistence agriculture controlled by a few powerful landlords. Rapid change came to the valley only in the 1950's. Until then access to this region of western Jalisco remained difficult. The road from Autlán to the port of Manzanillo was only paved in the beginning of the 1950s, when the manganese mine needed it to transport its products, then, in 1958, an asphalt road was opened from Guadalajara to Autlán.

The economy of the region changed considerably from the 1950s onwards. The new road to Guadalajara allowed local producers to market their agricultural products in major urban centres, which also increased job opportunities for the valley's inhabitants. But, from 1950 to 1964, the main source of waged income was the manganese mine on the outskirts of Autlán, which created an economic bonanza in the region until its closure in 1964. Its sudden closure left a large number of workers needing to find new sources of income in the area or to search for work outside the region. The rate of population growth in the Valley of Autlán (including the municipal districts of Autlán, El Grullo and El Limón) increased by 3.7% between 1950-1960 when the mine was in production, decreased during the sixties by 1.5%, after its closure, and picked up again by 2.8% during the 1970s when commercial agriculture expanded. These demographic swings were linked to changes in the regional economy. The demographic expansion in 1950s, when the manganese mines were in full production and when the paving of the roads took place, was followed by contraction in 1960s, when the closure of the mine depressed the local economy for some years. In the 1970s, after a decade of high emigration, the rate of population growth increased again by 0.9%, following the impact on the local economy of the building of the El Operado irrigation system which was followed by an expansion of vegetable production and the opening of the state-owned Melchor Ocampo

refinery.<sup>1)</sup> The latter became an important direct source of income for sugarcane producers, factory workers and employees, and an indirect one for merchants and providers of other services.

### **Agriculture in the Autlán-El Grullo Valley**

The development of modern agriculture in Autlán was enhanced by the construction of the El Operado irrigation system which began work in 1961. According to official data, 50% of the agricultural land available in the valley of Autlán benefits from irrigation and 80% of it is mechanised. Ejidatarios control 75% of the arable land, the size of their plots being, on average 6 hectares. In contrast to the small size of ejidatarios' plots, the other 25% of the arable land is in the hands of private landowners who control an average of 16 hectares each. In addition, there is a handful of large-scale landowners who own several hundred hectares of arable land each. Although prohibited by the agrarian law, which specifies that there should be no landholding larger than 20 irrigated hectares, there are it seems always ways of circumventing such law. Private landowners have irrigated plots of 11 hectares on average, and ejidatarios 3 hectares. The degree of mechanisation is also skewed: only 3% of private landowners are not mechanised; but for ejidatarios this is 25 percent. Thus private farmers not only own much larger plots than ejidatarios, but they also are more mechanised.

The modernisation of agriculture has shifted production away from staples to cash crops i.e. sugarcane, vegetables and fruit. Whereas staples covered all the arable land in 1950, by the 1980s this had been reduced to only 60%. Sugarcane and vegetables followed the opposite trend, continuously increasing their land area, sugarcane from 4.7% in 1970 to 21.4% of the arable area in 1984, and vegetables to around 13% and then remaining stable. However, vegetable production accounted for 42.6% of agricultural production and 11.5% of the volume in 1984; sugarcane contributed 20.2% of the value and 77.2% of the volume during the same year. Thus, although sugarcane has the highest volume per crop, its economic value is only half that of vegetables. Staples account for 33.7% of the value and 9.3% of the volume, covering 59.9% of the arable land in the region. Only 30% of the staples are grown on irrigated land, in contrast to almost all the sugarcane, and certainly all the vegetables. Thus, commercial crops have taken over the irrigated plots and have attracted public and private capital. Sugarcane, in particular, has become an important crop in

Jalisco. The ten refineries in the state produce 10% of Mexico's total production and cover 50,000 hectares in Jalisco, 80% of which are irrigated, 5,000 of them in the Autlán area (Reyes, 1983).

Livestock production, with the exception of pigs, has steadily declined in the last ten years. Plots that were used for grazing cattle and growing grain declined by 30% between 1970-1984 in favour of sugarcane. This steep drop in staples and fodder crops coincides with a reduction of government credit for these activities. BANRURAL (the rural bank) decreased its credit for staples by 39%, with the number of creditors dropping by 20% (Proyecto, 1985: 165). The expansion of cane growing contrasts sharply with the downward trend for staples. Cane production increased from 1,134.55 hectares of harvested cane in 1971/72 to 5,172.30 in 1986/87, with most of these hectares received some credit. However, the level of borrowing among sugarcane producers varies greatly and the assumption of a uniformly strong economic dependence on refinery credit should not be taken for granted, nor should we assume that 'the mode of producer dependence (among sugarcane producers) differs little at the local level from that of the old refinery of the Caribbean or Mexico or Brazil' (Sanderson, 1986: 59). The opposite is true in fact of the cane producers in Autlán, as we will explain in the following chapters.

### **The Melchor Ocampo Refinery: Its Promoters**

Sugarcane production in the valley started in 1968 with 27 producers. They were, in one way or another, linked to the local branch of the ruling political party, the PRI. Under its umbrella, the first association of cane producers was founded and Luis Rosales, a local farmer, was elected as its president. He retained control of the association for the next eight years. One of the pioneers of sugarcane production in the valley was Mariano Encino, a local merchant and local political activist, who at that time was the PRI representative for Autlán. In an interview, he repeated several times that he and Luis were told by the national leader of refinery workers, Don Chuy González, to dispatch telegrams to the President of Mexico, Gustavo Díaz Ordaz, requesting that a sugar mill be installed in the region. Two important politicians of the State of Jalisco held ministerial positions in Díaz Ordaz's cabinet: Juan Gil Preciado who was Minister of Agriculture, and General Santiago López Arreola, a local political patron, who was Minister of Defence. They were both interested in sponsoring the petition to install a refinery that would bring work to the area from which they came. Chuy



Gonzalez knew that the government had bought French machinery for a refinery to be installed in Nueva Ibérica, Michoacán (Caso González, 1988). Don Chuy insisted that the peasants and landowning farmers of Autlán should ask the government to change the location of the refinery to the Valley of Autlán and assured them his support.

As the national leader of refinery workers, Don Chuy had a special interest in opening a new sugar mill in this area. The old sugar mill of Usmajac, near Autlán, had been closed in the 1950's and most of its workers had found employment in a sugar mill at Martínez de la Torre, in Veracruz on the Gulf of México, a great distance from their home area. This mill later also closed and Don Chuy promised the workers that he would do everything in his power to get them back to Jalisco. Thus a new sugar mill in Jalisco became a priority for this powerful national leader of sugarcane workers. Mariano Encino thinks that Don Chuy was the first to think of asking for the mill to be installed in the Autlán valley. But General López Arreola, who had very close personal ties with the region, also enthusiastically supported and used his influence to promote the project, knowing that the local people would receive benefit from it.

In 1968, they were notified that it had been decided that the refinery was to be installed in Autlán and the company in charge of carrying the feasibility study for the project arrived in the same year. A representative from the National Union of Sugar Industry workers (affiliated to CTM) was charged with recruiting for people to work on the construction of the refinery. However, since he was not acquainted with the region, he looked for someone local to help him fill the vacancies that had not been assigned to the workers from Martínez de la Torre. Later the person placed in charge of hiring people was accused of being unfair and of accepting bribes or charging for jobs. Once Don Chuy found out about this he fired him. As a consequence of his political connections, Mariano Encino was then hired, and became one of the first local people to be hired by the refinery as labour recruiter and contractor. Encino was instructed not to accept bribes and in this he claims he did not let Don Chuy down, although this did not prevent him from giving preference to his family and friends. His brother-in-law, for example, got work through him and worked as a driver until his retirement in 1986.

When most of the workers needed were installed in their new jobs, Encino was relieved of his responsibilities as middleman and his commission of fifty pesos came to an end. However, a job was made available for him in charge of the tool room, which he accepted. It carried only a small salary but offered him the opportunity to remain in contact with and get involved in

other groups. He became a local promoter for the refinery, not only hiring workers, but, together with other members of the PRI, enticing ejidatarios and landowners to plant sugarcane. The origin of his participation in sugarcane production then sprung from his political participation in the local branch of the PRI and in municipal government. Mariano Encino recalled his struggles hiring people to work in the building of the refinery:

'I called many people to come and work, but lots of them did not come because it was hard work to excavate and build the mill. However, when the mill was installed and it started to crush cane, the work became much easier. It was a matter of pushing buttons. Then many people complained that I had not asked them to work at the refinery. Some even said that I only asked my friends to come and work at the mill. But that was not true. Those who complained did so because they did not want to do the heavy work, and were therefore not hired in at beginning'.

Mariano's accounts of the first years of sugarcane production illustrate vividly the complex negotiations that took place among the different parties involved in setting up the new sugar mill. Encino was involved in these dealings from the very beginning. As he explained:

'The first instigator of the project was Don Chuy González who ordered us to bombard the President and Ministers with telegrams asking that a new refinery intended for the Michoacan area (which government deemed a highly suitable sugar zone) be re-located in the Valley of Autlán, because we desperately needed a new source of work in the area. When we heard that the refinery was coming to Autlán, twenty-seven producers formed an association of producers. The company that built the mill bought 30 hectares of land. In the beginning, people did not like the refinery. We, the members of the Committee of the PRI, went around asking in the ejidos for support in bombarding the President with telegrams asking for a new source of employment in the valley. Originally, the mill was to be installed in El Grullo, but the mayor of the town refused to help find a convenient place for it. They did not want a refinery in the area. They said that they had enough with their crops of rice and peppers. Also the brothers who owned the land where the mill was finally installed did not want to sell it. The Governor of Jalisco invited them to talk to him and the matter was

settled by his authorizing an exchange of properties in the area so it could be built. Mario Reyes Drake (a wealthy landowner from El Grullo) sold the land that made the exchange possible. General López Arreola donated land close to the river up to the hill close to the canal, including the land where the offices stand '.

### **Pioneers of Sugarcane Production**

Among the pioneering sugarcane producers in Autlán was Humberto Riesling, who like Mariano Encino, was involved in the creation of the first producers organization of the valley, called the Committee of Voluntary Sugar Cane Producers. Inherent in the name was the idea that producers were free to plant cane, with the expectation that growing cane would increase and become the main source of local income. However, this was not the case until several years later, due to the factors that lay outside the regional arena (see below).

The first sugarcane producers were members of the PRI. Riesling confirmed Encino's description of the origins of the first sugarcane organization: "Sinforiano Limón, Luis Rosales, Mariano Encino were the ones who organized the first cane growers. All of them were active members of the party". Committed PRI members and those farmers who could be cajoled into sugarcane production, first planted in 1968, at the same time as the foundations to the mill were begun. The first cane harvest in the valley was used to expand the crop in the area and the second was large enough to run the refinery for five weeks<sup>2</sup>.

Riesling, like Encino, thinks that the sugar mill was brought to the valley because López Arreola and Chuy González lobbied for it and convinced the President, Díaz Ordaz, of its need in the area. He mentioned how Paulo López Arreola, the General's brother, looked around the valley for a place to build the mill. People from El Grullo were against having the mill and boycotted its construction, but it was finally installed closer to El Grullo's urban centre than Autlán's, though within the municipal jurisdiction of the latter.

Riesling knew the local PRI and CNC leaders because he participated in both party politics and the cane growers' organization. He even became vice-president of the latter in one of the first committees of the organisation and learned a lot about the regional and national struggles of the leaders of the cane growers.

### **The Participation of ejidatarios in Sugarcane Production**

Most producers interviewed mentioned that the majority of the first cane growers were ejidatarios. Some had been persuaded to plant sugarcane, others were actively involved in the attempts to convince the government that Autlán needed the refinery. This does not fit the usual assumption in previous accounts of the sugar industry that ejidatarios simply resigned themselves to accepting government policy. The picture is that of groups of ejidatarios from different communities, along with the more prosperous farmers of the area pushing for cane production in the Autlán-El Grullo Valley. In order to shed light on this process I present a series of accounts by ejidatarios from Escondido who were among the first sugarcane producers in the valley. This material helps establish the reasons why the less well off ejidatarios not only planted cane, but also promoted its production.

Jacinto Rosas, one of the ejidatarios from Escondido, who was very active in local politics when the mill was being built, recalled how cane producers from Casimiro Castillo (a region with a refinery near the valley of Autlán) came to explain to them how to grow cane. Jacinto Rosas was the Comisariado Ejidal (elected head of the ejido), a position which allowed him to offer ejidal land in La Tuna for the refinery, but instead another plot in La Calera was finally chosen, which was nearer to the main road. Jacinto remembered some of the difficulties of Escondido ejidatarios:

‘We were among the first sugarcane producers. They (refinery’s employees) unloaded some cane on Don Trini’s plot and then let three weeks pass before they told him how to plant it. Half of the canes had been eaten by the cattle by the time they finally planted it. Although I promoted sugarcane, I did not plant it until 1976 because I had cattle and it was more profitable to grow maize and beans. When the costs came down and the prices increased, it became good business to plant cane. I only planted it when it was proved profitable. Thus I have always obtained good profits from growing cane’.

Jacinto Rosas went on to tell how, when the IMO was being built, many commissions came from Mexico City and Guadalajara to check the progress. These commissions had to be entertained at dinner parties with *mariachi* (a traditional band with brass and strings). The costs were charged to the first growers. People from the town of Autlán participated very actively in the

negotiations to bring the refinery to the valley. He described those early days as a process of trial and error involving all parties in cane production:

‘There were a lot of inexperienced technicians and workers among the first workers at the mill. Some of them knew nothing about anything. I saw how much the mill charged the growers. I decided I was better off cultivating maize, and on a smaller scale, beans, courgettes, chile and tomatoes’.

Like Jacinto Rosas, Don Trinidad Carreón, one of the founding members of Ejido of Escondido, also participated in the promotion of sugarcane. But unlike Jacinto, Don Trini planted cane immediately. In 1968, when the canals were being drained to construct the laterals for the irrigation system, and there were rumours that the government was going to open a refinery in the valley, he and his son Dario, Humberto Riesling, Saul Lopez Arreola (the General’s brother), and Luis Rosales (‘El Feo’, ‘the ugly one’) carried out the General’s wishes. They requested the local branch of the Ministry of Agriculture to drain the main canal and construct the laterals. Don Trini remembered how when the mill was built he, his son, Dario, and Ladislao Escobar planted 10 hectares of cane for seed. Everyone thought they had gone mad. He insisted -contrary to what is said- that he made a profit from his first harvest.

Trinidad Carreon has been growing cane for 20 years. He is adamant that it is the best and safest cash crop than can be sown in the valley. Adan Romo, another pioneer grower from Escondido, also considers sugar the most profitable crop available to them. He started growing sugarcane at the beginning of the 1970’s and has continued to do so since. Adan Romo says that Escondido and Las Paredes were the two first ejidos where cane was planted in 1969. At that time there was plenty of cheap land to rent. Adan used to rent up to 40 hectares for growing cane. He also remembered that the ejidal committee of Escondido offered land for the factory but preference was given to a place nearer the road. The members of the committee knew that the construction of a refinery in the valley would open new economic possibilities and they were very cooperative with the personnel involved in its construction. But not everybody in Autlán was as keen as Adan to grow sugarcane. He recalled:

‘First they planted the seed plots while the sugar mill was being built. Then the inspectors from the extension department went round to each ejido and village asking people to grow cane. In El

Grullo the inspectors were almost thrown out but now it is an ejido with a lot of cane. Today the food is ready and on the table and everybody wants to grow sugarcane. But I have been told that there is going to be no further extension of cane planting. The mill is working at its limit and suffers lots of mechanical failures. I planted my ejidal plot with sugarcane and immediately afterwards rented some additional hectares. The rent was very low and from the beginning I made some profit because I worked extremely hard. I was not ashamed to work, knowing that it was going to bring me money. I planted it myself and supervised every job we needed to do.'

Ejidatarios from Escondido shared common experiences regarding their decision to plant sugar, though they emphasised different reasons for growing it. For example, in 1972, Ramon Gordillo decided to plant cane on four irrigated hectares in his ejidal plot for the fringe benefits growing can bring, such as the chance to receive medical insurance for the whole family. He recalled:

'I had a big family and in order to be entitled to medical services I planted sugarcane. In the beginning it was a very bad business. With all the roads that had to be opened up, there were lots of expenses that were spread equally among all the cane growers'.

Ramón was the ejido comisariado of Escondido when the late General Lopez Arreola brought the IMO to Autlán. He was given a job in the organisation of sugarcane producers supervising the cutting. Like Mariano and Riesling, Ramón was directly involved in introducing cane to Autlán.

But not all early sugarcane producers were so directly involved in the organisation. Most ejidatarios and farmers, who decided to grow sugarcane, did it in a more detached way, without participating in the producers' organization. For example Don Lalo planted his three hectares plot with sugarcane but complained that he could not keep animals because it is very difficult to feed them without owning a field for grazing. He recalls:

'Sugarcane used not to be good business; though I never did badly, I always received some profit, even if it was close to nothing. I myself used to do all the jobs that I reported to the mill, and so the money the mill advanced us for wages to hire people was all for me. I worked in the sugar mill in Bellavista between 1927 and

1929. I learnt something about sugarcane, though they did things differently there. The extension workers in the refinery ordered us to do jobs they did not know how to do themselves. Once one extension worker saw me applying some herbicide to my canes and he told me off because I was going to burn them the way I was doing it. Yet, later the extension worker himself tried my way with success on some other plots he was administering. Since then he has come to consult me. I have learnt by trial and error. This black land, that they say is good to plant sugarcane, is very hard to work.'

Tacho, another forbearing sugarcane producer in Escondido, who was not involved with the mill or growers' organization, emphasized with pride that he was one of the first sugarcane producers in the valley. He recalled his friendship with Luis Rosales (*El Feo*), and who became the first leader of the organization of producers, who helped him to improve the poor drainage on bits of his land due to bad levelling. His friend, *El Feo*, was president of the organization, and sent machinery to drain and level his land properly. He first planted three hectares and the next season another three. As he moved into cane growing he began to reduce the size of his herd:

'I began getting rid of cattle as the grass and fodder became scarcer. Sugarcane finished off the grass around here 12 years ago'.

He remembered the first years of cane growing as being very difficult:

'The first year as cane growers we did very badly because we had to pay for roads to have access to our plots and at the end of the harvest we had no money and could not pay our rates. The situation started to improve when José Zarate organized *la tripartita* (the local factional group within the PRI which defended the rights of sugar cane producers). Gordillo Luna was the leader of sugar cane producers in Mexico. He helped us obtain some soft loans from FIMAIA [a public financial institution for sugar cane production]. When Maximino Castillo became our leader things improved even more. All the *ejidatarios* in Escondido that have planted cane have benefitted from it'.

Ernesto, too, endured hard times when he first started to grow sugarcane. But he mentioned that inspite of its problems, the refinery helped

them to improve the conditions of their plots and obtain the meagre credit to plant cane. What was left after paying the loan back kept them going:

‘At the beginning, we all learnt together how to plant and grow cane. Not even the engineers in the mill knew how to do it. They recommended making winding furrows in black heavy soil, which was disastrous. They paid us 57 pesos per tonne but we had to wait until August to get our money;<sup>3)</sup> they didn’t give us an advanced payment. It was not until Echeverría became President (1970-76) that our situation improved. Like the engineers in the refinery, we did not know how to do it properly; we used the fertilizer for the cane on other crops and did not look after our cane. I received 900 pesos for the first harvest. I did not consider that to be very much and so I switched to sorghum, which turned out to be as bad as the cane, so I returned to plant cane again.’

Jacinto Rojo was also among the first sugarcane producers in Escondido. He confirmed the conditions prevailing when the mill first opened:

‘Our lands were of poor quality and uneven; we did not obtain very much from them. The credit to improve our plots providing we planted sugarcane influenced our decision. Cane paid very badly and the costs were very high because we had to pay for the new bridge and roads to our plots as well as for the maintenance of the main road.<sup>4)</sup>’

Jacinto Rojo, like most of the sugar pioneers, was an ejidatario who had a small plot and restricted access to credit, mainly obtained from public institutions. Thus the economic opportunities and other benefits offered by the mill access to credit and regular cash to pay for the expenses and salaries of planting and cutting the cane, enrolment of producers and their families in the national health insurance scheme, and the opportunity to have the ‘co-op machinery’ level and drain their plots, tempted him and other ejidatarios to plant sugar. These economic opportunities were not equally accessible to the producers of staple crops; and the tendency of public financial institutions to cut credit for staple crops became more acute in the 1980’s. In fact the area financed by the rural bank in Autlán decreased by 39% between 1980 and 1984 (*Programa de Desarrollo Rural Integral del Estado de Jalisco*: 165). The scarcity of agricultural credit hit ejidatarios harder than private



landowners, since the latter not only had access to other financial resources but also owned the necessary agricultural machinery. Therefore ejidatarios had fewer productive options than many private landowners, and under these conditions their decision to run the risk and plant sugarcane represented one of their best alternatives, especially as they could continue growing staple crops on part of their land. The extra advantage found after the first harvest was that cane needed less labour days than other crops, which left time for other activities, even temporary migration. The pattern of economic diversity within growers' households that resulted is discussed in chapters 3, 4 and 5.

The decision to switch from staple crops to sugarcane growing was also influenced by existing political and social relationships and networks. As many growers mentioned, the involvement of local political groups affiliated to the PRI was essential to organizing cane production in Autlán. Thus local leaders at the ejido and municipal level played a role in the opening of the mill and in enticing peasants and private landowners to take the risk and plant sugar cane. Before I elaborate on how local political participation was perceived by these sugarcane pioneers, we need to review the broader national political and economic arenas wherein general policy over sugarcane production was fought out.

### **Sugarcane Production in Mexico 1960-1988**

The origins of sugarcane production in the valley of Autlán go back to colonial times when the Spanish conquerors settled in the valley in the first half of the sixteenth century. The traditional sugar mills, *trapiches*, were small and mainly produced jaggery (a type of unrefined brown sugar) for the local market. In El Grullo alone there were seven of them (van der Zaag, 1992). These primitive mills continued production until the mid-1950s but could not compete with the modern refineries, which were able to find a wider market due to the opening of new roads throughout the country. The last of the small mills closed down at the end of the 1950's. The Mexican Sugar industry expanded greatly through the 1960's, but it only reached Autlán at the end of the 1960's when the Melchor Ocampo refinery opened.

## **Sugar Boom**

The increase in sugarcane production in the 1960's was sponsored by generous public loans to obsolete sugar mills. According to an official appraisal in 1968, 48 of the 64 refineries in operation were declared obsolete (Gallaga, 1984: 68). The aim of the government was to take over part of the import quota that the USA had withdrawn from Cuba after the revolution of 1959 (López Arce, 1979: 16). The policy was intended to capture foreign currency by exporting sugar. From the 1950s, Mexico had exported one fifth of the sugar produced; the rest was sold internally at a price kept artificially low, the lowest local price in the world and which remained the same from 1958 to 1969 (Paré, 1987: 25). The sudden expansion of public loans available for sugar production was immediately seized upon by mill owners with large debts, who had no qualms about diverting these funds to more lucrative uses. However, production did temporarily increase to the point of contributing 14.45% of Mexican agricultural exports in 1961. The amount varied in the following years, but sugar exports remained the main export until the mid-1970's (ibid: 17). The increase of exports to the USA market reached its highest level in 1969, when Mexico sent 604,920 tonnes of sugar to the USA (Gallaga, 1984: 54). Although the total amount exported to USA began to diminish during the 1970', it nevertheless still accounted for 10% of the total exports from Mexico to USA in 1971 (ibid: 57).

The export expansion to the USA in the 1960's and 1970's provided the industry with a temporary relief from its chronic ailments, which were still hampered by the uneconomic local pricing. The price of sugar in the USA market increased steadily between 1965-1974, being higher than the price fetched by sugar in the international market for the same period (Lopez Arce, 1979: 18). Hence the Mexican government was eager to seize the possibility of increasing sugar exports to its USA neighbours. In order to achieve this, it had to make available substantial financial resources as an inducement to refinery owners, who, feeling insecure about government policies, had left their factories to age and become obsolete. Such financial support provided by the state succeeded in increasing sugarcane production up until the late 1960s, after which it declined as a consequence of the closure of three refineries and the subsequent loss of 40,000 hectares of sugarcane in 1968 (Gallaga, 1984: 65). That was the year when several feasibility studies for new sugar mills in suitable regions of Mexico were made, including the refinery of Melchor Ocampo at Autlán.

## Sugar Slump

The government realized that it had to do something about the precarious conditions of the national sugar industry, which still faced bankruptcy inspite spite of huge government subsidies and export earnings. The reasons for this state of affairs have their origins in the tight control of the price of sugar and sugarcane by government from the early 1950's. The refinery owners had no choice but to accept this artificially devised pricing system. However, they tried to make a profit by other means, which included squeezing the income of their refinery workers and cane growers, and grabbing whatever financial support came from government. They seemed to be been able to accomplish both successfully, though not without drawbacks. Both the refinery workers and the sugarcane producers dragged their feet and on several occasions, protested more openly -that is, as far as they could within the legal restrictions of the 1943 decree that stipulated that all the land within the supply area of a refinery should be planted with specified area of sugarcane. Some growers, especially in the traditional cane producing regions, voiced their grievances loudly.

Between 1977-1983 the sugarcane producers organised 34.7% of all peasant protests in Mexico, which Rubio (1987: 116) explains in terms of the degree of proletarianization that pervaded the conditions of production among sugarcane producers. This leads her to consider them not as agricultural producers or peasants but as 'waged producers', which, she argues, explains why they have become more active politically than the producers of other, less industrialized crops, such as staples. Whilst agreeing with the description of the organization of sugarcane production that underlines Rubio's analysis, it is difficult to regard the complex organization of sugar production as necessarily imposing an all-pervasive process of proletarianization upon its producers. The cane growers of Autlán have, particularly in more recent years, been able to negotiate a niche in the organization of production, in which they are able to mobilize their own networks and effectively look after their own interests. Sugar producers do not possess total autonomy yet they are not simply fettered to the ubiquitous power of the refinery.

## **Sugarcane Producers' Association**

### *The National Arena*

During the 1960's, cane growers were coerced into continuing to grow sugarcane, in spite of the low or negative returns. To eke out their income, some small-scale producers did all the work on their plots, which allowed them to keep the minute credit for wages paid by the refinery. Striving against disadvantageous relations of production, many cane producers dragged their feet and worked sparingly on their plots which hastened their declining productivity which in 1967-1968 fell below five tonnes per hectare in 1968-1969 (Gallaga, 1984: 113). Most of these producers were ejidatarios, 84% of the total number registered for the 1967-1968 harvest (ibid: 107). Also as we mentioned above, some cane growers protested constantly against state policies. These social protests accounted for a third of the social movements in the countryside in Mexico between 1977-1983 (1987: 115).

Some economic grievances could be channelled through the local producers' associations affiliated to the peasant sector of the PRI. Other local associations joined forces with other interest groups, both within and outside the PRI. For example, growers in Veracruz joined together to create regional associations and alliances. By the end of the 1960's, there were three major national associations representing the majority of sugar cane producers. The two largest and most powerful of these associations were affiliated to CNC and these were the ones that prevailed and finally negotiated the unification of all the associations of sugarcane producers in Mexico during the early 1970's.

These consolidated associations faced new contenders in their pursuit for better conditions of production. In the 1970's, producers had to confront the nationalised refineries and functionaries of CNIA (*Comisión Nacional de la Industria Azucarera*), the parastatal institution in charge of planning and financial sponsorship of the sugar industry, instead of the refinery owners. These confrontations were a front page item during the 1970's, showing the shift from the original arena of negotiations between refinery owners and producers to the arena of state institutions and the producers' organizations. During this period the Mexican state stepped in and nationalised most of the private sugar refineries; by 1987, 50 of the 66 refineries had been nationalised (*Estadísticas Azucareras*, 1981), the majority of which were either bankrupt or on the brink of it when the state took them over.

After nationalisation, only 14 of the most efficient and economically viable refineries remained in private hands. The vigorous attempts of the Mexican State to rescue the wrecked sugar industry resulted in the opening of refineries in new regions in an effort to consolidate a refurbished industry. In this way the *Ingenio Melchor Ocampo*, was able to start afresh. This allowed the refinery to adopt a different set up for the organization of sugar production in Autlán and develop a new pattern of social relations among the different participants.

The sugar cane producers in Autlán did not participate directly in the negotiations between CNIA and national producers' associations. During those years the farmers in Autlán, who hastened to plant sugarcane, could use this new situation to extract better conditions from the refinery administration. Thus some of the improved conditions of production advocated by the national associations of producers were implemented more swiftly in Autlán than in other cane growing areas. These complex and diverse conditions of sugar production in other regions of Mexico, is described in the works of Ronfeldt (1975), Paré et. al (1987), and Glantz (1979).

During the first half of the 1970's, the leaders of the regional organizations of sugarcane producers strived to expand and consolidate their influence. In 1977, the three main national associations affiliated to the CNC decided to join forces and merge into one organization, with the exception of private landowners who in 1973 formed their own association, the UNPPC (*Unión Nacional de Pequeños Propietarios Cañeros*), (Paré, 1987: 202). In Autlán, before the beginning of the 1980's, there was only one association of sugar producers, though different political factions vied for its control.

### National and Local Negotiations

Although the producers in the valley kept a low profile in the struggles at national arena level, they were well aware of the competing groups and conflicts among the leaders. Riesling recalled how Soto Leyva, the national leader of one of the three main associations, supported the local management of the organization and how he faced a challenge to his leadership from Roque Spinoso Foglia, of the national organization that was striving to merge with other regionally based cane producers' associations. Soto Leyva and Roque Spinoso decided to sign a truce and agreed to leave a third party as head of the unified CNC-affiliated association of sugarcane producers. However, Roque Spinoso had an advantage over Soto Leyva, since he was

supported by the producers from the sugar mills on the Gulf of Mexico, the largest single cane producing region. Although the confrontation took place at national level, there were other local contests for the leadership of the sugarcane producers, i.e. a coalition of cane producers in the valley gathered around the figure of the local strong man, José Zarate. Zarate became a powerful regional figure through the various planning and development projects that he had sponsored as head of the Commission of the South. This commission funnelled public funds to specific projects selected by them. Riesling mentioned that the coalition that gathered together some of the cane producers in the valley was coached by Zarate, who was trying to expand his political dominion. However, Roque Spinoso had more experience, and Riesling considered he 'knew everything about anything related to sugarcane production and its organization'. These political re-organizations took place at the end of Echeverría's six-year presidential period. Zarate lost most of his influence and federal government support when the new government took over.

Meanwhile, at the national level, Soto Leyva's control over the national association was taken over by Roque Spinoso. At the local level, an ejidatario from Escondido was elected as the secretary of the Union of Sugarcane Producers of Melchor Ocampo affiliated to the CNC -Ramón Gordillo. These changes caused Riesling to distance himself from the association and concentrate his efforts on his own private business and to refuse to become a member of the new committee. According to Riesling, Ramón Gordillo was not capable of being president of the cane producers' organization. He simply lacked the brains'.

### **Political Re-organization of Sugarcane Production**

At the end of the 1970's, the government was faced again with acute economic problems in sugar production at national level, which once more was at the edge of bankruptcy. But this time, the government could not threaten to take over the administration of the industry from incompetent managers, because most of the refineries (56 of the 66 in production) had already been nationalised or had always been under state control (Paré, 1987: 196).

The other vital factor in the negotiations over the organization of production was the unification of the various regional associations into one strong national organization affiliated to CNC, which accounted for two thirds of all the sugarcane producers in the country. Though most studies

emphasize that union leaders, like the heads of official peasant unions, are subject to government pressure, in fact the leaders of the sugarcane producers carved out a niche of power and successfully confronted the parastatal administration of the refineries. This is graphically depicted in Glantz's book on a sugarcane leader in a north-western region of Mexico. Another example was Roque Spinoso Foglia, the leader of the unified national association of producers, who managed to gather enough support from producers to demand from the government a re-shuffle, giving them a significant say in the organization of production.

In December 1979, the CNIA negotiated with the sugar producers' conditions that until now have regulated the organization of production. One of the new agreements made concerned the amount to be paid for sugarcane. Whereas under the 1975 decree, the level of saccharose in the cane was calculated before it was processed, in the 1979 decree the saccharose was calculated after being crushed, on the basis of 83 kgs. per tonne. Although this agreement was contested by some producers, they were a minority and it continues to remain valid (Paré, 1987: 234). The legal obligation that tied all land holders surrounding a sugar mill to planting sugarcane had earlier been rebuked and it did not find its way back into the new decree. The other agreements were related to the organisation of the different institutions involved in sugar production, such as the financial institution FINASA (*Financiera Nacional Azucarera*), the legal owner of the refineries, ONISA (*Operadora Nacional de Ingenios*), FIMAIA (*Fideicomiso para la Inversion de Maquinaria en la Industria Azucarera*), which ensured investment for producers wishing to acquire agricultural machinery and lorries, IOSCER (*Fideicomiso de Obras Sociales para Cañeros de Escasos Recursos*), the fund for social welfare among the poor sugar cane producers and cutters, CNIA (*Comisión de la Industria Azucarera*), the institution in charge of coordinating all the others, including those that used to be controlled by the refinery owners, such as UNPASA (*Union Nacional de Productores de Azúcar, Sociedad Anonima*), which took charge of marketing and distribution.

The 1979 decree specified that a Committee of Production should replace the Tripartite Commission made up of representatives of the producers, the mill and the state. The latter commission had played a crucial role in the 1970's, when refineries were in economic difficulties and had hardened their policies towards the producers. Under this arrangement state representative had then to negotiate between the two parties and try to resolve their differences. However, in refineries like Melchor Ocampo, which had always been state-owned, the Tripartite Commission played a low-

key role. In this case, Engineer Limon, head of the extension department, was charge with organizing the Tripartite Commission, together with the refinery's chief administrator. After the 1979 decree, the Tripartite Commission was superseded by the Committee of Production that had a different composition, reflecting the outcome of the intense negotiations between CNIA, the state commission for the national coordination of sugar production, and the national leaders of producers. The decree required that the Committee of Production should be made out of one representative of each party and a deputy - the president and secretary of each local organisation of producers - and the manager and the head of the extension department to represent the refinery. In this coordinating body the producers' delegates usually outnumber the refinery agents, since there are two associations of producers in most places, one representing the ejidatarios and the other the landowners.

The new regime of sugarcane production laid down better conditions for producers. The two most important were: the linking of the price of sugarcane to the inflation rate and the introduction of a more balanced constitution for defining the rights and obligations of the Committee of Production. Although, ordinary producers in the valley of Autlán did not participate directly in the negotiations, they were aware what the issues were. The cane growers were well informed and did not need to confront an old-style plantation administration in order to implement the new order, as was the case in most of the traditional sugar cane producing regions. Hence producers in Autlán started under different conditions of production and at a time when the state was encouraging the expansion of irrigated cane for export. In 1969, the sugarcane produced in rainfed plots accounted for 58% of total production (*Estadísticas Azucareras*, 1970). These particular conditions provided the new producers in Autlán with more room for manoeuvre than those in the long-established cane producing areas, who had to fight to change the unprofitable conditions of production characteristic of the old refineries.

The 1970's was a period of expansion of the sugar industry in Mexico as in most other sugar-producing countries. It provided 60% of the sugar consumed in the world; the other 40% coming from sugar beet (Coote, 1987: V). Production in Mexico had not only to fill the export quota to the USA, which amounted on average to one fifth of total production, but to cope with increasing national consumption. There is a world wide tendency for sugar consumption to increase with income up to a certain level and then drop.<sup>9</sup> In Mexico, consumption has been on the increase since the 1940's



and shows no sign of declining. In 1985, sugar consumption per capita was 45.3 kgs per year, which is one of the highest in the world.

The Mexican Government took upon itself the task of improving and expanding sugar production, which in spite of high international prices had been in troubled waters since the 1960's, partly because of the artificially low price that the government imposed on sugar for the internal market, which remained the same throughout the 1960's. The discrepancy between international and national prices enticed some producers to smuggle sugar across the US border; but the most limiting effect of this policy on the industry was the series of financial deals between refinery owners and government officials. Although owners were unable to squeeze profit from sugar cane production, but they more than compensated for their losses by borrowing from public banks, money which they invested in more profitable activities, and which they never paid back. Meanwhile the cane growers were left trying to eke out an income.

In spite of government efforts to consolidate and expand sugarcane production, it withered away. By 1979, from being a sugar exporting nation, Mexico had to import sugarcane to meet its national demand. This shadow still hangs over Mexico, and remains a threat to agricultural self-sufficiency. However, within this bleak scenario, recent producers (among them Autlán's) have carved out their own niche, which provides producers with enough room to manoeuvre to consolidate their own diverse economic household strategies. The harbingers of sugar cane production in the valley of Autlán-El Grullo were ejidatarios, who lacked the economic resources to try other more expensive crops and with little the financial support from government development agencies. The better-off farmers could afford to wait and see if the small producers could make a profit growing cane. In the 1980's sugar production in Mexico thrived in state-owned refineries whose organization of production became a contested terrain between the growers and refinery administrators. This will be examined in the next chapters.

### **A Brief Description of the Sugarcane Process**

In western Jalisco the best season to plant sugarcane is during the summer rains when the temperature and soil humidity are high i.e. in June and July. However in the irrigated plots the planting can wait until the end of the rainy season in October and take advantage of the humidity left in the soil. Sugarcane is a not a labour-intensive crop and for the next 12 to 16 months when it will be ready for the first cut, it needs little attention - fertilizing,

watering and weeding. During this period sugarcane producers could dedicate their time to other crops or other economic activities, which include among the Autlán-El Grullo producers migration to work in the USA.

The associations of producers are in charge of buying and distributing the fertilizer and the IMO extension department limits itself to checking the growth of the cane and that the producers are using the credit to buy and apply the fertilizer to their cane. However, the careful monitoring of the age and growth of the canes is crucial to establishing a good cutting programme. This labour-intensive activity consumes a good part of the extension workers' time, (see Chapter 7). According to age of the canes, they programme the sampling of the canes most likely to be ready for cutting and immediately send an invoice to El Operado to cut off the water to that particular plot and then plan the cutting of its cane at least three weeks after that.

The foremen in the CNC and CNPP associations collect the cutting schedule and organize the teams of cutters and drivers to deliver the cane to the platform at the entrance of the refinery near the conveyer belt where the cane processing commences.<sup>6)</sup>

The organization of planting, growing and cutting sugarcane is the Valley Autlán-El Grullo is accomplished through the close coordination of sugarcane producers, their associations and the IMO employees. The Committee of Production, discussed in Chapter 7, plays a crucial role in concerting the interests of the various parties.

In this chapter, I have sketched the background to the development of sugar production in the Autlan-El Grullo valley. Sugar cane producers consolidated their political clout through their national associations, which managed to fulfil their demands, although still within a corporative government framework. In this process all the agents involved made a contribution to the development of sugarcane production in the valley, from the smallest producer to the national representatives. In the following chapters I will describe how different ejidatarios and private landowners were enticed to plant sugarcane and their reasons for doing so.

## NOTES

1. Programa de Desarrollo Rural Integral del Estado de Jalisco 1985-1988, 1985: 187.
2. From 15 March to 20 April, 1971. The cane harvested was not ground but planted on other plots. (*Manual Azucarero Mexicano* 1972).
3. The harvest begins in December and last until the end of May or early June before the rainy season starts.

4. This bridge connects the two main towns in the valley making a long detour unnecessary. The construction of this road and bridge was charged to the first cane growers.
5. '[Sugar] Consumption begins to rise when a country's gross domestic product reaches about US \$400 a head and continues to rise until GDP reaches about US \$6,000 a head, when it starts to decline' (Coote, 1987: 31 and 91).
6. The study of the labour force in charge of transforming the juices extracted from the cane into granulated sugar goes beyond the scope of this work but it deserves to be in its own the topic of a whole dissertation.

## CHAPTER 3

### THE FORERUNNERS OF SUGARCANE PRODUCTION IN THE VALLEY: SMALL-SCALE EJIDO PRODUCERS

Most sugarcane producers in the Valley Autlán-El Grullo are ejidatarios living in the villages scattered in the valley, or private landowners, who live in Autlán and El Grullo, the two largest towns in the valley. There is a great variety in the size of plots, type of land tenure and availability of resources among producers. These differences correlate to some extent with the time sugarcane was first planted: whereas ejidatarios were more willing to try their luck with the crop from the moment the state-owned refinery sponsored its production, the better-off farmers planted it only when it was proved to be reliably profitable. In this, and the following two chapters, I describe the socio-economic conditions under which a handful of agricultural producers decided to grow sugarcane. These individual accounts highlight the resourcefulness of peasants in seizing the economic opportunities made available by the state. These producers, contrary to what Paré and others have argued (1989), have not been pushed around by government institutions to follow acquiescently their projects. Quite the opposite, peasants and larger farmers in the valley were themselves the ones who promoted the opening of the refinery and endured the hardships of the early years, because they perceived there were no other viable alternatives.

This chapter describes the historical background and socio-economic conditions of the ejido 'Escondido', and shows why the majority of ejidatarios in Escondido now grow sugarcane. I first present an account of the foundation of Escondido, an ejido or agrarian community that was created in the 1930's, following the post-revolutionary agrarian reform in Mexico. The story is constructed through personal accounts of their participation in the setting up of the sugar refinery in the Autlán-El Grullo valley. I then present two groupings of ejido producers who decided, ahead of the majority of larger landowners, to include sugarcane production in their livelihood strategies. I have grouped these cases of *ejidatarios* generationally, in order to show how their political involvement differed over time. Whereas

the older ejidatarios fought to obtain land under the original agrarian reform, the next generation had to struggle, because of increased demographic pressure on existing ejido resources, to secure new land extensions. They also became more involved in local affairs consequent upon the opening of the refinery. Thus two of the early leaders of the CNC association of sugarcane producers were from Ejido Escondido.

### The Creation of Ejido Escondido

In a corner of the Valley of Autlán the rural community of Ejido Escondido leans on the edge of a hill that naturally rims the village. The road ends in front of an old gate that is often guarded by small children who like to swing the gate open as vehicles approach it. The streets run parallel to the gate and they suddenly merge with the skirts of the hill. The streets are unpaved and are bordered by long crevices down which dirty water dribbles. The houses in Escondido have electricity and running water but they still lack a system of sewage and drainage. Each house has its own septic tank in the backyard. Electricity and water services reached Escondido at the end of the 1960's, but the drainage might have to wait a while longer. The houses are well built and stand in rows with their front doors facing the edge of the road. Most of them have three rooms, a kitchen, an outside toilet and a backyard where they keep chickens, turkeys, pigs and cows. The oldest houses have *adobe* (clay and straw) walls and red tiles; the more recent are built of brick. All the houses have been built by the owners and they follow the same local style, especially the older ones. In the last ten years, with the extra income obtained from growing sugarcane and migrating to the USA, new houses have risen out of the dusty streets. Some of them remain empty most of the time, probably waiting for their owners to be sent back by the border patrols in the USA, or in the few lucky cases to receive their pensions.

The ejido of Escondido was born out of the former hacienda called 'Escondido', that was owned by Benito Rivera, an absentee landlord who lived in Autlán. The founding members of the ejido are now in their eighties and some have passed away. One of the survivors of that original group, Don Genaro Carreón, was born in a nearby hacienda, called El Palmar, in 1905. He arrived in Escondido in 1917, when Benito Rivera still owned the hacienda. Then later, in 1922, Rivera exchanged Escondido for another property in Chacalitos belonging to Domingo Villaseñor. The new landlord of Escondido wanted to get rid of the old tenants, telling them: 'New landlords, new tenants'. The 'tenants' of the property had to return the land,

but the houses were theirs and they remained in them, though they had to take their animals to graze elsewhere. Don Genaro recalled with nostalgia those times. He remembered that they brought a case against him. It was around that time that they joined the Agrarian Committee in Autlán that was formed in 1924 with the intention of claiming land, under the new laws. Autlán did not have enough members to complete the two hundred petitioners that were required before land could be applied for as an agrarian community. Some of the landless farm workers of adjacent haciendas - Escondido, Mezquitán, Ahuacapán, Lagunillas and Bellavistas - thus grouped together to form the Agrarian Community of Autlán.

Another survivor of the original group of land petitioners was Anastasio Plaza, born in 1913. He had learned that the President, Adolfo De la Huerta, had passed a law that allowed landless peasants to ask the Municipal Council to take over untilled, or land left fallow by its owners. Anastasio went and asked two of his well-to-do friends in Autlán about the new law and then went with friends to petition the municipal president or mayor of Autlán. He was very sympathetic but warned them to be firm and serious because he did not want the secretary to waste her time typing inconsequential legal papers.<sup>1)</sup> They went back to Escondido and rallied twelve neighbours to sign the petition. Unfortunately somebody alerted the landowner who threatened to send his armed guards to kill them, but they persisted and the municipal president granted them the legal access to the unused fallow plots owned by Domingo Villaseñor in 1924.

Those were convulsive times in the country as a whole, but particularly in the rural areas. The 1917 Constitution tried to settle the demands of landless peasants who had participated in the armed movement of 1910. The inhabitants of the Autlán-El Grullo valley area, were only sporadically involved in the battles that took place during the decade from 1910. But they did participate fully in the armed conflict that spread over some regions of Mexico between 1925 and 1929 when the Church and the landowning class protested at the new Constitution and its laws. Some men of Escondido took sides with the Government and joined the federal army to put down the rebels in what became known as the *Cristero* movement. Don Genaro remembered vividly when the *Cristeros* set fire to the twenty-two houses where they lived, shouting "Viva Domingo Villaseñor!". Don Genaro with other young men from Escondido were drafted into the Mexican Army and they participated in ten battles. When the Government had defeated the rebels, they were asked to provide a list of the peasants in Escondido who could claim rights to a plot of land. Don Trinidad Carreon wrote down the names of all the men he could remember even of the young fellows. With

the promise that the government would give priority to the claims of peasants who had risked their lives to defeat the *Cristeros*, they went back to till their leased plots.

However, Don Domingo, the landowner, had not lain idle. He had manoeuvred to ensure that the size of his property would come within the limits allowed for private properties, and that the peasants of Escondido would therefore have had to return the plots they were renting from him. He had divided his properties fictitiously among several of his close friends and distant relatives and argued that they had been tilled by the farm workers under the various owners' supervision. In the document relating to Escondido, kept in the office of the Jalisco Office of the Ministry of Agrarian Reform, dated 1st July, 1929, Domingo Villaseñor argues that the land that had been tilled by the peasants in Escondido could not be affected by the Agrarian Reform because it fulfilled all the requirements of small private properties demanded by the Agrarian Law. That was the beginning of a long legal battle between the peasants of Escondido and Domingo Villaseñor which was finally resolved in favour of the former in 1932, much to the chagrin of the latter. This auspicious outcome for the peasants was assisted by the enrolment of some of them in the army that fought the *Cristero* rebels in the area.

The Agrarian Commission had given the peasants of Escondido the provisional ownership of their plots in January, 1930. This affected 127 hectares of first class cultivable rainfed land that were part of the private Escondido estate, and 182 hectares of poorer soil quality from a neighbouring estate. Two years later in February, 1932, it became officially approved.<sup>2</sup> There were fifty-two individuals - heads of family and single males of sixteen years old or older - who each received four hectares of first class rain fed cultivable land or its equivalent in other qualities of soil, and access to communal land that was later divided into plots and shared out among the original petitioners. The 309 hectares granted were not sufficient to provide land for every young man entitled to receive it.

In 1935, there were several young men without land in Escondido, and the young men who had now reached the age to apply, joined with those left out of the first distribution, to demand a plot of land. Through the representatives of the ejido, an extension of land was thus asked for. The application was submitted in July 1935, and one year later they were granted 393 hectares, 238 hectares of rainfed arable land and 155 hectares of grazing lands for the communal use of all the members of the ejido. This second petition had been dealt with rapidly, as were most of the petitions for land during the Presidency of Lazaro Cardenas. Five years later, in April 1940,

the ejido obtained its second and extension of 81 hectares that were then divided into ten plots of eight hectares each. In the 1960's, landless *vecinos*, or neighbours (the name given to residents of ejidos who have no ejidal rights) from Escondido, with the support of all the ejidatarios asked for a third extension, but they were unsuccessful, on the grounds that there was is no longer any available land in the area that could be seized or redistributed.

In the agrarian census of 1942, the authorities in Escondido declared that there were 106 people entitled to an ejidal plot, seven of whom were women (all of them widows and with an average age of forty). In a basic census carried out by myself in 1988, I counted 87 ejidatarios of whom 27 were women, and 69 *vecinos*. The population of Escondido is over 500, some of whom are away working either temporarily or permanently in the USA. The average size of ejidal plot is eight hectares - four of irrigated land and four of rainfed arable land. The proportions of irrigated to rainfed land varies from one plot to the other and has its origins in the fact that when the plots were distributed, the irrigation system did not yet exist and each ejidatario received four hectares of rainfed arable land and access to communal pasture land which as mentioned was later divided among the ejidatarios in four hectares plots, some of which later benefitted from the construction of the irrigation system. In the late 1950's when the irrigation system was built, who benefitted depended on the geographical location of their land; some ejidatarios were lucky and their whole plot fell within the area irrigated, which accounts for some of the economic differences among ejidatarios which had not existed when the ejido was formed some sixty years ago.

From its creation, ejido Escondido has been regarded in the area as a liberal and anti-clerical community. This fame was earned by their participation in the fight against the *Cristeros*, regarded as the defenders of the Catholic Church and the landed class. The *Cristeros* who attacked Escondido were sponsored by local landowners, among them the notorious Domingo Villaseñor, the then owner of the land in Escondido, as mentioned above. Setting fire to the houses in Escondido triggered the peasants into joining the federal army to fight the *Cristeros* to the end. After a final three-month campaign, at the end of 1929, they were discharged and went back to their villages to fight their other battle, the battle for survival and land. In the first difficult years on their ejidal plots, they cultivated maize and beans but most young men were obliged to supplement what they grew by finding seasonal jobs in the coastal region or farther away in the USA.

At the end of the 1950's, the irrigation system was built and agricultural perspectives in the whole valley changed dramatically. The main and



secondary canals criss-crossed the valley, opening the door to the cultivation of other crops and some of the ejidatarios in Escondido began to experiment with crops other than traditional maize and beans. One of these crops was sugarcane. How they went about it and what they did in order to develop successful sugarcane production is the focus of the account to follow, drawn mainly from the life histories of the sugarcane producers in Escondido.

The ejidatarios who became sugarcane producers did so for different reasons and with varying results. Their individual conditions were interwoven with broader socio-economic conditions but nevertheless what each individual ejidatario did varied. They were able to act with a degree of independence that is often overlooked by studies of sugarcane production.<sup>9</sup> Sugarcane has become the main crop for the majority of ejidatarios in Escondido, 73 of the 87 (i.e. four in every five) cultivate one or more hectares. Those who do not grow sugar cane produce maize and keep cattle. Members of the Escondido ejido were among the pioneers of sugarcane production in the valley. How and why they decided to change their traditional crops for an industrial crop is best described through the producers own recollection of it.

### **Sugarcane Producers in Escondido**

The number of hectares that ejidatarios plant with cane varies from one hectare to all eight. There are a few who plant larger areas when they can rent land. The average size is 2.7 hectares, which does not yield enough to live on exclusively. Most of the land available for rent is planted with cane, and it usually belongs to ejidatarios who are away working temporarily in the USA. The ages of the cane producers ranges from those in their teens to men and women in their seventies to eighties. Those who decide to grow cane must join one of the two producer associations before they can sign a contract with the refinery that entitles them to credit and services provided by the extension department of the refinery. In Escondido, all the sugarcane producers are members of the association affiliated to the CNC, rejecting the association affiliated to the CNPP as being an organization for rich farmers. Sugarcane producers find their own way around the stipulated contract stretching its terms to their individual needs e.g. using the credit to clean the cane to other purposes. In the following pages I will depict some of the ways in which each producer in Escondido reached the decision to plant sugar and add its economic benefits into their livelihoods.

Ejidatarios of Escondido have dealt with several productive changes in the last fifty years. The older generation made the transition from sharecropping to ejidatario, and were concerned with what Scott (1976) calls 'safety first', that is they grew staple crops and took only small risks to produce cash crops, with mixed results, and they went to work in the USA. When the sugar refinery was built, they were among the forerunners of sugarcane production, but those who originally grew cane (now the older generation), did so on a small scale, without dropping their staple crops. The children of this generation not only diversified their crops and went to the USA for temporary work but they have also participated in local and municipal politics and have been involved in the leadership of the CNC association that has played the key role in sugarcane production in the valley. In the next three sections I will present thumbnail sketches of ejidatarios of different generations who decided to grow sugarcane, and the repercussions this had on their livelihoods.

### **The Old Guard of Ejido Escondido**

The oldest ejidatarios in Escondido, now in their retirement years, remember the hardships of ploughing rainfed and badly drained land. Most have at some stage in their lives worked in the USA and were among those who promoted sugarcane when the refinery was built at the end of the 1960's. Of the five cases I present, only one no longer grows cane, having turned all his land to the production of staple crops which contribute towards keeping a handful of cattle. They all recall with nostalgia their endeavours to obtain the land and the struggles to eke out a living from it. They are in their seventies, and remember the refinery being built, and being enticed by members of the PRI from Autlán to plant sugarcane on their plots. I have chosen five founding members of ejido - Trinidad Carreon, Felix Ramos, Anastasio Plaza, Eduardo Plaza and Mario Gama - and describe how and when they decided to grow sugarcane, and why the last one decided to return to growing staples. Of the four who still produce sugarcane, only Trinidad Carreon could live solely from the income yielded by the crop; the other three, like most sugarcane producers in Escondido, have had to diversify their activities to include staple crops and a few head of cattle, local jobs in the refinery, the CNC association and municipal government, and migration to the USA. Very few ejidatarios have put all their eggs in one basket by planting their total area with sugarcane. Where this has been the case they have usually had more than four hectares of irrigated land.

### Trinidad Carreon: God and Sugarcane

Don Trinidad Carreon was born in a village not far from the Escondido estate. He arrived at the hacienda in 1917, looking for work. Those were difficult times, the landowners sensed the winds of change and were worried about government threats of an agrarian reform. However, Don Trinidad became a sharecropper in Escondido. In 1923, when the landowner sold the estate, the new landowner attempted to revoke the previous agreements with the sharecroppers. Trinidad and the other sharecroppers in Escondido rallied against this and took legal proceedings against him. In Autlán, in accordance with the new agrarian decrees, some of the *vecinos* were getting together to form a new agrarian community, in order to be able apply for land that was to be distributed among the landless. As there were not enough *vecinos* among the sharecroppers and workers on the estates around Autlán, the instigators extended an invitation to all *vecinos* on the neighbouring estates and hamlets in the valley to join their petition. Trinidad, together with other sharecroppers from Escondido, signed on with the Agrarian Committee<sup>4</sup>. At the same time they also applied for the right to use the land belonging to their old patrons. Under this arrangement sharecroppers were entitled to produce on this land for a period of three years before having to re-negotiate the terms. Trinidad and the other sharecroppers went back to plough the land until 1926 when a hundred *Cristeros* attacked the hamlet setting fire to its twenty-two houses. They were cleared out with only the clothes they were wearing. Trinidad remembers how the war cry 'Viva Domingo Villaseñor', the name of the landowner, reverberated as they fled, seeking refuge in the nearby hills. In 1929, Trinidad and another fifteen men from Escondido enlisted in the federal army to fight these *Cristero* gangs. At the end of the military campaign and having defeated the rebels, the enlisted peasants were sent back to their places of origin, with their arms for security. They returned to tilling the land.

At the beginning of the 1930's, when Margarito Ramirez was Governor of the State of Jalisco, and Emilio Portes Gil, President of Mexico, the land grant was signed in favour of the peasants in Escondido. The provisional titling of their plots took place in January 1930. From the early days of ejido, Trinidad plunged himself into the running of the community, having been elected to several posts in both the executive and vigilance Ejido committees. According to older ejidatarios, he was a committed worker, and in time came to be regarded as a legitimate authority in the village. Some years later, between 1947-1954 he became a police constable in Autlán and during the following years held a job in the local Military Zone V. Trinidad

claims to have managed to combine these different activities within and outside the ejido without hiccups. In the 1960's, he was invited by local people and by representatives of the PRI, to participate in the CNC association of *ejidatarios* in the valley. Later, in 1971, Trinidad was elected member of the regional branch of the CNC. This was in the early years of the Melchor Ocampo refinery.

In 1968, due to the lack of maintenance the canals were silted-up and had to be drained. This occurred at the same time as rumours spread that the government was going to build a refinery in the valley. Saul López Arreola, brother of General López Arreola, Minister of Defence, had rallied the PRI supporters in Autlán, such as Luis Rosales (nicknamed El Feo, the Ugly) and Humberto Riesling, Santiago's son-in-law. In Escondido, Dario Carreon, Trinidad's eldest son was among the political vanguard who were also promoting the opening of the refinery in the valley. Don Trinidad recalls that Dario and other *ejidatarios* in Escondido planted sugarcane on their plots in 1969, at the same time that the refinery was promoting cane growing in the valley. Trinidad explained:

'Everybody thought we had gone crazy. The first sugarcane producers in the valley were the *ejidatarios* of Autlán, El Grullo, Las Paredes, El Limón and Escondido. I did make a profit from the first time I harvested this cane \$3,000 pesos (approximately \$240 US dls in the early 1970s) after paying off the credit. But from the last harvest I earned ten million pesos (\$3,300 US dls in 1987. The *ejidatarios* of Unión de Tula, El Limón, El Grullo and Autlán have benefitted from growing sugarcane. It was in 1975 or 1976 when sugar started to provide us with profits, good profits. Before that there were very high basic costs to be paid. I planted cantaloupe melon at one time but did not succeed with it. Melon made a loss for us, it is a very delicate crop. Sugar has always given us better results. We have had our problems with some of the administrators of the mill because they are careless and let the juice boil over in the tanks and we the are the ones who lose from it.'<sup>5</sup>

Don Trinidad was lucky that his plot was one of the very few that was not divided by the construction of the irrigation canal. Thus all of his almost eight hectares is now irrigated and planted with sugarcane. He has been very thrifty and with the help of his youngest son keeps some cattle. Trinidad is one of the wealthiest *ejidatarios* in Escondido. He mentioned that he had lent forty million pesos (\$13,000 US dls) to water melon producers on the

Coast. His house is a roomy, well built brick bungalow where he lives with his wife and youngest son who is now in charge of the sugarcane and cattle. He is very grateful to the 'revolutionary governments' as he calls them, because they supported the poor against the landowners, and that has brought many economic benefits to all the people of Escondido. When I asked him if he did not have any criticism of government officials, his eyes peered through the pair of thick glasses that he wore, squinting as he tried to give me a good look, and commented emphatically that he was a great supporter of the PRI, and he went on to defend government actions against what he called maligning comments. He conceded that a few bad officers abused the power that working for the government gave them.

Don Trinidad made good use of the opportunities offered by the agrarian reform, and in the process of fighting his way alongside others for land, he joined first the army, later the police force and then the municipal administration. These varied experiences seemed not only to have opened up economic rewards but to have given him political skills and influence in the ejido, which he used judiciously. Although he is relatively better off than the other ejidatarios, they do not resent it or make snide remarks about him. According to other informants he was always involved in the negotiations with the Ejidal Bank and other government agencies that had business in the ejido. Now he is old and still very fit, although he no longer accepts any public position in the ejido or any commission, arguing that his eyesight is almost gone. But he does not miss ejido meetings and when he discusses a topic at these he usually makes reference to the history of the ejido and brings back stories and facts which are unknown to the younger members. He is now out of touch with the world outside the ejido, thus his influence on ejido affairs has waned.

Having a large family, his daughters stand little chance of inheriting Trinidad's ejidal plot, which is reserved for his youngest son who has already taken over the responsibility for it. Don Trinidad's success was based on effectively combining his agricultural activities with different municipal jobs (thus giving him a regular income and putting him in contact with other government officers). These various activities made sugarcane an easy choice since it is a crop that needs little labour and therefore a good crop to combine with the activities that kept him away from Escondido for long periods; especially when he could plant all eight hectares of his plot with it. Trinidad has thus accumulated more economic assets than most old guard ejidatarios though his life style has not changed, and he still wears his old sombrero and worn-out *huaraches* (Mexican leather and tyre-soled sandals). The sugarcane from his ejidal plot yields sufficient to maintain his family and

even to save money. With his daughters married and independent financially, and his eldest son with his own ejidal plot, Trinidad is very well placed to accumulate.

### **Felix Ramos: Sugarcane brought Life to Escondido**

Felix Ramos, like Trinidad Carreon, belongs to the founding group of the ejido. He was born in Escondido in 1915 and has lived there most of his life. Felix also joined the federal army when he was only twelve years old. He was only a child, too young to enlist, but his father had been murdered by the *Cristeros* and so he begged the officer to let him join the troupe as a horse groom. When the rebellion was crushed, Felix became a member of the rural guards who remained active until the end of the 1940's. After two years with the rural guards, he was called to join the regular army by López Arreola, then a Captain and an ambitious officer who would become Minister of Defence three decades later. Though he always went back to Escondido for three to four months to harvest his plot, the rest of the year he went wherever his battalion was sent. When he left the army he went to the USA and worked as a farm labourer near to Los Angeles for a year. Don Felix mentioned that his boss wanted to help him to settle there, but he did not like the American way of life and so he returned to Escondido. He went back to the USA to work on two further occasions. The second time he found a job in a foundry, again close to Los Angeles, where he worked for eight months. This time he managed to save money which he invested in animals. The third and last time that he went to the USA was to find agricultural work close to the border, that he could reach by walking and without having to pay the *coyotes* to help him cross illegally. That third time he saved more than on previous visits and was able to buy more animals and make improvements on his plot.

Don Felix has four children. From his first marriage he has one daughter, Sonia, who received rights to the ejidal plot of her husband who had died twenty years ago. From his second marriage he has a son and two daughters. They all live in the valley, but only the son has settled down in Escondido. He is already in charge of cultivating sugarcane on the plot and will receive Don Felix's ejidal rights when he dies. He gives Don Felix the income from two of the hectares of cane which amounted to \$300,000 (\$100 Us dls) in 1987. That money, plus the \$55,000 from his monthly government pension from the mill, allows him and his wife to live modestly. The entitlement to a pension was one of the concessions wrung from the

government by the CNC for the sugar cane producers. He also plants rainfed maize on public land along the borders of the canal. He has very poor eyesight, in spite of the thick glasses he wears, which is the reason why he has relinquished his plot to his son. He was one of the first sugar cane producers in Escondido and remembers when the first president of the local CNC association came to Escondido to tell them that things were going to improve with the opening of the mill. The improvement took longer than they were led to believe because the price of sugar cane was kept artificially very low by the government for several years. In spite of this Felix recommended his eldest daughter, Sonia, to plant cane on her plot. Sonia was working in California during those years but Felix took care of her crop. Though the profits were meager, they were enough to augment Sonia's savings in the USA to enable her to replace her old house with a new one with brick walls. The domestic price of sugarcane, as mentioned in the previous chapter, remained very low until the end of the 1960's when the two recently-formed national associations of producers exercised their political muscle (see Chapter 6 for details). However, Don Felix, like many other *ejidatarios*, linked the much improved price to the negotiating abilities of Maximino, one of the leader of the CNC affiliated association:

'At the beginning I made no profit from producing sugarcane. Neither did we when Ramón was secretary of the CNC (an *ejidatario* of Escondio who became leader of the local branch). It was only when Maximino became leader that things really changed. I have five hectares of sugarcane though I get money from only two hectares because I have given the profits of the other three to Mario (the son). With Maximino we have achieved something. It is thanks to him that we have snatched more money. Mario had been able to buy his second-hand lorry with the profits from the cane and what he could scrape together from his earnings as a lorry-driver. They sold the lorry to him very cheaply in Tamazula. He has helped himself and his large family quite a bit driving the lorry'.

Don Felix is one the founding members of Escondio. He is partially retired, but still helps his son Mario with some light work on his land. Felix fought for the land and has participated in the ejido's administration. He has held different posts in the community and has always participated and supported the collective works promoted by the local authorities. Although Felix remained in the army for several years and met local politicians and leaders, he did not consolidate his networks like Trinidad Carreon did.

However, Felix considered the opening of the sugar refinery in the valley as a new lease of life, specially when the price of cane increased. He believes they could not have done better than plant sugarcane. Like Plaza, Lara, and Gama, whose cases I discuss later, and in contrast to Trinidad Carreon, Don Felix has saved only enough to get by. The son did not receive his own ejidal plot, though he still hopes that a third petition for an extension will come through. Thus Felix's plot has to be shared between them. The yield is not enough to support both families. It is supplemented by Don Felix's pension, and for the son by his earnings from his lorry. Theirs is a common case among *ejidatarios* who are compelled to diversify their economic activities as they lack the resources to intensify their use of their only asset: the land.

### **Anastasio Plaza: The USA and Sugarcane**

Anastasio Plaza, nicknamed Tacho, is another founding member, was born in Escondido in 1913. He continues to be involved in community affairs, including the third and last unsuccessful petition for an extension to the ejido. The petition has been rejected several times and stands little chance under the new agrarian policies of the government. He recounts with rancour, how, when the ejido was being formed, the landowner, Domingo Villaseñor, used to dismiss them. He relishes the story of how he eavesdropped on some rich landowners from Autlán complaining about the agrarian law passed by La Huerta's government that entitled the municipal authorities to grant the use of fallow land to local peasants for at least three years with the right to renew (much land was left fallow, i.e. it was unused by landlords who were often absent). Tacho rushed to his friends in Aultán to find out more about the new law and he and other neighbours from Escondido managed to lease some of this fallow land. As Tacho describes it:

'When the three-year lease was coming to an end the landowner sent soldiers to push us off his land. But we also had arms, that the government had distributed among peasants like us. Captain Trejo had to explain that he came on behalf of his uncle Don Domingo to recover his land. I explained that we had a contract that was still valid. The Captain said he did not care about that, and if we did not relinquish our claims to the land he would hang us on the *mezquites* (a common tree in the area). I answered that we had arms to defend our tiny plots of land. We were some twenty



peasants. The Captain didn't want to fight and said he already had in his pocket what he wanted, and pulled out a large banknote. He said that the landowner had given it to him. He turned round and left with his five young soldiers. The Captain was only trying to scare us but he didn't succeed. When the term was coming to its end, we received the provisional grant to our plots. The rural defense remained for many years more. We had in the ejido twenty-two rifles and two hundred cartridges.'

Some years later, in 1939, Tacho decided to try his luck in the USA. He was one of the first to get a temporary contract to work there, which he extended and renewed, remaining there for sixteen years, until 1956. He used to send money to his wife to buy cattle. When he came back to stay for a while his wife had managed to increase the herd to twenty heads and she was growing maize, beans and chick peas in his plot. He had worked in a fruit and vegetable packing plant in the Imperial Valley in California where he was in charge of gathering the waste and loading it onto trucks. He worked long hours - from 7am one morning to 2am the next. The work was not physically hard but he had to be there checking for very long periods of time.

When Tacho went back to Escondido he had saved enough to make a living from his land, and his herd. He hired local farm workers to help him, at one time hiring as many as fifteen to help him with his animals. He claimed to have owned up to sixty head, twelve of which were milking cows. Tacho emphasized with pride that he was one of the first sugarcane producers. He recalled his friendship with *El Feo*, Luis Rosales, who became the first leader of the association of producers at the IMO, the refinery, who helped him to improve the strips of his land that were not level, badly drained in some places and suffering filtration in others. Fortunately for Tacho, his friend *El Feo* sent him some machinery to drain and level his land. He first planted sugarcane on three hectares and the next season another three. As he moved into sugarcane production he began to "to get rid of cattle as grass and fodder became more scarce. Sugarcane put an end to pastureland around here twelve years ago" he said. He said the first years as sugarcane producer had been very difficult:

'We did very badly because we had to pay for the roads to have access to our plots and at the end of the harvest we did not even have enough money to pay the interest. The situation started to improve when José Zarate organised the *La Tripartita* [a forum of

representatives of the mills, producers and government]. Gordillo Luna was the leader of sugarcane producers in Mexico and he helped us to obtain loans from FIMAIA [a parastatal finance house], which helped us to make the improvements needed to our plots. When Maximino Castillo became our leader things improved even more. All the ejidatarios in Escondido that have planted sugarcane have benefitted from it'.

Tacho participated in the administration of the ejido as member of the overseeing committee during several periods. He condemns the way the third and last extension petition was dealt with. He was present in the negotiations between the representatives of the ejido and the landowner that were mediated by employees of the Ministry of Agrarian Reform. Tacho described them in these terms:

'We have fought thirty years for an extension to our land, without success. José Posadas [ejidatario of Escondido] spends all the time in the offices of the Agrarian Reform and he knows how to deal with them, he was very involved in the application for the extension. An engineer from the Agrarian Reform came to inspect the boundaries and to check that our claims were right. This engineer and José went to talk with Mario Reyes Drake (the landowner) and they were bribed. We were given only eight hectares of his land because he claimed that he had sold his property before the petition for the extension. José went to the committee of the old agrarian guard and told them that he knew the state of the petition and tried to disqualify me from handling the petition. José went to the offices in Mexico and repeated his lies to the engineers, who advised their boss Augusto Villanueva to turn down our petition, damaging our interests. Through the old guard (an association of old agrarian fighters who are cherished by the government) we complained about the way that the petition had been handled. José, being the opportunist he is, insisted that not everything was lost. Though it would cost us some money to re-open the case, that we had to hand to him. Against capital, we cannot win. We are poor with large families. We made a mistake bringing the engineer. He came only to sell off our case. The engineer's wife told another lady in Escondido when they went to wash some clothes that she very seldom accompanies her husband, but this was a business that involved lots of money and that was the

reason why she came with him this time. The engineer, Adán Flores, made me suspicious of his intentions when he kept on repeating that he had never sold out an agrarian case for money. Since then we have tried several times to re-open our case for the third extension without success. I went so many times to the offices of the Agrarian Reform in Mexico City that they got to know me quite well. I took local cheese and tequila, they preferred that to going fifty-fifty, knowing that we are poor ejidatarios’.

Tacho recollects his memories of dealing with the employees of the Ministry with certain disdain. He considers some of the engineers corrupt and always willing to give their support in exchange for the right amount of money. However, noted also that not all of them were corrupt. Tacho has had poor health lately and his plot is attended by one his grandchildren from their only daughter who died several years ago. The grandchildren spend part of the time in the USA working and come back to Escondido to help Tacho with the harvest. He thinks that sugarcane has brought prosperity to Escondido and he hopes that its price keeps pace with inflation, as has been the case for the last ten years. Tacho thinks well of Maximino’s work to improve the price of sugarcane, which he thinks the best option for them. Tacho is better off than Felix but not as well off as Trinidad, he grows sugarcane because it is a cash crop and easy to grow, and with his poor health he cannot do other work. Tacho considers that the pension he will be able to draw as a grower, is another sweetener to encourage peasants like him to grow sugarcane, but like Felix, Tacho thinks it a valuable incentive for it improves his income and allows him and his wife to live without economic worries, and his grandchildren who work in the USA take turns to come and help him during the harvest.

### **Eduardo Lara: Hard Work and Sugarcane**

Eduardo Lara (better known as Don Lalo) also belongs to the founding fathers of the ejido. He remembers in great detail when he, together with other sharecroppers in Escondido, signed the first petition for land. He also recalls the *Cristero* rebellion that forced him to abandon his plot and flee with his family to Autlán. They remained there with friends for several months, until the rebellion was crushed by the federal army and they could return safely to their leased plots. Don Lalo was elected the treasurer of what had become the ‘agrarian community’ of Escondido; they had been

threatened so many times by the landowner that he decided to buy a gun before returning, emphasizing that this was only to defend his family against the landowner's gunmen. He added that later on the government itself armed peasants so they could protect their plots against the former landowners themselves. From the thirties onwards Don Lalo has owned a three hectare plot. However, for some unknown reason, he was unable to get extra land, as most of the other ejidatarios did when the communal land was redistributed: he regrets bitterly this injustice and he speaks out about it to any willing audience complaining that the better-off impose their will on others and show favouritism.

Don Lalo has his three-hectares planted with sugarcane and would like to keep animals but it is difficult to feed them as there is little land for grazing. He got rid of his animals little by little as he started to plant sugar cane.

'Sugarcane did not use to be a good business; though I never did badly, I always received some profit, even if it was really close to nothing. I used to do all the jobs myself so the money that the mill gave us and lent us for hiring somebody was all for me. I worked in the sugar mill in Bellavista during 1927, 1928 and 1929. I learnt something about sugarcane, though there they did things differently to way we do them here. In the beginning extension workers in the refinery ordered us to do jobs they did not know how to do. Once one extension worker saw me applying some herbicide to my canes and he told me off because I was going to burn them the way I was doing it. Later on the same extension worker followed my recommendations with great success on a plot planted with cane that he was administering. He corroborated the effectiveness of my way and since then has continued to consult me. I have learnt through trial and error. This black land that they say is good for sugarcane demands a lot of hard work'.

Don Lalo has been the *Comisariado* of the ejido four times, finishing his last term the previous year. He was asked to stand for re-election but he had not accepted, being happy to stay on as deputy. His following statement gives a glimpse of the kind of man he was:

'Since I became ejidatario I have always served in different posts. I did not put up with errors and asked not to cover other people's errors. I decided off my own bat to keep the animals out of the

streets. Before my intervention they left the animals wondering around the ejido and over all the plots. Now they walk them to grazing fields and bring them back to their stockyard, thus the cattle do not go into the plots destroying other people's property or eating their grass'.

Don Lalo, like some other ejidatarios in Escondido is very sceptical of the Catholic church. He recalls as being the oldest practising religion in Escondido. He remembers the coming of the Evangelists and much later the Jehovah's Witnesses, whom he dislikes because they oppose things related to the agrarian reform. Neither do they respect the national flag or participate in any ejido affairs. Despite his scepticism he is an adamant advocate of his religion:

'I base my action on the government's laws and biblical scriptures. But neither of them are followed nowadays. The Catholics misbehave because they are ignorant of their doctrines; they are the ones that make the biggest mistakes, they accept and even encourage alcoholism. In the other denominations they are a bit better. The Catholic religion was against the peasants and the teachers because they were spoiling the children's spirits. I'm very different from my brothers and father, I don't drink. I don't like beer or wine and I decided to follow my own path, different from theirs'.

Don Lalo is a good farmer and proud of it. He does most of the work himself and has had very good yields; in the last harvest he produced around 500 tonnes on his three hectare plot. After he had repaid all the credit, he received over a million pesos plus the wages he paid himself for his work. He hires a tractor once a month, but complains it is a hassle and expensive. He mentioned that one extension worker said that he had the best sugar cane in the ejido:

'My plot doesn't look like the others, you could always walk through my canes, the rows are not full of weeds and the irrigation canals are free of debris. Being myself only a poor peasant it is something to be admired that I keep my plot tidy because there are millionaires whose plots of cane look like a jungle'.

Don Lalo makes his living out of the cane. He lives alone and he is renowned for his stern moral standards that have weighed heavily on most members of his family, to the point that he has driven them away from him, not only his children but his wife also. They have found jobs outside Escondido. Don Lalo has never understood why he could not do better for himself in Escondido. He claims to be an honest and hard working farmer, who never drinks. However, he thinks he was cut out of the distribution of the communal land and he has never been able to straighten that out. He has been promised land if they obtain the third extension, which has been impending for the last twenty years. He holds out some hope, but sees as less likely as time goes by. His character was the ideal when it came to getting the ejidatarios to accept their social responsibilities. He is still asked to help when differences among neighbours develops into a confrontation. He said very few violent outbursts had occurred in Escondido.

### **Mario Gama: Staple Crop and the USA**

The fifth member of the old guard presented in this section, Mario Gama, gave up growing sugarcane in the early days when prices were very low and the costs high. He was unable to make ends meet, and went back to growing maize and raising cattle. He has an eight-hectare plot, the first four were acquired from the dividing of the common land and the other after the petition for the extension. Five are now irrigated. Mario is very proud of having kept his maize production even when he was producing sugarcane. He remembers all the problems he had to face when he was trying to make his living from growing sugarcane. He worked hard but he had also to migrate for work to the USA. He had been twice before to California between 1946-1947. The first time he had saved enough money to repay debts. The second time he had only been working for six months when the *migra* (migration police) sent him back to Mexicali, threatening him never to dare cross the border again without a legal permit. Mario was so shaken by the experience that he had never again attempted to do so. He went back as a visitor with a visa. He says he likes the USA to live but not to work. However, his children must think differently, since five of the eight live permanently in the USA. They would like Mario and his wife to go and live with them, but his wife does not like the USA. She prefers to live quietly in Escondido. They share their house there with a son and a daughter. The migrant children only come to visit once in a while but they do send money

regularly which they have used to improve their house and build a byre for their cattle.

Mario has always kept some animals. In 1987, he had twenty three heads, five of them cows. The young bulls pasture on the hills and he keeps the cows in a byre in his backyard. He planted sugarcane very soon after the sugar mill was built, but despite the good yields (around 320 tonnes on a three-hectare plot he did not even earn enough to cover the rent of the land. The largest amount he ever received for his cane was \$17,000 pesos in 1980, (\$680 US dlls) but even that was not a good income. Like the other *ejidatarios* he blamed this on the fact that the growers were expected to pay for the new infrastructure and that they lacked experience and bargaining power in those early days with the mill. It was easy for the mill to cheat them. He grew sugar until 1981 and now that it is profitable he would like to grow it again but cannot get permission from the administrators and extension department of the mill, nor the extra water to do so. He was then wrongly advised to plant melon and that was even worse.

So he went back to growing maize, two crops a year on the irrigated part of his land and one on his rainfed land. Growing maize is not easy when a plot is surrounded by sugarcane, since when the sugar is irrigated, some of the water runs off into his maize at the wrong time. Mario has rented a third *yunta* (four-hectare plot) and borrows money from the rural bank, BANRURAL. "I have never had any debts with the bank", he says.

'Thank God! The ones who complain about the bank are fooling themselves. We all know that if you don't pay back the credit, the interest increases and that is what happens when they procrastinate and defer payment. I think the bank is a good thing. They insure the crops and if you behave yourself with the people from the bank and insurance company and pass them a banknote under the table, they always help you. They evaluated the loss of one of my *yuntas* at a million and a half [pesos]. With the money they gave me I paid my debt to the bank. They kept some money and I made some money too, so we both made it a gain'.

Mario belonged to the rural guards for twelve years which permits him to carry a rifle. He got to know several people involved in the offices of the Ministry of Agrarian Reform in Autlán, Guadalajara and México City. All those relationships became very handy when he had to help one of his stepsons fight for the ejidal rights bequeathed to him by his grandfather and contested by his uncle, his father's brother. The litigation was long and

expensive. It lasted for 22 years and they spent lots of money travelling and bribing people in different offices. Finally they won the case but not before having to stop an injunction accusing the stepson of invading the ejidal plot in dispute. Mario was informed of that order by a friend who was still working in the rural guards, and he had to go with his stepson to Guadalajara and stop proceedings. Meanwhile, the ejidal tribunal disowned the uncle's claims over the land and Mario's stepson finally claimed his right. Mario thinks that all ejidal matters can be sorted out with money and he mentioned the case of the petition for the extension of ejidal land:

'José 'the Wolf' [an ejidatario from Escondido with good networks in the Ministry in Mexico City] is a spiv of an operator, but he does get things done. I went with him in a commission representing the ejido. In the Ministry of Agrarian Reform in Mexico City they told us that the survey of Escondido showed that there were eighty eight hectares at one edge of the ejido that could be included within its boundaries, but to get hold of them we would need to pay them seven million pesos and they would draw a new map including the extra hectares and we would then be able to claim them as our property. They also told us that there were four hundred hectares that Reyes Drake [the landowner of the disputed land] had pretended to have divided up, but the ejido's prior claim to that land overruled his claims that it was not one whole property. As far as I understood it, José said that if we invested some money in it, we would win the case. With money you can make a dog dance, without it you dance like a dog! Really, seven million for adding eighty eight hectares to the ejido is nothing. Right now, with those millions you could not buy one hectare of irrigated land. But we are apathetic and greedy and always suspect other people. If it had been my own decision, I would have accepted the deal and paid to get those extra hectares'.

Mario is seventy years old and has occupied, like most male *ejidatarios* in Escondido, different posts in its administration. He has on several occasions been a member of the vigilance committee. Now he thinks that he could not afford the time to participate so actively in the ejido's organization. He is getting older and feels just about able to do the work on his plot and the extra plot he rents. His income is eked out by the small but regular contributions he receives from his children in the USA. The two still living in Escondido help him with the crops and cattle and work as day labourers



locally. He considers that he is better off growing maize and cattle than some sugarcane producers. He thinks you need clout with the mill to make sugarcane really pay. But he is the exception that confirms the general agreement among the majority of *ejidatarios* in Escondido who consider sugar cane a reliable low-risk source of income. Even he would like to get his right to grow it back.

With the exception of Mario, the other four founding *ejidatarios*, consider that the cash crop brought economic prosperity to the ejido. However each of them qualifies its impact differently, in line with their economic means. The fact that the five of them own plots of similar size and all appeared to start work under similar conditions, suggests that economic differences in Escondido began before the Melchor Ocampo refinery was built. The origins of socio-economic inequality among the *ejidatarios* do not stem from the opening of the refinery, though its economic impact in the valley of Autlán-El Grullo might have hastened the already divergent individual material conditions. The main source of economic opportunities for the old *ejidatarios* in Escondido were developed through their involvement with different government institutions. For example, Trinidad worked in the administration of the municipality of Autlán, and Felix was in the army. Each *ejidatario* has woven differently the political networks available to him with differing results, casting doubt on the notion that macro-structures, even though they may somehow cast the boundaries to available material possibilities, impose unavoidable tramlines. One must accept that the older *ejidatarios* started without inherited assets and got hold of similar sized plots, but they have, nevertheless, reached different levels of economic welfare. They appear to have thriven on their individual family commitments and political networks, which have played a significant role among the *ejidatarios* described in the next Chapter.

The old guard of Escondido fought for their land and dealt with the integration of their households into the agricultural market through their production of staple and different cash crops which they combined with their participation in the labour market as temporary migrants to other regions of Mexico, but mainly to the USA. Trinidad, Felix, Anastasio, Eduardo and Mario, like many other members of their generation in Escondido, were the leaders of sugarcane production in the valley. With few exceptions, they have combined sugarcane with staple crops, cattle and migration. Some of the old guard's children have their own ejidal plot, but most have had to find alternative ways of earning their living. The majority of the ones who have been able to get a plot in Escondido combine growing sugarcane with other economic activities as I describe in the following section.

### **Coming of Age in Escondido**

The second generation of ejidatarios in Escondido have either inherited their father's plot or received land from the first and second extension of the ejido when they were in their teens. Although they were too young to remember the time when their parents fought for the land, they recount the stories as if they were members of the old guard, all the old stories of land struggles, economic hardship, and the upheavals sparked by the *Cristero* rebellion. These ejidatarios are now between late forty to sixty years old, and are now the ones in charge of the administration of the community. Most of them are men (60 of the 87 ejidatarios); of the women, the majority are widows who have inherited their ejidal rights and often make agreements with relatives to help them work the land. However, the younger women tend to take responsibility for the land themselves, among them Sonia Ramos, presented in this section.

This generation of ejidatarios were not sharecroppers but were more enticed than their elders to try their luck in the USA. Most of this generation have worked at least once there. Some of them have been involved in local politics and also in the association of sugarcane producers affiliated to the CNC. They are among the most vocal and committed sugarcane producers in Escondido. They will be unable to help their children to obtain a plot of land as their parents did for them, since it is unlikely, particularly in the political climate of today, with the liberalization of the economy and drive towards privatization of land. Bearing in mind that they have, on average, four children, and only one of them will receive land, there are many who need to look outside of agriculture for an alternative occupation. Some have already chosen to migrate for work. Most families in Escondido now have at least one family member working in the USA, some have emigrated permanently, though most of them are illegal temporary workers. Participation in local politics or in the association has not deterred the cyclical wave of migration to the USA.

Ejidatarios have remained as the main providers of sugar cane to the refinery, i.e 761 or 81% of the 929 sugarcane producers in the region were ejidatarios in 1986. Among them, the ejidatarios from Escondido have played a leading role in the association affiliated to the CNC. They have produced two Presidents of the CNC association and until recently, there has always been an ejidatario from Escondido working in the CNC board. How they became involved in the promotion of sugarcane in the region is pointed out by the ejidatarios that I will present in the next chapter.

Of this next generation Jacinto Rosas is a good example of a resourceful social actor, who has always combined working the land with teaching (he is a qualified teacher) and participation in the activities of the local branch of the PRI. Rosas had good links with the leader of the PRI branch in Autlán and the *Comisariado* of Escondido when the refinery was being built. He became one of the main promoters of sugarcane in the ejido, though he did not plant any himself until later on and he had no time after fulfilling his duties as teacher and headmaster of the local elementary school in Escondido, and working on his plot to find a job in the refinery as did Adan Romo, Ramon Gordillo and Jacinto Rojo, producers discussed in next chapter.

Most ejidatarios in Escondido have worked or tried to find a job in the USA at some point in their lives. The type of job they find, and how long they stay out, has direct repercussions on the way they reorganize their livelihood in Escondido. Sugarcane is a crop that can conveniently be combined with other activities such as food crops, cattle, local waged jobs and migration, as is the case with the producers discussed below, Ernesto Rojo, Jacinto's brother, Sebastian Posada, and Sonia Ramos.

Ernesto Rojo went once to the USA and having suffered the hardship of deportation decided not to try it again. He invested his savings in improving his land, which combined with being economically careful, as befitted someone of his religious conviction, ensured his family a comfortable living, in which income from sugar was an essential component. Sebastian Posada, was away for long periods in the USA and with the help of his father, who besides looking after his land, took care of the cattle acquired by Sebastian from his savings. Thus when his father finally bequeathed his ejidal rights to Sebastian, he came back to Escondido for good. Sonia Ramos, Felix Ramos's daughter, had to fend for herself and her children when her husband died unexpectedly. What she obtained from her land was eked out with the income from selling prepared food at the weekends, from a table outside her house, which was just enough to keep them going. When her eldest son expressed his desire to attend secondary school in Autlán, Sonia took the decision to go to the north of Mexico, near the boarder of the USA, to find a job with higher remuneration than she could receive locally, to pay for the cost involved. Her meager savings from her work kept her son in secondary school but provided little else. So she came back home and began to organize her next migratory trip which took her to various places in California, where three of her four children now permanently live. These three sugarcane producers did not participate in the promotion of sugarcane production, but have been chosen to highlight the contrast with the

ejidatarios of the next chapter, who participated more fully in sugarcane production. They provide us with a different piece of the rich social tapestry of sugarcane producers in the valley of Autlán-El Grullo.

### **Ernesto Rojo: Jehovah's Witnesses and High Sugarcane Yields**

Ernesto Rojo obtained his plot of land at the same time as his brother Jacinto, around 1957, some thirty years ago. He has 3.5 hectares of irrigated and three hectares of rainfed land. Ten years ago he became a Jehovah's Witness as did one of his sisters and his mother. Jacinto was the only member of the family still living in Escondido who did not embrace this religious sect. It has remained a sore point in the family, whose members are polarised into pro and anti Witnesses. During the time of my fieldwork, Jacinto was the *Comisariado* of the ejidal committee and was expected to enforce the internal law against ejidatarios who did not attend ejido meetings. Ernesto, like the other few ejidatarios who had become Jehovah's Witnesses, did not attend these monthly meetings on the grounds that matters were discussed which went against his beliefs, such as the organizing of dances where profane music would be played and alcoholic drinks sold, two things that forbidden by his religion. These strict attitudes opened a cleavage within the ejido between the majority, who claim to be Catholic, and the handful of Jehovah's witnesses. However, these differences have been dealt with in an amicable way, and the Jehovah's Witnesses have traded off their lack of economic support to non-pious activities for their commitment to clean and repair the unpaved streets and public lamps in Escondido. This has satisfied most ejidatarios, though they insist that everybody in the ejido should follow the decisions made at the ejidal assembly.

The ejidal committee previous to the one presided over by Jacinto, had tried to take firmer measures to discourage ejidatarios from missing the monthly assemblies. The sanctions were to range from a fine of 5,000 pesos (just over two US dollars at that time) to the threat of losing ejidal rights. However, Ernesto and the other members of the Jehovah's Witnesses in Escondido did not pay any attention to these threats and the committee, headed by Jacinto, did nothing to enforce the agreements. The rest of the ejidatarios were put out by this, but did not pursue it as it provided them with a convenient excuse to attend the meetings only intermittently themselves, as most of them do.

Ernesto like most ejidatarios in Escondido, found his way to 'the north' and worked in a small place close to Lancaster, California, for a year and a

half as the operator of a machine to crush stones. He saved no money but regularly sent amounts home to his grandfather in Escondido to pay his debts and he brought a record player back with him. When he was thrown out of the USA, he set some tables up in front of his family house to sell cold beer, charging customers for playing records while they drank. "I charged twenty cents per song and made good money", he said. "There were plenty of boozers who loved to spend all their time and money drinking and having fun". Ernesto now comments disapprovingly of this, but it was before he became a Jehovah's Witness.

Ernesto recalled his visit to the USA with mixed feelings:

'The USA is a nice place, but one went there to work and they caught us and threw us into jail. They beat some of us up very badly. They kept us in a tiny room where we could only fit standing on our feet, like in a packet of cigarettes. Fortunately I ended up very close to a window and I could puff and pant. One runs huge risks in USA as Mexican. Since then I haven't gone back to USA and none of my children have been there. All of them have done practical or vocational training. The eldest is working in Mexico City as a computer programmer, The others are still living with us'.

Ernesto, like most of the sugarcane producers in Escondido, remembers how they started to grow sugar cane. He said that not even the refinery engineers knew much about it in the beginning and so they all learnt together. He claimed that they used to use the fertilizers for their other crops and neglected their cane. The mill paid 57 pesos per tonne for the cane and often made them wait until August, three months after the harvest, for their money. It was not until Echevarría came into power that this situation improved. He received 900 pesos for the first harvest which he considered very little and he switched to milo-maize, but it turned out be as bad as the cane, so he planted cane again. At least with the cane he could get credit from the refinery and access to the health service.

Ernesto had mango trees before he planted sugarcane and it had been quite profitable but the market had collapsed so he grew tomatoes. He did it for two years, a small area the first season and as they did well he planted a bigger area. This led him into debt but he did not try to go back and work in the USA. He planted other crops, but like the tomatoes and mangos, he always hit a point when the market was very bad for the crop. At one time he had papaya trees and he liked the fact that they could cut the fruit and

take it to the market every week and bring back some money back, but again the market collapsed and he changed crop. He still peanuts, beans, watermelon, tomatoes, papaya and mangos and sugarcane. He mentioned that he was among the first sugarcane producers in Escondido, and although it brought few returns to begin with they continued to grow it because it entitled them to free medical care. Although they constantly repeat that the medical service provided is not very good, it is better than nothing.

However, after the Presidential Decree of 1979, which laid down new and better conditions for the producers, sugarcane became a more profitable crop to grow. Ernesto did most of the work himself and had not hired anyone since 1970, except to do the cutting and cheat immediately after. This saved him money and he noticed that since he had been taking care of his canes himself, their yield had improved. He obtained over one hundred tonnes per hectare in the 1986 harvest. The money he draws from the credit department in the refinery to cover wages, he pays to himself. Though he complains that what the mill allows them is not enough to hire a local tractor and driver. The last time it had been 40,000 pesos more than the amount provided. But Ernesto thinks that it is worth paying out of his own pocket for it; the tractor driver he hires is very conscientious and levels the land very precisely, which makes watering easier. He also complains that the officers in charge of the irrigation system are not always very efficient and they cut the water supply to avoid drowning a neighbouring plot that is due to be cut, even though it might damage Ernesto's sugar cane. Thus on the whole he claims to be quite content with the conditions under which they produce sugarcane.

He has never been keen on animal husbandry, and has never worked out whether it could be profitable. He mentioned that his father-in-law gave them a cow when they were married but he did not accept it. Later on he bought a cow with money saved from the peanut harvest and his grandfather gave him another. He then went and bought two 'spotty ones' and very soon there were seven but it was too much work and he sold them. Some years later he had pigs but they caught a disease and he also got rid of them. Ernesto considers that it is better to have some animals than none at all. He mentioned that he once bought a cow for \$4,800 pesos and sold her for \$28,000 pesos five years later. At that moment he was satisfied with only having chickens because they were less fuss but provide the family with eggs and poultry.

Ernesto had participated in the ejido administration as treasurer, before he became a Jehovah's Witness. He also once worked for the municipality but he found it very demanding because people were difficult and tend to

speak badly of anybody holding a public post. Like the other Jehovah's Witnesses, Ernesto's family have rebuilt their home in a modern style which contrasts with the majority of the other houses in Escondido, that retain their native architecture. They have contributed to the construction of a Kingdom Hall in the village, where they hold regular meetings. They also go around the ejido proselytizing, but without much success. The membership of the Jehovah's Witnesses in Escondido (about 20 adults and children) has remained the same since they started in the early 1980's. They are pointed out by the other *ejidatarios* because they do not attend the assemblies and refuse to cooperate in any festivities organized by the ejidal committee. They are accused of being traitors to México, their motherland, because their children do not participate in the weekly ceremony at school where they sing the national anthem and salute the national flag. However, they are not ostracized and have reached a compromise with the other *ejidatarios*, and instead of cooperating in celebrations they use their contribution to do improvement work in the community.

Being an active member of the Jehovah's Witnesses has kept Ernesto from political participation, and this has also restricted his involvement with the association of sugarcane producers, thus reducing his opportunities to benefit from any of the economic resources available through these channels. However, Ernesto, like the other four members of the Jehovah's Witnesses, has improved his livelihood through hard work, and thriftiness. He considers, like most *ejidatarios* in Escondido, that sugarcane is a profitable crop, providing one does all the hard work oneself.

### **Sebastian Posada: Sugarcane and Public Services**

Sebastian Posada Limón is Escondido's elected representative for the municipality and he also participates in different local committees such as the parent teach association of the primary school. People in Escondido say that he is ambitious and a bit of a crook. They comment that his reasons to participate so willingly in all these different public activities is just to see what he can grab. He has inherited his father's ejidal rights. The plot is one of the very few that is all irrigated, allowing him to grow cane on all eight hectares. He also has a herd of sixty cattle. At one point he had over one hundred animals, but he had to sell some because it was becoming very difficult and expensive to provide pasture. "The government", he commented:

'does not give any attention to cattle breeders. There are no protected prices for the cattle. The best thing is to have a butcher's shop. I have suggested to the association of cattle breeders that we should administer the slaughter house, but we do not seem able to reach an agreement about it. You are making me say what I don't want to say, but cattle breeding is only profitable if you buy cattle for slaughtering, and for the those who want to launder their money. Some cattle owners are very rich, too rich to believe they made their money just from cattle; there is no honest way to make so much money in such a short time. Truly honest tomatoes producers and cattle owners end up as they start - immaculately poor'.

Sebastian has been going to 'the north' regularly for short periods since 1958, and he managed to save the money that he invested in cattle. Some years ago there were none of the problems that he now faces in getting hold of pasture. 'I planted melons ten years ago in the 1970's' he said,

'but the American companies stole from us the major part of our production. They said that they were going to pay us twelve or thirteen dollars for each cradle and when we handed over our production they paid us what they pleased. In some cases we ended up in red numbers. I could not sleep. I grew melons for two seasons on one *yunta* [his half a plot of four hectares]. After that we decided to try our luck with sugarcane. But before growing sugarcane I grew maize, but the credit from the agricultural bank did not cover all the expenses, and they decide when a yield is good or not. Thus the insurance refused to pay us back what we have spent. The last time I planted maize, it was in a rainfed plot that I rented and I did not ask for credit. However, the prices were not high enough to make it profitable. They are paying \$350,000 for hybrid maize and \$400,000 for white maize. But you need three workers to harvest the fourteen hectolitres that a hectare produces and that alone costs you \$45,000 to \$60,000 pesos.<sup>6</sup> Then you have to remove the grain from the cob and take it to the depot where they would only pay you \$350,000. It is not worth the effort. Sugarcane is a bit more profitable, though it only became profitable four years ago. Before then it only left us in debt to the refinery. This last time, it was two years ago, and I planted sugarcane again on the eight hectares. But I don't draw credit for



all the work. I only borrow what is indispensable because it is very expensive. This year we are paying up to 50% interest [a bit less than the rate at that time].'<sup>7</sup>

Sebastian's sugarcane yield is high, he harvested over a thousand tonnes in the 1988 season from his eight hectares. He explained to me that he buys more fertilizer than the amount recommended by the extension workers in the sugar refinery. He waters the plots with the help of one of his brothers and he is always alert to whatever he can do to improve the yield. Sebastian considers that one serious problem with the organization of production and the distribution of water, is that everybody takes advantage of their position at work to increase their personal wealth. He recalled Maximino's account (president of the CNC association) of why he had asked Jacinto to step down as secretary of the association. He had abused his position by asking to borrow ten million pesos of the sixty the manager of the sugar mill had offered to the CNC association, without interest. Maximino had told Jacinto not to accept the offer because it would make them obliged to the mill and that would weaken their hand in fighting for the producer's rights. He claimed that Jacinto, however, had gone behind his back and borrowed the ten million from the mill management and that had really annoyed him. He also accused Jacinto of making a pass at a young girl who used to work in the office. Sebastian had told Jacinto to confront Maximino about his accusation, as people would otherwise believe everything Maximino had said. But Jacinto decided to avoid a confrontation and stopped attending the assemblies. Sebastian did not understand why Jacinto did that.'

Sebastian was willing to give to Jacinto Rojo the benefit of the doubt but would not stick his neck out for him. However, he had very strong opinions against the local teacher Jacinto Rosas. He mentioned that he had too many activities beside his teaching and his pupils were the sufferers since he was often not at school doing his job properly. He spent a lot of time in Autlán politicking in the municipal offices and the PRI quarters, and the pupils were left on their own. Other ejidatarios commented that Sebastian was greedy and had wanted to rent the school land to grow sugar cane and had also wanted the school to sell him its pastures very cheaply, but that the teacher Jacinto was careful with the money and would not allow Sebastian to get away with it. Somebody else mentioned that when Sebastian was the treasurer of the school parents association the teacher Jacinto had asked for an enquiry into the association's accounts. Sebastian retaliated by accusing him of absenting himself from school to the loss of his students. As municipal agent, Sebastian had to collect the individual contributions for the street lighting and water,

and people thought he kept the money in his account longer than was necessary so that he could pocket the interest. He is a lively character and by local standards wealthy. He owns a small lorry, cattle and eight hectares planted with sugarcane. He moves around and knows people in the government offices in Autlán and El Grullo, which makes him suspicious to some of the ejidatarios in Escondido. He would like to be elected ejidal *Comisariado* but most ejidatarios do not trust him. However, he managed to be appointed municipal agent.

Sebastian Posada was not among the pioneers of sugarcane in the valley. When the refinery started he was busy pursuing other economic activities which he thought more profitable than growing sugarcane. At the beginning of the 1970's he spent long periods working on both sides of the boarder with the USA. He returned to Escondido to live permanently when his father transferred his ejidal rights to him. Sebastian had cattle, bought with the saved while working in the USA. He had only be back a short time when he came to the conclusion that sugarcane would be a profitable and relatively safe crop to grow. Thus he immediately turned all the land his father had left him into sugarcane and the income, added to what he obtains from raising cattle, provides him with a good income, above the average for Escondido. Sebastian has very good relations with the local representatives of the PRI in Autlán and he nurtures his friendship with Maximino Castillo, President of the CNC association. He was not coaxed into growing sugarcane, as Ernesto Rojo or Sonia Ramos had been, when it was unprofitable to do so. Sebastian has always obtained a good return from his investment in it. Ernesto Rojo and Sonia Ramos planted sugarcane in the 1970's but they could not live from what they received from it thus the former turn over the canes and grew other crops; the latter kept working in the USA. Both Sonia and Ernesto have participated in the ejidal administration but they have not extended their networks as Sebastian managed to do. Ernesto has religious reasons to keep himself out of political commitments. Sonia spent several years working in USA and being a woman thinks that is better to leave political dealings to men, who have less domestic responsibilities and can move around more easily.

### **Sonia Ramos: 'God and the North are Better than Growing Sugarcane'**

How and when Sonia Ramos came to grow sugarcane on a small part of her shaggy plot, highlights different aspects in the reasons for and process of deciding to grow sugarcane. The daughter of Felix Ramos, discussed in the

previous section, she was the first woman to become treasurer of the Ejido Escondido. As mentioned, Sonia's husband died in 1964 leaving to her his ejidal plot. She was with child at the time. In order to pay back the debt that her husband had with the Ejido Bank, Sonia had to sell twenty-two hectolitres of maize, which was all they had left from the harvest. She and her three children and the one to be born had to move in with her father for a while. Don Felix paid for the midwife when the child was born and bought her weekly provisions as a payment for the fodder he took from Sonia's plot. As soon as Sonia recovered from the shock of her husband's death and the birth of her fourth child, she took responsibility herself for the plot and eked out her income preparing meals on Sundays. With the money she earned, she bought the weekly groceries and fuel. The maize she produced in her plot was consumed by her family, her two cows and her father's cattle. She worked very hard to maintain her children in school.

In 1968 when the eldest child completed elementary and expressed his desire to continue his studies, Sonia was worried. He would have to attend the secondary school in Autlán and that would imply spending more than she could afford, which is why she decided to go 'north'. Chole, her mother-in-law offered to take care of the children and she took a bus to Mexicali, Baja California, where Chole had a sister who offered Sonia a room to live in. She recalled how she cried all the way to Mexicali. It was the first time she was going to be separated from her children for several months. She found a job in a *tortilleria* but it was unbearably hot and badly paid, thus she moved to a clothes factory where she worked as sewer, earning forty pesos a day (when the a day's pay in Escondido was twenty pesos), thus she could save very little, also because Chole's relatives were poor and she spent most of her salary paying their bills. As she said: 'I was eager to work hard and I accepted without complaints the unpaid extra time that very often we were expected to put into the factory. In eight months, besides sending a monthly cheque to cover her children's expenses, she managed to save enough to buy the first communion dresses for her daughters and very little else so she went back to Escondido.

In 1970, Sonia was very apprehensive about their meager income and she wrote to her uncle Isaac who was at that time working in California. He offered to look for a 'coyote' to help Sonia cross the American boarder illegally. She went to Tijuana and was driven to San Diego, California, where she was put on a plane to Los Angeles. Sonia found a job as maid in Palo Alto where she was paid thirty five dollars a week. She sent fifty dollars to Chole, her mother-in-law every two weeks and fifty dollars to her father every two months. She had to pay back the two hundred dollars that

the 'coyote' charged her for crossing into the USA. Sonia worked with a family for a year until she found a better paid job in a china factory, where she earned sixty five dollars a week, though without food and lodging.

In 1970, Don Felix wrote to his daughter asking for approval to grow sugarcane on her plot. Sonia agreed to it and sent back a signed lease contract in his name. She remembered that they did not obtain any profit from growing sugarcane, giving much the same reasons as the others who had grown it in the early period. Isaac (Sonia's father's brother) was told once that after the liquidation he still owned to the mill seventeen cents, he was infuriated and threw them a copper coin of twenty cents to settle his debt. 'To me God and the north, not the sugarcane!' she said 'If I had counted on the profits from the canes I would not have my house. I went to work in the north to earn money and build my house and sustain my children's education'.

When Sonia came back from the USA, she asked her father to give her back the money that she had been sending to build a house. Felix said that at that precise moment there were only six hundred pesos left in the bank. She asked him to find the money so she could buy the materials to build her house. He did it reluctantly. She remembered the prices for the bricks and cement: eighty pesos for a hundred bricks and nineteen pesos for each bag of cement. Sonia wonders if what her father gave her from growing sugarcane on her land was the right amount but she had no way of finding out and preferred to forget about it and keep her good relations with her father. When the money had gone, she went back to work on 'the other side'. This time her oldest son, Samson, accompanied her. He remained in the USA when Sonia came back. She took over from her father the growing of sugar cane and continued building the new house and meanwhile her son sent the money to finish it.

Sonia has only one and half hectare planted with sugar cane and earned 800,000 pesos from the 1987 harvest. She considered sugarcane could be a good business if you had five or more hectares planted with it. She thinks that Maximino, current leader of the CNC sugarcane producers, had done a good job defending the producers rights against the refinery administration, though his probity had been tarnished by some of his latest actions:

'He told us that we shouldn't cash our advance payment [for the harvest] because the mill administration was charging very high interests rates on it; I like many other stupid sugarcane producers therefore did not pick up my check, and he opened a bank account with our money. When we received our final accounts and noticed

that they had discounted from it the advance payment, Maximino, without acknowledging that we had only followed his recommendation, explained he had cashed the checks that had not been picked up to avoid the administration sending them back to Mexico City. He paid back the money, but without the interest that it had accumulated for several months. To the farmers who complained he gave a blanket at the end of the harvest'.

Sonia knows Jacinto Rojo, the current *Comisariado* of ejido Escondido very well. She confirmed that he had been secretary of the CNC association for several years until he fell out with Maximino, who has been discrediting him in public as a crook and philanderer. Sonia praises Jacinto's performance as *Comisariado*. As the treasurer of the ejido Sonia always hands to him the money he asks for. She thinks he is honest, though 'like all men a womanizer'. However, Sonia complained that nothing happens in the ejido, because Jacinto is too busy on his own and his rented plots to take care of ejido affairs. Since he fought with Maximino he had topped going to the CNC offices, cutting off the direct links that *ejidatarios* in Escondido have had with the CNC for many years. Sonia mentioned that nobody knew what exactly happened between the two of them.

Sonia wanted to go to California to visit her son and two daughter living but could not leave while the deputy treasurer was away. When the deputy treasurer came back, Sonia went to visit her children in California. Her son had sent the money for her air fare and she stayed there for five weeks. When she came back she sold her sow for \$330,000 pesos. She kept the nine piglets, the cow and its calf and the turkeys, chickens and chicks for her own consumption. Because she lives in her own she is always giving away eggs, chickens and maize from her rainfed plot. She distributes them among her only daughter who still lives in Escondido, and her other siblings in the ejido. Sonia considered that keeping animals is not a profitable activity from an economic point of view. She buys a sack of fodder that costs \$22,500 that the piglets consumed in ten days; the piglets and the cattle ate \$300 pesos of alfalfa daily plus maize that she grows herself. Without taking into consideration her work and the maize that she harvested, Sonia had to expend \$31,500 pesos a months to feed her large animals. She sold only the pigs and after feeding them for six to ten months they fetched only around \$300,000 pesos each (\$100 US dlls). But although she considers the profit negligible, "keeping animals is like having a piggy-bank" and it does make a small contribution to her income, perhaps more than she receives from

growing sugarcane. The cow produces only around two litres that Sonia delivers to her two year old granddaughter.

Every morning, just after five o'clock, before the local bus clatters around Escondido hooting its horn and picking up the youngsters who study in Autlán, Sonia takes the *nixtamal*<sup>®</sup> to the mill, then, around six o'clock in the morning she milks the cow, then she takes it and the calf to pasture, during the rainy season to the skirts of the hills or the sides of the canals, and after the harvest, to her land to consume the left over stalks of maize. Sonia, like most women in Escondido, drags herself to the *tortilleria* mill, not only to grind the cooked maize into a dough to make tortillas, but also to keep updated on village affairs. Sonia's daily schedule is punctuated with attending her animals, feeding and milking the cow and pigs and cleaning their sty. After breakfast, she sweeps the back yard where chickens and turkeys scrape around, and feeds them. All these activities are performed before nine o'clock when her granddaughter and mother pass by on their way to the kindergarten. Sonia usually has a sweet or a fruit for her to take to school. After that she goes to work on her land when there is work to do, even when she has hired somebody to do it for her, when she goes to take the farm workers food and checks on their work. When she does not have those activities she has to go and wait for the water guard to book her irrigation turn.

The daily tasks are interwoven with the weekly activities. At the latest on Tuesday morning, Sonia, like the other sugarcane producers, has to go the office of the extension department at the refinery to report the works she has done on her sugarcane and ask them to book the costs which will be discounted from her account when she delivers the sugar cane from the harvest. Around mid-day on Friday, sugarcane producers have to visit the sugar mill again, but this time to the credit department where they pick up their checks which can be deposited or cashed at the International Bank in El Grullo. Because most of the sugarcane producers need the cash immediately and the bank closes at 13.30 hrs, they have to rush to the bank to get their money, and they turn the bank into a friendly gathering place, where they talk loudly to each other and joke with the bank employees. Sonia tries to avoid the crowds and prefers to cash her checks some other time, usually going to town early after the weekend.

To Sonia's chagrin she was elected the treasurer of the ejido, which she considers is not a woman's job. She commented:

'My *compadre* Jacinto told me that it would be better to have women as treasurers because they are more honest than men. I did

not want to become treasurer, it is a job for men not for women and it takes so much time. But Isaac, my uncle, refused to be re-elected and the other possibilities were not much trusted by the ejidatarios. So I had to accept. But I want the time to run out fast and give back the books and bank accounts to the next victim'.

Sonia complains about the lack of commitment and participation on ejido works. Nobody wants to take on the responsibility for doing the maintenance work on the roads to the ejido or the canals. In September 1988, they had to hire forty-five workers to clean the roads. Some ejidatarios cooperated with their labour, others, provided some money for the wages to hire workers. Sonia went to the CNC offices to ask Maximino to lend them a machine to do the road works that the rains had left impassable. He agreed, but the ejido had to pay for the operators wages and fuel. However the use of the machine was of great help and not unduly expensive. Very soon after the cleaning of the roads Sonia had to organize the hiring of eight construction workers to build the classrooms for the television secondary school. The Minister of Education provided the material to build the classrooms but the community, in this case Escondido, had to contribute the labour either directly or in money to hire labour. Sonia had to go around the ejido for the contributions. Very few gave without complaining, some argued that they did not have children who might benefit from the school, others just complained about the frequency of the contributions they were expected to make to the ejido. Though Sonia got tired and exasperated with the responses, she was always polite and understanding. Her main complaints were that the ejidatarios had become self-satisfied individualists, who only cared about themselves, and because of that she had to spend more time than should have been necessary putting moral pressure on them to comply with ejido demands. Sonia commented about the people of Escondido:

'People around here are real trouble makers. They don't want to do anything. They think that by giving their contributions they have fulfilled their obligations towards the community. We are very divided and suspicious of each other. Isaac (her uncle) always asks them, when he was elected and re-elected as treasurer, if he was the only one who had been taught by his mother to respect other people's property!'.

Sonia's comments depict the economic and political transformation that the ejido has undergone over the last forty years. The town looks clean and

the houses attractive; most ejidatarios consider that they have achieved a decent standard of living, though they also complain that things are getting difficult with unbridled inflation. However, ejidatarios miss the long lost solidarity among themselves, which propelled them to fight against the landlords for a plot of land. Sonia remembered that they were more united when their living conditions were hard:

'Years ago life was hard. The woman was worn out quickly. She had to prepare breakfast and lunch and take them to the plot. She had to set the *nixtamal* on a hearth, feed the children. She washed the cloths in the canals to avoid having to draw water from the well. She got soaked and then warmed her feet as she hung out the clothes on the shrubs to dry. Most men did not gather enough wood and the women had to go with a machete into the bush and cut it herself, and while the men lounged around the street corners gossiping and drinking, the women carried the wood on their backs. The man was supposed to supply the maize, collect the wood, and maintain the wooden fences. But many men, most of them, did not retain enough maize to sell when prices were better, but preferred to sell at half price at harvest time to buy booze. The women had to look around and find someone to buy maize from. It had to be done at night when the man arrived home because men always carried all the money in their trouser pockets. That was machismo. I am certain that if I were young now I wouldn't marry, I would remain free and sovereign. We did not have electricity, the animals ran free around the place. In the evening, if one went out we had to be careful not to trip over cows and pigs. Most people did not maintain their fences and we had to watch our animals to finish their fodder and discourage other animals to come and snatch their food. We did not know about 'the North'. The only thing we knew from there was the tin of sardines that we opened with a knife, running the risk of cutting a finger. We made our clothes of poplin that we had to iron carefully and we patched the garments until they look like a map. How many people do you see wearing patched clothes these days? They prefer to throw clothes away than to patch them. There in the north there are many conveniences. The houses are carpeted and you don't need to sweep them. You vacuum the carpets and mop the kitchen linoleum that is very popular out there. But despite our poverty we were more united



and helped each other. It was not like now, when ejidatarios sell their rights without notifying anyone'.

According to Sonia, going to work in the USA has been the most profitable enterprise for most families in Ejido Escondido, as it was for her. With the money they save they start to build their brick houses. Though she thinks that nowadays if one have five or more hectares planted with cane one could make a good living out of it. Sonia only has one and a half, but she considers that the fringe benefits to which she is entitled as a sugarcane producer makes it worthwhile. She ekes out her meagre income from sugarcane with the money her son sends regularly and she grows maize on the land that is not suitable for cane.

All those described in this chapter have consolidated their incomes by growing sugarcane and they are active members of Escondido in different ways: Sebastian as municipal agent, Sonia as treasurer to the ejidal committee. However, none of them have been directly involved in the organization of sugar cane production as the ejidatarios who will be presented in Chapter 4.

### **Jacinto Rosas: Waiting for the Right Time to plant Sugarcane**

Jacinto Rosas has been for several years headmaster of the elementary school in Escondido. He promoted the planting of sugarcane in the area but cunningly waited until it was profitable before he substituted his staple crops for cane. He was born in Escondido in 1926 and has always lived in the ejido. He recalls the stories heard from his father, the same as those told by all the old ejidatarios. He was a baby when the *Cristeros* attacked and burnt the village. His mother had told him about it. They took their horses, donkeys and every possession that they could get their hands on. The only blanket left to his family was the one in which Jacinto was wrapped. Jacinto remembers that it was Captain Arnulfo Diaz, the one in charge of the federal troops who pursued the *Cristeros* to a nearby village, where they held out for three days before they surrendered. Some months after the siege and the murder of Captain Diaz, men from Escondido joined the federal army to fight against the *Cristeros* around Sayula.

Eleven men of Escondido joined the federal army under Trinidad Carreon's command. When the military campaign was over, the officers made a census among the soldiers. From Escondido, Trinidad was asked to provide the names of males who would be entitled to receive a plot of land

when the agrarian reform law was implemented. Don Trinidad wrote down the names of all the men he knew would qualify, among them Jacinto's name. But there were not enough land to grant a plot to all petitioners and he was young and without family responsibilities thus he had to wait a few years until the first extension of Ejido Escondido to receive his plot. Jacinto works his land together with two other plots whose rights belong to his mother and mother-in-law.

Jacinto's brother decided to migrate permanently to the USA and agreed to give Jaime Juan, Jacinto's son, the ejidal right to his four hectares of land. Later on another ejidatario gave up his ejidal rights and left the village because he was very embarrassed by his wife's affair with Tacho. He left a debt with the bank and Jacinto and another ejidatario asked the Ejidal Committee if they could pay back the debt and divide the plot between them. The committee accepted and in this way, Jaime Juan was given four hectares to make up his land to the size of the average ejido plot in Escondido. Some years later, Juana, the daughter of the ejidatario who left, on the advice of José the Wolf, an ejidatario from Escondido with good networks in the Ministry of Agrarian Reform in Mexico City, tried to recover the ejidal rights that her father had relinquished. but they took the case to the Agrarian Reform offices and with a recommendation from a local power broker, Guadalupe Zuno, Jaime Juan won the case.

Jacinto's dealings with the bureaucrats in the Ministry of Agrarian Reform have always been resolved in his favour and, according to him, without having to bribe anybody. This might have been possible because Jacinto's connection at different levels of the political framework. He was very active in local politics when the refinery was installed. He remembered that some sugarcane producers from Casimiro Castillo came to the valley to explain how to grow sugarcane. He was *Comisariado* of Escondido, a position from which he could cajole other ejidatarios in Escondido to offer some of their ejidal land in 'La Tuna' for the refinery though the commission finally chose 'La Calera', a more convenient place close to the main road that crosses the valley longitudinally. Jacinto commented that some ejidatarios in Escondido were among the first sugarcane producers.

Jacinto did not have any qualms about advising his fellow ejidatarios to plant sugarcane while he continued to grow traditional crops and waited for the new crop to prove its comparative benefits. He knew the people involved in the organization and running of the agricultural machinery depot that was funded by FINASA<sup>9</sup> very well, and knew that the first growers would bear the brunt of the considerable initial costs and that the sugarcane producers contribution would be discounted from their final accounts after the harvests.

Jacinto recalls that the sugarcane producers were annoyed with *El Feo* and Mariano Enciso (in charge of the machinery owned by the sugarcane producers):

‘When they auctioned the depot because they had not paid back the credit to FINASA, the producers were annoyed that bad administration had pushed the machine depot into bankruptcy. They were also very angry about the house, which had been bought for the offices of the depot, and was in *El Feo* and Enciso’s names. They never found out what happened to that property’.

Jacinto remembered that when they were negotiating the building of the refinery in the valley there were lots of expenses sending commissions to Mexico City and Guadalajara and when people from different governmental institutions came to check if they were really committed to grow sugarcane, they had to organize dinner parties with ‘mariachi’ (a vernacular music band). The frequent commissions that were sent accumulated a big debt which according to Jacinto was later on charged to the first sugarcane producers. People from Autlán participated very actively in the negotiations to bring the sugar mill into the valley. He recalled those early days:

‘There were a lot of improvised technicians and workers among the first workers in the sugar mill. Some of them did not know a thing about anything. I saw how much money the mill charged to the sugarcane producers as shared expenses and decide I was better off cultivating maize, and in a smaller scale beans, courgettes, chile and tomatoes. But my commitments with the school leave very little time to be expended in agriculture. Thus I decided to plant sugarcane because it is a crop that could wait for its tilling, fertilizing and insecticides without suffering for it. I made some profit since the first harvest. I have 3.5 hectares of sugarcane, that is all the irrigated land I have; in the other part of my plot I produce maize and milo maize. I also have cattle, only twenty two heads, three horses and chickens. The maize I produce is for my family and for fodder for my animals, I don’t sale any’.

Jacinto’s son, Jaime Juan cultivates 3.5 hectares of sugarcane that belong to his mother along with his own sugarcane plot and he is also in charge of the animals and production on the rainfed land. His involvement in the family’s agricultural production has been of great help to Jacinto who at

different times has occupied several public posts in the ejido administration and on the municipal council in Autlán, which combined with his school commitments, have made it difficult to care for the land.

Jacinto works both morning and afternoon shifts at the school. He is very proud of the school and is the one in charge of organizing a parade on Revolution Day, the 20th of November. All the children in Escondido attend the elementary school and on that day march around the village, some wearing sparkling clean uniforms and others wearing the costumes of the beginnings of the century when the armed rebellion took place. Jacinto leads the contingent in its parade, which often culminates in a festival in the plaza where children dance and sing revolutionary songs and recite patriotic poems. Jacinto initiates the festival reminding his audience about the courage of the Mexican peasants who fought for land and freedom and who made possible the agrarian reform from which they had benefitted so much. The proud parents, except the Jehovah's Witnesses, attend the festival wearing their best clothes and the atmosphere is convivial.

Jacinto, like the majority of ejidatarios in Escondido, knows that in spite of the inherent problems, the revolution did change the socio-political conditions in Mexico and he is proud to have been part of it. However, he expressed despair of some government employees who he accused of being inefficient and corrupt. But Jacinto blames individuals not the government and still supports the ruling party that has been in power since the end of the armed struggle in the first decades of the century. In Jacinto's case it is very clear that he and his family benefitted from the agrarian reforms.

Jacinto's mother was the midwife of Escondido and she encouraged and helped her children to get qualifications. Most of them became teachers like Jacinto who came back to work in Escondido. Jacinto has combined his educational training and political skills to secure a diversified source of income. He is one of the better-off ejidatarios in Escondido. His house stands next door to the gate that protects the village from stray cattle. It is a turn of century, roomy house, with high ceilings and long windows with wooden shutters. It is next door to the school where most of his daily activities take place. He owns a tractor and a two vehicles, a small car and lorry.

Some ejidatarios complained that his many commitments outside the school affected their children's education. They also mentioned that he had profited from the funds that resulted from the school land that he had administered for the last ten years. Before then its administration had been taken in turn by different ejidatarios, which meant that the profits were shared around. There is a covert animosity against 'the teacher Jacinto', that

found outlet in the complaints that the parent teacher association of secondary students presented at the municipal offices of the Ministry of Education, opposing the appointment of Jaime Juan, Jacinto's son, as teacher in charge of the new television secondary school in the ejido, meant to start in 1989. They were vehemently against his appointment, to the point of threatening to withdraw their children from attending the secondary if the local person in charge of the Ministry had insisted on confirming Jaime Juan's appointment. This time the complainers managed to revoke the official decision and Jaime Juan's appointment was transferred to a nearby village. Some people in Escondido commented that Jaime Juan seemed a decent fellow who was paying for his father's errors.

Jacinto Rosas has a more critical view of Maximino Castillo Arenas, the leader of the sugarcane producers association, than most ejidatarios in Escondido. In the monthly assemblies he has expressed his disagreements with decisions that Maximino has taken without consulting the majority of the members, as he is supposed to do according to association rules:

'I showed my disagreement with the arbitrary decision of charging every sugarcane producer a quota to buy water pumps that would not benefit us, the producers that already receive water from the Tacotán dam. The policy of the sugar mill, supported by the Ministry of Agriculture, is to expand the planting of sugarcane as much as possible. I'm sure the refinery convinced Maximino to spread the expense of buying the pumps that would benefit other farmers. But not happy with doing that, they reduced the water supply to our plots. They put pressure on our previous leaders but they refused to do it. But as soon as Maximino took power, he obliged us to buy the pumps. In an assembly, some sugarcane producers said yes, though nobody signed the consent. He has lot of female admirers that always cheer his decisions, regardless of their pertinence. However, I have to recognise he has managed to increase the price of sugarcane'.

Jacinto was very surprised when I told him that I doubted very much whether the increase in the price of sugar cane had been mainly the result of Maximino's negotiations. I mentioned that as far as I knew, it had been decided in Mexico City between the national leaders the associations of sugarcane producers and the chief administrators in charge of the parastatal administering the state owned refineries. He just commented on how misled they had been by Maximino who had always emphasized that it was his own

achievement. Jacinto distrusts Maximino's handling of the association but he said that most sugar cane producers were still content with his leadership. In spite of the mentioned complaints about Maximino's performance, Jacinto commented that he had attained more benefits for the sugarcane producers than Ramón Gordillo, the previous President, who is an ejidatario of Escondido.

Jacinto Rosas was swaddled in a blanket hanging in a hammock when the *Cristeros* set fire to Escondido. His mother, Escondido's midwife, put him and his brothers and sisters through school. Jacinto and one of his sister continued their studies to obtain their teaching qualifications. Through teaching Jacinto became involved with the PRI and the teachers union, which is also affiliated to the PRI. With his political network he was in a position to develop an insider's perspective on the opening of the sugar refinery and therefore planted the crop himself when he knew it would be most profitable to do so. He has combined his teaching salary, sugarcane production, growing staples and keeping cattle, but he considers sugarcane to have been the keystone of his family's economic welfare, as do most sugarcane producers in Escondido.

## Conclusion

The peasants of Escondido chose to grow sugarcane because it was a profitable cash crop. Sugarcane demands less working-days than other crops such as tomatoes or melons and is easier to grow than either of them. Some, like Anastasio 'Tacho' Plaza, Sonia and Felix Ramos, Ernesto Rojo, and Eduardo Lara combine sugarcane production with maize. Others have combined it with grazing cattle and most of them at different times of their family cycle have worked in the USA. Trinidad Carreon, Sebastian Posada and Jacinto Rosas have increased their family income by working for the municipal administration, while others like Adan Romo, Ramon Gordillo and Jacinto Rojo, discussed in detail in Chapter 4, have worked in the CNC association which has allowed them easier access to loans and credit from the refinery and the government development bank underpinning sugarcane production. A few members of Escondido have stopped growing sugarcane, such Mario Gama, who prefers to grow maize to feed his cattle.

Ejidatarios in Escondido have improved their living conditions considerably in the last sixty years. The overwhelming majority have grown sugarcane for the last twenty years and are still convinced that it is by and large their best option. They have done so without surrendering control over

their livelihood to the refinery. Their experience of growing sugarcane does not resemble the precarious conditions of some sugarcane producers in other regions in Mexico. One reason is that Escondido ejidatarios had the choice about planting or not sugarcane. Thus these ejidatarios have been able to secure their livelihood by combining tilling the land with other economic activities. They are integrated not only to the national but the international labour market but they have not become Paré's proletarianised peasants. These ejidatarios have chosen to grow sugarcane because it provides them not only a reliable income but other perks like health service and access to credit, and it could be combined with other economic activities. As I described in this chapter, sugarcane profits were meagre at the beginning but they improved after a few years. This combined with the perks it came with and its small requirement of labour force, turn sugarcane into a convenient crop for the ejidatarios in the valley. Their decision was tried and tested and responded more to the ejidatarios' needs than the Mexican Government demands. In the next chapter I will describe the whereabouts of sugarcane producers who have been involved in the political organization of the CNC association and have benefitted from it. These ejidatarios have been able to consolidate their economic prospects through their work in the CNC association.

## NOTES

1. Don Anastasio told me that the mayor had a grievance against Domingo Villaseñor who was thought to have sent someone to kill the mayor's brother.
2. See *Diario Oficial*, Monday, 22 Feb. 1932: 15-16.
3. The available literature on sugar cane production in different countries emphasizes the dominant control that the sugar mill administration imposed on individual sugar cane producers. See \*\*.
4. In the early 1930s landless peasants from different villages in the Municipality of Autlán formed the Agrarian Committee, which would lobby on their behalf for access to a plot of land.
5. The percentage of sucrose is calculated just before the juice extracted to the canes is crystallized and according to its level the mill has to pay an extra amount per point above a previously determinant level that was 8.3 point of sucrose at that time.
6. The Mexican peso's exchange rate was 3,000 to an American dollar in 1987.
7. Fifty percent interest was still lower than the commercial rate in Mexico at that time, which reached up to hundred per cent.
8. Nixtamal is the dry maize corns simmered with chalk which after being ground it is used to make tortillas.

9. Governmental Financial Institution that funds the mechanization of sugar cane producers.



## **CHAPTER 4**

### **POLITICAL PARTICIPATION AND SUGARCANE PRODUCTION: WEALTHIER EJIDO SUGARCANE PRODUCERS**

In this chapter I describe the wealthier sugarcane producers in the valley of Autlán-El Grullo. They are the ones who were able to choose the right moment and the best conditions to jump onto the sugarcane wagon, combining diverse economic activities, including their participation in the sugarcane producers associations. They chose to grow cane when the majority of smaller producers had already paid the costs of its introduction and had set it onto a profitable track. These better off producers (private landowners and a few ejidatarios), not only have larger plots planted with sugarcane, but they also own other resources which they have invested in agriculture and other economic sectors i.e. in transport, commerce and the service sector. Eighty per cent of these larger farmers have plots of more than 4.1 hectares planted with sugarcane, and over 50% more than 8 hectares - whereas figures for the ejidatarios show exactly the opposite, 70% of them have sugarcane plots smaller than 4 hectares, the average in Escondido being 2.7 hectares (see Table 1). This disparity in plot size, and the other assets owned by the better off sugarcane producers, provide the material conditions and base for their participation in the organization of sugarcane production.

Middle- to large-scale farmers could afford to wait for the optimum time and conditions to plant sugarcane. Thus sugarcane production for these farmers has been a profitable enterprise from the beginning, unlike the experiences of most of the early producers discussed in Chapter 3. There is a wider range of difference among the larger farmers than is to be found among sugarcane producers in Escondido. There are 167 private landowners among the 929 sugarcane producers listed in the refinery's register for the harvest 1986-87. Although the plot size among private landowners varies widely, it tends to be larger than the eight hectares allocated to most ejidatarios. They not only own larger plots but they own better financial resources and have wider political networks, which have buttressed their

**Table 1:**

| SUGARCANE PRODUCERS IN THE VALLEY OF AUTLÁN<br>AND THEIR ORGANISATIONAL AFFILIATION |                |       |                 |       |               |
|---|----------------|-------|-----------------|-------|---------------|
| <b>A. Ejidatarios</b>   |                |       |                 |       |               |
| Hectare under Cane  | CNC affiliates |       | CNPP affiliates |       | Total         |
|   | (N)            | (%)   | (N)             | (%)   | (N)           |
| 0.5 - 4.0 ha.   | 508            | 66.75 | 3               | 0.41  | 511           |
| 4.1 - 8.0 ha.   | 233            | 30.61 | 0               | 0.00  | 233           |
| 8.1 - 12.0 ha.  | 17             | 2.23  | 0               | 0.00  | 17            |
| 12.1 - >  | 0              | 0.00  | 0               | 0.00  | 0             |
| <b>TOTAL</b>  | 758            | 99.59 | 3               | 0.41  | 761<br>(100%) |
| <b>B. Small Landowners</b>  |                |       |                 |       |               |
| Hectare under Cane  | CNC affiliates |       | CNPP affiliates |       | Total         |
|   | (N)            | (%)   | (N)             | (%)   | (N)           |
| 0.5 - 4.0 ha.   | 0              | 00.00 | 33              | 19.64 | 33            |
| 4.1 - 8.0 ha.   | 18             | 10.71 | 30              | 17.85 | 48            |
| 8.1 - 12.0 ha.  | 20             | 11.90 | 30              | 17.85 | 50            |
| 12.1 - >  | 19             | 11.30 | 18              | 10.71 | 37            |
| <b>TOTAL</b>  | 57             | 33.91 | 111             | 66.05 | 168<br>(100%) |

economic success and political consolidation as a group to be reckoned with in the organization of sugarcane production. This is particularly the case with the largest producers, who have joined the CNPP association, and are the subject of Chapter 5.

Of the 167 private landowners in the valley who produce sugarcane for the refinery Melchor Ocampo, 111 of them (60%) have joined the more recently formed branch of the CNPP, instead of joining the group affiliated to the CNC. In spite of their smaller representation, the CNPP has carved out a space in the political arena where the administration of the refinery and

representatives of the two organizations of producers thrash out the conditions and terms of production. This chapter provides a discussion of the CNC producers and in Chapter 5, I discuss the members of the CNPP. The participation of middle- and large-scale producers in the politics of sugarcane production differs from the participation among small-scale ejidal producers. They begin with access to a wider economic and political resource base. The way in which these better off cane producers deal with the refinery administration and the political organizations, highlights the complex interweaving of different interests within the refinery administration, producer organizations and State politics in Mexico. As Pereyra (1981) points out, the Mexican State consolidated its protagonistic role through an all embracing corporativism in which different social groups and associations were able to find their place within the ubiquitous ruling political party, the PRI, which has been in power in Mexico for the last sixty years. Thus employees of the state owned refinery, Melchor Ocampo, and the producers affiliated to the two associations of the CNC and CNPP, are all involved in one way or another in state politics. Although they all have a place in the wide political umbrella provided by the PRI, they have not congealed into a homogeneous group. Each actor, pursuing his individual interests, has joined the political grouping within this larger whole, that suits best his heart and interests. How they have managed to do it within their own given circumstances is highlighted by the political disposition of the middle and large sugarcane producers depicted in the following sections of this chapter.

Ejidatarios in the valley Autlán-El Grullo lobbied for the opening of the Melchor Ocampo refinery in their region, and pioneered sugar production. They have remained the main providers of sugarcane to the refinery, i.e of the 927 producers in the region, 761, or 81%, were ejidatarios in 1986. Of these, the ejidatarios from Escondido, affiliated to the CNC, played a leading role in the organization of production. There have been two Presidents or General Secretaries of the CNC from Escondido and until recently, there has always been an ejidatario from Escondido working in the CNC administration. How they became involved in the promotion of sugarcane in the region is pointed out by the ejidatarios that I present in the first section of this chapter.

Adan Romo, Ramon Gordillo and Jacinto Rojo are sugar cane producers from Escondido whose participation in the CNC association provided them with new economic possibilities around sugarcane production, that is, easier access to credit than the majority of producers. The three of them have thrived on these economic advantages. The outcome of their participation, which is described below, highlights their transition from local to regional

arenas. Adan Romo participated in the early attempts to coax ejidatarios into planting sugarcane; he continued collaborating with the secretariat of the CNC organization until a political reshuffle left him out of it. During that political turnover, Ramon Gordillo was brought into the leadership of the CNC. Meanwhile Jacinto Rojo remained secretary throughout the leadership of his two friends from Escondido and survived them, when at the next elections for the secretariat both Adan and Ramon tried again to seize the leadership of the CNC but without success. Although the President who succeeded Ramon was not an ejidatario from Escondido, Jacinto Rojo remained in his post as secretary to the newly elected executive committee. Thus sugarcane producers from Escondido continued to have direct access to the secretariat of the CNC through Jacinto's intercession.

In the second section of this chapter I present two vignettes of middle-scale sugarcane producers from Autlán who have also had a high profile in the CNC - Manuel Enciso and Humberto Riesling. They are both active members of the PRI in Autlán. Enciso was involved in setting up the refinery in the valley and was put in charge of finding local labourers to work in it. He also rented land and planted sugarcane. Riesling has planted sugar cane on-and-off, as it has suited him, trying in the interim a variety of cash crops with mixed results, until finally returning to sugar cane in the 1980's.

The process of differentiation in Ejido Escondido becomes very clear when we compare the sugarcane producers discussed in the first section of this chapter with those described in Chapter 3. Sugarcane producers involved in the political organization of its production have expanded their set of interests and the means to achieve them. These producers have acquired political and administrative experience which they have channelled successfully to their private benefit. The two sugarcane producers described in the second section highlights the creativity of social actors to bend the rules and play the system. Enciso and Riesling did not fulfil the legal requirements to obtain an ejidal plot but they found their way around them. The fact that they were town dwellers with good political networks facilitated their dealings to acquire legal rights to an ejidal plot.

### **Leading Participation in the CNC Association of Sugarcane Production**

Political and administrative changes at national and local levels are to be seen in the participation of the leadership of the Melchor Ocampo refinery and the two producer associations formed in the second part of the 1970's. The five protagonists of this chapter have all participated, along with other ejidatarios

and private landowners, in the local CNC association. I recount the dwindling participation of Jacinto in the executive committee, which could be interpreted as a reduction in the power of the ejidatarios of Escondido to negotiate against the new leadership of the CNC. From the early days of the CNC, *ejidatarios* from Escondido were involved in setting up and consolidating the organization of sugarcane production in the valley and its committee had always included at least one member of the ejido. Adan, Ramon and Jacinto Rojo had participated the administration of ejido Escondido's affairs, and saw the installation of the refinery as an opportunity to expand their economic horizons. They got involved in sugarcane production as refinery employees and later as elected members of the executive committee in the CNC. All three of them crossed paths either in the extension department of the mill or in the CNC. All have successfully combined farming and political activities with migration for work. Thus although sugarcane is not the only source of income for most of the producers in Ejido Escondido, it is a substantial part of it, and what seems to be more important, it entitles them to health coverage and a small state pension, two fringe benefits than most rural producers and dwellers in Mexico do not have.

#### **Adan Romo: Renting Land to plant Cane**

Adan Romo has grown sugarcane since the refinery opened. He has rented extra land to grow sugar from other ejidatarios in Escondido. Adan and his family moved out of Escondido to live in Autlán fifteen years ago; he explained that they had to move to town because his wife's job as a primary teacher in Autlán made it very difficult for her to travel everyday from Escondido. Public transport is not very frequent and spent many hours waiting at each end of the day. Also later, when their three daughters continued their education in town, it became peremptory for the whole family to move to Autlán. Thus Adan has to drive every day to his plot in Escondido, but he does not mind it. He mentioned that when he spends the odd night in their house in Escondido, he is always bored by some ejidatario with his problems. He prefers to live in Autlán and drive every day to work on his plots and those he rents and every month on the occasion when he attends the ejidal meeting.

He has grown sugar since the beginning of the seventies. He mentioned that the mill had been a project promoted by General López Arreola. Though built much closer to El Grullo than to Autlán it is within the municipal

boundaries of Autlán. According to Adan, ejidatarios from Escondido and Las Paredes were the first to plant sugarcane in the valley of Autlán-El Grullo. The seed plots for sugarcane were planted in 1969, when there was still plenty of cheap land to rent. Adan rented up to fourty hectares to produce sugarcane. He mentioned that Escondido had offered some of the ejidal land to built the factory, but the offer was not taken up and a place nearer to the main road was chosen. The members of the committee recognised that the mill would open up new economic possibilities and they were very cooperative with the people involved in lobbying for it. But not everybody was as keen as Adan to grow sugarcane, he recalled:

'First they (refinery's employees) planted the seed plots of sugarcane when the sugar mill was being built. Then the inspectors from the extension department went around to each ejido and village encouraging people to grow sugarcane. In El Grullo, which is now a sugarcane producing ejido, the inspectors were almost thrown out. Today the food is ready and on the table; everybody wants to grow sugarcane. But I was told that there is not going to be any extension of sugarcane planting. The sugar mill is working to its limits and really the mill is suffering lots of mechanical failures. I planted my ejidal plot with sugarcane and immediately rented some other hectares. The rents were very cheap and from the beginning I made some profit because I worked extremely hard. I was not ashamed of working very hard, knowing this was going to leave me some money. I planted the canes myself and supervise every work that we needed to do to them. Some people had their minds very cloudy and they allowed the extension workers to do all the jobs on their plots. Some people do not even know when their canes were cut. Our leaders in the association bring their people to cut the cane and we should complain to them not to the sugarcane cutters because they are difficult people and when they get angry, and carrying their machete they could turn to be dangerous'.

Adan Romo took over the presidency of the CNC association of sugarcane producers of the refinery Melchor Ocampo in 1976. It was a period of political changes among the sugarcane producers and Adan had to deal with different political groups at the regional and national level. Leaders from different national associations were trying to coax the participation of local sugarcane producers to join their respective associations. Adan remembers how the sugarcane producers in three sugar mills in that part of

the country were represented by José Maria Zarate, a regional strong political patron. Luis Rosales, (better known as 'EL Feo'), the first leader of the association belonged to the political group of General López Arreola, which was the regional political contender of Zarate's group. This political tug-of-war shed a favourable light into Adan's abilities and his lack of strong political commitments to the general's group. Thus he was elected president of the sugarcane producers. Adan had a very difficult time trying to conciliate the antagonist political interests of the diverse groups among the sugarcane producers to the point that he could not complete his three years term and left after the second year. At that time the mismanagement of the 'central' (a depot of agricultural machinery administrated by the CNC), that had been under the control of the previous president, came out into the open. Adan described the situation as very difficult:

'El Feo (CNC leader) did not want to leave power. He had made a pig's ear of the depot. The Government gave us some machinery that we paid a bit with some shares we were obliged to buy and bit with what we paid to the central for the works they made on our land. But el Feo embezzled some money and he did not account for its performance as head of the depot to anybody. I once asked about our shares of the central to Soto Leyva, the national leader who came to the valley, I also demanded that we were given exact accounts of the deposits and drafts in the central's accounts. I wanted to open peoples's eyes... However, they auctioned off the machinery and sold it for pittances. There were several good big imported tractors and they gave them away. The sugarcane producers who suposely were share-holders did not even received a screw from the sell out'.

Adan left the presidency after the confrontation with the administrators of the depot of machinery (the central), which seemed to have open a can of worms and became a sore point among sugarcane producers, without having been ever resolved. However, Adan is convinced hat he acted rightly and he remained very much an active member of the organization. He still attends as often as he can all the meetings in the CNC. Some years later in Escondido he was elected general secretary of the ejidal committee. In that post he also ruffled some feathers in relation to the Rural Bank, he recounted the incident:

'There was a liquidation on our favour of one of the insurance we were entitled to, but the bank refused to give it to us. I fought the bank and I won. The problem is that *ejidatarios* are used to be screwed up by the bank all the time. Although I managed to obtain the whole liquidation for us, the current ejidal committee has not done anything about'.

Adan considers that *ejidatarios* should learn how to deal with the different government officers. He mentioned that Maximino, the current CNC leader, should keep certain distance from the sugar mill administration; he commented about it: 'Maximino and the manager are like one person. But you know that chickens should not befriend wolfs'. Adan is very critical of Maximino's leadership. He mentioned that he spends the money of the association on expensive trips:

'He recently went on holidays to Cuba, supposedly to work but he took with him his lover. It is very difficult to ask him anything in public because he manages to put you on the spot and make you look ridiculous'.

Adan mentioned that when Maximino was elected for his first term, Ramon Gordillo from Escondido tried to be reelected. But there were some sugarcane producers who were in principle against re-election and did not want Ramón to remain as president of the association and decided to nominate Adan as a third candidate to snatch some of his votes. The plan run smoothly and Ramón lost by very few votes. Adán insisted that he did not want to be elected but he only accepted to run as candidate to curtail Ramón's chances of being re-elected and they succeeded.

Adan is very critical of Maximino's administration, he mentioned that the organization of the cutting and transporting of the sugarcane in the last harvest (1987) lacked good coordination. He asked Riesling, the person in charge of the cane-cutting team, why the picking of the cane was lagging so much behind the cutting when everybody knows that cut sugarcane loses its saccharose content by the second. Riesling only passed the blame on to the refinery administration. Adan told me that Riesling knew he had lied, both knew nowadays the producers organization is the only responsible for the cutting and transporting of the sugarcane. The complains about the current administration of the CNC cover different aspects from inefficient organization of the cutting and transporting of canes to unfair charge to producers for the expenses of buying new water pumps; they were bought by



the organization, and according to Adan, they would only benefit a small number of sugarcane producers, who should be the only ones to pay for them and their maintenance. Adan complained that people accept acquiescently everything that Maximino says, but he is aware that without other producers support there is not very much he could do to curtail Maximino's tight hold of the association. Adan spoke out in a assembly without any success:

'I told Maximino to stop making us pay for those water pumps and their maintenance because they only benefit the ones from El Grullo who did not want to become sugarcane producers at the beginning and who have never help us with anything. And now we are helping them to pay those pumps for their exclusive benefit. We had to pay maintenance and repairs. People say that the manager of the refinery bought some land on that area and the pumps happen to benefit that area. We wrote a letter of complain to Maximino and he got angry and accused the one who signed it of being vermins. Some people are angry with him but they seem to be unable to get together and do something against him'.

Adan praises the economic transformation that has taken place in the valley but he condemns the abuses of the government functionaries. He has decided to keep away from politics because it does not pay to spend time on it. He thinks that it is better to work on his own business and forget about public responsibilities that are always misunderstood:

'In the gatherings in Escondido when people are drunk they tell me things that they would not dare to say when they are sober. They have even suggested that I should run again for the presidency of the CNC but I have learnt that there is not anything better than minding my own business'.

Adan still grows sugarcane in six and a half of his eight hectares ejidal plot. He complained that they stop renewing the contracts of the plot he used to rent. He remembers when he planted forty hectares of sugarcane. He is very proud of his yields, he claims to produce around two hundred tonnes in a hectare at the first cut and over one hundred on the following ones. He lives in Autlan in a roomy house where his married daughters and grand children visit them all the time. He drives backwards and forwards to his plot three or four times at day. He also has to go to the CNC offices and the

refinery's extension department. His wife Marcia, Jacinto Rosas's sister, joined the conversation to praise her husband: 'I am very thankful to God for the honest and hard work husband that he gave me'. Adan endured the compliment with subdued pride and he continued commenting on the sugarcane yield that he produces on his plot and how it always turns into a good profit at the end of the harvest. He emphasized that he has always obtained some profit from growing sugarcane, though it was only in the last ten years (since 1980) that it became highly profitable to grow it.

Adan Romo, like the other ejidatarios of the younger generation in Escondido, has been able to do better than the majority of the older generation; he came of age when the irrigation system had already been built and he was always able to make some profit of growing sugarcane on his plots and the ones he managed to rent; his election as president of the CNC helped him to develop his networks, that are vital to find out about the available credits from the refinery and development banks, as much as to learn the best conditions to get hold of them. His wife's salary as a teacher in Autlán provided the family with a regular but modest income. Adan's sugar cane contributed to keep the family in a comfortable standard of living without any of its members having to migrate to work in USA, as it is common in Escondido.

### **Ramón Gordillo: Sugarcane, Medical Insurance and CNC Participation**

Ramón Gordillo received his ejidal rights from an uncle twenty five years ago. At that time he only grew maize and he had to migrate to work to the coastal region. His father gave him two cows when he got married and 'working like donkey' with the help of his wife and children they managed to increase the herd to around fifteen cows. They were straight local cows that he had exchanged by small bulls of his herd, they were not of a good breed but produced some milk. He did not ask for credit to the bank to improve their yield, but he did go to work in USA twice to save some money, he commented:

'Some time ago it was a good business to go and work in the north. But not now, everything is so expensive that you pay what you earn on living expenses. Anyway, I don't like towns, I prefer my village, we are used to living like the animals, alone. I do not like USA, you have to work really hard, if you don't work you don't

eat; you have to work all the time, even when you're sick or with a toothache'.

In 1972 I planted sugarcane in the four hectares that are irrigated, the rest of his plot is above the canal and cannot be irrigated. Ramón mentioned that one of the reason to plant sugarcane was the possibility of receiving medical insurance for the whole family, he recalled:

'I had a big family and in order to be entitle to medical services I planted sugarcane. It was a very bad business. With all the roads that had to be open, there were lot of expenses that we the sugarcane producers had to cover'.

Ramón was the president of Ejido Escondido when the late general Lopez Arreola brought the refinery to Autlán. He was given a job in the CNC association of sugarcane producers to supervise the cutting of the sugarcane. He was given a motorbike to move around the sugarcane plots. He could not remember exactly how the divisions among sugarcane producers came to be but he mentioned that after Luis Rosales (el Feo), the first general secretary of the CNC, three groups were formed among them, one from Autlán, one from El Grullo and one sponsored by Jose Maria Zarate. They reached an agreement and formed a tripartite alliance led by Adan Romo from Ejido Escondido.

The money he obtained planting sugarcane in the 1970's was not sufficient to sustain his family. His precarious economic situation was aggravated by all that the extra expenses that as president of the ejido executive committee he had to pay out of his pocket, e.g. the expenses when he had to negotiate any ejidal issue in the offices of the Agrarian Reform in Guadalajara. Thus he felt economically besieged and decided to go to the USA and work for six months. He knew that as general he should ask the ejidal assembly for a lift of absence. But he feared that they might deny it to him so, he decided to leave without warning; the ejidatarios turn very angry and even tried to take away from him his ejidal rights. However, he came back to Escondido after six months and sort out all the complains.

Ramón continued being in charge of burning the canes in the extension department until 1981 when he was proposed to run for as general secretary of the CNC. He was reluctant to accept the post because he thought he could not do it properly:

'I was in our office (CNC premises) in Las Paredes when some sugarcane producers proposed me to run for the presidency. I excused myself because I did not have any studies. But they started campaigning on my behalf. A few days later, sugarcane producers from different parts in the valley gathered together in the ejidal committee in Escondido and they insisted that I should accept the nomination to presidency of the CNC. People was very happy and though I apologized again for my lack of studies, I had to accept, but I laid as a condition that I would not have an accountant because they only study how to steal. I'd rather have a very good secretary who could help me in the administrative matters. There were not other ticket running and Pancho Silva (a national leader in the CNC) told me that I was fucked up and had to accept the post'.

Ramón worked very hard during that time, he commented that on one occasion, during lent he worked two days in-a-row, night and day, to keep the sugar mill working. He had to change some of the people working in the organization, like Juan Lopez that according to Ramón:

'He only showed up to draw his salary. He was dismissed and I chose Jacinto (Rojo) from this ejido to be in charge of the cutting'.

Ramón considers that the expenses in the cutting have increased because the bad administration and excessive number of personnel working in the association. He also mentioned that providing eating facilities for the CNC workers in the office is very expensive. A different sort of complain about Maximino, was the fact that he was at the same time municipal president of Unión de Tula (a town thirty kilometres away from the valley) and general secretary of the CNC. Therefore he could not dedicate all the necessary attention to the problems of sugarcane producers. He added that it was very likely that Jacinto saw something that he did not approve of and that was the reason why he left the organization. However, he said:

'People complain but they don't dare to defend their rights in public. We are like sheep, all that we could do it is to bleat'.

Ramón has other sources of income, he mentioned that he received a loan from FIMAIA to buy a lorry. At the beginning he did not want to accept the credit to buy it, he wanted to avoid nasty comments about him taking advantage of his position to get the loan. But he was advised by

Pancho Silva to get the loan and buy the lorry. He also was told that regardless of his behaviour, people would accuse him of embezzlement. He is very content with his lorry especially now that he drives it himself; for a while he hired a driver, but he did not like his careless driving and he decided to take it over. Ramón also obtained with other ejidatarios a loan to buy a crane-machine to pick up the cane and load the lorries. At the end, when the credit had arrived, only four ejidatarios accepted to take it and they went ahead and bought the machine. Finally only two of the four remained, Ramón and Luis Vargas. They decided to buy each other their parts. Ramón said he could afford to pay Luis out and had to ask to José de Jesus, his son working in USA, for a loan to reach the five million pesos that he would have to pay. The son sent Ramón \$2,700,000 pesos and he kept the machine. Ramón income is pretty good, he has four hectares planted with sugarcane, owns a lorry and a loading machine that bring good money during the harvesting season. Another advantage of Ramón's household is that their children still living at home are hard working and they do most of the work in their plot without demanding payment.

Some ejidatarios in Escondido are very critical of Ramón and comment he had profiteered when he was general secretary of the CNC, before that time he was a poor ejidatario like everybody else. They mentioned that he did not have a volkswagen, two lorries, a big one and a small one, and the loading machine before his election. Some added that he wanted to be re-elected to be able to grab more money. Against these comments Ramón retorted that he was asked to run again by a good number of sugar cane producers and he did but there were three candidates and he lost for very few votes. He thinks that he still have lots of supporters among the sugarcane producers but he would not like to have the responsibility of running the association.

The succession of Ramon Gordillo to Adan Romo's leadership of the CNC association consolidates the influence of Escondido producers in the politics of sugarcane production which has buttressed by Jacinto Rojo long-standing participation as the secretary in charge of supervising the cutting, this provided a continuity to the strong presence of Escondido's ejidatarios in the CNC. However, as it is described in the next section, their participation would be ebbed by the turn of events that would leave Jacinto out of play. These changes could be seen as the consolidation of a new political group in the CNC under the Maximino Castillo's leadership, who militates within a different faction of the local PRI to the ones that all the ejidatarios from Escondido belong.

This new CNC leadership not only went on strike, as it was described in Chapter 1, but it also re-shuffled the political forces among its members. On the refinery headquarters, the newly appointed administrator of the refinery Melchor Ocampo, Armando Osuna, purports a technocratic perspective very much in ascendancy among the high ranks of the Mexican State. This administrator felt constrained by the organization of production as it had been negotiated by the head of the extension department, Gabriel Limón and the CNC leaders, who belonged to the political group that was still headed by general Lopez Arreola. Thus, Armando Osuna plot how he could style the *modus operandi* of Limon and the earlier CNC leaders from Escondido, which he managed to do successfully with Maximino's alliance, who was not identified with the general's political group. These changes in the refinery administration and the election of Maximino, a new-comer in the political scene but holding a strong political clout, would begin to marginalised the previously influential *ejidatarios* from Escondido; who in spite of their political achievements did not transcend their local arena thus did not consolidate their regional and national networks that could have buttressed their influential participation in sugarcane production.

### **Jacinto Rojo: The USA, Sugarcane and the CNC**

Jacinto Rojo was born and raised in Ejido Escondido. Although he had not been born when the 'cristero's rebellion' ravaged the region, he recalls the story like if he had been caught in the crossfire and the details he mentions resemble the ones carefully recounted by the older *ejidatarios* who participated in the first period of the struggle for land. He joined in as a young landless peasant when the ejido's old guard requested an extension to provide with a plot of land their coming generation of children. There was still some land in the hands of large landowners and the ejido extended its area. They managed after very long and time-consuming procedures to obtain a first and second extension of the ejido's land. The third extension has not been granted; they complain bitterly about this endless waiting. Meanwhile the ones who have planted sugarcane, like Jacinto Rojo, received a fair price for their crop and got on with their lives. However, their increased incomes have not been able to arrest the steady flow of seasonal migration to the USA, some of them remain on the other side of the border and make it their home. But the majority works for short periods, saves a bit and comes back home.

Jacinto and many other *ejidatarios* told me that they had to go to work in the US because they could not make their living only growing sugarcane. However, the agricultural cycle of sugarcane allow them to migrate temporally when they have done the basic jobs to the canes, at the time they need it most, and leave somebody else (mainly a relative) in charge to do the necessary jobs during the growing period. When the harvest season arrives in winter, most of the seasonal migrants are back on their plots. Jacinto made this journey several times and he brought back with him an old pick-up that is always breaking down. The first time he went to USA, he was part of a government treaty that allowed contracted Mexican peasants to cross the boarder and work there for several months, he kept returning to work seasonally for ten years. When the governmental programme of importing seasonal labour force to USA ended he had to change his working pattern but still kept going back illegally until 1972. He commented that he was lucky that one friend gave him a wallet that he had found in the bus station in Tijuana:

‘Some years ago a friend of mine from Escondido who was living in San Luis Rio Colorado (a boarder town with the USA) by chance found a wallet in a bus station when he was going to the USA. He gave me the wallet with personal papers and cards. There were a visa to USA and the social security card. In Tijuana somebody replaced the photos with mine and I used the forge visa to cross to the USA several times. They even sent me back some income tax from the social security’.

Five months before the end of my fieldwork period, Jacinto decided to go back to USA and work again in the construction where he said that they pay very good salaries, much higher than the works in agriculture. He had worked in that kind of job before and he claimed to have kept some contacts there that would provide him with a job as soon as he could get there. He had to ask for an absent leave from his post as general secretary of the ejidal committee. He assured them that he would stay there only three months and that he would come back to take care of the ejidos’s matters when the new harvest start. When I left the field the three months had passed and Jacinto had not return. The harvest was about to start and the ejidal committee decided to call for an extraordinary meeting to decide what to do about Jacinto’s absence.

Jacinto was one of the first sugar cane producers in Escondido. He explained to me why he and other members of his ejido were among the first

ones persuaded to grow sugarcane in the valley. According to his own testimony, which is worth quoting in full:

"Our lands were of bad quality and bumpy. We were not obtaining very much from it. The possibility of getting credit to improve our plots if we planted sugarcane influenced our decision to do so. We were the only daring ones who wanted to grow sugarcane. They paid the cane very badly and there were very high costs of production because we had to pay for the building of the bridge and roads to our plots as well as for maintaining the main road."

Jacinto Rojo started to work in the CNC association of sugarcane producers in 1980, he was invited to help organizing the sugarcane cutting. It was the time of the tripartite agreement, which reflected locally the national struggles among the larger regional groups of sugar cane producers, as was explained in Chapter 2. The tripartite's leaders, among whom was Adan, have handed over to Limón some of their organizational responsibilities, ie most of the decisions and the coordination of different groups of cutters and freighters were in Limón's hands. Jacinto was in charge of burning the sugarcanes before bringing the groups of workers involved in cutting and transporting the cane to the refinery. In those first years he learned a lot about all the stages of the process of sugar cane production and the ways to deal with the people in the refinery. When the tripartite members decided to fuse into one association, elections took place and Jacinto was elected as secretary of the unified association and Ramón Gordillo, discussed in the previous section, was chosen as president for a period of three years. Gordillo was very easily persuaded by Limón to do what he wanted, regardless of whether or not it was against the producers interest. At the end of his term, he decided to run for a re-election. Jacinto disapproved of that decision because of Ramón's poor achievements as president and he started to organize a group that would rally for a new president. The election of Maximino Castillo as their candidate to run against Gordillo was covertly approved by Limón and other producers committed with the local branch of the dominant state party. Maximino had to run against two other tickets leaded one by Ramon Gordillo and the other by Adan Romo, both from Ejido Escondido, the contend was fought closely but Maximino was elected by a small margin of votes.

When I met Jacinto in the Summer 1987, he was the secretary of the CNC. Jacinto was in charge of the organizing the cutting and transporting of the sugarcane produced by the farmers who were members of the CNC.



He was a very efficient coordinator of the different people involved in it. He had to deal with the sugarcane cutters and their leaders, with the operators of the crane-machines that pick up the cane and unload it on the lorries and with the lorry drivers. He had been doing that job for the last six years and he had become very good at it. Suddenly, after the end of the 1987's harvest, Jacinto stopped going regularly to the offices of the CNC. At the beginning nobody took any notice of his absence. It was not unusual for the representatives to take some time off after the harvest. But rumours began to spread from different sources. Maximino and Jacinto had had a serious disagreement and Jacinto had stopped going to the CNC offices and he did not go back to finish the term for which he had been elected as secretary.

Maximino accused Jacinto of having gone behind his back to ask the manager of the sugar mill for a personal loan, which according to Maximino, puts the CNC in a disadvantageous position to negotiate with the administration. Jacinto admitted that he asked for the loan but denied that it would jeopardize their negotiations with the sugar mill. He explained Maximino's anger as a typical example of his authoritarian style of running the CNC. Jacinto mentioned a different reason for Maximino's aggressive attitude toward him:

'I had discovered that the CNC administration was keeping the documents of the loans signed by the sugarcane producers who had already paid their loans back to the CNC, which meant that the CNC could ask the producers to pay those loans again. When one pays back a loan the documents are return to the borrower. When I found out about it I told the secretary off for doing that and she went straight away to complain about it to Maximino. The secretary is one of Maximino's lovers and she does everything that Maximino asks her to do. Maximino considered I had surpassed his authority and he started to attack me'.

Without following the stipulatory procedures, Jacinto was removed from his post and Riesling, without having been elected by the assembly, replaced him immediately. Jacinto took it very philosophically and he insisted that it would work out better for him to have left the CNC. He claimed that he would have more time to attend his plots (own and rented), and he might be able to instil some discipline on his sons who have grown out missing his close supervision and are incapable of tilling the land properly. Jacinto turn his time and energies to work on his plot planted with sugarcane and spent more time on the ejidal matters. He started to go to the government offices

to push the ejidal demands for credit and more land. He had to travel to Guadalajara and Mexico City. Several friends of Jacinto advised him to raise his case in the CNC assembly and confront Maximino publically. If he does not do it, people are going to believe that Maximino did have serious reasons to remove him from his post. However, Jacinto said that he would not gain anything by doing it. He would like to work with Maximino's group again and he might antagonized them to the point of jeopardizing his sugarcane production. Jacinto mentioned several ways how they could that: The CNC committee could refuse a membership to him and he would have to ask the CNOP to accept him as member. That in itself would create several problems. But even if he remains in the CNC, they could delay his payments and deliveries of the necessary inputs e.g. fertilizers and herbicides, which would hamper sugarcane yield on his plots. Thus, he never brought his case into the public forum in the monthly that he kept attending regularly.

Jacinto Rojo together with other *ejidatarios* from Escondido participated in the political and administrative changes at national and local levels in the refinery Melchor Ocampo and the CNC association in the second half of the 1970s. However, the new refinery administration and the election of a new comer as the president of the CNC would bring with the reshuffle of the producers in charge of the executive committee in the CNC the demotion of Jacinto. This could be interpreted as a lost of power negotiation of the ejidatarios of Escondido against the leaders of the CNC, which used to be under their control. The participation of Adan Romo, Ramon Gordillo and Jacinto Rojo in the politics of sugarcane production has been beneficial not only to them but some of it has treaced down to the other sugarcane producers in Escondido, who through Adan, Ramon and Jacinto used to have direct access to the decision making in the organization of sugarcane production. Unfortunately the political turnover in the CNC have dwindled the participation of the ejidatarios from Escondio in it had moved over to other sugar cane producers, who seemed to be better located than the Escondido ejidatarios in the political landscape of the late 1980's. The ejidatarios from Escondido have lost ground to the more aggressive sugarcane producers who were in the position to negotiate the new deal between the association of sugarcane producers and the refinery administration under different political agreements to the ones settled during the previous two decades; which involved the support of local political group leadered by general Lopez Arreola.

### **Mariano Encino: PRI, Refinery and Sugarcane**

As I describe in Chapter 2, sugarcane production in the Valley of Autlán started in 1968 with twenty seven producers. They were, in one way or another, linked to the local branch of the PRI, the dominant political party. They created the first association of sugar cane producers. One of these pioneers of sugarcane production in the valley was Mariano Encino, a local merchant very actively involved in local politics and who was at that time the representative of the PRI in Autlán. He repeated several times that he was told by the national leader of the workers in the sugar mills, Don Chuy González, to bombard the President of Mexico, Gustavo Díaz Ordaz with telegrams asking for a sugar refinery to be installed in the region. Two important politicians of Jalisco had ministerial positions in Díaz Ordaz's cabinet: Prof. Juan Gil Preciado was the minister of agriculture and Gral. Santiago López Arreola was Minister of Defence. They were very interested in sponsoring their petition to install a new source of employment in the state they come from and where they have political supporters. Don Chuy Gonzalez knew that the government had bought some new French machinery to run a sugar refinery and it was going to be installed somewhere in Michoacan and he insisted that some farmers (peasants and landowners) of Autlán-El Grullo should ask the government to reallocate the refinery to their valley. A few local landowners and PRI political activists in Autlán were wooed to promote the project of the refinery in the valley. Mariano worked diligently helping to securing the public investment in the region and consolidating his family's sources of livelihood through his multi-stranded participation in sugar production in the Valley of Autlán.

Mariano Encino is a very interesting case of how a social agent has seized the opportunities that his political participation opened to him. He was a local merchant who had a well situated place in one corner of the local market since 1954. His wife was very hard-working and helped him in the shop and that allowed Mariano some time to pursue other interests e.g. political participation and later on some economic activities. Through his political involvement he became acquainted with the farmers in the Valley of Autlán who fought for land and succeeded in creating the Ejido Autlán during the agrarian reform in the 1930's, this was a large ejido which was divided up in several smaller some years later. In the 1960's he started to rent a plot that was part of Ejido Autlán. He rented it for several years until he could acquire the ejido rights to the plot.

In 1968, Mariano Encino was the local representative of the PRI, he remained in that position during ten years from 1966 to 1976. He was very

much involved, together with other farmers mainly from Autlán, like Lufs Rosales and Horacio Limón, in the promotion of the sugarcane planting in the area. They were the founders of the Association of sugarcane producers in Autlán and they were instrumental in the set up of the new sugar refinery in the region. They had to go around ejido communities in the valley and convince their neighbours to send telegrams to the President of Mexico asking for the sugar refinery to be installed in the area. That was a trying task because, they first had to convince the local peasants that planting sugarcane was a profitable crop and that they would consent to give it a try in their plots.

Mariano Encino's account of the first years of sugarcane in the valley describes very vividly the complex negotiations among the different parts involved in the setting of a new sugar refinery in the Valley of Autlán. Encino participated in the dealings from the beginning and he comments:

'The first promoter of the project was Don Chuy González who ordered us to bombard the president and some ministers with telegrams asking for the sugar mill, that was going to be installed somewhere in Michoacan, to be sent to the Valley of Autlán, because we needed desperately a new source of work in the area. When we heard that the sugar mill was coming to Autlán, twenty seven producers formed the association of sugarcane producers (affiliated to the CNC). The Company that built the refinery bought 30 hectares of land at the side of the main road that cross the valley. At the beginning, the local people did not like the sugar refinery to be installed nearby. We, the members of the PRI's committee, went around asking in the ejidos to help us to send to the president telegrams asking for a new source of employment in the valley. Originally, it was going to be installed in El Grullo but the major of the town refused to help to find the most convenient place to build the sugar refinery. They did not want a refinery in the area which would pollute their environment with black ashes, they said that they had enough with their crops of rice and peppers. The land where the refinery was finally built belonged to a pair of brothers from El Grullo who did not want to sell. The Governor had to intervene and asked them to accept a permutation of properties in the area, in order not to hinder the construction of the sugar refinery in the spot that a surveyance had chosen. Mario Reyes Drake (a wealthy land owner from El Grullo) sold the land for the permutation, the brothers agreed and the transaction was

closed. The rest of the land was donated by The General López Arreola who owned a property close to the river.'

The first three years all the canes harvested were used as seed; it was only until the beginning of 1971 when the refinery began to grind sugarcane. Mariano Encino commented that he only received \$5,000 pesos (\$400 dls) as payment of his first harvest. The yield of the sugarcane was very low, the prices they paid for it were also very low and the first producers had to pay for the construction of the bridge and roads of access to the plots of sugarcane. They considered the expenses onerous and tried to cover some of them by charging a toll to all the drivers using the bridge, but General Lopez told them off for going against the law that forbids any private person to demand payment for the use of a public bridge. Though they had helped to pay for it.

Mariano Encino became one of the first sugarcane producers. In 1968, he planted seven hectares of sugarcane in an ejidal plot that he was renting; with the time he managed to obtain the right to that plot in the Ejido Autlán. Later on, he acquired nine hectares of land; some years later, when he sold his shop in the market, he bought six-and-a-half hectares more. His land assets, in total, add up to fifteen-a-half hectares of private property and seven hectares in the Ejido Autlán. Mariano mentioned how through his participation in politics he became aware of new possibilities to be developed in agriculture and the sugar refinery.

In 1968 they were notified that the sugar refinery was going to be installed in Autlán. The Company in charge of the surveyance and project to build the refinery arrived later in that year. Somebody from the national union of sugar refinery workers started to look for some people to work in the construction of the sugar mill. There were some complains among local neighbours about the way the one in charge of hiring new personnel was handling it, some people accused him of charging the hiring workers some money for getting a job. Don Chuy (the national leader) found out about it and immediately withdrew the hiring commission from that person and offered it to Mariano with the special recommendation of not charging a single penny to any worker that would be hired. Mariano Encino became the delegate in charge of hiring and did not let Don Chuy down, he did not charge anything for hiring new people. His brother-and-law was one of the first local workers that Encino recommended and helped to be hired in the refinery, he got a job as driver and he continued to work in the refinery until his retirement in 1986. When most of the necessary workers were installed in their new jobs, Mariano was released of his responsibilities and he stopped

receiving his fifty pesos weekly salary. However, he was told there was a job available as the one in charge of the 'room of tools', and if he was interested, he could get that job. Mariano accepted the offer because it brought an extra salary to his family income and offered him the possibility of getting to know other people, which he has always considers very important to get on in life.

Mariano Encino has worked hard and thrived on his political participation, he helped his wife in the shop they had in the market; he planted sugarcane in the plot he rented; he acted for some months as the delegate of the national syndicate in charge of hiring new personnel to work in the refinery; when he completed that task, Encino was offered and accepted a job in the refinery as the person in charge of the tools for the workers. He continued actively involved with the local branch of the PRI and he helped to organize the newly formed association of sugar cane producers in the valley, being elected as treasurer of the association, post that he held during several years. Mariano said:

'I called many persons to come and work in the construction of the sugar refinery, but lots of them did not come because it was very hard the digging for the foundations. However, when the sugar refinery was installed and it started to grind sugarcane, the work became much easier, it was a matter of pushing buttons, then many people complained that I did not call them to work in the sugar mill. Some, even said that I only asked my friends to come and work in the refinery. But that was not true, they did not come because they did not want to do heavy jobs and soil their hands.'

He worked different shifts in the sugar mill and remained in his job until he asked for a lift of absence in 1985. He is not going back to work to the refinery and he has applied for an early retirement, which would entitle him to draw his pension. He is in his late sixties and still very active. He participates in party politics although less actively than before. In previous local governments he has been member of the municipal council being in charge of the maintenance of public roads and the slaughterhouse. He was once federal deputy representative. He has also been treasurer of the local trade guild.

In the last years he has spent more time in his private activities: he has 35 hectares of sugarcane, some are on rented land. He also plants some maize and sorghum and would like to buy some heads of 'spotty cattle' for milking and meat. He used to keep a small heard but it became very difficult

to control the animals; they were jumping fences and Mariano had to pay the damages that could amount up to 200,000 pesos. Thus, he decided to get rid of his cattle and concentrate on sugar cane production. Mariano Encino's participation in local politics and his involvement in the CNC association of sugar cane producers buttressed his entrepreneurial ambitions and through his shrewd dealings he could take advantages of the different possibilities that the governmental developing institution offered to the ambitious new sugarcane producers in the valley. He managed to obtain soft loans to acquire agricultural machinery and he bought a big tractor and a heavy lorry to transport sugar. He also has a three ton. lorry and a pick-up vehicle. His oldest son uses the three tonnes. lorry and he hires a driver to use the heavy lorry. He drives the pick-up.

Mariano Encino received over twenty-five million pesos from the sugarcane yielded in the thirty hectares he cultivated in 1986-1987. He expected to receive around fifty million in the 1987-1988 harvest. But it would all depend on the saccharose index for that year; he knew that the guaranteed bottom price would be 37,000 pesos and based on that price he calculated that his profits would amount to fifty million. Encino thinks that sugarcane is nowadays the most economically profitable crop in the region. He commented that a producer could gain more money if he planted tomatoes than growing canes but he also run the risk of losing all his investments if he could not sale them at a good price; which is too high a risk to run when the market is very instable and beyond the producers control. Mariano Encino explains:

'We think that sugarcane is the crop that offers more incentives for the producers. If you plant seven hectares of sorghum and it yields five ton., you could sell it for 7,500,000 pesos. But one has to pay everything: fallow, this and other bits and pieces, and insurance. One would be lucky to come out even. In contrast with sorghum production, the sugarcane yield of seven hectares, when it has been properly attended, would leave you something between eight and ten million pesos. It is one of the safest crops that a peasant could produce. The refinery provides us with everything that is necessary to grow sugar cane. If the refinery gives me money to do a job on the cane and I fiddle the money and don't do the work; when the harvest comes you would be able to notice the difference. It is very clear, when one has not done any work on the crop, you do not harvest as much as when you do. These days, an inspector from the sugar mill goes around the plots verifying that the work has been

done before they would pay us. There have been comments that some sugar cane producers do not spend the money lent by the sugar refinery doing the jobs on the canes'.

Occasionally this has been proved to be the case. However, before passing any harsh judgment on individual sugar cane producers, we should ponder their reasons to do it. In most cases, specially among small sugarcane producers, the refinery's loans are the main source of rapid cash to cover an unexpected expense.

Although Encino owns fifteen and a half hectares of private property, he has never considered moving into the CNPP organization of the private landowners who produce sugarcane, he has remained a loyal member of the CNC. According to his version, the push to organize the private landowners in a different association, came from Guadalajara where Navarro Noriega (the CNPP national leader) gathered a group of landowners and founded the association. Navarro began to send people to create divisions among the sugarcane producers in the valley and some of the landowners started to resign and moved into the newly formed association. He thinks that one should hold strongly to his convictions. Thus, when he was approach to join the new association he declined the offer and remained as one of the oldest members in the older of the two associations of sugarcane producers in Autlán. Encino thinks that the CNC, is the most powerful of the two associations and he considers that its current secretary: Maximino Castillo Arenas, has been working hard and most producers are satisfied with his work. However, he did mention that there are some producers that have been complaining that his financial reports are not crystal clear and they would like that there were an official auditing of Maximino's administration. But Encino does not want to get in troubles with anybody:

'I tell them, yes, I am willing to support a petition to auditing the current administration, but I do not sign any paper, one can not be sure what could happen'.

In the confrontation between Engineer Gabriel Limón and Maximino Castillo, Mariano, like many other sugar cane producers, did all they could to remain outside the conflict. He said that he did not know what exactly the problem was and he was still in good terms with Gabriel Limon. He met Eng. Limón even before he became the person in charge of the agricultural extension department in the sugar refinery. Limón took over that job in 1979 and remained in that position until the end of 1984, when he was accused by



Maximino of having abused his position in the extension department to embezzle some money. The accusation gathered the refinery's manager support and finally Limon was suspended from his job, as it was described in the first chapter. However, Encino is not convinced that all the accusations against Gabriel were true. The issues of Limón dismissal have been smudged by the contradictory accounts that different parts have given of the reasons that compelled the manager of the sugar refinery to fire Limón and the diverse motives that different persons, involved in sugarcane production, had to take part and side with one of the two opposite sides in the confrontation that did not end with Limón's dismissal. But as we will see in other section, it became a moot point between sugar cane producers representatives and the refinery administration.

Mariano Encino has acquired a wide knowledge of the whole process of sugar production through his longstanding participation in different parts of it from the beginning, when the refinery Melchor Ocampo in the Valley of Autlán was only a draft project. He personifies the better off town dwellers who have played right their political cards allowing them to enhance their livelihood handsomely. Thus he is a social agent who has seized successfully the opportunities that his political participation has pushed in his way.

### **Humberto Riesling: Agriculture, PRI and CNC**

Humberto Riesling is the son of German immigrants who arrived at a German settlement in Atequiza, Jalisco in 1925. He was born in Mexico three years later in 1928. When Riesling was sixteen he went to Guadalajara to work as mechanic with an owner of machinery. His boss sent him to take care of his machinery working in Casimiro Castillo and Riesling decided to remain there and start to work in agriculture. He married into the family of Paulo López Arreola, the brother of General López Arreola, which came from Cuatitlán -a close by town, and had moved with his family to the area in the 1940's. That was the time when agrarian strives were taken place in most regions of Mexico and Paulo López A. had been at the front line of peasants demanding plots of land in that area. The Hacienda Lo Cultivado was expropriated and it became the Ejido Vicente Guerrero. Paulo Lopez A. was responsible of gathering ninety-eight petitioners to form the ejido and they were granted the land in 1944. All Paulo's ten children, regardless of their age, were included in the ejidal community and obtained the rights to individual ejidal plots. After Humberto married one of Paulo's daughters he began to work his wife's ejidal plot. Later on Humberto himself managed to

obtain rights in an ejido in the area. Since then he has been a full time farmer. He became a sugarcane producer in 1960, planting five hectares of sugarcane for the sugar refinery José María Morelos in Casimiro Castillo. When the sugar mill Melchor Ocampo was installed in Autlán he planted ten hectares of sugarcane, becoming one of the first sugar cane producers in the valley Autlán-El Grullo.

Riesling, like Mariano Encino, was very much involved in the creation of the first association of sugarcane producers in the Valley of Autlán that was originally called: Committee of Voluntary Sugar cane Producers. It was the first association of the local farmers who had decided to plant sugarcane and were committed to expand the planting of the crop because they genuinely thought that sugarcane production will become a good source of income. However, that was not going to be the case until several years later and the reason for that laid outside the regional arena as has been discussed in Chapter 2. The first sugarcane producers were people from the PRI (the dominant party). Riesling's account of the origins of the first association of sugarcane producers in the valley follows Encino's. Committed PRI members and the farmers they could entice into sugarcane production started to plant their plots with canes in 1968 at the same time the foundation work for the refinery began. The first harvest of sugarcane in the valley was not ground in the refinery but used to expand the crop in the area; it was until the second harvest that the sugar mill did a dummy run grinding a few of the harvested canes, which only last five weeks to do.<sup>2)</sup> Riesling thinks that the refinery was brought to the valley because López Arreola (Minister of Defence) and Chuy González (national leader of the refinery workers) lobbied for it and convinced the president Díaz Ordaz to send the sugar mill to the Valley of Autlán.

At the beginning, sugarcane was planted in the plots with poor quality soil. Gordillo Luna, the national leader of the sugarcane producers at that time, negotiated a big loan for the newly formed association of sugarcane producers of Autlán-El Grullo to buy agricultural machinery. The machines were financed by this loan and the compulsory buying of shares by all sugarcane producers in the valley, who had to complied to the demands of their leaders. These agricultural machines, inspite of having been carelessly administrated by the committee of the CNC, performed a vital function in the opening of the valley to sugarcane production. Most of the plots in the irrigated system had not been properly levelled and suffered problems of drainage. The works that those plots needed to be done demanded the use of heavy machinery that was not locally available in the necessary number and it was beyond the economic possibilities of most peasants in the valley. The

Central de Maquinaria (machinery depot), as it was called the administrative group within the sugarcane producers association in charge of the machines, went into financial problems and was finally auctioned and sold for a small amount. There were 40 tractors, 18 cranes picking machines, 16 carts and 1 steamroller. Riesling remembers that each sugar cane producer had to buy \$4,000 pesos of shares that they never got back. The administrators of the central had to auction the machinery to pay its workers and that was the end of it; as far as the CNC Committee was concerned. But there were several sugarcane producers who complained about the way it was wound up.

Like Mariano Enciso, Humberto Riesling considers that General López Arreola and Chuy González were the instigators of the negotiations to bring the sugar refinery Melchor Ocampo into the valley. He mentioned how Paulo López Arreola, the general's brother, looked around the valley for the place to build the refinery. People from El Grullo were against the construction of the refinery in the valley and they avoid anything to do with the construction of the mill, which was finally installed closer to El Grullo than Autlán's, though within municipal jurisdiction of the latter. H. Riesling recalls:

'Sinforiano Limón, Luis Rosales, Mariano Encino were the ones that organized the first sugarcane producers, all of them were active members of the party (PRI)'.

H. Riesling knows all the characters involved in the organization of sugarcane production in Autlán; he has participated in both, the PRI's politicking and the CNC association of sugarcane producers; he even became deputy of the latter in one of the first committees of the organization and he learned quite a bit of the regional and national political struggles among the leaders of the sugarcane producers. He recalled how Gordillo Luna, national leader of sugarcane producers in the 1970's, supported their local management of the association. Gordillo had to face in the national arena the challenge that Ramón Rosas Falla, leader of an opposite political group of sugarcane producers from Veracruz (one of the most important sugarcane producing area in Mexico); in a short time Ramon Rosas Falla became the main challenge to Gordillo Luna's leadership of the national association, as it was described in chapter 2. During the second half of the 1970's regionally based associations of sugarcane producers strove to consolidate their participation in the national association of sugarcane production. As the private capital deserted the sugar refineries, the Mexican government took them over pouring public investment in the dilapidated factories. Most of these regionally based associations were looking for a national representation

that helped them to consolidate their local achievements dealing with the refineries administrations. Among all the contenders, there were two who took command of the two main alliances of regional associations. They reached a truce among themselves, thus Gordillo and Rosas accepted to discharge into a third person the responsibility of leading the unification of the several regional associations into one national organization of sugarcane producers. This all-embracing association of sugarcane producers received the support of the national CNC (the national peasant confederation that militates in the PRI).

Ramon Rosas Falla had a hand over Gordillo, he was supported by the sugarcane producers from the sugar mills in the Gulf of Mexico, which is the largest single region of sugarcane production which gave the former a numeric advantage over the latter. Their confrontation took place at the national level, but there were other local contests for the leadership of the sugarcane producers, i.e. the tripartite coalition in the valley was gathered around the figure of the local strong man -cacique José Ma. Zarate. Zarate became a powerful regional figure through the different planning and developing projects that he sponsored as head of the South Commission; this commission funnelled public funds to specific projects that they selected, (one of these projects was administrated by Maximino Castillo in El Grullo). Riesling mentioned that the tripartite coalition that gathered some of the sugarcane producers in the valley was coached by Zarate in his attempt to expand his political dominion. Gordillo Luna supported the original group of sugarcane producers in Autlán; he had a long experience on politics among sugarcane producers, according to Riesling appraisal:

‘Gordillo Luna knew everything about anything related to sugarcane production and organization’.

This political re-organization among sugarcane producers took place in all regions at the end of Echeverria's six-year presidential period. With the new government, Zarate lost the support of the national government and his influence wilted. Meanwhile, at the national level, Gordillo Luna's control over the national association was taken over by Rosas Falla. At the local level, an ejidatario from Rincon de Luisa was elected as the secretary of the Union of Sugarcane Producers of the Refinery Melchor Ocampo affiliated to CNC: Ramón Gordillo. Riesling seems to suggest that during the turbulent time at the national level, the political groups in Autlán lost their ground and an ejidatario was elected as the president of the unified CNC, this appointment was covertly supported by eng. Limón, the head of the

extension department in the refinery. Riesling said that when these changes happened he turned all his efforts into his private businesses and did not form part of the new committee; he thought that Ramón Gordillo was not up to the responsibilities of a secretary of the sugarcane producers organization: 'he did not have enough brains to direct our association'.

H. Riesling planted ten hectares of sugarcane in 1968. The variety that they were given by the extension department was not of good quality, neither was it suitable for the type of soil in the area. The first sugarcane producers dragged debts with the refinery for several years but most of those debts ended up being suspended. H. Riesling mentioned that when Gabriel Limón was in charge of the extension department, he had some troubles with him because he tried to swindle the sugarcane producers. Limón sent his inspectors in the extension department to evaluate the quality of the plots and decide if they were suitable for sugarcane cultivation. Sometimes they turn the petitions down alleging that the soil was not the appropriate to produce sugarcane, but later on they rented the same plots from willing farmers very cheaply to plant sugarcane in them. Riesling mentioned that this type of abuse was a common practice when Limón was in charge of the extension department.

Although Riesling has twenty-eight hectares planted of sugarcane - twenty for the sugar refinery in Casimiro Castillo and eight for the one in Autlán, he has not only depended economically on sugarcane, he has always had some others sources of income. He used to grow maize, sorghum, melons and watermelons in the coast. He stopped growing the last two crops because a disease attacked them and made their production unprofitable. At that time he participated in the committee of the regional union of horticulture producers in the Coast of Jalisco; within the union they formed a consumers co-operative to buy fertilizers, fungicides and seeds at better prices. The co-operative was formed in 1981 and it is still going on, with Riesling as its current treasurer. At the end of the seventies Riesling with some relatives and other farmers, established a link with an American company, which became their partner to rent and plant fifty hectares of tomatoes and other vegetables. The enterprise run into financial troubles and he lost some money; preferring not to fight with his partners because they were members of the family he left the company. H. Riesling tried again, but this time with six new partners, to form an exporting company to commercialize their crops. They obtained a credit from the Bank of Foreign Commerce and they bought four acres in McAllen, Texas. They managed to keep it going during two years and they had to sell it when the Mexican currency started its roller-coaster of devaluation. One partner, who had

joined the company later on bought the company from the founder members. With the falling exchange rate of the Mexican peso, it became very expensive to get financing support to carry on with the company. They owned the land but they needed \$70,000 dollars extra to build the warehouse and it was too risky to make that investment considering the numerous uncertainties involved in exporting vegetables to the protected American market. However Riesling did made some profit, he invested \$16,000 dollars and received after two years \$18,000 dollars plus the utilities of each year that were around \$4,000 dollars.

Riesling thinks that sugarcane is a slightly more profitable crop than maize. If one grows staple crops and cultivate them very well, it is possible to obtain almost the same profits as with sugarcane production but working harder that with sugarcane. The interest rates on the credit the refinery provides are very high, sugarcane producers are paying around eighty per cent of interest on their loans. But Riesling ponders that sugar cane producers still make profit:

‘If one invests \$100,000 pesos growing sugarcane, after a year-and a-half one receives three or four times the amount invested. In some ways, it is a crop for lazy farmers because the CNC does all the works for them’.

Riesling mentioned that there are many farmers that receive credit to produce sugarcane in plots with very poor quality soil and which can not produce enough canes to pay back the loan. However, the refinery allows those sugarcane producers to continue producing low yields because these farmers have friends among the employees in the sugar refinery or they have some other plot with good yields and the administration can charge the debts of the poor plot to the account of the productive one. However, Riesling considers that:

‘Right now, I receive more from growing sugarcane than any other crop, because I do not have to make big investment. I have twenty-eight hectares covered with cane: eight in the Refinery Melchor Ocampo and twenty in the Refinery Morelos; my brother takes care of the canes in Casimiro and I take care of the ones in Autlán. Eight hectares here (in Autlán), yield more that ten hectares in Casimiro Castillo. The sugar refinery Morelos is very disorganized and the humidity of the sugarcane plots is drying up (sugarcane is produced in rainfed plots in Casimiro). I drilled a well in a fifteen

hectares plot and I do not use it because what you get from the cane does not pay the fuel. I am small private landowner here but I do not have the sugarcane on my name. In the coast I am both ejidatario and small landowner. I used to rent some land in the coast and they passed me the rights in 1957'.

He has nine children but only one is working fulltime in agriculture, he studied veterinary and combines his profession with agriculture. Six of his nine children have obtained a university degree. Three of them work in different public offices i.e.-one in the department of agriculture in El Grullo, one in the municipal administration and one in the revenue offices in Guadalajara. The three younger children are still attending school. Through the sugarcane producers association Riesling get a small alimony (\$13,000 pesos per month) for each of the three students.

Riesling substituted Jacinto Rojo as secretary of the Association of Sugarcane Producers affiliated to CNC at the end of 1987 in spite of not being the deputy of the secretary. Jacinto Rojo had been re-elected to that post in 1986 and had to step down due to some disagreements with Maximino Castillo. According to Riesling, Maximino asked him to help with the organization of the harvest two years ago because since then he had some problems with Jacinto. Thus when the personal differences between Maximino and Jacinto made the latter position in the CNC untenable, Riesling slip in, taking over Jacinto post as secretary without consulting the general assembly as it should have been done. Even before Riesling became secretary in the CNC council, he went along with the other members of the committee of sugarcane production and attended the meetings. Riesling attended the committee meetings to Maximino's request; this fact reflects the trust of the latter on the former. The only persons that were summoned to meetings were the legally constituting members i.e. president and secretary of each of the two associations of sugarcane producers and the manager and head of the extension department of the sugarmill. However, some other persons related in some way to the sugarcane production in the valley could attend the meeting as observants and they were not supposed to intervene in the discussions. Riesling not only attended the meeting but he participated actively in the discussions. Thus Maximino must have been given to Riesling the authorization to do that. Riesling participation in the CNC had gone through several changes. When the refinery was opened, he was one the first twenty-seven sugarcane producers in the valley. He occupied the post of deputy president of the CNC during Luis Francisco Barrios's presidency of the tripartite coalition at the end of the seventies. After this he detached

himself from the association until the 1980's when Maximino asked him to come back to work in the CNC.

Riesling has come a long way from being the son of immigrants who started to work as a mechanic in Guadalajara; he is now a prosperous farmer, he owns over twenty hectares of land -private and ejidal, a tractor and other machinery e.g. a heavy lorry to transport sugarcane to the refinery. His economic achievements are intertwined with his political participation in the PRI and the CNC and his relation by marriage to Paulo López Arreola, who was a brother of the General Lopez Arreola, the strong political man with great influence on the PRI's politics in the region. Thus, like Mariano Encino, Humberto Riesling, has threaded a strong political network locally that has buttressed his economic activities, among which sugarcane and its related activities have become his main source of income.

## Conclusion

*Ejidatarios* like Adan Romo, Ramón Gordillo and Jacinto Rojo from Escondido, and Mariano Encino and Humberto Riesling from Autlán, were not only convinced to plant sugarcane by they became involved in other parts of the process working in the extension department and in the CNC association of sugarcane producers. Their participation opened new venues where they could improve their economic condition. Thus the five of them have not only increased their assets acquiring lorries and cranes, but they have also consolidated their political position in their ejidos. These pioneering producers played an important role in the expansion of sugarcane production in the Valley of Autlán-El Grullo. Their knowledge of the area and well established local networks facilitated the work of the refinery administrators who were foreign to region. Their committed participation at different level of the organization of sugarcane production put in an advantageous position to seize the economic opportunities that came with the expansion of sugar cane production in the valley. These cases highlight the diversity among sugarcane producers and their individual way of decision making within conditions which are not totally of their own choice.

The five sugarcane producers described in this chapter have participated in the CNC or in the local branch of the PRI, some like Encino and Riesling in both. The way of participation and the degree of involvement in the CNC and the PRI vary from one producer to the other. However the main difference between *ejidatarios* from Escondido and the producers from



Autlán who have found their access to an ejidal plot is the wider networks that the latter have established. Encino and Riesling's commercial and political networks have enhanced their economic possibilities and they have made a go of it. Their economic assets are larger than any of the three *ejidatarios* from Escondido I discussed in the first section of this chapter. The larger set of political and economic possibilities in towns provides immediate advantages to sugar cane producers living in towns which *ejidatarios* living in more distant communities miss. Although these differences are constantly eroded by the expansion of all means of communication which accompanies economic development, they are still a constraining fact to sugarcane producers living in small communities, as Ejido Escondido, with bumpy roads of access and without private telephones. These unequal conditions provide sugarcane producers living in town with advantageous conditions which allow them to consolidate their economic position.

Whereas political participation in the PRI was the starting point to the economic success of Enciso and Riesling; the participation in the CNC organization was the beginning of a more modest economic success of Romo, Gordillo and Rojo. The CNC organization of sugarcane producers is a public 'corporation' (Jessop, 1990: 120) which incorporates producers into the Mexican State through the mediation of PRI. This mediation is *sui generis* and is constantly renegotiated. Everyone of the cases of sugarcane producers described in this chapter account for their independence of mind and individual approaches to deal with institutions and to play the system to their advantage.

## NOTES

1. This bridge communicates the two main towns in the valley without having to make a long detour around the mountains that surround the valley. The construction of this road and bridge was charged to the first sugar cane producers.
2. It last five weeks from 15 March to 20 April, 1971. Manual Azucarero Mexicano. 1972.

## CHAPTER 5

### MIDDLE AND LARGE PRIVATE LANDOWNERS: SUGARCANE PRODUCTION AND THE CNPP

Out of the 167 private landowners in the valley of Autlán-El Grullo, who produce sugarcane for the Melchor Ocampo refinery, 111 of them - 66% - have moved their allegiance from the CNC to the more recently formed CNPP affiliated association. In spite of their smaller representation, the CNPP has carved out a space in the political arena where the organization of production is bargained over between the refinery administration and representatives of both associations. The participation of medium to large sugarcane producers in the politics of production differs from that of small ejidal producers. They have access to a wider range of economic and political resources. The way in which these wealthier sugarcane producers deal with the refinery administration and the producers associations highlights the complex interweaving of interests within the refinery, producer associations and State politics in Mexico. The Mexican State embraces the different social groups and associations within its ubiquitous ruling party, the PRI, which has been in power for the last sixty years. Thus employees of the state-owned refinery, Melchor Ocampo, and the sugarcane producers of the two affiliated associations, of the CNC and CNPP, are all involved in some way or other in state politics. However, the socio-economic conditions of these middle to large sugar producers permeates their political inclinations which as they do for the majority affiliated to the CNC, described earlier.

The five sugarcane producers described here all kept a low profile when they were members of the CNC. They never felt at ease in an association where the overwhelming majority are ejidatarios. Pina Lara is the daughter of one of the promoters of the CNPP like Arturo Sanchez Ruy. They are both members of wealthy families in El Grullo, who only planted sugarcane when it became a profitable to do so. The two of them belong to the board of the CNPP and Arturo Sanchez was also president when he succeeded his father at the head of the association. The last three sugarcane producers to be discussed, have all members of the executive committee in the CNPP: Juan

Ruiz has been re-elected secretary twice, Gonzalo Blake was the treasurer in a previous committee and is still very much involved in the everyday running of the association, and Armando Castro was elected the president of the CNPP's committee in 1987. The five of them have large plots planted with sugarcane and have invested in different enterprises related to sugarcane production; thus they have lorries and wagons to carry the cane from their plots, and have invested, individually or in partnership with other CNPP members, in cranes to pick up the cane and load it onto the lorries. The five of them are prosperous farmers with diversified economic interests who claim they abhor politics and are only concerned with producing sugarcane more efficiently. However, they take special interest in the organization of sugarcane production, as well as in the organization of other economic activities in which they are involved, all of which are soaked in political negotiation.

### **Pina Lara: Sugarcane and Land Concentration**

María Josefina Lara Corona, better known as Pina, is the only child of a wealthy local family whose ancestors are among the local landowning families of several decades back, even before 1912 when El Grullo was granted the title of municipality. Pina's mother was the only child of a marriage between landowners, from both paternal and maternal sides, and she thus inherited a large estate. Pina's mother married a hard working and shrewd outsider, Ismael Lara Caso, who consolidated the family's agricultural enterprise, growing a diversity of cash crops. Don Ismael had tried his luck in different parts of Mexico, including employment with the national rail company of the Yucatan Peninsula and the post of constable in Mexico City, where he was working when a friend offered him the chance to join him in opening a factory for processing goat's milk in El Grullo. He arrived there at the end of the 1930's. Don Ismael and his friend worked hard and soon became the leading local producers. In the 1940's, he met Pina's mother and they married. Pina, being the only child of an only child, would inherit several properties in the valley. Ismael had not been involved in agriculture before he came to El Grullo and his father-in-law was sceptical of his ability to take over and manage his agricultural and cattle production. However, Ismael committed himself to work hard and learn fast and was ready to take over the family enterprises when his father-in-law, Pina's grandfather, became ill in the middle of the 1940's. Since then he has been in charge of the family business. Just in the last few years, Ismael, who is

eighty-two years old, has been handing over to his daughter Pina the management of all their economic activities, which are mainly linked to agriculture and cattle ranching.

Don Ismael recalls that when President Alemán visited the region in 1951, he had been invited to the reception and he used the opportunity to talk to the President about government aid to drain 3,000 hectares of land in El Grullo. He mentioned that the local politicians had opposed the idea because they considered that Alemán would not sponsor any initiatives coming from party members belonging to a different political faction within the PRI to his own. However, Don Ismael considered that they would stand a good chance to obtain a favourable answer if they could address the President publicly and ask him for financial support. He was right. Alemán agreed to provide the necessary public funds to drain the land. The government's response paved the way for the owners of land in the central part of the valley, who drained and levelled the land and immediately planted it with different crops. Don Ismael remembers growing maize, barley and cotton. The latter fetched a good price during the 1950's, but after several seasons it became susceptible to disease and thus the cost of production increased tremendously and it became too expensive to grow. He planted various vegetables and melon at different times while always maintaining the production of maize, milo-maize and sorghum to feed the cattle. Don Ismael added that it was during Alemán's presidency that the Tacotán Dam was finished; it is the dam that provides the water to irrigate 9,000 hectares in the valley of Autlán.

The agrarian reform expropriated some of the estates owned by Ismael's wife. But they immediately found ways to protect their numerous properties, claiming they had been divided up between family members and close friends. In the 1950's, a few peasants again invaded some of the family's plots, claiming 32 hectares of irrigated land, but Ismael went to the government offices in Guadalajara and the case was taken to the Supreme Court which passed sentence in his favour. Since then there have been several threats against their estates but without success. In the late 1970's, there were some agrarian petitions by landless peasants that were investigated by the employees of the Ministry of Agrarian Reform. On one occasion when Pina was the municipal president of El Grullo, she was approached by the Agrarian Reform envoy, an engineer from Mexico City, to summon Don Ismael to reply to accusations that he had simulated the division of his properties in order to avoid expropriation of the large estates controlled by him. Pina told the engineer that Don Ismael was her father and that he would certainly like to discuss such false accusations and resolve them once and for

all. She asked him to join them for supper. During the visit, when engineer had finished supper, Pina and her father explored the possibility of dismissing some of the claims on their land. The engineer refused to give in to their thinly disguised bribe and left without having reached any agreement. Some months later a new engineer came from Mexico, one who was willing to help them sort out these claims on some of their properties. They found out that if landowners planted sugarcane, they could declare up to 300 hectares as a small property that was not expropriable; Pina and Ismael had around two-hundred hectares planted with sugarcane and that backed up their claim to own a small estate. Since then they have not faced any other serious threat to their numerous properties. Ismael mentioned the severe approach of General Arreola with respect to agrarian problems: 'The General was a hard man. When I told him about the problems I had facing some *agraristas* (landless peasants demanding a plot of land), he told me to kill them and charge their deaths to his account. But I never did anything. I thought that if I had not given them life, I certainly did not have the right to take it away'.

Pina is more critical of the agrarian policies of the Mexican Government, and blames them for the state of uncertainty that reins among landowners in the countryside. She thinks that such policies are the reason why some farmers do not invest more to improve their land. They are afraid that one day the government will decide to expropriate it and they would lose not only their estates but all the improvements and assets that they have invested in them. Some times the criticisms are targeted directly against the *agraristas*; Pina talks with contempt about them, accusing them of being lazy and careless:

*'Ejidatarios* are lazy scoundrels. They wait for us to improve our land, and then accuse us of being big landowners and claim their rights to our land, knowing that the stupid government would grant it to them. Most of them do not like to work and some even rent back their ejidal plots to the previous owners. They are not like us. We have received the land from our ancestors, we love it and know how to work hard and obtain high yields from it'.

Pina attended a private religious school where she started studying accountancy. But she did not like school and asked her father to give her some job to do. She was asked to keep a check on the stock of seeds, fertilisers and insecticides that Don Ismael kept in the warehouse next door to their home. She took her work seriously and kept the stock up-to-date. He was impressed with her performance:

'I worked very hard. Sometimes I had to get up before sunrise and half-asleep count the sacks of fertiliser; I started to carry a small gun that I still keep on my night table. I learned to deal with the workers and not to trust them. Little by little I was asked to participate more in the organization of the different jobs that my father did, till the point that now I am in charge of the whole business and my father does only small tasks that do not tire him. He is in his eighties and worries me driving around bumpy roads on his own. That is the reason why I always ask some worker to accompany him on his rides around our different plots. He usually transport the workers to the plots in the morning, takes their lunches at midday, and picks them up in the afternoon'.

Don Ismael comments that they only started to grow sugarcane at the turn of the 1980's when the refinery stopped interfering with the producers' decisions about how to grow sugarcane on their own plots. When the refinery was installed the head of extension was always demanding that producers narrowly follow its sugar yields programme. The refinery's attitude had changed, not only leaving the organization of production but the organization for cutting and transporting of cane to the refinery to the associations of sugarcane producers. Sugarcane has become Pina and Ismael's main economic activity, but not the only one. They have two hundred hectares planted with sugarcane that yields over one hundred ton per hectare, and they grow maize and sorghum to feed their three hundred head of cattle. Don Ismael considers that sugarcane brought new life to El Grullo. They own other assets such as three tractors, one harvesting machine, three cranes, three small lorries and two big ones, urban property in El Grullo and Guadalajara. They are one the wealthiest families in the valley and have had different problems with the refinery administration than those described by the small producers.

Pina considers the employees in the sugar refinery to be lazy and very inefficient in their work. She blames them for taking advantage of their status as state employees, receiving more perks than the workers in the private refineries where they are better trained and work harder. She acknowledges that Engineer Osuna, the manager of the refinery, is hard working and a good administrator, but thinks he is always trying to be one step ahead of the producers. As one of the largest sugarcane producers in the area she deals with different employees in the refinery. Pina visits the premises regularly. If they wanted, they could finance their whole process of sugar production on their different plots themselves, but they think it is

better to draw some credit from the refinery and to be in debt to them as a way of keeping the refinery's commitment to them. They mentioned that for a short while, when commercial interest rates soared to keep pace with inflation, the refinery continued to lend money at much lower rates so that it was good business for the producers to borrow as much as possible and invest it in something else. But now the rates are the same as the banks, which has made the credit for sugarcane production expensive. Thus the farmers that can afford cut down on their borrowing.

Pina is outspoken and has confronted the current head of the extension department on several occasions. One was to complain about that for some reason the credit department had not authorised the credit she had asked for to buy fertiliser for forty hectares planted with cane. The head of the extension had washed his hands of the matter and sent her to the credit department. The head of the credit had told her that they were unable to decide such matters and they were acting under orders. Pina angrily went back to the extension department and told them that the head of the extension department was a stupid man. She also accused them of having something against her and of not having the guts to tell her to her face what was going on. The room was charged with animosity when she left. Later she decided to make amends and invited Engineers Blanco and Negrete for lunch. In the restaurant, according to Pina, their attitude changed completely. After a few drinks they were relaxed and in a good mood. They assured her that they had not decided on retaining her credit for fertiliser and hinted that the order had come directly from the manager, that they had to follow his orders if they wanted to keep their jobs and their pensions, which was the only asset they had to support themselves in their old age. Whatever the reason might have been, Pina requested credit again and this time it was granted rapidly. She mentioned that decision making in the refinery was a labyrinth, but she had found her way through and around it.

Besides the family business, Pina has participated in politics and was elected Municipal President of El Grullo in 1979. In 1980, immediately after her term of office, she became a national congresswoman for the period 1980-1982. The way that her political participation started highlights political procedures in the PRI. Pina recalled how she was approached by an envoy of the regional political patron General Santiago López, an acquaintance of her father. The envoy told her that the General had been searching for a suitable candidate for the municipal presidency and her name had cropped up several times, always accompanied by comments that she was well known and liked by all kinds of people. Pina was not sure that she wanted to commit herself to this task. She gave as an excuse her father's age and frail health which

meant she had taken on much of his work, adding that she totally lacked political experience. The envoy insisted that she would be the ideal candidate, young, popular, hard working and without political feuds. He asked her to think about it and consult with her father, which she did it. Don Ismael was very proud that the General had thought of her for municipal president and said if she felt she could meet the challenge she should not disappoint the General, so she accepted the PRI candidacy. Her political motto was that she would take care of the municipal finances with the same zeal she has always put into attending her family businesses. She was elected by an ample majority.

She remembers those years with nostalgia and mentioned how much she enjoyed organizing different activities and festivities. At the end of her period she was called to talk to the State Governor, she was worried and wondered what she could have done wrong. But the reason for her visit turned to be exactly the opposite; the governor was impressed with her performance and asked her to remain in politics but as congresswoman for the electoral district of which El Grullo is a part. Don Ismael, again, was very supportive and encouraged her to accept the post, in spite of the fact that it would keep her away from home very often and he would have to take back some of the responsibilities for the family business. In Pina's account of her political career there was never any doubt that having been chosen by the PRI as its candidate, being elected was taken for granted. That was pretty much the case for sixty years, from the 1930's to 1980's all over the country. Pina claims that her first hand experience of politics only confirmed her concern about the honesty and efficiency with which public affairs are conducted by the bureaucrats and elected representatives of the PRI. She mentioned that they not only received high salaries but lots of other perks. She feels strongly against the overwhelming power of the PRI, to the point that she was very vocal about her support for the opposition party in the last presidential elections. She considered that the opposition candidate to the presidency was a better candidate because he was a successful entrepreneur and knew the value of money. Thus he would have been able to improve the public finances of the Mexican Government, which are in a poor state.

Don Ismael and Pina used to be members of the CNC when they first planted sugarcane. At that time this was the only association of sugarcane producers in the valley and they recalled with horror how they had to belong to an association where the majority of members were *ejidatarios*. However, very soon after they started to grow sugarcane, some of the larger producers began their efforts to create a new association where the landowners would be the majority and which would be affiliated to CNOP (the National



Confederation of Popular Organizations, which was a political umbrella for accommodating a diversity of groups within the PRI, one of which was the CNPP). Don Ismael participated in the two attempts to get it off the ground and became a member of its first committee when it was finally formed in 1981. Since then either Don Ismael or Pina have participated on the board of the association. Being the largest sugarcane producers in the CNPP puts them in a special position, though not the most popular one. As was to be expected, their wealth attracted envy and suspicion, which they have learned to live with. However, Pina knows that because of that she should try to keep a low profile in the association, which amounts to relinquishing any attempt to be elected to a post on the Committee, though she remains on the council of the CNPP. Don Ismael and Pina had been able to afford to wait before going into sugarcane production, until through the trials and errors of others it was evidently profitable to do so. They waited until the refinery's promise of good profits became reality and avoided the worries and losses that the first sugarcane producers had to face.

Pina Lara is the largest individual producer to supply the Melchor Ocampo refinery. She and her father are among the largest landowners in the Autlán-El Grullo valley. Although she has enjoyed occupying public posts she does not regard these posts as important. From first hand experience she believes that the PRI and its government bureaucrats colluded in disregarding the participation in government of entrepreneurs and business men, whom she believes to be the backbone of production. She blames the government for the economic havoc and complains bitterly about the laziness of most workers in the country. Pina Lara voices the ideological justifications of local wealthy landowners who have been unable to transform their anachronistic ways of organizing production on their estates. These landowners see the threat of being affected by the agrarian reform as the main reason hampering investment and innovation in agriculture. Pina's style has been criticised by other members of the CNPP, for example Gonzalo Blade, whose vicissitudes with sugarcane are described below.

### **Sugarcane and Local Entrepreneurship**

Private landholders have different property arrangements to those held by ejidatarios. They look down with contempt upon the ejidatarios' rights to the small plot given under the agrarian reforms of the 1930's. But it was the ejidatarios had tested out different varieties and overcame the failures of some of those experiments and bore the brunt of the initial costs of opening

roads of access paving the way for the considerably rise of sugarcane prices in 1980. Growing sugarcane had become now profitable and attractive to local farmers who were now boasting of the shrewdness in making economic decisions, claiming that they worked more efficiently than peasants without whose risks there may have been no profitable sugar business. Pina is outspokenly critical of their abilities. Other middle farmers, in condescending terms, consider that ejidatarios lack the knowledge and means to become competitive producers. They consider that the government should stop throwing money away on their plots and instead provide public resources to middle and large farmers who are more likely to raise a profit than peasants. Pina Lara, Gonzalo Blade, Arturo Sanchez Ruy, Juan Ruiz Corona and Armando Castro, all middle to large farmers, have consolidated their already comfortable livelihood by growing sugarcane and taking advantage of the different financial opportunities offered by government development institutions to acquire vehicles and agricultural machinery.

### **Gonzalo Blade: A Modern Entrepreneur**

Pina Lara, whose family have for generations owned land in the valley and has lived most of her life in El Grullo, has a style which contrasts with that of Gonzalo Blade, who like Pina produces sugarcane and milo-maize for cattle fodder on his estate, which next to Pina's is one of the largest in the valley. Gonzalo administers the family estate, where he grows 110 hectares of sugarcane. The farm totals 150 hectares but they have only managed to irrigate the land planted with cane. It is irrigated from water pumped from the river that borders one side of the farm. They are outside the irrigation system, which has left Gonzalo with the opportunity to expand sugarcane production from the original 40 hectares that he planted in 1982, to the 110 that he has now. Gonzalo is a newcomer to the valley, though his mother's family comes from a nearby area. He grew up and attended the university in Guadalajara, capital of the State of Jalisco. He obtained a degree in civil engineering and worked for a couple of years in this profession. For a while he combined his job as civil engineer with the weekend agricultural activities on the land his father had just recently acquired in the valley of Autlán. Gonzalo's father is a retired surgeon who used to have a farm nearby Guadalajara where he kept an orchard and an apiary, which he had in mind to expand when he retired from the medical profession. However the rapid growth of Guadalajara was engulfing most of the surrounding agricultural land, which made expansion difficult and expensive. He began to look for

land not too far from Guadalajara, and found prices were much lower the farther away from the capital he moved. The search took him to the valley of Autlán where he found the estate that he finally bought at the end of the 1970's. They had to install the water pumps to irrigate the land, which was the time Gonzalo commuted between his job in Guadalajara and the work on the farm in the valley until he considered that he was doing neither job properly and resigned his job in Guadalajara to throw himself full time into their newly acquired land. He grew courgettes, tomatoes and melons with very uneven outcomes, one season making good profit and the next having to sell the production at a price below its cost.

Although he had tried to obtain the refinery's consent to plant sugarcane since 1980, it was not until 1982 when the new manager arrived, that he managed to earn their sponsorship. This is sealed by the contract the refinery makes with the producers that commits it to buy all the sugarcane produced on the plots contracted and without which it is not worth growing sugarcane. Gonzalo mentioned that the inspectors sent by the refinery's extension department, who had declared their land unsuitable for sugarcane, were the same ones to declare his land to be of good quality when he met them in the office of the new manager, the second time round. He concluded after talking to other sugarcane producers, that the failure of his previous attempts was that he did not offer a 'personal compensation' to the inspectors as was the custom. However, when the inspectors saw Gonzalo talking to the new manager, whom they did not know, they must have assumed that he was an acquaintance of Gonzalo, and to the latter's amazement, rushed to say that they had inspected Gonzalo's land and considered it suitable for sugarcane. He started with 40 hectares and augmented this every year until the 110 that he had in 1987. The estate ownership belongs to his father and his siblings but he is the one in charge of organizing the sugarcane production and the cattle they keep. He is energetic and hard working, his wife complained that he never takes a break, not even on Sunday. The sugar yields good crops and so does the sorghum that he grows to feed the cattle. He has a lorry and agricultural machinery. Gonzalo considers that sugarcane production yields good profits, which although smaller than from export vegetables, lack their high risk, since the costs are balanced against the pre-set selling conditions which are negotiated by the representatives of the sugarcane producers and the refinery administration at the beginning of each season.

Gonzalo is very active in the CNPP. He held office as treasurer in a previous committee. He carried out a reshuffle of the association and convinced members that they needed to modernise the administration and keep it out of the political sexennial turn over. The assembly accepted the

motion and they created the post of administrator of the CNPP, who would be a permanent employee in charge of organizing the various affairs concerning the planting, distribution of fertiliser and the cutting and transporting of the sugarcane to the refinery. The person hired for this post was a newly graduated industrial engineer, who happened to be Gonzalo's younger brother, Adan Blade. Gonzalo agreed to be left out of the newly elected committee. Although he, like Pina, is a members of the board of the association where most affairs are regularly discussed before they are presented to the general assembly, convened more sporadically than the board. Gonzalo shows up almost daily at the CNPP offices and the refinery premises. He is always thinking about new business to make, for example he has started to sell tires of a specific brand that had no distributor in the region. He also encouraged and financed his wife to open a shoe shop in El Grullo. Thus he has diversified from agriculture and animal husbandry to commerce. He likes to contrast his administrative methods with Pina's, highlighting that she has an archaic way of dealing with her employees, which he considers harsh and inefficient. He mentioned that Pina pays very low salaries which the workers compensate for by dragging their feet. In contrast, Gonzalo pays higher salaries and provides his workers with better working conditions than the average in the region, which he believes makes his employees better workers than Pina's.

Gonzalo Blade claims to have a more efficient organization in his plots than Pina and her father, although he has fewer assets. Gonzalo shares his points of view about how to organize the sugarcane production with Arturo Sanchez, Juan Ruiz and Armando Castro, who, like him, have shared the leadership of the CNPP. The four of them have been members of the board and executive committee of the CNPP (see Chapter 6 for a discussion of the CNPP structure).

### **Arturo Sanchez: Diversified Businesses and Sugarcane**

Arturo Sanchez Ruy was President of the CNPP until the end of the harvesting season of 1987. He is a young entrepreneur, being the oldest son of a family of six children, most of them women, the only brother having emigrated to the USA. He has thus inherited the responsibility for managing the family businesses that include two petrol stations, a video shop, various lorries, agricultural machinery and land planted with sugarcane. He is very proud of the achievements of the CNPP in the relatively short time that it has

been working, and thinks they might have done more things if its members were more cooperative:

"In this refinery there used to be only one organization that was run by the *ejidatarios*. Small landholders like me felt we were not given any attention. There were three unsuccessful attempts to form our association, because we Mexicans think firstly of ourselves, secondly of ourselves and thirdly of ourselves, and want things to improve without any specific effort on our part. In 1981, we finally became an association independent of the CNC and we affiliated ourselves to the national CNPP organization. My father was the first president but after three years he left and I took over. We got strong support from Gabriel Limón, and all those producers who left the CNC, joined our association. The state authorities refused to grant us legal status. They told us that the association had first to have assets. We looked for a way to acquire these without sponging on our sugar cane producers. We succeeded and were then legally recognized. My father worked for the association without receiving any payment, now we receive nominal compensation. We have, as an association, a special credit account with the refinery. We have acquired a steamroller, land, pick-ups, tools and our own offices. In order to have working capital in the association, we have had to tax members three per cent of the cost of transporting our sugar cane. Some did not like it. They are not like *ejidatarios*, who don't complain when you deduct one or a thousand pesos from them. Of course, *ejidatarios* don't care because they don't count the pennies they receive from the government. They are not aware that unity would make them strong. The refinery manager has tried to put pressure on me. But I am not like the CNC leaders, I am independent. This manager has concentrated all the decisions in his own hands. He is a bastard. Although he confuses austerity with stinginess, I respect his managerial abilities. He increased sugarcane milling in this refinery from 1,400 to 3,000 tonnes per day. I take my hat off to him, he is a good administrator'.

Arturo Sánchez Ruy is impatient and puts up with very little. Once when fed up with the delays and evasive answers given him by engineer Baltazar Blanco,<sup>1)</sup> he asked Blanco to explain himself, and added that if he had something personal against him and was a real man, he should come off refinery property and fight. Blanco dismissed the provocation, and wrote a

long letter to the Production Committee, complaining about Arturo's behaviour, but the Committee let the incident subside into the oblivion of the Committee files. Arturo Sanchez's character is resented also by other members in the CNPP, who go as far as saying that Sanchez's leadership is the main reason why the CNPP has failed to expand its membership.

### **Juan Ruiz: Sugarcane and CNPP**

Juan Ruiz had to leave the valley at the end of the 1950's to look for a job, which he found in Mexico City where he lived for eleven years working as a bank security officer and later as taxi driver. He got tired of living in the big city and came back to his native town. He rented his uncle's land and started to grow vegetables, melons and whatever he could plant. 'I just about made ends meet', he said. It was very difficult because he was an independent small renter and the export cartels very often took advantage of these producers. He decided to go into business with his brother selling insecticides. 'In those times before sugarcane was grown in the valley, everything was melon.' He became a member of a low-interest savings bank in El Grullo.<sup>2</sup> Although, Juan is only a renter, he has been re-elected twice as the CNPP representative in El Grullo. Finally in 1977, Juan decided to plant 20 hectares of sugarcane that he increased to 28 hectares the following year, this time sharing the responsibility with his brother. At the beginning they had some troubles with the crop because the extension department was disorganized and gave them no advice on the best time to plant and cultivate. Juan still blames them for not obtaining good production during those five years.

'To top it all, I had the bad luck to have seven hectares catch fire that were not ready to be cut. My debt with the refinery skyrocketed. My brother decided to pack up, but I said: I have lost on this and I am going to pull myself up with this, and if I don't manage to succeed, I'll leave this town and nobody will see me again. Fortunately, the price of sugarcane rose and the production on my plot increased and my debts diminished and for the last five years I have made a profit. In agriculture, you have to have a strong faith, like with Christ, believing without seeing'.

Juan Ruíz has been very active in the CNPP association since it was formed in 1982. Juan thinks that the founder of the association had to be hard to start it off:

‘Francisco J. (Sanchez) is a hard man and sometimes even despotic but that was exactly what was needed to consolidate the association. He got tired of going up and down to deal with different problems and he left Arturo (his son) in his place and I became secretary. In 1984, we were elected for a new period. Although we were not the very popular among the big sugarcane producers, especially with Pina, who happens to have good connections with the leader in the national committee. We told our leaders in Mexico to stop interfering with our decisions, and they agreed’.

Juan Ruíz was re-elected as secretary for a new three year period in 1987. He is in charge of organizing the burning, cutting and transporting the cane of the farmers affiliated to the CNPP to the refinery during the harvest season. After the harvest is over, both associations have to programme the new planting and replanting of sugarcane for their respective members. The organization of all works involved in planting, harvesting and delivering of sugarcane to the refinery, cannot be easily improvised and Ruíz Corona, like Jacinto Rojo in the CNC, has to plan the work in advance and is probably the reason why they remain on their jobs for longer periods than the presidents of both associations, who deal mainly with political and financial negotiations with the refinery’s administrators and their national leaders. (see table 3, chapter 7).

### **Armando Castro: Lorries, Pigs and Sugarcane**

Armando Castro is a farmer in his forties, who has 40 hectares planted with sugarcane, though he takes care of another 120 hectares that belong to his mother and sisters. He planted sugarcane for the first time in 1975 which yielded good crops during three seasons but the prices were low and the costs charged by the refinery were high, which left them with a negligible margin of profit, if anything at all. Before Armando planted sugarcane for the first time, his father was in charge of their farm and he grew staple crops like maize, sorghum and sometimes beans. In 1978, Armando, tired of the low profit margins of sugarcane, planted cantaloupe melon instead; other seasons he varied the crops and grew different vegetables which were very

profitable when there was a good price in the market, specially if they could export them to USA. However, in some seasons the export price was low and they would have to sell cheaply in the national markets. But the good years made up for the bad and Arturo kept producing melon and vegetables from 1978 to 1984, when he finally decided to pack in the melon and tried sugarcane again. The main reason in this occasion was that the melon plants were attacked for a stubborn fungus which they could not find the way to eradicate. Thus the cost of production increased and the yields decreased and it was just the time to look for an alternative crop. The price of the sugarcane had improved steadily in last five years and the sugarcane producers were more content with their profits than they were some years ago when Armando stopped growing cane; so he decided to give sugarcane a second try.

When Armando planted sugarcane the first time around, there was only one sugarcane producers association, the CNC, to which he belonged for the three years that he grew sugarcane. The second time around he joined the CNPP. He considers that it is the only association really concerned about the sugarcane producer's interests and where politics do not count as it does in the CNC. Since Armando planted sugarcane he visited assiduously the CNPP offices and he attended all their general assemblies and was invited to join the council of the association, where its more active members, who seem to be also the better off, discuss the general policies of the association before they are presented to the general assembly. The council members tend to be those for whom sugarcane production accounts for a significant part of their diversified income. Armando, for example, not only has forty hectares planted with sugarcane, but he also has a pig farm, agricultural machinery to work in his land, and four large lorries. He mentioned that when he was younger he used to drive one of those lorries himself. Nowadays the administration of his different businesses takes all his time. He has been very active too in the associations of pig producers in the region. Armando Castro grew sugarcane in the 1970s but gave up as he expressed it:

'The first time we planted 40 hectares of sugarcane we could harvest them three times. The yield was high but the price was low and it left very little profit. Probably the management in charge of the refinery was not as good as it is now. So we decided to explore other crops like cantaloupe melons and vegetables. They were more profitable than cane but the costs of production and risks were also higher. When we started having troubles with a persistent disease on the cantaloup we returned to cane. I planted 40 hectares once



again, then other members of my family joined in and now we have among us one hundred and twenty hectares planted with sugarcane'.

He likes to organize different activities, and is not afraid to express his opinions or pursue a good cause even if it is a difficult one. Those are the reasons why he believes the CNPP's members voted him President of the association for the period 1988-1990.

From the first moment that Armando joined the CNPP, he became interested in the way the association was organized. He reviewed very carefully the contract signed between the refinery and the producer through the two producers associations. He is a self-taught accountant and thinks it is vital to be a good book-keeper to make a profit. His perusal of the costs of production highlighted the fact that the costs of transporting the sugarcane from the plots to the refinery were unnecessarily high. Armando knows the freight business inside out. So he decided to analyse the freight tariffs and he came to the conclusion that not only were they extremely high but the administrative costs, which are usually covered by the lorries owners, were being covered in their totality by the sugarcane producers. He considered that the CNPP administration should have been charging the lorries owners a percentage of their pay to cover administrative costs. He proposed first to the CNPP council and later to the general assembly that they should charge the transporters a modest three per cent, which according to Armando is a normal procedure and it could be as high as ten per cent. This motion, to the chagrin of the transporters was not only well received by the producers, but it was immediately implemented by the CNPP. The freighters, among whom there were some sugarcane producers, complained and argued that paying three per cent from their earnings to the association left them with a very small profit and they tried to convince the CNPP administrators to revoke the decision. But the producers had made up their minds and kept the three per cent condition. The majority of the transporters refused to carry their loads and the CNPP members decided that they could dispense with their services. The better off members immediately acquired one or two lorries and several carts which could be towed by tractor. The CNPP representatives were very proud of having taken over the freight of their sugarcane and they claimed that there would be an extra source of income for the few who could afford to buy lorries or carts and tractors. The havoc caused by the three per cent charge did not affect the majority of the CNPP members, who did not participate in the decision making, but neither did they see their freight costs reduced. However, Armando was very proud of the whole operation and considered the campaign a great success for the

CNPP members who would retain the profits involved in the freight of the cane to the refinery among themselves.

Armando Castro is a busy man, rushing from the CNPP offices to his private offices where he runs his other businesses which demand from him a fair amount of travelling. He holds strong views against mixing politics and business and much prefers the latter. His definition of politics is very much reduced to the control of the government by the PRI, the ruling party, that according to him is the origin of the economic disarray of Mexican public finances; this position is pretty much shared by the majority of the members in the CNPP, which contrast with the opinions held about the subject by the CNC members, who are less sharp in their comments and some of them are very supportive of the party. In this respect, Armando Castro follows the dominant trend among the most conspicuous members in the CNPP, who have been able to consolidate their comfortable livelihood without needing to depend directly on the intervention of public sponsorship as has been the case for the smaller and less well-off sugarcane producers. Armando Castro inherited land and other economic assets from his father, as did all of the others described here save Juan Ruiz, but he had access to his uncle's land, which he has rented for the last fifteen years. These cases, of sugarcane producers affiliated to the CNPP, have highlighted the better material conditions that generally prevail among members of that organization.

## **Conclusion**

Middle and large sugarcane do not belong to one association as, with very few exceptions do the ejidatarios. They are split: 66.05% belong to the CNPP and 33.91% to the CNC; whereas the latter belong 99.59% to the CNC and only 0.41% to the CNPP. The landowners who have remained in the CNC, like Mariano Encino, declare they prefer to stick to their old association out of loyalty, others claim that they are better protected against land invasion if they belong to the CNC, which has been one of the associations to support landless peasants in their demands for land. In the case of the landowners affiliated to the CNC, like Humberto Riesling and Mariano Encino, discussed in Chapter 4, it is important to consider their involvement in the PRI, as it was through this channel that they joined sugarcane production in the first place. For those in the CNPP, political participation played a muted influence in their decision to grow sugarcane. It is not possible to draw a stark division between the middle and large sugarcane producers based on their affiliation to one or the other of the two

associations, except that two out of three are members of the CNPP, and they tend to be more critical of the PRI, and more demanding to the refinery administration than the CNC's members who are predominantly ejidatarios and more accepting of the refinery decisions. However, as I argue in Chapters 6 and 7, the CNC by the power of its numbers, is the more influential of the two associations of sugarcane producers in the valley.

Middle and large farmers have a different relation to the producers associations and the dominant political party, to which both belong, than ejidatarios. Private landowners distrust the official discourse about agrarian reform and they have kept at arm's length from the national CNC and the PRI. They command enough economic and social power to be able to negotiate the terms of their relation to them. Some of them have even accepted to be PRI candidates to public offices, e.g. Pina Lara, who was elected municipal president in El Grullo. Their economic and family networks provide the support to consolidate their business without depending solely on direct public funds as some ejidatarios do. And when middle and large farmers do receive public financial support they are in better position to capitalize on it, as they have done in Autlán-El Grullo, where they have acquired agricultural machinery and lorries to do the work on their plots and transport their cane. The middle and large sugarcane producers have been able to take advantage of the improved conditions that both associations together have negotiated with the refinery administration.

These sugarcane producers are a new local economic group which deals with the state-owned refinery from a point of economic strength as the government has been concerned to consolidate its "alliance for profits", (Purcell, 1981: 211). This is a new political scenario in the sugarcane producing areas, where traditionally large landowners used to own the refinery and could control the organization of production to increase their profits, keeping refinery workers and sugarcane producers under their control. Whereas in the new state-owned refineries, the organization of production has become a contested arena where sugarcane producers from all economic levels have to organize themselves to negotiate with the refinery administration as it is discussed in Chapter 6 and 7.

## NOTES

1. Balthazar Blanco came to work in the refinery in 1984, some months before Limón was sacked. A new position was created for Blanco who latter took over from Limón, but was himself replaced a few months afterwards by a protégé

of the Mexico City central offices. This was used as strategy for getting rid of Limon.

2. 'Caja Popular' is a savings institution, which lends its members money at much lower interest rates than commercial rates. This institution is linked to agriculture and sells fertilizers and insecticides at lower than market prices.

## CHAPTER 6

### THE SUGARCANE PRODUCERS ASSOCIATIONS CNC AND CNPP

As soon as the sugar refinery Melchor Ocampo was installed in the Valley of Autlán-El Grullo the first sugarcane producers rallied around a producers' association affiliated to the CNC of the PRI. Over a decade later some of the larger producers split from CNC to create their own association. This new association was also affiliated to the PRI but under the umbrella of the CNPP (national confederation of small landowners). In this chapter I depict the part played by these two associations of producers in the politics of sugarcane production in the region. As I mentioned in Chapter 2, most sugarcane production in Mexico was taken over by the Mexican state in the 1970's and its organization became an arena where politics at the national and local level intertwine. Because of the different interfaces of social agents at local, regional and national organizational levels the arrangements tended to change as they went from one arena into the next. In these interfaces strategic actors and political groups influenced and re-organized state policy and actions. In the first section I discuss the local initiatives and their political lobbying that was of decisive influence in the opening of the refinery Melchor Ocampo in the region. These harbingers of sugarcane production founded the CNC in 1969 which remained the only association of sugarcane producers in the valley for over a decade. In the second section I present the general assemblies of the CNC where the committee, headed by the president Maximino Castillo, leads the discussion with the compliance of the attending members. In the third section I turn my attention to the other association of producers, the CNPP, describing the different economic interests of the larger sugarcane producers that propelled them to leave the CNC to create a second association of sugarcane producers. This split was orchestrated by large landowners, who claimed that the representatives of the CNC catered for the interests of the smallest sugarcane producers -ejidatarios- thus ignoring their demands. In the fourth section I turn to the general assemblies of the CNPP where participants are more vocal, demanding from the

executive committee, especially from its president, more detailed information on the accounting and policies of the organization than the CNC members do.

The different styles of leadership and participation in the two associations of sugarcane producers highlight what Zukin and DiMaggio (1990: 15) describe as the complex contingent nature of economic action. They emphasise the embeddedness of economic action on cognitive processes, culturally enabling and constraining patterns, social networks and political agencies. Thus sugar cane producers have created two different associations to organize sugar cane production and to represent them in their dealings with the refinery. Although both associations apparently share the main objective of protecting the interests of sugarcane producers, the way they go about this differs. Members of both associations have to fight for their right to participate in the decision making and the outcomes of the negotiations that take place reflect the level of involvement of the different producers in each association. Most CNC members delegate decision making to their leaders, whereas a larger number of CNPP members participate directly in decision making through their involvement in the council of the CNPP. These organizational differences reflect the different socio-economic composition of each association.

As I pointed earlier in the thesis, the associations of sugar cane producers (*ejidatarios* and private landowners) in Mexico have been linked to the PRI. There has been a symbiotic relation between state development policies and the consolidation of these sugarcane producers' associations. Sugarcane producers have expanded their participation in the political organization of sugarcane production through their two associations, which have turned out to be strong negotiators in the political organization of sugarcane production administered by the Mexican government. Current literature on Mexican politics describes this process as part of the integration of producers into the Mexican corporatist state (see Paré et al, 1987). Such analysis tends to emphasise the manipulative intervention of governmental institutions into the producers's affairs. A notable exception is Glantz's (1979) biography of an *ejidal* leader who became a regional figure promoting the grass-roots organization of sugarcane producers in the north-west of Mexico.

Without trying to blur the necessary analytical distinctions between government administration and producers interests, I consider that it is more relevant, for the material I will discuss in this chapter, to think of the sugarcane producers, their associations and the government institutions involved as functionally distinctive but socially integrated entities. Thus sugar

cane producers are not docile spectators in the political arena; far from it, some of them are active participants in Mexican politics through their membership of the PRI, CNC and CNPP, which have evolved into corporatised institutions within the Mexican state.<sup>1)</sup> As in previous chapters, I will highlight in this chapter individual participation in the collective making of the organization of sugarcane production.

As I have described in Chapters 3, 4, and 5, sugarcane producers are a diversified group. There are small ejidatarios with plots of cane of half a hectare and a handful of landowners with fields from fifty to two-hundred hectares of sugarcane. The difference in plot size goes hand-in-hand with the difference of assets accrued by producers. The different memberships in the two associations are easily recognised during the general assemblies of the associations. The CNC's members tend to accept acquiescently their leaders' explanations, whereas the CNPP's members are more inquisitive and demanding towards them than the former. The better-off sugarcane producers seem to be more concerned about reducing costs and increasing profit than the less well-off producers, who appear to be content with their income from the cane and the fringe benefits that come with it, e.g. health insurance. The differences between CNC and CNPP members, as they are described in this chapter, highlight their varied socio-economic background and interests and how they take care of the latter within the boundaries structured by the former.

The diverse socio-economic conditions among sugarcane producers congealed in the branching off of a significant number of wealthy producers into a new association. This newly formed CNPP association was launched under very different conditions to the ones faced by the original CNC association. The cane producers, who decided to form a new association to represent their interests, considered they deserved more attention than the one provided by the CNC leadership and had the means and social networks to put across their demands. Thus the CNPP was set up with the participation of strong producers who played an important role in the board of the new association. They participated in the decision making in the CNPP more directly than they ever did in the CNC and this gave the CNPP a more consensual approach than the CNC, which has a more centralized leadership than the CNPP (Adams, 1975).

The organization of production in both associations share the basic procedures but they differ in their implementation. The CNC executive committee made most decisions which it latter communicated as a *fait accompli* to its members. Whereas the CNPP leaders had to consult the council members who play an active role in the running of the association.

Most council members owned lorries and cranes to transport the cane and kept a close eye in all the decision the CNPP made about the organization of sugarcane production. The organizational differences between the two associations derived not only from the diverse socio-economic conditions of their members but also from the size of each association. The CNPP had just over one-tenth of the CNC's members. The administrative demands of organizing 815 producers are different to the ones suitable to deal with over 114 producers, especially when the latter are wealthy and outspoken.

### **Pioneers of Sugarcane Production: CNC Association**

The CNC Association is the largest of the two associations that represent the sugarcane producers in the Valley of Autlán-El Grullo. It counts among its members eight hundred and fifteen of the nine hundred and twenty nine sugarcane producers in the region, who represent 87.6% of the total producers and administer 69% of the land planted with sugarcane. Ninety three per cent of CNC's members are ejidatarios who hold smaller plots than the CNPP's members, 4.6 hectares is the average size; whereas the average size for the CNPP's members is 14.5 hectares. However there are large and small sugarcane producers in both associations; the difference is more of numbers: the great majority of the CNC's members are ejidatarios, whereas these only account for 0.41% of the CNPP's membership. The different constituencies of each association play a fundamental role in the definition of their policies and the way they deal with the refinery administration. In this section I describe the beginnings of the CNC, which can be traced back to the opening of the refinery in the region.

### **Local Support to Refinery**

There is general agreement among the first sugarcane producers about the description of the early struggles to attract public funds to build a sugar mill in the region of Autlán. Export agriculture had its ups and downs and tomato production, which was to become an economic boom, had just started. Thus the possibility of building a sugar refinery in the region captured the imagination of the farmers and politicians who knew about the state plans to expand sugar production. The national sugar agro-industry was in crisis and the Mexican Government had decided to step in and re-organize the industry,



as described in Chapter 2. The inhabitants of the Valley of Autlán rightly boasted that their region was ideal for producing sugarcane.

The national leader, who came from a region near the valley of Autlán-El Grullo, have approached the Minister of Defense, General Santiago López Arreola, who was a native of the Autlán region and had maintained a strong influence on local politics. According to several sugar cane producers interviewed, these two were the promoters of the installation of the refinery in the valley Autlan-El Grullo. General Lopez had helped his brother to become elected to several public positions and at the time he was a congressman. Paulo López Arreola, the general's brother, had been bolstered by the General to be elected as congressman just before the negotiations to bring the refinery to valley took place. Paulo mentioned that he was congressman for the PRI, when the possibility of installing the refinery cropped up and he claimed to have participated in the negotiations to bring the refinery to Autlán. Humberto Riesling, Paulo's son-in-law, elaborated:

'Don Paulo López Arreola, myself and other members of the PRI started a committee to promote sugar cane planting among the farmers in Autlán. It was around the end of 1968. I ended up as deputy of the president in the first committee. Their petition for the refinery was backed up by López Arreola and Jesús M. Gonzalez, whose participation I consider decisive to the allocation of the refinery in Autlán. Paulo looked around for a plot to build the refinery. He wanted it in El Grullo, but the people there rejected the project. Jesús M. was of a different opinion and suggested a plot nearer to Autlán. Finally it was decided that it would be built by the main road near the river where it is now'.

Local representatives in coordination with national leaders, promoted the opening of the sugar refinery in the Valley of Autlán-El Grullo. They were supported enthusiastically by PRI members, especially the ejidatarios.

### **The Central de Maquinaria (Central Depot)**

The first sugarcane was planted in plots with very bad soil. These were the only plots that some peasants and farmers were willing to spare from other cash crops to experiment with new crops. Although the yields were low, there were some advantages in planting sugar cane i.e. immediate access to credit from the refinery, the right to health services and the opportunity to

level and drain their plots. The first two services were provided by the refinery; the last one had to be organized by the sugarcane producers themselves. In order to be able to do this, the newly formed association negotiated, with the sponsorship of one of the national leaders of sugarcane producers, a loan to acquire the necessary machinery to improve the conditions of the plots that would grow sugarcane. The first CNC executive committee obtained the loan and bought forty tractors, eighteen lifting cranes, sixteen carts and one steam roller. The committee appointed Ramón Navarro, an ejidatario from Autlán, as the administrator of the machines. Though sugar producers had to buy shares for the machinery, they did not complain about it because the tariffs to rent the machines which would improve their plots were the cheapest in the region. Ramón Navarro had heard about the machines that the CNC association had bought and offered his services. He had been a tractor driver and mechanic. Ramón was acquainted with Luis Rosales, the president of the organization, and decided to ask him for a job in the newly formed *Central de Maquinaria* (depot of agricultural machinery), when he was hired as administrator of the machines. Ramón recalled:

‘I received the machines which came all the way from Mexico City. I checked them and kept their invoices and wrote down their numbers in a notebook. I knew how to do it because I had worked with agricultural machinery in Guanajuato. Then I had to hire drivers to operate the machines. The first thing that I asked each applicant was to drive the tractor. If he did not check the oil of the machine I knew he was not a good operator. We started to work on very difficult plots -those that nobody wanted to work on. The roads were in awful conditions and the whole operation was hard work. Farmers offered their plots with bad quality soil to plant sugarcane and the poor machines had to fight their way into those marshes’.

According to the administrator and some producers, the machines levelled and furrowed their plots cheaper than any of the privately owned machines. It was a pioneering task what the operators of those machines accomplished. Indeed, the machines wore out very quickly under such an intense working schedule and lack of maintenance. The committee of the CNC association practised a loose administration of the machines, which was beyond Ramón’s control. They would authorise extra work that was not registered by the administrator. It seems that different persons had access to

those machines, wearing them out without paying for the services received. After five years of having driven the machines to the ground, charging low tariffs, even below their running costs and without investing any time or resources in their maintenance, as it could be expected they began to break down. However a handful of machines kept going for a bit longer, providing cheap services until most machines reached the end of their working life. Although cane growers had to contribute to buy the machines, the improvements they made on their plots were worth more than the expenses they had to cover.

The collapse of this *Central de Maquinaria* tarnished the public image of the CNC representatives. In 1982 the new refinery administration retrieved the machines and auctioned them in order to recover the loans that were never repaid by the *Central*. Although the pioneers of sugarcane were asked to contribute five thousand pesos to buy the machines, the amount was only a small part of their cost and their contribution was more than compensated by the low tariffs the CNC charged to them. Thus when the worn-out machines seized up the refinery administration demanded from the CNC members the repayment of the debt for the credit given to them to buy the machines. The executive committee declared they were unable to cover that amount. The refinery administration repossessed the machines and auctioned most of them, among which there were some that still had some working life left in them. These were snatched by the better off sugarcane producers who could take advantage of the public funds expended again on sugar cane production in the 1970's and 1980's.

Although, most sugarcane producers recall angrily the outcome of the central depot, they also recognise that without it they could hardly have improved the levelling and drainage in their plots, which has improved not only the yields of sugarcane but also the value of the plots. Thus the loser in this transaction was the government institution that provided the loans to buy the machines; the debt was partially paid from the sale of the machines but most of it was written off. Sugarcane producers improved the conditions of their plots and their production increased. Although outcome could be considered an inefficient way of expending public funds, it nevertheless contributed to the welfare of the majority of sugarcane producers, namely the ejidatarios.

## **Sugar Politics in the National and Local Arenas**

During the 1970's the associations of sugarcane producers in the long-established refineries were striving to extend their regional influence to the national political arena. The new sugarcane producers in Autlán followed the political leadership of those representatives from other regions with more experience. Gordillo Luna, leader of UNPC (National Union of Sugarcane Producers), one of the three associations that claimed to have national support, had been in very close contact with the leaders of the CNC association of sugarcane producers in Autlán. He had sponsored the local committee in their petition to obtain the credit for the machines that played an important role in spreading sugarcane production on plots with poor quality soil, or with uneven surface and lacking drainage. Humberto Riesling remembers him as an astute leader well versed in all that is related to sugarcane production. However, as will be seen, national political strife and local politics swayed the commitments of the sugarcane producers in Autlán from Gordillo Luna to the up-and-coming leader of the Alliance of sugarcane producers.

In the early 1970s, there was a local political patron, an in-law of the then president of Mexico, who tried to exert political control over the CNC and found some supporters among the sugarcane producers. But they were a minority and the overwhelming majority of the CNC's members backed the rising new leader of the unified national association of sugarcane producers; i.e. all the regional and national associations of sugarcane producers affiliated to the CNC merged into one association.

The early leaders of the CNC association had participated in the local branch of the PRI and through their politicking, they had consolidated their control over the organization of sugarcane producers and the administration of the central depot. The CNC acquired the machines mainly with the loan from the FIMAIA (a public financial institution to acquire machinery for sugarcane production), though they also collected money from the producers through shares. However, the administration of the machines and other vehicles, was exclusively responsible to the committee of the CNC that retained its same members but just reshuffling them in different posts until the late 1970's, when new faces cropped up among the members of the committee. Thus Humberto Riesling and another four men remained members of the committee in different positions until the end of the 1970's. Local producers, specially from Autlán, had seized control of the executive committee in the CNC and through their political network could negotiate good deals with the refinery manager. Some ejidatarios from Escondido

managed to work in the CNC association, which provided its sugarcane producers with direct access to decision making in the CNC which they extended until the end of the 1980's when Jacinto Rojo stopped being the secretary of the CNC executive committee, as described in the chapter 4.

The employees in the refinery's extension department went around the ejidos expounding the advantages of planting sugarcane. In contrast with the more politically involved cane growers, peasants in the ejidos were more cautious about planting cane. Adán Romo, a sugarcane producer from Ejido Escondido, recalled that in a nearby ejido the farmers made fun of the extension workers and drove them out of their village. Nevertheless, the meager economic advantages and fringe benefits e.g. credit and health services, that sugarcane offered enticed the less well off farmers to try sugarcane on their plots. Jacinto Rojo, an ejidatario from Escondido together with others, mentioned that their plots needed basic improvements e.g. levelling and drainage that they could not afford to pay. Thus when the CNC acquired the agricultural machines and offered the farmers to do those jobs on their plots if they would plant sugarcane and they would pay them when they harvest their cane, a good number of ejidatarios accepted to plant sugarcane on their plots. However, the ejidatarios with better plots of land and some other resources, remained growing the traditional staple and other cash crops until the conditions for the sugarcane producers improved (see Chapter 3), as it did indeed in the late 1970's and early 1980's when these better off ejidatarios finally gave up their various crops to plant canes.

The founder-leader of the older sugarcane producers association Luis Rosales, an active member of the PRI's branch in Autlán, committed himself to and succeed in building up a strong producers association. As president of the association he also played an instrumental part in the creation of the central depot. Rosales remained in the presidency for six years tightly controlling the association and finances in both the CNC and the central de maquinaria. The local chairman of the PRI, Leo Encino, as I described in Chapter 4, was a supporter of Rosales which helped him to secure a job in the refinery. Some of the first sugarcane producers did not approve of Rosales performance as leader and complained about his mismanagement of the central depot. Rosales, as president of the CNC and technical administrator of the central depot, always boasted about the low rates they charged for the work they provided for sugarcane producers. However, a good number of sugarcane producers thought differently and were able to express their grievances through political confrontations. These local differences were intermingled with the struggles going on at national level at

a time of changes and political manoeuvres which helped the critics of the CNC executive committee to re-new its membership.

### **Political Dealings among Cane Producers in Autlán**

As the national political struggles between cane growers and the state went on, the producers in Autlán split into three factions that tried to establish links with one of the political cliques struggling at national level. One faction was bolstered by a local patron, who was affinally related to the then president of Mexico, and a group from Ejido Escondido that has been an opinion leader in the valley. A second group was gathered around an ejidatario from El Grullo and the third group, which continued supporting Luis Rosales, was aligned with one of the three recently formed national associations.<sup>2</sup> The three national associations became one at the end of the 1970's and affiliated themselves to the CNC.<sup>3</sup> And so did the three local factions. The struggles among the producers together with the bankruptcy of the *Central de Maquinaria* eroded the authority of the founding leaders of the association, who have managed to carve their personal economic well-being as they consolidate the political influence of the association of sugarcane producers. Thus when they took the backseat of the association, the newly elected members of the committee lacked experience to manoeuvre the CNC association with its expanded responsibilities and decision-making power. This impasse allowed Gabriel Limón, who still held a strong grip on the extension department, to stretch his influence into the producers' association. Most of the new members of the committee accepted Limón's interference in their affairs. He was a cane producer himself, who took special interest in helping the sugar producers, some of whom were his relatives, to deal with the refinery administration under the recently settled agreements. Curiously enough, the outcome of the national consolidation of the CNC rocked the boat of the local executive committee, which was taken over by a new group led by ejidatarios from Escondido with the covert support of Limón.

With the newly acquired strength of their membership now expanded beyond regional boundaries, the national associations exercised their muscle against the Mexican state. In 1975 sugarcane producers were called to join a national strike demanding an increase in the price of sugarcane and to have a more active participation in the decision-making processes. They won both demands. Though the increase in price was hardly worth the strike, the creation of *la tripartita* to coordinate policy-making among different

producers associations and the refinery administration was a solid triumph for the producers. In some regions, Autlán among them, the sugarcane producers began to take more responsibility for the association of planting and harvesting of sugarcane, always in coordination with the extension department. Engineer Limon was the head of it in the refinery Melchor Ocampo and often led the discussion to conform to his ideas, which were taken on board by the newly elected committee of the CNC. The president, Ramón Gordillo, and the secretary, Jacinto Rojas, were both ejidatarios from Escondido who had been involved in some aspects of the organization of sugarcane production but had little experience in its control. Thus it took them some time to work out the know-how of directing the organization of sugarcane production and how to deal with Limón, who had a strong influence on the running of the CNC.

Jacinto Rojas spent most of his time in the daily organization of field tasks, which he had learnt to do when he worked in the extension department for three seasons. Thus he was very well acquainted with the job. Although Ramón had worked for the extension department too, he could not change gear into his executive responsibilities as quickly as Jacinto did; he was faced constantly with what seemed to him insurmountable obstacles. Ramón worked as foreman of sugarcane cutters and had originally declined the nomination as candidate for the presidency of the association. He explained to the proposers with humility that he had not finished school and that he would not know how to administer all the different operations that the CNC association was responsible for. However, according to Ramón:

‘They told me that they wanted me to become the next president and I excused myself because I did not have much education. But the next day they brought to Escondido a big group of ejidatarios of different ejidos. Everybody was cheerful. When I was asked to accept the nomination I repeated that if I accepted I would need somebody to keep the books, but not an accountant because they only learn how to cheat people. Instead I suggested hiring a good secretary. I was the only candidate and when the national delegate came to supervise the election he told me that was it and I was in for the presidency’.

Ramón recalled that he had some troubles with Limón, who had a strong hold on most of the work in the sugarcane fields. He mentioned one occasion when he was cajoled by Limón to accept charging the sugarcane producers the costs of transferring the surplus of cane that could not be

ground in the Melchor Ocampo to Casimiro Castillo, a nearby refinery. When he realised that he had been taken for a ride, he asked help from the national committee, and the issue was finally settled to the producers' advantage. At the end of his period in the committee, Ramón was asked to stand as candidate for a second period. He was tired and felt that he had not taken care of his own business; but in the end he was persuaded by the support of a large group of producers to run for a second period. Ramón mentioned that he faced opposition from a few ejidatarios, including some from his own ejido, who dared to accuse him of embezzling some money, which he denied categorically. He also mentioned that his confrontations with Limón might have played a part in the hasty formation of a second electoral ticket with Maximino Castillo Arenas as president and Jacinto Rojas remaining as secretary of the committee. Jacinto acknowledged that there were rumours about Ramón's embezzlement, but he gave more weight to the fact that Ramón's administration had been unable to curb the extension department's intervention in CNC affairs. Ramón's intention to run for re-election spurred the creation of two other lists of candidates both including ejidatarios from his own community -Adán Romo, ejidatario from Escondido, headed one and Maximino, from a nearby town, the other.

Maximino Castillo was a newcomer to the region, who had recently taken over the administration of a plot planted with sugarcane. He had a low level job in the Ministry of Agriculture and Irrigation and he had become a prominent member in the local branch of the PRI, which served him well when some months after his election as president of the CNC committee of the sugarcane producers, he was also elected Municipal President of Union de Tula, a town near the Valley of Autlan-El Grullo. The elections for the CNC presidency were fought neck and neck and Ramón lost his re-election by only eight votes. Maximino recalled that when he was offered the candidacy he excused himself arguing that he knew little about sugarcane production and even less about the CNC association and its dealings with the refinery. However, he felt confident enough to learn the job as it came along; which indeed he did with success. Maximino was elected president of the committee a few months after the new manager arrived. Both were newcomers to the politics of sugarcane production in the area. The leaders of the CNPP association had been in the business over a year before the arrival of the manager Osuna Gómez and the election of Maximino. They were on very good terms with Limón, the head of the extension department, who was the doyen of the group in charge of organizing production in Autlán. In the process of getting to grips with the administration of the CNC association, Maximino found overbearing the administrative interference of the extension



department in the CNC affairs, which he tried to minimise. However, it was not easy to do so and he only began seizing some control when the new refinery manager backed his demands, which expanded and consolidated Maximino's ascendancy among the CNC's divided members at the expense of Limón's influence.

The leaders of the associations of sugarcane producers are subject to political swings; though they have more stable terms in office than refinery managers. For example, Maximino has consolidated his ascendancy in the CNC. He has been re-elected twice and he has become one of the most powerful members of the committee of sugarcane production in the refinery Melchor Ocampo. Likewise the CNPP leaders have settled a convenient arrangement among themselves to keep the control of the association in the hands of the council members.

### Political Reshuffle in the CNC Association

The administrative changes in the refinery coincided with the election of a new CNC leader which opened the possibilities to renegotiate the terms of the relations between the administration and the largest of the two producers associations. Osuna, the manager, and Maximino, the CNC leader, started reorganizing their respective association immediately. Maximino's first political deed was to rally the CNC members against Limón, which he did successfully. It seemed that in co-ordination with the newly appointed manager, Limón was sacked being accused of embezzlement. Maximino's public triumph was buttressed by the new manager, who was carving on his administrative space after the loss of Limón's, i.e.

Osuna saw Limón's ascendancy in the refinery as an obstacle to the centralised administrative practices he wanted to implement. Maximino worked out that getting rid of a powerful head of the extension department would expand the room for manoeuvre for both the manager and the CNC executive committee and so he decided to attack Limón. The way that it was done was to accuse Limón of embezzlement and demand at the national assembly of the CNC producers' association that the national committee present their demand to the general director of Azucar, S.A. As Jacinto Rojas, then secretary of the local CNC committee, described Limón abused of his position as head of the extension department. He approved credit to grow cane on plots with poor quality soil which could not repay the loans to refinery increasing its list of credit defaulters.

The participation of the CNC members in the removal of Limón was decisive. With the political pressure exerted by the national and local CNC, Osuna, the manager, could get rid of Limón without having to go through lengthy and expensive legal and administrative procedures involved in employee dismissals. However the hasty removal of Limón bounced back on them when he took the refinery administration to court and was acquitted from the embezzlement accusation that had justified the dismissal from his post as head of the extension department. But, the slow pace of the legal system kept Limón out of the way for a few months, which gave Osuna enough time to reorganize the refinery administration. His new administrative system included a tighter central management in the refinery and the delegation to producers associations, of some of the responsibilities that Limón had kept very much under the control of the extension department. Those new arrangements were immediately taken on board by Maximino, who turned them to his political advantage in front of the producers. With this expanded room for manoeuvre, Maximino and the CNPP leaders strived to increase their participation in the organization of sugarcane production, as had been stipulated in the 1979 decree but not yet implemented. There were immediate changes in the organization of the planting, cutting and transporting of the sugarcane which had, until then, been under the supervision of the extension department and which were now handed over to the executive committees of CNC and CNPP associations. The committees' members had to learn fast how to handle the resources that they now had in their hands. They did it rapidly and efficiently but with a different style in each association. Though both associations have similar administrative structures, they have different ways of operating them. These differences can be perceived by the style they adopt for organizing the planting, cutting and transporting of the cane and also by the way each one handles its general assembly meetings. However most CNC members remained unaware of these changes and continued minding their own business without attempts to participate in the decision making. CNPP reacted differently as I discuss in section three of this chapter.

The majority of sugarcane producers affiliated to the CNC are small ejidatarios and medium scale producers, and a few large landowners, who consider that the CNC has a stronger political stand to support them against the claims from landless peasants to a plot of land. Thus they think that they might avoid these types of hassle if they are members of same association as the small growers. The leadership of the CNC has not been controlled by the large producers but by those who have political connections with the PRI. Their party alliance has helped them to keep control of the executive

committee for long periods as I mentioned in the previous paragraphs. Changes in the leadership reflected the balance of power among the different internal groups which used their strategic abilities to consolidate an advantageous relation with the current refinery administration. Thus the CNC forbearers were very active in the PRI and it was through these networks that they could promote the opening of the refinery Melchor Ocampo in Autlán. In the period of expansion of the crop, there was room to incorporate a few ejidatarios in the committee. These original members consolidated their power through their control of the central depot and their close collaboration with Limón, who worked in the extension department from the early years of the refinery and who remained there until his dismissal in 1984.

The sexennial change at national government bequeathed to Melchor Ocampo a technocratic administrator, who could harness the organization of sugarcane production and establish a balance of power within the contesting parts involved in it. In his effort to consolidate his position, Engineer Osuna gained the support of the other new-comer, Maximino Castillo, who did not belong to any of the local political groups within the PRI's constituency. This alliance obtained its first victory when they managed to get rid of Limón, expanding the room for manoeuvre for both Osuna and Maximino and curtailing the other participants' political clout. These conjunctural elements allowed the new-comers -Maximino Castillo, in the CNC leadership, and Armando Osuna, in the refinery administration, to develop a strategic alliance against Limón's influence in the organization of sugarcane production, which also improved the productivity of the refinery. The change of CNC leadership and refinery direction facilitated the reorganization of sugar production in the field and in the refinery.

The CNC association is more hierarchically structured than the CNPP association though they both perform the same functions and are ruled by similar statutory regulations. The different composition of their membership accounts for the dissimilar forms of leadership and social control in each association. The CNC is the largest of the two associations and the majority of its members are ejidatarios who live in small villages. Most ejidatarios have less resources than the wealthier producers affiliated to the CNPP. In contrast with the latter, ejidatarios lack the means to expand their economic activities around sugarcane production. They have to migrate temporally to the USA and the magnitude of their sugarcane interests do not demand as much close supervision as for CNPP members'. This situation gives the CNC leaders more leeway to decide the CNC policies with less or no consultation than the CNPP leaders. Maximino has concentrated decision making in his hand. Decisions are presented as a fait accompli to the general

assembly to be rubber-stamped. Thus Maximino has more control over CNC members than the CNPP leader has over its membership. The refinery manager is aware of and takes care of this fact. In the next section I describe an CNC assembly where the interaction of Maximino and the CNC members reflects the vertical hierarchy of the association.

### **CNC General Assemblies**

CNC executive committee has three main members the president, the secretary and treasurer. They are the ones in charge of organizing the main activities of planting, cutting, and transporting the cane. The special activity committee includes a long list of other members in charge of activities such as sports, women's issues and health services, but who are mainly expected to attend the general assemblies and support the executive committee's decisions from their high places in the podium. The office work is attended to by five office secretaries and one accountant who can, but do not have to be, sugarcane producers and members of the CNC association. The field activities are organized by an elected secretary, who coordinates the work of five foremen and the permanent and temporary workers and cane cutters during the harvest. Jacinto Rojo, an ejidatario from Escondido, was the secretary when I first visited the CNC office in February 1987 and he remained in his position until he had a series of disagreements with Maximino, who finally asked him to leave his job for a period of a year; but before it was due, Jacinto had decided not to return. Maximino did not think twice and immediately asked Humberto Riesling to take over Jacinto's post which he was not entitled to do, i.e. according to the statutes of the CNC when one of the elected members in the executive committee fails to finish his period the committee should call on a general assembly to elect a new member to replace the one leaving. However, Maximino did not bother to do it according to the book and presented the replacement as a foregone decision to the general assembly that accepted the new appointment with buzzing commentaries which were never openly contested in the general assembly. The two different versions of the incident reflect the change in the balance of power within the CNC committee. Whereas before all the executive committee's members drew together the main decisions, with Jacinto's removal it was quite clear that Maximino had grasped total control of the committee. In this remodelled political landscape Jacinto, as much as Limón, could have cast a shadow on Maximino's power. But Jacinto was not interested in fighting back. Some ejidatarios have interpreted his acquiescent

acceptance of Maximino accusations as an implicit acknowledge of their truth. Jacinto gave a different version to Maximino's about of the reason why he was pushed to drop out of the committee:

'I started to disagree with Maximino about the way he told his favorite secretary, who has been his lover for a while, to keep the loan agreements of the sugarcane producers even after they had repaid them, which I think is illegal. Once I told her off about this in front of one of the sugarcane producers. She went straight away to cry about it with Maximino, who, shouting told me off. Our last argument was about some payments that the refinery advanced to the sugarcane producers that were not cashed by them. Maximino somehow managed to deposit them in an investment account without notifying the owners of those cheques. Of course he paid them back when some of the sugarcane producers reclaimed them but he kept the interest which should have been returned to the owners of those cheques'.

Jacinto's appreciation of Maximino swung from total admiration and support when I had just met him, to utter mistrust and contempt at the end of my fieldwork. Jacinto mentioned that Maximino was very good at punching below the belt, but he admitted that Maximino was an skilful leader. Other members of the committee are adamant supporters of Maximino, e.g. Pina Limón, in charge of women's issues, she commented:

'Maximino has done so much for the sugarcane producers. He built our new offices and an assembly room. Before he became president we had to borrow the assembly room in Las Paredes. It was a stinky flea-ridden place, but now we have our own new building. He works so hard for all of us, but there are very envious people who do not like him. I have told them when they criticise Maximino that if they do not like him they should join the association of the rich sugarcane producers. Although I do not know anything about politics, Maximino asked me to be in charge of women's issues. I do not have very much to do besides attending the committee meetings and the general assemblies'.

The fact that Maximino was elected the first time by a small margin of votes is reflected in the constant complaints from some CNC members about his administration. However Maximino has gained the support of many

members who did not vote for him the first time, but did support his re-election. These new supporters attribute to Maximino's ability the fact that the price of sugarcane increased during his leadership, though it was decided by the producers leaders and the government negotiators at the national level. There are some staunch critics who have not changed their minds and voice their complaints every so often in the general assemblies; though they have not been able to rally enough support to become a threat to Maximino's leadership of the CNC association. Maximino holds a tight grip on the CNC which is reflected in the way he runs the general assemblies, which take place the first Sunday morning of the month. I will portrair several passages that I witnessed in the general assemblies where Maximino manoeuvres the support of the assistants.

### **Account of Some CNC General Assemblies**

I have selected a sample of issues in the general assemblies which reflects the style of leadership and the kind of responses from the audience. As I describe these issues for both associations, the socioeconomic differences of their members and their demands and expectations become more clear. The general assemblies have been scheduled for the first Sunday of the month, however, a few days in advance radio spots remind and confirm the time of the meeting. The assembly is regularly scheduled at 10.00 o'clock in the morning but it is usually postponed for at least one hour. According to the book, the committee's members must wait to gather the required quorum, which should be two thirds of the 815 sugarcane producers affiliated to the CNC association, who, if they all ever attended an assembly, would not be able to sit next to each other in the assembly room since the hall can hold no more than 150 chairs. It looks like a large classroom, the type that has been built in rural areas, but with a one meter high podium where the whole committee seats itself looking down on the other members attending.

The two best attended assemblies were those at the beginning and the end of the harvest. On these Sundays the number of participants swells from over 150 to 300 participants who have to hover around the assembly room peeping through the window as they are unable to squeeze themselves in. It seems that the committee has decided to consider a legal assembly when it is attended by any number over 150. Thus when the assembly's room looks full enough, on the committee's opinion, the assembly starts. Either the secretary or the treasurer calls for the attention of the audience, who are usually

talking to each other in small groups, and invites them to take a seat as he announces the reading of the minutes of the previous assembly.

The agenda's first item is to declare the assembly open; the second is the election of a chairman of the assembly, which is rapidly done as there is always somebody who is briefed by the committee in advance, to suggest a name which is immediately ratified by the audience. The third item is the reading of the minutes of the previous assembly and the mail. The dealing with the first items is almost ritualistic and repetitive in every assembly; the rest of the agenda is more varied though the leading strength of Maximino verbosity mesmerises his audience, who mainly asks for basic information and very seldom dares to inquire about their real worries, or even less demand further explanations on some of the vague comments and propositions that abound in Maximino's oratorical display. However there have been occasions when some sugarcane producers have interrupted Maximino's harangue, but it has to be an extremely serious matter to impel them to ruffle Maximino's feathers.

On one occasion Maximino spent a long time expounding some of the decisions about the life insurance scheme that the national CNC committee asked them to join but he considered that was not good value for money because they delay the payment for such a long time and they give preference to the surviving relatives of the cane growers in Veracruz (whose organizations are more numerous and powerful). Thus Maximino suggested that the cane producers in Autlán create their own life insurance scheme.

The assembly agreed to do it and chose three members to help the committee to organize an alternative insurance policy. The immediate gain was that they would not have to send their premium to the CNC national headquarters in Mexico City, which amounted to the price of nine tons of sugarcane per producer as they had been asked to do. They would develop their own fund in a short time. This decision could be advantageous to both individual CNC members and the local CNC administration; the former would receive the money more rapidly than if they had remained in the national scheme; and the latter would have access to the money of the premiums, which otherwise would have been handled by the national committee in Mexico City.

The next point was a threatening warning against the few who rejoiced at the reinstatement of Limón as employee in the refinery and he uttered that he would not allow the refinery to get away with it. Maximino added that he had already sent a letter of complaint to the refinery's manager notifying him that the CNC sugar producers might organize industrial action against the refinery if they did not pay attention to their complaints against Limón.

Maximino repeated several times that cane producers supporting Limón's reinstatement were as corrupt as he was; he also emphasised that he would repeat their complains until they understood why Limón should not be reinstated, Maximino insisted:

'He (Limón) bribed the court judges to decide in his favour. We must use our power to keep him out of the extension department. If you do not agree with this, you should make up your mind and decide if you are with or against us. I am not going to allow them (the refinery administration) to tread on our assembly. The few that are happy, it is because they are as dishonest as Limón. But we have to make the refinery's administration respect us'.

Maximino continued talking in a calmer tone about the works to be done after the end of the harvest which must include the replacement of old cane with new plants on plots with a lower yield than eighty tons per hectare, as it is clearly stipulated in the farmer's contract with the refinery. He mentioned that they had discounted fifty pesos per ton to the sugarcane cutters which they would give back to them at the end of the harvest; he explained that they have to do it as an incentive to keep them cutting during the whole harvest. Maximino added that with the interest on the retained money kept in a bank account, the CNC was going to throw a big party at the end of the harvest for all the cutters and they would raffle thirty electric blenders, fifteen irons, two stoves and one refrigerator. He reminded the assembly that the sugarcane cutters were the ones who had the worst job in the harvest, thus they do the work that farmers would not do themselves.

Maximino asked the assembly to consider carefully if they should allow the farmers with plots on the lowlands near the river to keep planting sugarcane despite their producing high yields but with a very low level of saccharose, which means that they are creaming off the benefit of the sugarcane producers who produce lower yields but with higher levels of saccharose in the rest of the valley. He insisted that they should think about it and that they would discuss it in the next assembly.

Maximino went on to gloat over his successful negotiations with the national committee and the government to obtain the loans to provide the CNC's members with their own petrol station, which would deliver a product of better quality than that sold by the petrol stations in El Grullo. However, they would only be able to sell petrol to CNC's members and nobody else. They should be very strict about that because they would hurt the interests of the owner of the petrol stations in the region, who might



complain about it to Pemex (the parastatal that produces and distributes all the oil and its products in Mexico).

Maximino asked the audience if there were any other points to be discussed. The people in the audience talked to each other and wagging their heads they responded that there were no other points to be discussed. Maximino urged them to attend the next assembly and brought it to an end with a raffle of fifteen irons and three electric blenders among women with children that had attended the meeting; which provoked a uproar among the women in the assembly.

This account of a typical general assembly of the CNC association portrays how the assemblies are skilfully staged and most of the events in them carefully monitored. The selection of the chairman, the reading of the previous minutes, and the choice of the items to be discussed, are prepared by the committee and presented to the assembly by Maximino; the other members of the committee very seldom interrupt his monologue. The sugarcane producers do ask some straightforward questions, which are immediately responded by Maximino. However, there was one assembly, the one following when the committee had handed out its financial report of the last year, when the usually polite questions were outshone by the belligerent demands for a full external enquiry into the committee's financial performance.

Several participants demanded clear explanations about the data in the financial report. One of them mentioned that there were discrepancies between the money received by the CNC administration and the expenses in the financial report handed out by the executive committee at the end of the previous general assembly. He even summoned Maximino to explain these differences in the accounts that he pedantically pin-pointed one by one. The list of complaints was long. It also included the fact that there was some money that it was accounted for in the report as credit to sugarcane producers but which they claimed not to have received. There were also complaints about the money and the interest that they had retained from the cheques of the lorries's drivers and sugarcane cutters, which under the high interest rates in Mexico during that time amounted to several million of pesos.

The participants also proposed to the general assembly and its executive committee the election of a vigilance committee to survey the finances of the current administration. Other members of the audience suggested electing the overseeing committee straight away. There was a short intense silence and Maximino retorted in an angry tone that he was not going to accept any

criticism coming from the treacherous cane growers who had very likely been advised by Limon.

Maximino began attacking the dishonest members of the committee that he had dismissed. He did not mention any name but he gave enough clues to guess that he was referring to Jacinto Rojo, who was lurking in a corner with a faint smile on his face, ready to retaliate if his name were to be mentioned. Maximino spouted that he had never embezzled any money from the association, although he might have drawn some money from the CNC accounts for emergencies in the administration of the different services they provide to all, as several accounts of the CNC are in his name. But he challenged the distrustful members to get along with the enquiry. He emphasised that he was sure that he had not done anything wrong. Maximino was in full swing, accusing the complainers of being envious of all the improvements he had done to the CNC association. He offered that he himself would ask the national committee to send an oversteering commission to be responsible for the financial enquiry. To my astonishment, the complaining producers accepted the suggestion and Maximino closed the stormy session still in control of the organization.

The discontented sugar producers wrote a six page document where they pointed out all the anomalies they could identify in Maximino's administration, including the accounts where they had found discrepancies. They asked for the creation of the overseeing committee and demanded also the rebate of the payments that the CNC administration charged them to buy some water pumps, even though the general assembly had voted against their acquisition. This point was not mentioned in any of the assemblies that I witnessed but it was a sore point among the sugarcane producers with a critical view of Maximino's administration. They also complained about the excessive numbers of vehicles and other equipment that the CNC association had acquired at the members' expenses but without their consent. They even accused Maximino of renting ejidal plots himself to grow sugarcane, which is a common practice, though forbidden by the agrarian law. They also charged him with having cashed the cheques of the harvest that some sugarcane producers had not managed to cash as soon as the refinery issued them, which yielded the executive committee a handsome profit that was kept in the association's account. They closed the letter taunting Maximino about a trip to Cuba that they claimed he had charged his expenses to CNC, entailing that all costs were paid by all the sugarcane producers affiliated to it. They addressed the letter to the general secretary of the national CNC with copies to the President of Mexico and the Governor of the State of Jalisco.

To the chagrin of the critics of Maximino, nobody acknowledged having received the letter. They inquired about it with no other answer than the vague comment that they are verifying the facts included in the letter before taking any further action. Meanwhile, Maximino keeps running the association as usual and his opponents seem to have decided to forget about their complaints for the time being.

Maximino recalled the accusation against his administration in most of the following assemblies with thundering menaces against 'the envious and treacherous members who wanted to tarnish his image because they are enemies of the sugarcane producers'. He repeated that he would be better off taking care of his own business but he felt the commitment to consolidate all that he had achieved for the benefit of the sugarcane producers. The audience listened to the harangue acquiescently, keeping their doubts and disagreements to themselves most of the time.

Although there are some CNC's members who are very critical of Maximino's leadership, most of them are still his unconditional supporters, to the point that he was re-elected for the second time after I left the area. He has carved a strong niche of power in the organization of sugarcane production. He is the leader of the largest of the two associations in the region, holding a tight grip on the running of the CNC association. He has established his credentials as a tough negotiator with the refinery administration, which probably started with his involvement in the dismissal of Limón so much wanted by both: the newly-appointed administrator of the refinery Melchor Ocampo Engineer Osuna, and Maximino Castillo, newly-elected president of the CNC association. Maximino's control on most affairs of the association would be difficult to attain in the CNPP association where the three members of the committee share the decision making. Maximino does not worry about adding charges to CNC expenses, which are distributed among all the members. He even distributes petrol coupons among the employees in the extension department and he invites the heads of the different departments for drinks and meals in the local bars and restaurants, and to the big celebrations that the CNC throws for different reasons at the beginning and end of harvest or the opening of the petrol station in front of the CNC's offices. These invitations are very much appreciated by the refinery employees, who have to eke out the drastically diminished real value of their salaries.

Maximino Castillo holds a strong grip on the CNC association. He has reshuffled the membership of the executive committee, including old members, e.g. Humberto Riesling, who had been marginalised in the previous committee, and some other sugarcane producers from El Grullo,

who could not be identified with the local political groups. Thus he has consolidated his control over the decision making in the CNC, curtailing the influence of the extension department that during Limón's time exercised some power over previous committees. On the one hand, Maximino has increased the CNC's bargaining power, and on the other, he has managed to subject the majority of the CNC members to his political will. Although the majority of the CNC members still consider Maximino's leadership very favourably, they have started to express concern about his re-election. However, these discontented individuals have not managed to gather round a possible contender against Maximino. This situation contrasts with the one found in the CNPP, where there are more powerful individuals who keep the president of the executive committee on his toes.

Social actors structured their individual contributions to the organization of sugar cane in different ways which had diverse consequences. The CNC leader consolidated his control over his member and increased his room for manoeuvre to deal with the refinery administration. These outcomes benefited CNC members though they were not involved in the decision-making. The majority of the CNC members were satisfied with their leader's achievements and in spite of some serious reasons to doubt his probity, they stood behind him. This response differs from the CNPP members who are more critical and demanding of their leaders, sometimes to their own peril as it will be described in the following two sections of this chapter.

### **Technocratic Ideology: CNPP Association**

Sugarcane producers affiliated to the CNPP (the national confederation of small landowners) in the Valley of Autlán are a small group of 114 members, 111 of whom are landowners. The average plot is 14.5 hectares. This size and greater encompasses some 40 per cent of its members, which is three times the average size for CNC members. However there are economic differences other than the size of plot between members of the two associations. Current property rights entitle landowners to the total ownership of their land and allot to ejidatarios only the rights of usufruct.<sup>4)</sup> Though in practice *ejido* plots are increasingly being handled as if they were private ones and there is an amendment to the law that would entitle *ejidatarios* with the full ownership of their plots. 97% of the CNPP members are landowners who consider their enemies to be all peasants who benefited from the agrarian reform that granted them *ejido* rights to small plots of land, that were expropriated from large landowners in the past sixty years.

The largest sugarcane producer in the Valley is an active member of the CNPP who blames the ejidatarios for all the problems of Mexican agriculture. She insists on her condemnation of them as the main reason for many farmers not investing more resources on their farms.

Pina's condemnation of the redistributive land reform is shared by most of the private landowners, regardless of their producer association affiliation. 'We are like water and oil, we can not blend together', commented the founder president of the CNPP about ejidatarios and landowners. Some of the landowners who remained in the CNC association after the creation of the CNPP association mentioned that they considered that being in the same association with the ejidatarios, sharing the CNC political representation, might protect their land tenure from any claim to it from the landless peasants who could try to get hold of an *ejido* plot of land.

Some landowners tried growing sugarcane in the early 1970's but they gave it up and planted other more profitable crops. Pina's father, Don Ismael, mentioned that they only became interested in planting sugarcane in the 1980's when the refinery management and its extension department had released their tight control over the sugarcane producers. The head of the extension department and extension workers used to check every stage of the production process and they would reprimand the producers if they departed from the set agricultural practices. Don Ismael emphasised that he would not put up with this which was why he refused to plant cane. But he commented that the opening of the refinery in the valley: 'brought life back to the region'. Ismael and his daughter Pina have always produced maize and sorghum for their cattle in part of their land. But they also tried other crops, e.g. cotton in the 1950s, and different fruits and vegetables in the following years until they began to plant sugarcane which now covers 200 hectares of their land. They did this partly on the advice of friends working in the Ministry of Agrarian Reform, who told to them that the government, as a way of encouraging sugar production, now protected larger acreages of cane growing land against possible redistribution. Thus if they planted sugarcane, they could hold out against the claims of landless peasants.

Some large producers do not consider the crop as their main economic activity. Landowners do not see themselves as sugarcane producers. They consider themselves farmers who grow cane along with other crops and who do not need the credit provided by the refinery. Most of the sugarcane producers affiliated to the CNPP, have on average, larger plots than the CNC members. They own some agricultural machinery and have other businesses. Some have cattle, others own shops, and one of them two petrol stations. Others combine sugarcane production with practising a profession.

They are on the whole better off than the majority of the members of the CNC, who are ejidatarios with small plots, who have also diversified their sources of income but mainly through the hiring of their labour force and migrating to the USA. The CNPP representatives claim to have among their members the three largest sugarcane producers of the zone. However, they have only attracted to their files 115 sugarcane producers who represent 12.4 % of the total cane producers in Autlán, though they control 30% of the land planted with sugarcane.

The national CNC was created in 1973. Six years later some of the landowners growing sugar in Autlán made the first attempt to organize a local group, which broke away from the CNC to form their CNPP group. The first attempt was unsuccessful and it was one year later in 1980 when Francisco Sanchez Ruy collected 70 signatures and rallied 20 landowners to form the CNPP. Sugarcane producers have expanded their participation in the political organization of cane production through their two associations, which have been able to become strong negotiators in the political organization of cane production administered by the Mexican government. However, cane producers are not docile spectators in the political arena. Far from it. Some of them engage in Mexican politics through their participation in the PRI, CNC and CNPP. Grass-roots representation is constrained by the corporates, accordingly to some authors, even co-opted by these sectorial associations which operate under the broad direction of official economic policy.<sup>9</sup> Nevertheless local members are far from inactive and I will emphasise in this section, as I have already done in previous ones, the individual participation of social actors in the collective making of the organization of sugarcane production.

As I have described in Chapters 3, 4, and 5, sugarcane producers are a diversified group, at one extreme there are small ejidatarios with plots of cane of 1/2 hectare and, on the other, a handful of landowners with fields from 50 up to 200 hectares of sugar. Economic differences are intermingled with political clustering in complex patterns. There are small and large producers pursuing their different economic interests through their involvement in both associations of sugarcane production. However, the shedding of the small and large farmers is clear-cut: all except three of the 758 ejidatarios are members of the CNC; whereas the CNPP has rallied into its membership 168 farmers out of the 225 landowners who grow sugarcane for the refinery Melchor Ocampo, (see table 2, chapter 7). Thus most of the smaller sugarcane producers have kept their membership in the CNC as one which claims to care for the ejidatarios' interests, whereas the other two thirds of the larger farmers have moved out of the CNC to form the CNPP.

The different membership in the associations can be discerned during the general assemblies where the behaviour of the assistants to the CNC assembly contrasts with that adopted by the CNPP's members, the latter being more critical and demanding toward their leaders than the former. The better-off sugarcane producers claim to be more concerned about reducing costs and increasing profit than the less well-off producers, which explains why the former are more vocal in their meetings than the latter.

Although only one third of the supporters for the new association participated in the first meeting; they set the legal basis for it. A member of the national CNPP committee came to the meeting as deputy of the national general secretary. According to Francisco's account, the deputy was a skilful politician who had been among the founders of the national CNPP association, who knew the procedures by heart for establishing a producers association. Francisco, having been the most committed promoter, was appointed to be the first president of the association. He mentioned that he did not want to take that responsibility, but because he had been involved in setting up the association, the other participants considered him the best candidate. Francisco also had political experience and had to accept the leadership of the newly formed CNPP organization of sugarcane producers.

Francisco recalled that when a new manager, Don Carlos, arrived in 1978, he told him that he did not know very much about sugarcane, but he had been appointed manager of the refinery Melchor Ocampo through his political network. Don Carlos was himself a farmer very concerned about the landowners' rights that he considered were overlooked by the government in favour of the peasants. Don Carlos asked Francisco why the landowners in the valley did not have their own association. Francisco explained how the first sugarcane producers had mainly been ejidatarios, who founded the CNC association of cane producers. Don Carlos said that landowners were as Mexican as the ejidatarios and had the same rights, so they should be represented in the sugarcane production committee. Don Carlos suggested to Francisco that he try again to form an association independent from the CNC, which would cater for the needs of the private landowners. He even offered to help them discreetly because, as manager of the refinery, he was not supposed to get involved with the producers. He even mentioned that Limón (the head of the extension department) might be able to help Francisco and the other sugarcane producers interested in forming a new association. Limón was approached by Francisco and other sugar producers and helped them covertly to launch the new CNPP.

The boundaries between public responsibility and private interests among sugarcane producers and refinery employees are often merged and

blurred as is the case with Limón, who combined being the head of the extension department with growing sugarcane for the IMO. In spite of the possible conflict of interests, the refinery does not forbid its employees from growing sugar. Limón was member of a local family who owned land in the region and who supported the landowners' demands against the refinery with more enthusiasm than he attended to the ejidatarios' demands. Thus he threw himself into the creation of the association.

The members of the first CNPP committee had to deal with the opposition of the CNC executive committee that accused them of diminishing the power of negotiation that the CNC had striven for. However, the CNC blows were ineffectual. The new CNPP under the command of Francisco Sanchez Ruy began to make its own space and took its place in the committee meeting where the organization of planting, cutting and transporting the sugarcane is planned.

The members of the first CNPP worked with more enthusiasm than knowledge. They did not receive any economic remuneration for the long hours they put in; they only claimed travel expenses. The current executive committee, in spite of having an agenda full of activities and commitments, has not asked for higher expenses; its members receive only a modest economic reward. Francisco Sanchez Ruy's public image is one of a strong domineering person. There were complaints among the members of the CNPP about Francisco's heavy handed way of leading the association. But they agreed that probably that was what they needed in order to establish the new CNPP association against the more conspicuously numerous CNC. The number of members of the CNPP has increased very slowly. However they already produce 30% of the sugarcane in the valley and they have become an alternative for landowners. Landowners do not have to belong to the CNC which is more concerned with the problems and needs of the ejidatarios.

Ernesto Zuno, a farmer who owns both an ejido and a private plot, moved to the CNPP as soon as he was approached by the early organizers in 1980. He remembers that Limón was a supporter of the new association and a close advisor to its founders. Ernesto thinks that the CNPP administration is more efficient than the CNC. There are fewer members, who, according to him, are more demanding than the ones affiliated to the CNC. CNPP members always check carefully their accounts and the CNPP's reports. Ernesto shares with other CNPP members the conviction that ejidatarios accept the financial reports of their organization without complaints because they do not care. The landowners however, count every penny and they complain all the time about the smallest thing; they know better the value of



money and how hard that is to make it. CNPP members consider that they do not receive as much help from the government as ejidatarios do.

Although the CNPP committee members have been aware of the need to increase their constituency, they do not have a clear policy about how to do so. Francisco Sánchez, the first president of the executive committee, concentrated his attention on rectifying what he considered a disadvantageous relationship with the extension department in the refinery, which, according to him, always gave priority to the CNC demands. The working relations between the extension department and the CNPP have been difficult since Limón was removed from his post as head of the department in 1984. The current head of the extension department seems to be more interested in cajoling the willing leaders of both association to invite him out for meals and drinks.

The CNPP leaders think they should not have to do such a thing in order to receive the treatment they deserve. In contrast to them, the CNC leaders seem to comply willingly to those implicit requests. Thus Baltazar Blanco, the technical advisor in the extension department has a good opinion of Maximino's leadership and a poor one of Arturo's, the previous CNPP leader. This is reflected in the expediency with which Blanco deals with the CNC's requests and his tight-fisted response to the CNPP. This differential treatment was a cause of great complaints among the latter committee members. On one occasion, Arturo considered that Blanco had gone too far when he did not include any of the CNPP members' plots in the weekly list of sugarcane ready to be cut. Arturo did not accept Blanco's assessment. He went straight to Blanco's office and contested his decision, accusing him of giving preferential treatment to the CNC members. Arturo demanded a convincing explanation from Blanco and if one was not forthcoming he would defy Blanco to leave the refinery premises and fight it out physically until they could resolve what seemed to Arturo mainly personal disagreements between Blanco and himself. Blanco diffused the complaints and refused to keep talking to Arturo. Instead he began dictating a letter of complaint about the incident, addressed to the committee of sugarcane production of the refinery Melchor Ocampo. Later the complaint evaporated in laughter when it was discussed at the committee meeting. Blanco abused his power to delay the procedures concerning the CNPP because he resented the CNPP members's off-handed way of dealing with extension department employees.

### **Streamlined Administration**

In contrast with the CNC's leaders, the leaders of the CNPP are low-keyed. They do not organize parties or meals at the beginning and the end of the harvest as the CNC's leaders do. Neither do they invite the employees for the occasional meal, which is considered a public relation expense by the CNC's leaders. However, the CNPP threw a big party when they inaugurated their new offices and warehouse. The first part took place in the premises where a *mariachi* (a Mexican string and brass band) greeted the guests. The national leader drove with his wife from Guadalajara especially for the occasion. When he arrived all the guests were invited to walk into the warehouse where there had been set a long table facing the rows of chairs as they do for the assemblies. Arturo gave a small introduction about the purpose of the gathering and immediately handed over the microphone to the national leader who delivered a good speech, full of praise for the local CNPP committee. He also highlighted the relevant contribution of the sugar agro industry to the Mexican economy. He mentioned that sugarcane was the only crop whose price was indexed to the inflation rate, which was the main reason why, in spite of high inflation rates, sugarcane has remained one of the more profitable cash crops in Mexico. The leader repeated that although they were earning less than the previous years, their profit margins were still considerable. He also encouraged them to keep up the hard work and increase their productivity. He closed his talk saying: 'sugar is produced on the land not in refinery, the refinery only grinds and refines the sugarcane we grow'. When the speech ended Arturo invited the audience to go to the Lions' Club where the celebrations would continue with a meal.

What happened in the club shed light on the infighting in the CNPP. The club was packed with more guests than those who attended the inaugural speech in the offices. The tables seated eight to twelve guests and in the middle there was one long table laid with a white table cloth, that was the high-table reserved for the national leader and special guests i.e. the manager for the refinery and some of his superiors in the national institution in charge of sugarcane production, (Azucar, S.A.) the committee's members of the CNC, the leaders of the local branch of the PRI, the municipal presidents of El Grullo and Autlán and other notables citizens in the region. However, Arturo Sanchez and Juan Ruiz, the president and secretary of the CNPP committee, decided to go and sit with their families at a nearby table. Pina, who is a personal friend of the national leader sat at the table, commenting that Arturo and Juan knew nothing about good manners in politics. Gonzalo Blake, who like Pina, is not a member of the committee, joined the high-

table and added to Pina's comments that they were behaving as if they were in a wedding party where one might sit together with his family. David Blake, the CNPP's administrator, pointed out that the committee members should have sat at the main table with the visiting authorities. It was obvious that there was a rift in the CNPP. The committee leaders did not approve of the close connection that some powerful members, like Pina, had with the regional politicians and the national leader of the CNPP, as described in chapter 5.

Pina Lara and Arturo Sanchez's description of their rivalry complement each other, though their interpretations are opposite. Pina was the deputy president in the previous committee headed by Arturo. During a management crisis in the CNPP, Arturo threatened to drop the leadership of the CNPP if the council's members did not stop bickering with each other, which had been delaying the decision making process with a deleterious effect on the organization of their activities. The members of the council and the executive committee begged Arturo to withdraw his resignation but he said that he would have to think about. The temporarily acephalus executive committee kept its everyday routine but postponing the main decision until the crisis was over. Meanwhile, Pina, without consulting the other members of the committee, asked the national committee to confirm her as president of the Autlán-El Grullo CNPP as is stipulated in the statutes of the CNPP association, i.e. the deputy president takes over the presidency if the one in charge can not continue in function. The national leader, being a personal friend of Pina, wrote back immediately backing her to take over the presidency of the executive committee. When the other members found out they threw a tantrum and called for an emergency meeting where they accused Pina of wanting to depose the elected president by a coup. Pina answered laconically that she had to take over the presidency because there were so many urgent decisions to be made in the CNPP and she only did what she was supposed to do as deputy president which was to take the post over when the elected one is unable to fulfil his functions. Francisco withdrew his resignation straight away and business went back to normal but with a higher level of animosity between Arturo's supporters, who were the majority, and Pina's few ones.

Private landowners form the majority of the CNPP's membership. Thus their opinions, which coincide over the central issues, pervade the decision making of CNPP's policies. The council, which in the CNC plays a perfunctory role in the running of the organization, impinges on the CNPP's committee decision-making. The council's members should be elected every three years, but in practice the same individuals have remained in their

position since they were first chosen. The members of the council have formed a coalition with the other influential group within the CNPP -a group of the owners of carts and tractors that transport the sugarcane to the refinery. Ten of the twelve members of this group are landowners with large plots, only two of them own small plots of land. All of them have agricultural machinery and other sources of income but sugarcane accounts for a good part of their income and they frequent the CNPP offices, seeming to have more business to deal with in the association than the other members and they are certainly more involved in its politics and operation. However, they do not share each others' political inclinations, which became evident when Arturo's term was reaching its end and his successor had to be selected.

Arturo called for a council meeting. On this occasion he had asked the secretary to prepare some snacks and non-alcoholic beverages to be served at the meeting. Pina mentioned that it was very unusual for Arturo, who is known as being thrifty, to care for those things. But she soon found out his intention. He had orchestrated the selection so as to favour his own choice of committee members. Arturo knew that if the council approved the electoral team, the general assembly would accept it without question. The group in power was nominating Juan Ruiz for president, who was the secretary under Francisco's leadership; for the secretary they appointed Ernesto Zuno and for the treasurer Armando Castro. Arturo's supporters, half of the council, knew his intention but it took the other half by surprise and they accepted the candidates reluctantly. After the meeting, the opposing half discussed the proposition among themselves, which they saw as an imposition and decided to present an alternative electoral ticket.

The dissident council's members canvased around the other CNPP members. They even held two meetings where they complained about Arturo's attempts to extend his power over the association beyond his term of office. They would do what they could to avoid that outcome. There were negative comments about the selection of Juan Ruiz as president because he was a close friend of Arturo. Thus the former would continue exactly with the latter's policies at a time when it would be better for the CNPP to renew itself and introduce some administrative changes. Pina found particularly objectionable Ernesto's nomination as secretary. She considered small producers did not understand the problems of the large ones, i.e. Ernesto as a small producer could not respond to the interests of the large producers, who according to her were the core of the CNPP. Pina and Gonzalo Blake (two of the largest sugarcane producers) led the group that presented a different list of candidates

Arturo's group realised that Ernesto's nomination had not been approved by several members of the council so they dropped him. The new winning ticket included Armando Castro, who had been proposed as treasurer in the second list of candidates, as president, Juan Ruiz as secretary, and Lucas Manzano as treasurer. Armando Castro had also been nominated for the presidency in the contesting list backed by Pina's group, but leaving Juan Ruiz out of it. It seems that the two groups in the council made a compromise and settled their differences. Juan remained in the finally elected committee but not as president and Ernesto, the small producer, was left out, though he continued coordinating the cutting and transporting of the sugarcane from the plots of the CNPP's members to the refinery.

The council of the CNPP and the cart owners' group, have interlocking membership. These persons are those with political influence in the CNPP. However, they have to submit their agreements and propositions to the consideration of the general assembly. The CNPP membership is more vocal than the CNC's. The former demand more details and explanations about the expenses of cutting and transporting the cane, the quota charged by the CNPP and any policy that the committee expounds to the assembly. The internal conflicts in the CNPP are not only based on economic differences; they are enmeshed with different political networks at local and national level. Whereas Pina is a close friend of the CNPP national leader, Arturo relies on the loyalty of local supporters. But both factions agree about the main CNPP purpose: to cut costs and increase profits.

CNPP general assemblies are longer and the committee's proposals more closely scrutinised and contended than those presented by the CNC committee to its audience. In order to be able to compare the dynamic in the assemblies of both associations I describe in the next section CNPP general assemblies, as I did with the CNC assemblies presented earlier in this chapter.

### **CNPP General Assemblies**

In contrast to the CNC CNPP's general assemblies, do not take place regularly. Its members claim to have better things to do with their time than attend meetings. The assemblies are organized every so often when the committee and the council consider that there are important issues to be discussed and to be approved by the general assembly. They tend to be programmed at the weekend and preferably on Saturday morning or evening. The committee distributes invitations including the agenda for the assembly a

few days in advance. The attendance varies less than in the CNC. It is usually around 60 members which is about half of the membership, which is a larger proportion of their membership than those who attend the CNC assemblies. According to CNPP statutes a quorum is not considered a sufficient basis for decisions to be taken.

One of the assemblies I attended will serve as an example of the tone of the CNPP meetings in general.<sup>6</sup> The assembly was scheduled for seven o'clock. Five to seven in the evening, a few minutes before the starting time the members began to arrive at the CNPP offices. They stand at the entrance greeting and talking to each other as they wait for the president to seat them on the folding chairs that have been squeezed in at the entrance of the warehouse which is beneath the offices. The chairs are arranged in informal rows facing a long table, which is at the same level as the chairs. This is not like in the CNC's assembly room where the presiding table is situated on a one-meter-high podium. Some of the farmers talked about the problems they had with their machines and lorry operators, as one of them said: 'some of them drink, others do not work on Sundays and some others wear out the machines in no time at all. We can not win with them'. Before the elections other members discussed politics and the candidates that the committee was going to propose. There were references to the possibility of forming a different electoral list to oppose the committee's.

At five minutes past seven the secretary announced that the meeting would start at its second calling at half past seven. Somebody was criticising Arturo for his unfriendly personality; sometimes he is easy and friendly and at other times he is grumpy and dismissive, according to the member speaking -Arturo is the one to blame for the stagnation of CNPP's membership. Although the association had an increased number of hectares during Arturo's administration, it has lost members. At 7.34 p.m. the audience are ushered to take their seats because the assembly is about to start. The assembly is presided over by the president Arturo Sanchez, the secretary Juan Ruiz, the administrator Adan Blake and his brother Gonzalo Blake, who is member of the council and used to be treasurer in the previous committee. Arturo opens the session and immediately reads the minutes of the last assembly that took place six months ago. Some members in the audience asked Arturo to repeat some points and there were a couple of minor amendments made. Arturo asked Adan, the administrator, to take notes and pass them later to the office secretary who could not attend the assembly. With those minor corrections the minutes were unanimously approved.

The next item on the agenda was the reading of the provisional financial report for the harvest of 1986-1987 just finished a month ago. At the end of the reading Engineer Limón asked if the committee would distribute copies of the report and Arturo answered that he was using a provisional one but would later make available a copy of the final report to all the CNPP's members. Pina asked why the report was divided into two. Arturo explained that it was because there are two seasons in the production cycle. Pamela Sanchez (Arturo's cousin) asked contentiously why they had spent twelve million to buy a second-hand steam roller that did not work, which meant they would have to spend 7,000,000 pesos more to repair it. Arturo explained that a new machine would cost 90,000 dollars (around 225,000,000 Mexican pesos). He mentioned that they were assured by the sales man that he would return the money if we had any trouble with it. Another member asked if they had charged the cost of that machine to all the members or just to those who needed some work to be done on the access roads to their plots. The answer was that all members would share the bill because it was an acquisition that would benefit all the CNPP's members at one point or another. Pina criticised the fact that they had not consulted the other mechanics on the purchase. she added that old machines were very problematic. Somebody shouted that 'every old maid is problematic'. Pina retorted quickly that 'every old male is problematic too'. Gonzalo joined the discussion and mentioned that they had recommended buying a renovated second-hand engine from USA for 400 dollars (10,000,000 pesos). Pina suggested that they consult a trustworthy mechanic like Eduardo, who was in the audience. Arturo mentioned that they had two options: to repair the machine or sell it. Eduardo commented that dealers in the USA are more concerned about the quality of their products and offer some guarantee which makes them more trustworthy than Mexican dealers. Pina's father added that he had been very lucky. He had not had any trouble with the various second hand machines he had bought in the USA. Arturo asked the assembly to elect a commission to sort out the problem of the steam roller; the commission included Eduardo, Gonzalo, Armando Castro and Nacho, all members of the CNPP council.

Arturo continued discussing the expenses during the harvest that amounted to 50,000,000 pesos just on cutting and transporting. The administration expenses amounted 90,000,000 pesos together with other expenses and interests they added up to one hundred and sixty million which balance with the different sources of income, including the three per cent contribution of the carts and lorries. Thus the financial management left the CNPP with a profit of twenty four million pesos. Armando inquired as to

how much the expenses had increased in the last year. Arturo said 90% but that the price of sugarcane had gone up by 105%. Without taking into consideration investments, the expenses only increased fifty per cent from forty to sixty million. Arturo insisted that they would understand more clearly all the transaction once they had a copy of the complete financial report that would be distributed in the following months as soon as the administration closed its accounting year.

The next item presented to the assembly was the request of the sister of one the CNPP's members who owns a house in front of the CNPP office at the edge of the road. She would like to avail her of a free supply of electricity from the CNPP electrical transformer. Everybody agreed to it but somebody said that it should be the low voltage 120, not the high 210, which is used mainly for industrial purposes in Mexico. Thus they should use electricity only for their domestic appliances. The lady stood up and thanked the assembly, assuring them that she would only consume electricity for domestic use.

There followed a discussion of how to improve their yields and the assembly decided to commission Juan Ruiz to visit the most efficient refineries in Mexico to learn about it. They considered that the refinery Melchor Ocampo could be turned from being one of the most efficient into the best refinery in the country. They said that it was very important to have a considerable proportion of young sugarcane and to increase the yield of the old canes. One way of increasing the yield of the latter was delaying their cutting to the beginning of the next harvest. These measures boost the level of saccharose, which could be low early in the season, but which usually increases as the harvest goes on. The cane growers who were willing to defer the cutting for one harvest have several advantages: firstly they obtain a higher price for it without having spent very much extra on it; secondly they increase their yield from forty to one hundred per cent; and thirdly, the level of saccharose is at least one point higher than the other sugarcane programmed to be cut at the beginning of the harvest. Arturo and Juan José emphasised that if they could not persuade some growers to defer cane cutting and therefore improve their yields. The mill would start crushing cane with very low levels of saccharose which would bring down the final average level of saccharose and hamper the obtention of the premium for higher saccharose level. This would impinge on the final price of the sugarcane since it is calculated when the harvest and the crushing is completed. The other obstacle to improve the initial saccharose level is that the Ministry of Agriculture had only authorised an extension of 200 hectares. But they knew and had accepted that it was very unlikely that they could



obtain an additional extension to those 200 hectares before the dam in construction was finished.

The following point brought to the forum was a complaint about the use of extra ammonia on the sugarcane, which had been proved to increase the yield. But the refinery management said that ammonia makes the extraction of the saccharose from the canes very difficult. They think that the criticisms were raised by Maximino who wanted less ammonia to be bought arguing that the CNC had already bought fertilizer to sell it to the CNPP. The critics said they knew it was all Maximino's intrigues because he complained and enquired who had given Gil permission to sell and apply the ammonia. However, Gil and his collaborator said they had shown the benefits of using extra ammonia, thus the sugarcane producers who wanted to keep using it should not worry about Maximino's complaints.

When the discussion about ammonia subsided Arturo addressed the assembly and told them that he had done his part of the job. After his third harvest as president he would not attempt a fourth re-election, i.e. they should elect a new committee. What followed was one stage in the battle for succession mentioned in general terms above. The national committee had been notified and they would send a delegate who would supervise the canvassing, the selection of candidates, and the elections. Arturo mentioned that during the several years he had been involved in the committee as deputy and elected member of the committee, he had got to know the people who were really interested and committed to work for the betterment of all the CNPP members, and having spotted them, the committee had already selected their candidates to run for the next election. Arturo proceeded to present this chosen electoral team. Juan Ruiz was appointed as president, Ernesto Zuno as secretary and Lucas Manzano as treasurer. Arturo also read the names of the members of the vigilance council and finishing mentioned that the sugarcane producers of Autlán, El Grullo, El Limón and other nearby ejidos had been taken into consideration and the selection of candidates included members from each place. There was an uproar in the meeting. Finally one of them suggested that the assembly should select its own candidates. Pina commented that they should not rush into any decision. She even questioned if there was a legal constraint to do it. Pamela asked why the elections were not mentioned in the agenda of issues to be discussed. Other members pointed out that there was no legal quorum. It should be over sixty per cent of attendance to decide such as important matters and they were only forty six of the hundred and fourteen members. Thus they should delay the discussion to the next assembly.

On the attack again Pina asked Arturo how many new members had affiliated to the CNPP in the last years:

‘Have we gained or lost representation among the total of sugar producers in the region? I have heard that we used to deliver 33% of the sugarcane and it has shrank to 27%, is that true?’.

Arturo commented that the CNPP had increased its membership but not at the same speed as the expansion of sugarcane planting in the area. He emphasised that most of the members who decided to withdraw their CNPP membership and return to the CNC, were less than 4% of the membership. Arturo pointed out that the deserters left because they were lorry and car owners and were against paying 3% of their gross earnings for administrative costs that the CNPP had decided to charge to them. As it happened the deserters eventually paid 5% not 3% because a few months latter Maximino asked the lorry operators working for the CNC to contribute to the running of the association. Arturo assured the assembly that they had earned new members, even though they had a smaller acreage, and thereby deliver less sugarcane to the refinery. Pamela asked again if the CNPP had increased or decreased its power. Armando Castro intervened with his conciliatory deep voice:

‘We should not criticize each other, just for the sake of it. This committee has strived and obtained important achievements like the keeping our expenses to a minimum. We must nurture the unity among all the members in order to consolidate our strength. We should sponsor other candidates if we feel that its the best for our association and we must stop fighting each other’.

Arturo seemed very pleased with Armando’s intervention, he added: ‘The CNPP association should increase not only the number of its sugarcane producers but its resources and services available to its members’.

A member who had not talked before asked what were the requirements to be a candidate for the committee. Arturo replied that the only requirement was that he/she should grow sugarcane on a private or ejido plot and have been members of the CNPP association for at least three years. He mentioned that the representative of the national committee would come in the following weeks to sanction the selection of candidates and the final elections. The excitement of the discussion had subsided and Gil commented

that all the members should become responsible for bringing new members to the CNPP. Arturo said in a contemptuous tone that from June to September was the best time to change from one organization to the other because the harvest is over and there is enough time to deal with the administrative hassle before the next harvest.

The next questions asked by those attending returned to economic matters. One member wanted to know when they were going to receive the last payment for the sugarcane. Arturo explained that the refinery had to calculate the final price of the sugarcane according to the saccharose point beyond the bottom level 8.3 of saccharose level; which in the case of the sugarcane for the refinery Melchor Ocampo had been four or five points higher than the minimal level. The refinery administration could take up to a month to issue payments. Somebody else asked for the interest rate on agricultural loans. Arturo said that it was the commercial rate of 78%, but was subjected to change if the banks changed their rates. Arturo mentioned that the national delegate was coming for several days, he also encouraged them to be more punctual and arrive on the dot to their meetings. He asked several times if there were any other issues that anybody would like to discuss. There were none so he brought the assembly to an end. The public stood up and split into small groups discussing mainly the coming elections.

As can be seen most of the CNPP's members, especially the ones in the advisory council, keep an eye on the decisions of the executive committee. The members of the latter complain about the never-ending demands of the former. Though there are more individuals participating in the decision making of the CNPP, it is not run in a truly democratic fashion. It is obvious that the better-off members, who also own cranes and carts for lifting and transporting sugar cane have the upper hand in the running of the association. They are the ones who are consulted about policy making, very often presenting their decisions to the general assembly as a *fait accompli*. The participants in general assemblies in the CNPP association ponder most committee propositions and demand detailed explanations of the policies proposed by it. The wealthier members, who also influence more directly the decision making, claim to have more rights in this respect, based on the larger economic resources they have invested in sugarcane production. This superior attitude of the most powerful members has alienated the small producers who have contemplated the possibility of leaving the CNPP to join the CNC. However, the dominant clique in the CNPP is unconcerned. Although the current CNPP committee has a few cautious members like Gonzalo Blake and Juan Ruiz, the current president of the executive

committee considers it is best for all that the large growers should be powerful too.

Sugarcane producers have joined the association that they consider more apt for looking after their interests. Ejidatarios have remained in the oldest of the two associations that is part of the peasant sector (CNC) in the PRI. Private landowners have branched off from the CNC to form their own association (CNPP) affiliated to the sector in the PRI which caters for landowners and professionals. The differences in the socio-economic composition of each association are highlighted by their different styles. The CNC executive committee has more leeway to make decisions concerning organization than the CNPP committee, which has to refer most of its decisions to the council, where the largest producers hold sway. These wealthier sugarcane producers demand to be consulted before the executive committee makes decisions about the organization of sugarcane production. They keep a close eye on the association's expenses and they protest immediately at the slightest increase.

## **Conclusion**

The creation and evolution of the CNC and CNPP associations have different starting points. Whereas the CNC gathered its members at the opening of the refinery, the CNPP stemmed from the CNC over a decade later, attracting to its ranks middle to large landowners, who were late-comers into sugarcane production and did not feel at ease rubbing shoulders with the 'lower-class' ejidatarios, but the majority of the sugarcane producers remained faithful members of the CNC. The arrival of a new strong minded and technocratic administrator at the refinery Melchor Ocampo changed the political landscape. The CNC severed its links with Limón and made an alliance with the new administrator. In contrast to the CNC the CNPP supported Limón and kept their distance from the administrator. These difference on the standing towards Limón's dismissal became a landmark of the reshuffling of the political forces among the different actors involved in the organization of sugarcane production. The CNC, led by Maximino who did not belong to the dominant political group once led by General Lopez Arreola, could rearrange CNC political loyalties, which suit the new manager's design to eradicate the political profile of the organization of production.

The CNPP was still wet behind the ears when the new manager arrived, but they decided to keep themselves out of Limón's affair. The outcome of this confrontation was the consolidation of the new administrator's control

over the refinery's involvement in the organization of production. The CNPP kept itself out of this affair, still finding its bearings on the changing administrative and political scene. The succeeding era of sugarcane production was built on three newly reconstituted agencies: refinery administration, and the CNC and CNPP executives committees. Though their constituencies gave them different representational power, they were fairly evenly matched to defend their own interests against each other. The forum, where the confrontations and negotiations took place, was the committee of sugarcane production, which I describe in the next chapter.

The striking differences of organization and leadership between the two sugarcane producers associations dispel any gross generalization that one might make about farmers and peasants submission to institutions and state intervention. Even more they highlight the social actors' rich repertoire for dealing with the institutional forces and for pursuing their own interests. The social actors who share similar socio-economic conditions tend to cluster in associations that reflect their concerns and take care of their class interests. Sugarcane producers in the Valley of Autlán-El Grullo have consolidated their collective bargains with the refinery administration through two institutionally similar associations but structured differently. The leadership in the CNC association has remained in the hands of one person who has more power than the leader in the CNPP where decision making is a more consensual process than in the CNC.

## NOTES

1. Jessop (1990: 120), describes corporatism as the 'representation mediated through a system of public 'corporations' which are constituted on the basis of their members' function within the division of labour'.
2. ANPCA (Asociacion Nacional de Productores de Cana de Azucar).
3. This newly-formed national association of sugar cane producers became one of the most powerful groups within the CNC, which is the peasant sector of the PRI.
4. See M. Gates, 1986 and more recently Teichman, 1992.
5. Purcell and Kaufman Purcell 1977, discuss the way in which a confusion of political goals under the corporatist style of discretionary and disaggregated decision making, establishes control over labour and business.
6. I asked the committee of the CNPP for permission to attend their assemblies, and, as was the case with CNC leaders, they granted it, only demanding that I should be a silent observer.

## **CHAPTER 7**

### **THE REFINERY ADMINISTRATION AND THE COMMITTEE OF SUGARCANE PRODUCTION**

In this chapter I concentrate my attention on the senior employees of the refinery Melchor Ocampo (IMO). Of special importance are those who through their positions deal directly with the sugar cane producers, particularly the manager of the refinery and the head of the extension department who are the refinery's representatives in the sugar cane production committee, discussed in the second section of this chapter. These refinery employees belong to the government industrial bureaucracy, in this case Azucar, S.A. This supervisory and technical staff have interests which are different and often contradictory to the producers' interests. Most refinery employees come from outside the region and their career promotions depend less on the sugar cane producers' evaluation of their performance than on the political negotiations within the different formal groups and informal factions to which each belong in the State bureaucracy.

Functionaries in the parastatal refineries consider they have to lead the organization of sugarcane production and sugarcane producers should cooperate with them. This is the way sugar refineries, like most industries, have always been run. But state intervention and its political consequences have laid bare a new set of arrangements for producers and employees that were not accessible to them under the administration of the privately owned refineries, where purely economic criteria tends to prevail.

To analyse the organizational structure of the refinery, it is necessary to highlight the distinctive characteristics of the public organizations in which the pursuit of individual self-interest takes a different form to the one found in the private organizations. The employees' career building in the state owned refineries goes beyond the process of rationalization and 'bureaucratization' in the refinery. These employees must cast their networks wider than employees and even then the sexennial turnover at the national level might disrupt their administrative career. This certitude of unpredictable changes demands from refinery employees to deploy a complex set of

strategies which relies more on the expansion of political networks than in fulfilling to the letter their job specification. These conditions provide a open but uncertain path of professional advancement and make the economic diversification through varied means essential to the employees' professional survival and their families' economic well-being. The careers of the refinery employees describe in this chapter illustrate these processes very neatly.

The Mexican State has intervened in sugarcane production since the 1930s when it fixed the prices of sugar and sugarcane alcohol. Later on the State launched financial institutions to bolster the domestic supply of sugar which had shrunk as a consequence of the low profit margin left to the refinery's owners (see Chapter 2). The profits sunk to such a low level that some sugar refineries declared themselves bankrupt and were bought up by the Mexican State. Its intervention kept the jobs provided by the refineries in the rural areas and assured the supply of a staple product in the diet of the population, and even expanded export production in the succeeding years to the American market. As explained in chapters 1 and 2, sugarcane production, after a period of state-sponsored growth, moved into a severe crisis in the 1960s and the Mexican State once again had to intervene, but this time more drastically, purchasing most of the remaining refineries in production and promoting new ones (see Gallaga, 1984 and Pérez Arce, 1979).

The refinery IMO in the Autlán-El Grullo Valley was one of a handful new refineries financed by the state in its attempt to revitalise sugar cane production. The feasibility project made in 1968 recommended the opening of a sugar refinery in the region. The construction of the sugar mill began in 1969, and the first crushing took place the following year in 1970. From the beginning, the appointments of the manager and the head of the different departments in the refinery were subject of political negotiation at different levels between the functionaries in charge of administering the state-controlled refineries and other governmental offices. Thus the IMO has always received a newly appointed manager a few months after a new President of Mexico comes to power. These managers, in spite of their different degrees of expertise, have improved sugarcane production in the IMO (see table 2).

### **Periodical Removal of the Refinery's Administrators**

The political turnover that accompanies the national change of government in Mexico includes different modes of political action; Kaufman Purcell, 1980,

describes them as fluid political clientelism, reliance on political middlemen, patronage and political entrepreneurship. Though the high rank personnel in most public offices is reshuffled periodically, (González Casanova, 1986), a good number of them find a new political appointments in different public institutions i.e. through their political and personal commitment to one or several middlemen and patrons, the dismissed functionaries find a new position. The replacement of managers of the parastatal refineries follows the same political pattern as in the ministries. During the nineteen years 1970-1988 that IMO has been working, it has had four different managers. The first one arrived in the Spring of 1970, a few months after L. Echeverría became president and remained in his post until the following presidential elections in 1976. The second manager arrived some months after the election of J. López Portillo as president of Mexico for the period 1977-1982. This second manager remained in the post over five years and left a few months before the sexennial pandemonium, being replaced by the third manager that only covered the transition period during a year and a half. The fourth manager: engineer Armando Osuna Gómez, following the dominant tendency, arrived a few months after the change of the national government and he remained at the head of the refinery Melchor Ocampo for six years (see table 3). When the national government and with it the administration of the parastatal institutions changed, he was promoted to the post of general manager in the largest refinery under the state administration (a few months after I had left the field). The political selection of the refinery managers has very often disregarded their administrative experience and managerial abilities. These appointments cause disruptions in the organization of production and are resented by sugarcane producers and refinery employees. The fact that this refinery is state-own allows refinery employees and sugarcane producers to consider that they should have more saying in the running of a public, which they would not contemplate if they were dealing with a private refinery.

The appointments at the next level down from the manager i.e. the directors of the different departments in the refinery tend to follow the same cyclical pattern as the manager's appointment, although the former are more likely than the latter to remain for longer periods on their job. The other possibility open to the middle rank employees, many of whom are engineers of some kind or another, is internal job promotion in the refinery where individuals could start working immediately after they finished university climbing to the directorate of a department. For example the current head of the electrical department, Juan José Lemus Lara, came to work in the Melchor Ocampo on a temporary probationary contract in 1970. After a year



they gave him a permanent contract. A year later he was promoted to chief of one shift, and in June 1978 he was appointed as director of the electrical department. Juan José Lemus is one of the few employees to head a department in the refinery, who comes from the region; his grand parents are from Autlán and he grew up in Guadalajara, though he came to visit them very often and spent most of his holidays in the area. He claims to be native of Autlán because that is where his heart is.

There is another director, Lorenzo Ordoñez, who like Limón and Juan José Lemus, arrived during the construction of the refinery and is still working in it. His first commission was to pave the way into the refinery, when the refinery was ready, he was offered the job in the department of maintenance of the buildings, warehouse and surroundings. He accepted the offer and settled in the region. Six years later he became the director of this department; after eighteen years of living in the region Ordoñez considers that he and his family have settled in region for good and he only wonders if they will have to move into Guadalajara when the children finish their basic education and want to attend university. Although Ordoñez came to the refinery at the same time as Limón, he was not politically ambitious. But neither he has ever ruffled other people's feathers as much as Limón. He has kept a low profile and is very content to have remained working in one place instead of moving around the country, building roads as he had done before he came to the region to work in the construction of the roads around the IMO. Limón, Ordoñez and Lemus were in charge of technical departments and have settled in the region for good. At this level it is more likely that the employees remain in the same place than at the managerial level, this post being always at the mercy of the sexennial political and administrative changes. The purpose of the following will be to indicate how sexennial changes influence local sugarcane political administration in the context of a long-run tendency towards greater vertical integration and control over sugarcane production.

### **The Extension Department**

The best-known local ex-employee of the refinery is Gabriel Limón, who was a protagonist in the strike described in Chapter 1. He started as topographer during the building of the refinery in 1969, he then became extension worker in the extension department where he remained in different posts up to its direction, a post that he held when he was dismissed in 1983. Limón's first promotion was to the sub-direction of the extension department

in 1973. Four years later when the new manager arrived in 1977, Limón was appointed head of the department, his last promotion was decided by the newly arrived administrator, who did not know the region and probably did not have his own candidate or had one recommended from Mexico City. During Limón's direction the extension department not only expanded the cultivation of sugar cane but strengthened its influence in the regulation of production, to such extent that it almost took over the whole organization of planting, cultivating and harvesting sugar cane from the producers. Limón belongs to a well-known local family; who knew the region thoroughly and learnt all the nuances about growing sugarcane in his long stay in the extension department. When he was promoted head of the extension department, he seized more control over the organization of sugarcane production than any of his predecessors had ever done. Limón centralised most of the production decisions issued by the extension department to the sugarcane producers in the Aultán-El Grullo Valley. He also made most decisions about what plots would receive credit and extension services for growing sugarcane. Limón's career highlights his ability to manipulate structures as he pursues his interests. The other refinery employees have searched for their economic goals through different paths which will be discussed in the next sections.

When Engineer Armando Osuna arrived in 1982, Limón thought that he could win him over and let him remain in his post as head of the extension department. Limón decided to offer Osuna the opportunity to acquire jointly a 21 hectare plot of land, that was being sold very cheaply. Osuna foresaw the profitability of the investment and agreed to buy the plot in partnership with Limón. They went on to plant sugarcane on it. A few years later they sold the plot for a sizable price, making a good profit out of it. Limón considered this acquisition would consolidate his relationship with the new manager. He felt more relaxed about the administrative changes and assessed that his position was not in jeopardy, which proved to be an over-optimistic assumption, as we learnt.

Armando Osuna accepted the job as manager of the IMO when the sexennial turnover put him out of his high-up job in the Ministry of Mines and Parastatal Industries (Secretaria de Minas e Industrias Paraestatales). He had been in charge of assessing the credit and resources that the treasury should give to the refineries, praising himself on being a tough negotiator. Osuna got the measure of the organization of sugarcane production in IMO very soon and immediately drafted the necessary changes to improve it. Osuna's managerial style is autocratic and soon enough run into Limón's influential position. He decided to curtail Limón's control. Osuna might have

foreseen that Limón's clout could temper his plans to improve the refinery productive performance, based on centralised managerial plans. Osuna had offered Limón's post to the agricultural engineer Baltazar Blanco, who considered the offer of becoming head of the extension department in Autlán refinery as a real promotion. Blanco decided to leave behind his job in Atencingo, one of the largest sugar refineries in Mexico and moved to Autlán, which has the advantage of being closer to Michoacan where he owns an avocado orchard. Osuna's selection of Blanco was based on the technical credentials of the latter who had been working in Atencingo refinery where he was one of several extension advisers in a huge extension department where there was a strong competition for any promotion. Thus Osuna's offer to become head of the extension department, even though it was in a smaller refinery, was a promotion Blanco could not let go. He accepted it straight away and arrived at Autlán a few weeks after Osuna. Limón still remained on his post and Blanco began to work as technical advisor attached to the extension department. Blanco understood that he had to wait for Limón to leave the department before he could take over, and was patient. However Limón had no intention of leaving his post and tried to engraciate himself with the new manager. The purchase of a plot of land of twenty one hectares very cheaply was one way of doing so. Meanwhile everything in the extension department continued as before but with an extra technical advisor.

In spite of Limón's engraciating gestures, Osuna decided to replace him with one of his men without the local attachments that Limón had, someone who would willingly follow Osuna's decisions about the production organization. Limón felt he knew the region, the producers and their problems better than Osuna and was expecting to continue his work as before, probably adjusting some of the practices to fit the new administration. A war of accusations and counter-accusations broke out which eventually reached the point where Limón had to be removed. As mentioned in Chapter 1, Limón belongs to a local family and has always lived in the region, except for the five years he spent at the University of Guadalajara, where he obtained his degree as agricultural engineer. His first job was as topographer in the extension department in the newly opened Melchor Ocampo refinery in 1969. Two years later he was offered a job as extension worker and in 1973, he was promoted to the post of technical coordinator of the extension workers. Limón was finally asked to become the superintendent of the extension department in 1977. He acquired an extensive knowledge during the eight years he worked as extension worker and technical coordinator in the refinery. Being a well regarded local employee

facilitated his dealings with the farmers. Limón liked to supervise all the works closely in the department and he kept the extension workers on their toes, so they say. He was the superintendent who extended the sugarcane acreage from 2,548.65 hectares in 1977 to 4,577.20 in 1984.

Limón had been arguing that he could reduce costs and increase yields if he was allowed more control of production and closer supervision than before. The leaders of the CNC and CNPP disagreed and insisted that greater productivity could only be achieved via the greater participation of the producer associations. Both sides are partially right and there are some improvements to be done in the organization of sugarcane production. But it is an undeniable fact that Limón presided over the doubling of sugarcane production during the six year he was head of the extension department in the refinery Melchor Ocampo from 1977 to 1982 (see table 2). However, based on the commentaries of the different parties involved in this expansion of production, it would be unfair to bestow all the praise on either side (producers and extensionists), both played their respective part well.

From the beginning of the refinery until the early 1980s, the extension department controlled the planting, cultivating and harvesting of sugarcane. The early superintendents were expected to take on increased level of responsibilities in production organization than the latter ones. They also handled more resources and had more elbow room than the current superintendent. Limón mentioned that he was accused of having authorised credit to barren plots which would not yield enough to repay the loans. He mentioned that those loans are a current risk in all the refineries. Even more, he added that the authorisation for that credit had to be approved by several parties, among which were included the manager, the head of the credit department and the general accountant. Limón considers the accusation as a malicious political blow under the belt. The accusation was not purely of ineptitude, but also of corruption, since the implication was that the loan was not used for agricultural purposes. Limón dismisses the accusation as political. From the outside Limón appears to be stretching the rules. Such transactions might be judged as corrupt but they might as well be considered as an appropriation of public resources which is condemned as illegal by the book of rules and procedures, but which are accepted as fair play in everyday negotiations and in some cases are even considered legitimate practice.<sup>1)</sup> Limón accused Osuna, the new manager, of having done exactly what he was accused of: giving credit to plant sugarcane on plots without the right conditions for the crop.

Table 2:

| THE MELCHOR OCAMPO REFINERY: DEVELOPMENT OF PRODUCTION |                           |                       |                          |                     |                |
|--|---------------------------|-----------------------|--------------------------|---------------------|----------------|
| Harvest Year   | Length of harvest in days | Tonnage of cane sugar | Tonnage of refined sugar | Tonnage of standard | Saccharose (%) |
| 1971   | 38                        | 20,941.13             | 1,676.15                 |                     | 11.80          |
| 1972   | 65                        | 55,633.71             | 5,574.95                 |                     | 12.95          |
| 1973   | 109                       | 116,466.50            | 13,050.30                |                     | 13.65          |
| 1974   | 85                        | 86,129.11             | 9,026.35                 |                     | 12.74          |
| 1975   | 143                       | 136,586.66            | 15,057.30                |                     | 13.45          |
| 1976   | 121                       | 134,298.90            | 14,762.90                |                     | 13.23          |
| 1977   | 149                       | 164,092.32            | 17,628.65                |                     | 12.98          |
| 1978   | 173                       | 204,515.35            | 22,375.15                |                     | 13.56          |
| 1979   | 204                       | 231,145.71            | 25,376.15                |                     | 13.92          |
| 1980   | 178                       | 208,689.44            | 21,862.25                |                     | 13.15          |
| 1981   | 228                       | 262,492.81            | 24,873.75                |                     | 13.21          |
| 1982   | 176                       | 263,011.71            | 17,048.60                |                     | 13.62          |
| 1983   | 166                       | 364,225.20            |                          | 38,225.20           | 13.22          |
| 1984   | 128                       | 320,697.55            |                          | 36,402.20           | 13.55          |
| 1985   | 134                       | 380,086.40            |                          | 44,114.40           | 14.04          |
| 1986   | 161                       | 447,231.77            |                          | 52,472.95           | 14.04          |
| 1987   | 178                       | 514,889.77            |                          | 57,812.60           | 13.79          |
| 1988   | 172                       | 524,794.73            |                          | 60,117.60           | 13.96          |

One of the previous CNPP's leaders, Sanchez Ruy, corroborated Limón analysis, mentioning that he could not have authorised the credit without the approval of the manager; furthermore, he added that probably general Lopez Arreola manipulated his political influence to obtain those credits that were granted to some of his supporters and political clients. Limón emphasises that he did not steal from the sugarcane producers as Maximino, the CNC's leader, says. If anything Limón mismanaged public funds, which according to the popular opinion, are there for the taking, and are mismanaged by most public administrators.

Although Gabriel Limón was removed from his position as head of the extension department at the end of 1984, he still had political presence among both the refinery's employees and the sugarcane producers. Limón contested the legality of his dismissal. Two years later a legal court revoked it and the administration received a legal order to reinstate Limón and pay back all the salaries they have missed to pay him during his suspension. This

legal decision took Osuna by surprise because he had not even considered that Limón might come back to work in the refinery. The only immediate measure Osuna could take was not to let Limón occupy his old office, instead he was allotted a tattered desk in an empty office; though according with the legal verdict, Limón should have been reinstated to his previous position. However he considered that he had won a battle in the ongoing war that Osuna had mounted against him. The ensuing confrontations and the strike that was called by the CNC leader to repeal Limón's reinstatement were recounted in Chapter 1 with a brief sketch of the main characters involved in this 'social drama'.

The organization of sugarcane production in the valley of Autlán has thrived under the protected internal market. The Mexican government on the one hand has kept a low consumer price of sugar, even below its cost of production in most refineries; on the other hand it has increased the price of sugarcane paid to the producers. Thus it has heavily subsidised sugar cane production and consumption, which is considered a staple item in the diet of the majority of the Mexican population (see Chapter 2). This policy has benefitted the food industry as much as sugarcane producers, who have seen their profits from sugarcane production increase steadily in the last ten years from the beginning of the 1980's. In this context the associations of sugarcane producers and the functionaries administering the parastatal refinery Melchor Ocampo have developed a particular 'interactional modus vivendi' (see Chapter 1) that has succeeded in improving sugarcane production to the point that it is one of the few state-own refineries that could be profitable even if the prices were not controlled. However, the refinery has not been always in the fast track of efficiency. The sexennial political turnover landed all kind of managers on the refinery. Some were well versed in the complexities of sugar productions, others were appointed for purely political reasons. In spite of the government's sexennial turnover, Limón ascended steadily from the bottom to the top job in the extension department, where he participated in the consolidation of sugarcane production. Sugarcane had spread to cover two thirds of the irrigated land in the valley Autlán-El Grullo at the time of my fieldwork 1987-1988.

The opening of the refinery in the valley, the creation of the associations of sugarcane producers, first the CNC and a decade later the CNPP, and the establishment of the committee of sugarcane production which I discuss in the next section of this chapter, should not be considered only as the outcome of the state intervention in the region. They should be understood as the result of the participation of local farmers and politicians, who lobbied for the refinery to be installed in the valley, and the involvement of local

professionals like Limón and Lemus, who have participated in the administration of the refinery. The ups and downs in the history of this refinery could be followed through the change in Limón's fortune, who has been around since the fledgling years of the refinery at the turn of the 1970s to the expansion of the sugar production to the limits of its existing capacity in the 1980s.

### **Turmoil in the Extension Department**

Although, as already seen, Limón wanted to retain as much control over sugarcane production as possible. He was very much in favour of the creation of a second association which would represent and cater for the interests of the larger producers. He said that he was approached by people from the PRI in Guadalajara and Mexico, who suggested he could advise the landowners in their efforts to form their own association, the CNPP which he did successfully. The beginning of the 1980's was the time when most CNPP organizations of sugarcane production were formed in different sugarcane producing areas in Mexico. The national CNPP was led by a charismatic national politician from Jalisco who has always been a staunch supporter of the PRI. Limón considers that in very short time the CNPP has improved its administration and offers better services to sugarcane producers than the CNC. He thinks that landowners with larger plots are more demanding than ejidatarios, thus the CNPP's leaders have to account for every penny they charged their members. Whereas the CNC's leaders could get away with flexible accounting without provoking an uproar among its members. Although Limón has not been able to be reinstated as superintendent, his opinions still carry some weight among sugarcane producers from both the CNC and CNPP associations, who still consult him about their cane. Limón's vast experience of cane growing and his long standing acquaintance with the local producers have cast a shadow over his successors in the extension department. In contrast with Limón's influence among the sugarcane producers, Blanco and Negrete, who took over Limón's job, are considered inefficient agricultural engineers and dithering administrators, who are afraid of contravening Osuna's attempt to control all stages of sugarcane production in the refinery Melchor Ocampo.

I present a historical sketch of the careers of Blanco, technical advisor in the extension department, and Negrete, head of the extension department. Examining their professional curriculum, it is possible to get a glimpse of their networks and the way these social actors instantiate organizational

structures, deal with the unacknowledged conditions and spur unintended consequences, (Giddens, 1976). Blanco and Negrete being both outsiders to the region might account for some of their lack of commitment to the organization of sugarcane production in the valley. Furthermore, their professional aspirations seem to lay outside sugarcane production which inclined them to a certain lackadaisical approach to their work. Baltazar Blanco comes from a neighboring state where he has relatives who help him to administer an avocado orchard he acquired some years ago. Blanco graduated as agricultural engineer at the National Agricultural University in Chapingo, i.e. when he obtained his degree in 1969, he was immediately recruited into one of the refineries in Michoacán recently acquired by the state. He worked there as technical phytopathologist, which had been his speciality at university. In the afternoons Blanco found a second job in the association of avocado producers, he also rented a plot where he planted sugarcane, and in this way he could save enough money to buy his own orchard. He remembers that he had to work hard, including Saturdays and Sundays; he was very proud of his orchard and regretted moving to a far away refinery in Atencingo, Puebla, when the national government had its sexennial turnover.

Blanco commented that the refinery of Atencingo was huge and it was very difficult to gain any promotion, besides, it was too far from his orchard. He began to look for any available job in the other refineries nearer to Michoacan. Blanco's search coincided with Osuna's acceptance of the direction of the refinery Melchor Ocampo and his subsequent search for a new agricultural engineer who would come to take over Limón's post. As soon as Osuna assessed the conditions in the IMO, he started looking for a technical engineer who could concentrate all his attention on the technical agricultural endeavors leaving political matters and hence overall control to Osuna. A friend of Blanco recommended him to Osuna, who offered him the post of superintendent in the IMO in Autlán. Osuna's purpose suited Blanco aspirations, he would be promoted to head of the extension department, which implied higher salary and status; and Autlán was closer to Michoacan, which would allow him to visit his orchard more frequently than when he worked in Atencingo. Blanco arrived at Autlán a couple of months after Osuna's arrival.

Blanco came with the idea that Limón would resign soon after Osuna's arrival and move to other refinery as many heads of departments in the parastatal refineries do when the sexennial political turnover takes place. However, that did not happen as quickly as Blanco expected. Limón had mobilised his contacts, especially his close relationship with the regional



director of Azucar, S.A., the parastatal institution administrating the refineries. For a few months Limón seemed to have secured his continuance as superintendent. Jacinto Rojo, secretary of the CNC, recalled that the regional director came to talk to the manager and the CNC's leaders and asked them to stop the slanderous campaign against Limón. But all the regional director achieved was to hasten the attacks against Limón which reached a head at a national meeting of the sugar industry. As we mentioned before, Maximino accused Limón publically and he claimed to have a file with proofs of all accusations. They even threatened to delay the beginning of the harvest if the national leader of the CNC and the national director of Azucar, S.A., did not remove Limón from his post. The public pressure and the threat of disrupting the crushing of the sugarcane, hastened the dismissal of Limón and the appointment of Blanco as his successor, a post, that he only held for a couple of months until Pedro Negrete was appointed Limón's successor by the headquarters in Mexico City. Osuna could have contested the appointment with the possibility of having it revoked but that would have antagonised a national director, who could jeopardise Osuna's future promotions. Thus Negrete became Limón's successor as superintendent of the extension department and Blanco return to his post of technical advisor in the extension department but keeping his improved salary.

Osuna must have pondered the political toll of keeping Blanco and rejecting Negrete's appointment as head of the extension department against the economic cost of adding a technical advisor to the payroll of the refinery. Osuna decided to keep Blanco as technical advisor and confirm Blanco as superintendent of the extension department. Blanco kept his improved salary as superintendent and cleared the office for Negrete. Negrete must have been aware of the political strings that were pulled in order for him to replace Limón, therefore he knew Osuna saw his appointment as an imposition and quite understandably he felt insecure upon his arrival at the refinery. He had strived for a post as superintendent in a refinery in Nayarit, his home state bordering Jalisco. He would have preferred to have been appointed to a refinery in Nayarit, but that was not possible and Limón's post in Autlán seemed to be Negrete's best chance to move closer to the place of his choice.

Pedro Negrete started his studies in the National Agricultural University at Chapingo, the same as Blanco but he was expelled, a fact that he seemed to be very proud of. He fancies himself the black sheep of the family. He was admitted into a private college of agriculture where he finally graduated. Negrete mentioned that his father is a rich man who has an extensive network among wealthy and politically powerful figures at local and national level. He mentioned that it was through his father's relations that he

managed to be appointed by somebody in Mexico City to the post of superintendent of the extension department in the refinery Melchor Ocampo. Which has probably turned out to be a more difficult situation to endure than he thought. He complains very often of 'his lordship', as he calls Osuna, who sees Negrete's appointment as an imposition from the national headquarters, which he felt constrained to take on board. This is understandable considering that Osuna did not hide his total disrespect for Negrete, who became Osuna's favourite subject of innumerable heavy handed jokes, which Negrete suffered without complaint. He seems to be mainly concerned with cajoling drinks and meals from the sugarcane producers and acquire seniority in the refinery.

Negrete has been working in public refineries for eighteen years. He started as foreman of the burning and cutting in a refinery in the South-east of Mexico. After a few years he was promoted to the sub-direction of the administrative department in a different refinery. Later on, he was sent to another refinery where he was appointed deputy director of the extension department, where he remained for two years until he came to Autlán. Negrete complained about the low salaries the refinery's employees earn, which have not kept up with inflation and he mentioned that the manager is the only one who does not have to worry, because he holds the single post in the refinery where there are possibilities of making extra money without any risk of being caught. Negrete thinks that the most important tasks in the extension department are to keep up-to-date records of the age of all the sugarcane plots and programme the cutting according to their age and test for the level of saccharose which is carried out weekly, following the age records of the sugarcane in each plot. Apart from this they have to make sure that the sugarcane producers fertilise, cultivate and water their canes as they are expected to do. Negrete, as superintendent of the extension department, is the deputy of the manager in the committee of sugarcane productions whose weekly meetings that to his regret he has to attend regularly. Although only Negrete and Osuna are the legal representatives of the refinery administration in these committees, Blanco has been asked by Osuna to participate on the committee, which he does regularly.

Negrete considers the CNPP's political leanings very conservative and the CNC's, populist; though he thinks that both organizations handle the planting, cultivating and cutting very similarly. He thinks that the CNPP's leaders lack political sensibility, which he sees as the main reason why some of their members have moved back to the CNC. Whereas, the CNC leaders are more politically minded, especially Maximino, who according to Negrete, is the one who has renovated the CNC association and increased its

members. Although Blanco shares Negrete's opinions about the sugarcane producers' associations, he is more critical about the CNPP leaders than Negrete and considers them arrogant. Both of them consider all the sugarcane producers as very fortunate farmers, who do not have to break their back to earn a decent living income. In spite of their shared submission to Osuna's whip hand, Blanco and Negrete keep their distance from each other.

Blanco and Negrete consider that the privately owned sugar refineries are more efficiently administered than most of the public ones. Negrete as much as Blanco would like to find a job in a place not far from where they come from. If that is not feasible, they would like to have the possibility of negotiating an early retirement with a wholesome compensation for the years they have worked in different public refineries. In spite of their technical knowledge and experience, they do not have a strong commitment to their work, which is very much noticed and resented by the sugarcane producers of both associations. But the tacit duality of the direction of the extension department has landed the department in noman's land: on the one hand, Negrete argues that without the support of the manager he cannot implement anything properly, therefore, he considers any attempt to improve their services as an utter waste of time; on the other, Blanco argues that he does not have the power to make the necessary improvements he would like to promote among the sugarcane producers. Thus the department continues functioning by inertia. But they both claim that the extension department is functioning better than ever, which is an opinion not shared for anybody else, including the extension workers in the refinery or by the manager, who disregards the extension department's functions and concentrates his attention of the industrial processes in the refinery.

Blanco and Negrete, not surprisingly considering that the former was appointed by Osuna and the latter was selected by the national headquarters, differ on their judgment of Osuna administration. Whereas Blanco considers that Osuna's administrative policy of tightening the belts and reducing the expenses to the minimum possible is what was necessary to improve the productivity and run the refinery more efficiently; Negrete considers that Osuna had gone too far and the lack of resources for maintaining and repairing the machinery properly would reduce its lifespan severely. However, they keep a low profile and their opinions to themselves and avoid at all cost any confrontation with Osuna. Their main concern is not increasing productivity in the sugar fields but surviving Osuna's administration. These working conditions do not encourage employees to

improve their performance, which they see as less important than developing political networks.

### **The Rank and File in the Extension Department**

Field inspectors are the rank and file in the extension department. The qualifications to become one of them have soared from basic education to a university degree, normally in agricultural engineering among the younger newly recruited inspectors. They are the local employees in the extension department who rush round the plots planted with sugar, checking the work for which the farmers have asked credit for from the refinery. They are supposed to give technical advice to the sugarcane producers and report any anomaly in the sugarcane crops. In the harvest they are the ones in charge of sampling the canes that according to their own statistical records are the ones that had reached the right level of saccharose and are ready to be cut. During this period field inspectors work even harder trying to turn out a list of the ripe cane which should be left without water for three to four weeks before cutting. This routine process is complicated and difficult to run smoothly. The inspectors have to sample the plots that are analysed by the refinery laboratory. With the test results, the extension department elaborates the list of plots to be cut and sends an invoice to the producers to stop watering the canes. In order to get the maximum level of saccharose, sugarcane should be cut when it reaches its optimum level in the growing cycle. The tests they extension workers do are the most reliable proof that only ripe canes would be ground, yielding as much sweetness as they could. Thus it is essential to keep detailed statistics of the canes age in order to help the inspectors to programme the sampling and revision of the sugarcane plots. This work is responsibility of Blanco, the technical advisor, who is very proud of his statistical abilities. However, inspectors and cane growers are not very impressed by them and even make jokes about it. Negrete and Blanco passed the buck to each other, which, to cane growers annoyance, delays the provision of the extension department services.

Although field inspectors are key figures keeping a constant supply of high saccharose canes to the refinery, they have a low status and earn a poor salary. They like their job and do it well but they complain of the lack of incentives, and their bosses' poor performance. Even the manoeuvrability they have has been reduced under the current refinery leadership as will be seen below. They consider the dual leadership of Blanco and Negrete confusing and tiring; their way of dealing with it is to ignore them and do

their job as they have always done. The older ones, who have been in the extension department from the beginning, learnt together with the sugarcane producers and know the region and the condition of the canes in most plots but they also have established a good relationship with most sugarcane producers. They mentioned that most producers are well disposed though there are a few difficult ones. It is remarkable that in spite of the odds against them, these workers manage to do their job properly. There are some complaints about Blanco only being interested in gathering statistics and Negrete's aloofness, but they resent more the administration's neglect towards the sugarcane fields, which after all yield the basic raw material, without which the refinery would not function. The inspectors are the bedrock of the extension department, who have kept it running smoothly by themselves and in spite of their aloof superiors.

### **An Efficiency Seeker**

Armando Osuna Gómez arrived at the refinery Melchor Ocampo in 1983, a year after the national sexennial political turnover. He had been in the region before, several years ago while he was an industrial supervisor in the national headquarters of Azucar, S.A. in Mexico City. He had to visit the refineries and advise and report about their industrial efficiency. During that visit, Osuna met Juan José Lemus, the head of the electrical department, who was already working in the refinery, and kept in touch over the years. When Osuna accepted the post as manager of the IMO, he looked for Juan José and asked him if he could help him to find cheap decent accommodation until he could sort out the change of administration in the refinery; he complained that he did not have any money. Juan José found a room in Autlán with some acquaintances and invited him to have his main meal with Juan José's parents. Juan José mentioned that he even had to lend Osuna money (the equivalent of his monthly salary at that time) to buy his airfare ticket to Mexico City. When Juan José finally dared to ask Osuna to pay him back the money, Osuna pretended to be enraged and refused to pay him back. After a few weeks, when they got to know each other better, Juan José discovered that Osuna had terrible manners. He swears all the time everywhere, which annoyed Juan José's parents so much that he had to ask Osuna to look for another place to eat. He gave the excuse that his parents were going on holidays. Juan José called Osuna what the locals call a stingy person: 'dry excrement'. A few weeks later Osuna moved to one of the rent-free houses that the refinery provides for its employees. Osuna's next request to Juan

José was to buy the newspaper in Autlán and deliver it to the office daily. Juan Jose stopped doing it after three months. When Osuna asked him why he had stopped buying the paper he told him that he had not paid him back anything. Osuna retorted that he knew that Juan José read it before he delivers it to him, thus he considered he should not have to pay for a second-hand newspaper.

Juan Jose Lemus was already superintendent of the electrical department when Osuna arrived and he was confirmed in his post as were most of the other industrial superintendents, including Limón. Osuna warned all the superintendents that he would not tolerate indiscipline or laziness, he was determined to improve the productivity of the refinery at any cost. According to Juan José, Osuna believes that in order to make workers and employees more productive, he should terrorise them and put one against each other, e.g. when Osuna reprimands a worker he tells him that his immediate superior has complained about him. He did it to one of Juan José's workers. However Juan José refused to sign the report and assured the worker that he would have issued a warning before sending a report, Juan José comments,

'Most workers in the refinery hate Osuna and he knows it which is why he never enters the factory in his own and very often he carries a gun. There is one foreman who has been on the brink of hitting him; he is fed up with Osuna's abuses and he does not give a damn about the consequences, he just wants to strike him. This chap suffered a nervous breakdown. When he recovered I recommended that he leave the refinery before he suffers irreversible psychological damage. I also want to resign but I first have to negotiate my compensation, which should amount to something substantial after having worked in the IMO for eighteen-and-half years'.

Juan José commented that Limón misjudged Osuna's character, the former passed on some confidential information, including the facts about irregularities in the refinery administration. This information was later used by Osuna against Limón accusing him of embezzlement. However, the documents that Osuna could present did not prove clearly the charges against Limón thus they had to be negotiated and finally settled out of court. Osuna is regarded as a good administrator in the headquarters in Mexico City, he is an efficient manager, who has improved the productivity in the refinery; they do not care how he does it. According to the opinion of several employees, Osuna does not release any information which could benefit them, e.g. he

never told them about the credit scheme for the refinery's employees. They have tried to complain about Osuna's abuses to the national director, but he refused to talk to them.

Osuna was the national sub-director of investments during López Portillo's government 1977-1982, and had to evaluate and authorise all applications for new investments submitted by the different refineries. He recalled with nostalgia the powerful position he had; all the refineries' managers and the regional director were eager to see him but they had to queue up for an appointment with him. He was, according to his own description, one of the 'bureaucratic gods that earn huge salaries and do very little'. However, when the new national government took over, as was expected, he had to resign and the only job they offered him was the direction of the refinery Melchor Ocampo. Osuna commented that they probably thought he would not accept it but he did and there he was suffering his sexennial punishment. He said:

'I am tired of the daily problems in the refinery and for my mental health I must leave this job. Nobody appreciates the enormous effort to keep things under control and ticking over'.

Osuna considers the Mexican State to be a very inefficient administrator of the refineries:

'The Mexican State is inefficient and expensive, and in some cases corrupt, but corruption is not the main problem; the worse ailments are inefficiency and disorganization. The thefts of a few functionaries do not drive a country into bankruptcy. It is the inefficiency of the system, including the private sector, which, by the way, has benefited the most from state mismanagement, that is rocking the system'.

Osuna is very critical of the way the Mexican State handles the sugar agro-industry, e.g. the price of sugarcane, he thinks is higher than it should be but the Government wants votes and the bureaucrats think that if they give the farmers what they want, they would continue supporting the system.

Osuna would like to be able to put more pressure on the sugarcane growers but that would be politically risky and admits that both associations are working efficiently. Although he thinks that if the cultivation, cutting and transport of cane were under the direct control of the refinery, as they used to be, he could reduce the costs of production. Being a industrial chemist

himself, Osuna considers that the most important part of sugar production takes place in the refinery. However, most of the other superintendents disagree with that, they think that sugar is produced in the field and only transformed in the refinery; but of course, if the refinery does not work properly, the saccharose would be wasted and the productivity disappointingly low. Limón and Juan José, staunch supporters of the latter view, have commented that Osuna arrived at the refinery Melchor Ocampo when the expansion of the cultivation of sugarcane began to yield young canes with a high saccharose content. However, the extension department, under the combined direction of Negrete and Blanco, has not implemented a programme to keep renovating the stock of sugarcanes, which would have an adverse effect on the productivity of the refinery in a few years time. Blanco has acknowledged the potential problem they are letting themselves in for but he blames Negrete, who as superintendent of the department, should be organizing the whole operation which obviously would demand convincing both sugarcane producers and manager about the profitability of replanting new cane. Thus the former want to get as many cuts from their cane as they could and postpone the replanting as long as possible; the latter, trying to keep the expenses to the minimum, would like to avoid having to provide the credit for renewing the sugarcane. Both sides are postponing to deal with the long-term consequences of their lack of investment.

Sugarcane producers in both associations consider that Osuna is a good administrator, he is the one who has improved the productivity in factory, which has increased the bonus on the basic price of sugarcane. However several sugarcane producers, especially among the CNPP's members, have expressed their distrust of him. They mentioned that he does not keep his word and he is a difficult character. But he is a good administrator and as long as he continues making the refinery workers work, they would not like him to leave; but neither would they consider him their friend.

Osuna's administration has reorganized two of the three major areas of the refinery's activity: inside the factory itself and in administrative practice, (farm management being the other arena). Whereas before Osuna's arrival, the extension department elaborated the policies and controlled the production and transporting of the cane to the mill; now Osuna has centralised the decision making about anything financial, which have reduced the scope of the superintendent in the extension department. In the mill he has cut down to the bare minimum all working premiums and he has negotiated with the union leader an arrangement to hold down the unreasonable demands that are made by some workers, who according to Osuna are not only lazy but also untrained.



An unintended consequence of having reduced the control of the extension department, was the possibility that sugarcane producers through their representatives increased their participation in the decision making, which they did. Another one is the lack of long-term planning to maintain a high yield of young sugar cane with high saccharose level. On the one hand, Osuna opened the way to the consolidation of the participation of the sugarcane producers on the organization of sugarcane production. But on the other, he restrained the participation of the workers in the productive process.

### **Other Actors Involved in Sugar Production**

Sugarcane producers are dependant on just one buyer of their produce, which could corner the producers into disadvantageous conditions. However, the two national organizations that represent the interests of the sugarcane producers have acquired considerable bargaining power. The union of the workers in the refineries is one of the most powerful in Mexico and it is affiliated to the PRI, the dominant party that has remained in power for the last sixty years. The sugarcane cutters, being mainly seasonal migratory workers, are the only members of the labour force in the sugar industry who have seen their organizational attempts tempered, and have to put up with very hard working conditions and meager salaries. Most of them are seasonal workers, who come from poor regions far away from the valley, mainly from Guerrero, where they either have tiny barren plots of land or no land at all. Although their work cutting sugarcane is essential for agro-industrial process of sugarcane production, they have not managed to target their anger beyond themselves. The cutters are unaware of the organization of sugarcane production and are interested in their foremen, who are the ones they identify as their bosses. These foremen are the only persons they know and trust.

The sugar refinery workers in the parastatal refineries have job security; the main obstacle is acquiring full-time positions. There are three main grades through which workers are promoted: from the lowest rank of casual worker; the seasonally permanent (secure job during the harvest); and finally permanency. The promotions are totally controlled by union's leaders, who have designed a scale to upgrade the workers; which seems to rely mainly on seniority at work and political networks. The leaders of the national union of sugar workers tend to remain in power for long periods; they do not depend, like the refinery's top employees do on the sexennial political turnover.

During the eighteen years of the refinery Melchor Ocampo there have been only one change of the local leader in the union representing the refinery's workers.

The first local leader was member of the national committee and a close friend of the powerful national leader of the union and he participated very actively in the negotiations to bring the refinery to the Autlán Valley. He also organized the repatriation of some workers, who had been made redundant when a refinery closed in Veracruz. These workers became the permanent labour force of the IMO. After the repatriated workers were installed in the IMO, there were very few vacancies left for local workers, which became a point of complaint among the locals who had had large expectations about the opening of a new refinery in the region.

When the first manager arrived he realised that the union leader already in post had more experience in sugar refineries than himself, i.e. the leader had seized enough power to control the refinery workers and even to be able to influence the cane producers' leaders. He saw three managers pass through the administration of the refinery while he remained in power and without anything disturbing his ascendancy over the workers. His hegemonic control began to face opposition as the balance between the old workers, who came from a nearby region, and the more recently hired workers, who tend to be local, tilted towards the latter. Finally the death of the national leader, who was his friend and supporter, shook the balance of power in the local union and in the normally perfunctory election, a local worker snatched the leadership of the union of sugar workers in the refinery Melchor Ocampo.

This local leader was concerned not only with how much they could squeeze out of the refinery administration but with the working conditions and the quality of work the workers undertook. This new young leader had respect for the technocratic managerial organization that Osuna tried to implement in the refinery. He had even been criticised by many workers for his bias towards the manager. Osuna recognised the power that the workers' leader held and learnt how to deal with him. Here we see the fundamental constraint on Osuna's control over the labour force in the mill; he cannot suspend a worker, but must refer him to the union representatives, who are those who decide the necessary corrective measures and ascertain the cause of the complaint. Osuna complains bitterly about the lack of training among the workers which could create all kinds of problems on the production line. He also thinks that they have more workers than they really need. He considers that the refinery could function with one third of its current workers. Although the union leader agrees, he thinks that they could reduce their number by no more than one third. However, the leader's responsibility

is to fight for more jobs and he finds Osuna's administration a hard nut to crack.

### **The Sugarcane Production Committee**

In this section the key social actors and representatives come together in the committee meetings wherein takes place the process of transforming rules and procedures to coordinate the organization of sugarcane production. The different interests that each of the three parties to the committee of production represents are played against each other always reaching workable agreements. Before 1982, the organization of planting, harvesting and transporting the sugarcane to the factory in the IMO was under the control of the head of the extension department, which left sugarcane producers with little room for manoeuvre. However, the 1979 presidential decree laid out a different range of possibilities for the various agents involved in sugarcane production, especially to those working with the factories taken over by the state, like the sugarcane producers in Autlán, e.g. to make sugarcane producers associations responsible for the organization of planting, harvesting and transporting the cane. As such it seems the state is a more accommodating administrator of the refineries than the private ones. Not surprisingly some sugarcane producers in Autlán grasped the opportunity to control the organization of sugarcane production in the early 1980s. This they did with the implicit support of the current refinery administration at that time. Their initiative is evident in the committee of production. Although the sugarcane producers involvement with the organization of production is set out in the 1979 decree, most local sugarcane producers have not been able to implement it as well as the producers from the Autlán-El Grullo Valley. The capacity to commit the producers to participate in the organization of production is a difficult process and it has been accomplished differently in each region. Sugarcane producers' demands for the creation of committees of production was granted by the government in the 1979 decree. This enactment, in spite of extending producers' rights, was not taken over immediately in most sugarcane producing areas. The decree implementation in each individual case was the outcome of political negotiations between producers associations and refinery administration.

The sugarcane producers in Autlán are among the few who have sought to enact the decree that allows them more bargaining power. They have started without the drawbacks that cane growers have endured in the old cane-growing regions. They have also made the best out of the political

negotiations between the Mexican State and the cane growers associations.<sup>2</sup> This happened at a time when the Mexican State was expanding its financial support to sugarcane production (see Chapter 2). It seemed an efficient way of creating industrial and agricultural jobs in rural areas and the public administrators involved were sympathetic to sugarcane producers who had endured hard times during the 1970s. New sugarcane producers, like those in Autlán-El Grullo, benefited from what old sugarcane producers from other regions had achieved in their negotiations with the government during the 1960s and 1970s.

In the next sections I will describe the formation of the production committee in the refinery of Melchor Ocampo, which illustrates the consolidation of two groups of sugarcane producers as much as their different interests and strategies. I will also present the point of view of the refinery administrators, who have to juggle their personal interests with the government policies and the producers demands. The interface situation of these social agents 'where the different life-worlds interact and interpenetrate' (Long and Long, 1992: 6) is the main focus of this chapter.

### **Committee of Production in the Refinery Melchor Ocampo**

The shift in the control and organization of sugarcane production, from the extension department to the representatives of the sugarcane producers associations in Autlán, started very shortly after the formation of the second association of sugarcane producers in the valley, the CNPP. As is always the case in such periods, the waning of the sexennial national administration, bred uncertainty among the government's employees. This fact, together with the interest of regional and national politicians in creating a distinctive political force among the landowners producing sugarcane, spurred the formation of that second association of sugarcane producers in Autlán, as described in Chapter 6. This event shifted the power significantly towards the cane growers in the organization of production. In addition, the leaders of the older CNC felt the pressure of having to compete with the CNPP for new members or even to keep the old ones; thus the leaders of both associations worked hard to increase and retain their membership. They made as many demands as they could from the refinery administration and more than before they took to heart the interests of their sugarcane producers in defending their rights against the refinery administration. When the new manager, Armando Osuna, arrived at the refinery Melchor Ocampo, both

associations had already consolidated their position within the committee of sugarcane production and were unlikely to relinquish it.

The committee meetings of the refinery Melchor Ocampo are an arena where middle level negotiations take place. In them the representatives of sugarcane producers and the employees of the refinery discuss, decide and plan the production and transportation of sugarcane to the refinery. Though the three parties that participate are legally defined as equal, the refinery representatives have qualitatively more possibilities to slant in their favour the decision-making in the committee meetings. They are bureaucrats who control a large budget that is partly expended on credit for the sugarcane production, i.e. they hold the purse-strings. The quantity of cane producers is their strength. In addition, cane growers provide the main raw material without which the refinery can not operate. The mutuality and interdependence in production is what is most evident in the committee meetings. One can see this in the ways they communicate with each other and in the routines they develop to address and handle different topics inside and outside the meetings. Through all these exchanges they create what, Goffman, (1984) describes as an 'interactional modus vivendi'.<sup>3</sup> Goffman's concept conveys the diversity of the social agents involved in the committee meetings, each with their distinct approaches to common production issues.

Lopez Portillo's presidential Decree of 1979 revoked previous agreements between the State and the sugarcane producers and established new rules. Among these new conditions the creation of the committee meetings underlined the changes in the power relations between the state and the nationally organized producers. Under the new arrangement the industrial representatives i.e. the manager and the head of the extension department should meet regularly with the representatives of the sugarcane producers from both associations. The meetings should be held every week during the harvesting season and twice a month or when necessary any other time. The committee's agreements should be endorsed by each and every one of the members of the committee. The committee is entitled to decide the programmes for organizing the harvesting, planting and transporting of sugarcane. The tariffs and payments for the different services to produce and transport the sugarcane are also calculated and approved by the members of the committee, which had to be updated every so often under the endemic conditions of a high inflation rate that the Mexican economy has suffered during the last decade.<sup>4</sup> These tariffs were a constant point of dispute between the refinery and producers' representatives. The expenses of running the committee of sugarcane production are covered by the sugar mill and the producers. The former pays half of the total expenses and the producers'

representatives distribute the other half among their members according to tonnage produced.<sup>9</sup>

### **Taking off**

Following the 1979 decree, the sugar production committee in the refinery Melchor Ocampo was legally constituted at the beginning of 1980, as in most sugar factories in Mexico; but it only started to function properly in the Autumn of 1982. The operation of the committee varies from one sugar refinery to the other and reflects the state of the negotiations and power relations between the factory administration and the sugarcane producers' representatives, which is by no means always in favour of the administration, as has often been argued in the studies on sugarcane producers.<sup>6</sup> In the case of the committee in the refinery Melchor Ocampo, decision-making was decided by both the two main antagonistic sections of the committee: the sugar mill administration and the sugarcane producers. The members of each of the two sides do not always close ranks because of a constant recomposition of alliances adjusting to the diverse and shifting interests of the social agents and their affiliation to one of the two cane growers' associations. In some issues one association has sided with the administration against the other.

Limón was still the superintendent of the extension department in Melchor Ocampo when the committee was formed; he even played a protagonist's role in the beginning. Fernando Navarro Cárdenas, the manager of the factory at the time, was a friendly person whose several businesses in other regions of Mexico kept him away from Autlán very often; he found it very convenient to delegate a good deal of the decisions to Limón, who knew the region and its sugarcane producers very well. Limón had been involved in the creation of the independent association of sugarcane producers among the landowners in the valley. IMO's sugarcane production committee was finally formed in October, 1982. The founding members included Fernando Navarro, manager of the factory with Limón as his deputy; Ramón Gordillo, president of the CNC with Jacinto Rojo as his deputy; and Francisco Sánchez Ruy, president of CNPP with Ismael Encino as his deputy. The committee composition has changed several times, each time a new manager or superintendent was appointed or when new representatives were elected in either of the two associations.

The leaders of the newly formed CNPP had very good relations with Limón, acknowledged Limón's involvement in the creation of their

independent association and followed his suggestions in the committee meetings. The representatives of the CNC association were ejidatarios in the process of learning the intricacies of bureaucratic dealings. They accepted trustingly Limón's initiative in the committee, who tended to make most of the decisions. CNC and CNPP representatives have remarked that they did not know very well how to phrase their demands and have them fulfilled in the early committee meetings. But they have since acquired the ability to deal successfully with the other members of the committee in order to snatch what they need from the sugar mill's administration (see table 3).

**Table 3:**

| REPRESENTATIVES AND DEPUTIES OF THE CONSTITUENT ORGANIZATIONS OF THE MECHOR OCAMPO SUGARCANE COMMITTEE |  |                                       |   |
|--|--|---------------------------------------|---|
| Year   | Refinery   | CNC                                   | CNPP ***                                  |
| 1982   | Fermin Gonzalez<br>Gabriel Limon *                   | Ramon Gordillo **<br>Jacinto Rojo **  | Fco.J.Sanchez R. **<br>Arturo Sanchez Ruy |
| 1983   | Armando Osuna<br>Gabriel Limon *                     | Ramon Gordillo **<br>Jacinto Rojo **  | Fco.J.Sanchez R.<br>Arturo Sanchez Ruy    |
| 1984   | Armando Osuna<br>Gabriel Limon *                     | Max.Castillo A.<br>Jacinto Rojo **    | Fco.J.Sanchez R.<br>Arturo Sanchez Ruy    |
| 1985   | Armando Osuna<br>1. Balt. Blanco<br>2. Pedro Negrete | Max.Castillo A.<br>Jacinto Rojo **    | Arturo Sanchez Ruy<br>Juan Ruiz Corona    |
| 1986   | Armando Osuna<br>Pedro Negrete                       | Max. Castillo A.<br>Humberto Reisling | Arturo Sanchez Ruy<br>Juan Ruiz Corona    |
| 1987   | Armando Osuna<br>Pedro Negrete                       | Max.Castillo A.<br>Humberto Reisling  | Armando Castro<br>Juan Ruiz Corona        |

\* Gabriel Limon is one of the protagonists in the strike, see Chapter 1.

\*\* These are Ejidatarios from escondido.

\*\*\* All the leaders of the CNPP have been sugarcane producers from El Grullo.

Ramón Gordillo from Ejido Escondido was the CNC's president when the committee was formed. He admitted that he would usually follow Limón's recommendations in the committee meetings. In the early days of the committee, the extension department continued to be in charge of the organization of the planting and cutting. Ramón was at the end of his term as president when Osuna, the new manager, arrived in Autlán; a few months later Osuna began re-organizing IMO administration. According to other CNC members, their leader Ramón was overwhelmed by the challenge of taking over the organization of production in the plots; he could not keep up with Osuna's pace. Therefore when his term ended, the CNC members decided to look for a new candidate to replace him. Paradoxically, Limón was among those who suggested the name of Maximino as a good candidate for the leadership of the CNC. As mentioned in Chapter 6, he was elected by a small majority; but in a very short time he managed to gain the support of the majority and seize control of the association; which was bolstered by the part he played in Limón's dismissal.

The CNPP handing over the leadership was initially a family affair; Arturo Sanchez Ruy's father handed over the presidency to him in 1985 and he remained in office until the end of 1987, when Armando Castro was elected as the new CNPP's president. The election of the new CNPP's president did not change the composition of the committee of production. Thus Arturo who had been representing his father in the meetings regularly and his election, merely legitimized his *de facto* participation. Arturo was a good and aggressive negotiator. He did not feel as overwhelmed by the task as Ramón did but he became tired and fed up at the end of his term. He wanted to spend more time on his own businesses and take a rest from the intensive politicking involved in the committee. Armando, the new CNPP president, has a more subtle style but he too is a business man; like Arturo, he also claims not to be interested in politics but in helping to run efficiently the CNPP.

Navarro Cárdenas, the IMO manager when the first committee of sugarcane production was convened, was replaced by Osuna Gómez after the national government changed. The new manager, as described in previous chapters, was a very energetic state employee who had worked for a long time with private companies before he was appointed to the national headquarters in charge of the state-owned refineries. In that post, Osuna worked as head of the office that authorized the loans and credits to the state-owned refineries. He had a broad vision of how different refineries were administered in different regions of Mexico and was very critical of the ways they were being run by most of the managers.



Osuna came to the IMO with the aim of reorganizing the sugar mill, which he accomplished in no time at all. Limón was the first of the old employees who suffered the impact of the new administrative policies which were bound to curtail the leverage he had acquired over the years. Osuna must have realized the constraints that a strong local employee could put on his highly centralized style of management and started to plot how to get rid of him. His next step was to approach the sugarcane producers' representatives asking for their support to remove Limón from his position as head of the extension department. CNPP representatives claim that they told Osuna that they did not have any complaints against Limón and they did not foresee any advantage in supporting Osuna's decision to replace Limón, somebody they knew and trusted regardless of his faults, by somebody else who was an unknown entity. 'Better the devil you know' is how he put it. CNPP representatives refused to support Osuna's plan to oust Limón. Osuna's plan was better received by CNC representatives. Maximino Castillo was newly elected as president with the covert support of Limón, in spite of the fact that Maximino had been linked to a local political group different to that which Limón belonged to. However, Maximino turned out to be a skilful political manipulator. He realized that supporting the manager's efforts to replace Limón in the extension department would be advantageous for him, making Osuna beholden to him.

A year after Osuna's arrival at Melchor Ocampo, Maximino made his first public attack on Limón accusing him in the committee meeting of having abused his authority as head of the extension department. Osuna pretended to be surprised and immediately ordered an investigation, before the beginning of the harvesting season 1984-85. Limón's dismissal was hastened by Maximino's appeals to the national director. At the end of November 1984, Osuna dismissed Limón without giving him any compensation. In the second committee meeting of 1985, Osuna introduced to the committee the new superintendent of the extension department, Baltazar Blanco, who would participate as the manager's deputy in the following meetings. However, Blanco's appointment as head of the extension department was effective for only a couple of months. As I have explained in the previous chapter, Osuna had to ask Blanco to hand over his post to Pedro Negrete Borrego, who had been sent to replace Limón by somebody very high up in the headquarters of the parastatal Azúcar, S.A. Osuna had no choice but to accept the appointment. However, he created the position of head of the technical section of the extension department which came to be occupied by Baltazar Blanco and he continued to attend the committee

meetings even though Negrete became the manager's deputy and was the one that signed the agreements.

### **Committee's Modus Operandi**

Regardless of managerial or political changes, the committee of sugarcane production in the refinery Melchor Ocampo remains constituted by three sets of members: the representatives of CNC and CNPP and the sugar mill's administration. The committee meetings are attended by the constituent members, the committee's secretary plus some other observers like Blanco, members of each sugarcane producers' association, and when necessary, other employees of the sugar mill, who only intervene in the discussion when they are asked to. (Their interventions are not recorded in the committee's minutes, though sometimes they bring up important points of discussion which are taken up by some of the legal members of the committee being thenceforth included in the committee's agreements). The committee seems to have a flexible attitude towards attendance and allowed me to observe them during the productive cycle 1987-88.

The representatives of both sugar producers associations are outspoken and they argue their case forcefully; most of the time they put forward similar demands joining forces against the refinery administration. But there have been cases when the interests of sugarcane producers belonging to different associations clash and each side has to try to woo the manager, who would use the opportunity to play the interests of one association against the other. Regardless of their differences they have to reach an agreement in a short period of time -i.e. within the time span of the sugar cycle. The committee members have to discuss and approve the programmes of planting, cutting and transporting the cane, which would be implemented by the farmers in coordination with their associations and the supervision from the extension department. The committee's agreements rule the different activities and they are usually followed by all the producers.

The CNC leader has expressed his disappointment with the fact that even though they represent 70 % of sugarcane producers, their vote in the committee is equivalent to the CNPP's, which only accounts for the 30%. Osuna reckons that Maximino's leadership of the largest organization could create more problems than the CNPP's president. Thus he has negotiated some concessions with Maximino behind the back of the CNPP leaders. As far as I could see, Osuna juggles with short-term financial resources, e.g. the soft loans to cover the running cost of the associations and discretionary

personal loans to individual sugarcane producers. It seems that both leaders are content with their particular arrangements.

### **The Setting of Committee Meetings**

The meetings take place weekly in the refinery's offices at the side of the factory. The building is spacious but badly designed. The spatial distribution is somewhat eccentric; in some rooms three secretaries have been squeezed in, while large spaces lay empty between crowded rooms. The committee meetings are supposed to be held in the conference room at the side of the manager's office, which is invariably referred to as the meeting place in the minutes and agreements, even though this is not always so. The conference room is a rectangular large room, its walls covered with warped and splintered wood. The thick, jaded curtains hang lopsidedly from their rails, covered with a film of sticky black sugarcane ashes, accumulated over the years adding a special touch to the derelict atmosphere of the place. The surface of the long table in the middle has been stamped indelibly all over with the faded rings of wet glasses and cups. There are eight chairs scattered around the long oval-shaped table; in some occasion the CNC representatives have lent the administration some extra chairs from the ones they have in their assembly room. The air-conditioner works well but makes a lot of noise, so they have the choice of sweating their way through the discussion or interrupt each other constantly to repeat what they say. Most of the time, they compromise and switch the machine on-and-off, and in some occasions they hold the meetings in the manager's office where the air-conditioner quietly cools down the atmosphere.

The decaying look of the offices matches that of the refinery and the orchards. Osuna claims that they are not making enough profit to spend on improving the premises. It is the manager who suggests that they hold the meetings in his office. Osuna sits behind his desk and the other members take a seat in a sofa and two armchairs placed in front of the desk. This set-up could only accommodate the six officers of the committee, leaving the secretary and other observers to fetch chairs from the conference room. If somebody arrives late, they knock on the door, come in, look around for an empty place and if there is none, they go and bring one in. Some chairs are moved back against the wall to squeeze more in.

While the 'musical chairs' goes on, Osuna continues signing one document after another from the awe-inspiring fortresses of paper piled upon his desk. Though Osuna's invitation to his office might appear to be made

for reasons of the comfort and convenience of all, Osuna knows the advantage of holding the meetings on his territory. Sometimes in the middle of a discussion Osuna pretends he is concentrating on signing papers but he intervenes straight away if somebody raised a point that concerns the management of the refinery. Osuna surely gives his secretary precise instructions about which telephone calls he would receive when he is participating in the committee meetings. The calls which he answers are always from important people in the regional administrative offices in Guadalajara or from the national headquarters of Azucar, S.A. in Mexico City.<sup>7</sup> During one of those telephone calls Osuna made an appointment to have lunch with the person in charge of the credit department; on another, he invited the regional manager to come and visit the Melchor Ocampo Refinery. Osuna commented to the other members of the committee what a close friend he is to some of those characters at the other end of the line who hold powerful positions in the national bureaucracy, sometimes dressing up his remarks with colourful details of their friendship and even dropping hints about his knowledge of their private life, usually with sexual innuendos. The loud conversations Osuna carries on by phone in the middle of the meetings are always spiced with his comments about his political ascendancy in the national headquarters of Azucar, S.A. He does seem to impress some of the committee's members, though they lose their impact as they get to know him better.

Vera López, the committee's secretary sends a reminder to the committee members with the exact time and sometimes mentioning the main points to be discussed. The representatives usually arrive on time announcing their arrival to Osuna's secretary and waiting to be asked to enter his office or to walk with Osuna towards the conference room. The first minutes are full of gossip while those present wait for those who are late. After five to fifteen minutes somebody asks for the meeting to begin. Vera hands around copies of the previous meeting's minutes. With the agreement of all, the six officers sign it. They invariably do so in the meetings I attended which is not surprising because Vera only writes down in those documents what has been agreed and accepted unanimously, leaving the long and some times acrimonious discussions out of them.

The first striking difference between the two associations in terms of their participation at the committee's meetings is the finicky concern the CNPP's representatives have about every penny that is involved and the almost blazé attitude of the CNC's leaders about it. It is not surprising than the sugarcane producers affiliated to the CNPP pay slightly lower administrative expenses than the CNC's members, though Maximino denies it

blatantly each time he is asked about it. Thus the CNPP's members demand an open and clear account of what their leaders are deciding on their behalf and expect them to provide the best value for money; whereas the majority of the sugarcane producers affiliated to the CNC do not dispute their leaders' decisions and accept most of the agreements they establish in the committee meetings. CNC leaders, more than CNPP leaders, like to flex their political muscle against the refinery's administration, as will be seen in the next section.

As I discussed in Chapter 6, small sugarcane producers have different interests to the larger ones. The way each producer pursues them is reflected in their political leanings and choice of producers association. Whereas small ejido producers affiliated to the CNC accept their leaders decisions, the large producers who are CNPP members demand explanations of every decision their leaders take on their behalf. Middle and large landowners perceive the CNPP association as service provider. In contrast with small producers who look up to the CNC association as their political shield against both large owners and government bureaucrats. The interface of these varied interests is illustrated by the interactions of the different actors involved in the committee meetings which I describe in the following section.

### **Negotiation about the Canes Being Swept Away**

In this section I describe the dynamics of negotiations and confrontations among the three parties, based on a selection of the dialogues that took place in the committee meetings. I will follow one dispute through several meetings and pass over most of the regular points of the agenda that include: determining the harvesting schedule; budgeting for the hiring of the sugarcane cutters together with their salaries and lodging and calculating the total costs of cutting and transporting cane to the factory, based on the tonnes cut. The topic I have chosen, among the more routine items in the committee, refers to the decision about how much would be paid and by whom to the sugarcane producers who lost their crop when the river flooded their plots.

The negotiations around the payment of the cane swept away by the river highlight several important points on the organization of sugarcane production and summarize the relations between the key agents of sugarcane production. The 1979 decree, specifies that if the sugarcane sponsored by the refinery is damaged by natural disasters their estimated losses, deducting the cost of harvesting, should be compensated at 66% of their value. This 66%

compensation should be provided equally by the mass of sugarcane producers and the refinery. Thus the sugarcane producers who lost their cane during the flood in 1987 in the valley of Autlán-El Grullo were entitled by the decree to receive a compensation of 66% of the estimated value of their canes. However, there was disagreement among some producers and the refinery's administrator. Some producers held the view that cane grown on the bank of the river produce high yields but with very little saccharose content, whereas most of the plots in the rest of the valley produce lower yields but with a higher content of saccharose. Because the cane price in the region is based on the average level of saccharose obtained every harvest, the producers in the lowlands, when their canes are not flooded by the river, have natural advantages over the rest of the producers that give them extra profit. This fact is resented by the rest of the producers who considered it an unfair advantage.

The manager's chief concern was cutting the cost of production as much as possible. In this occasion it happened that the majority of the sugarcane producers who had lost their cane in the flood were members of the CNC and Maximino had promised them in the general assembly that he would fight for their compensation. The losses among the sugarcane producers affiliated to CNPP were negligible. So, on the one hand the manager and the CNPP representatives wanted to negotiate to pay as little as possible of the prescribed 66% of losses and on the other the CNC representatives demanded the payment of the total amount, even though their other members would have paid their share of it.

Although the 66% compensation is specified in the 1979 Decree, in fact it is always contested and quite often, like many other articles in the decree, overruled. These historical particularities leave the situation wide open for negotiation by all the contenders. In the description of the committee meetings, these manoeuvres come to life exposing the shifting alliances among the three parties in pursuit of their interests.

In the first of the three committee meetings where the case of the damaged cane was discussed, Maximino placed the issue squarely before the meeting explaining that 154 of the 177 hectares flooded belong to CNC members. Thus he had to protect his members interests and pleaded with the committee members to go ahead with the stipulated compensation they were entitled to. Osuna immediately quibbled with Maximino's petition and went through all kinds of financial reasons as to why they should not go by the book. After an intense discussion, they agreed to think it over, estimate the amount of the losses and delay their decision until the next committee meeting. They moved on to other issues and ended the meeting.

In the second meeting Baltazar Blanco, the technical advisor of the extension department, gave an estimate of the total cost of the losses. As before, Maximino, stated the legal position that two thirds of the losses should be split equally between the refinery and the cane growers. Osuna pointed out the difficulty of convincing the majority of cane growers that they should accept a deduction from their profits to compensate the growers who had been struck by the flood, although he admitted this is what the law requires. Arturo Castro, the CNPP leader, suggested that they split the possible agreement into two: an immediate and a long-term one. As an interim measure Osuna conceded that interests would not be charged on the loans of the flooded canes, which was accepted. But Maximino added a demand for those with emergency credit on behalf of his affected members. Osuna neither agreed nor disagreed and, leaving the answer in the air, he quickly moved the meeting to other business before closing the proceedings in a rush.

During the weekend Maximino did not remain idle. He consulted the CNC legal advisor in the national headquarters in Mexico City and committed himself at the monthly assembly that he would defend the interests of the CNC members whose cane had been swept away by the flood.

In the third meeting matters reached a head. From the very beginning it was obvious that Maximino was about to seize the initiative. He brought along Oliver, a legal adviser from the CNC headquarters. This time, Osuna suggested that the meeting be held in the conference room and was very courteous to the visiting lawyer. Osuna asked Negrete, the head of the extension department, to announce the total cost of the losses of 187.55 hectares flooded. This, with interests, amounted to 114 million pesos. Maximino intervened straight away recommending that the affected growers bear 50% of the cost, instead of the stipulated 33.33%, and the rest be covered by the refinery and the mass of growers. Osuna commented that whatever they decided should take into consideration that floods have become endemic to the region and they would need to make provisions for future accidents. Juan Ruiz, from the CNPP, proposed that the victims of the accident only be given credit to replant cane without the insurance against floods. Osuna repeated emphatically that if the refinery gave them credit they would not be covered against floods.

Once again the financial and legal implications were discussed in more detail with actual figures on this occasion and with the additional participation of Oliver. Osuna justified his reluctance to pay arguing that they had covered similar losses two years in a row which had made the cane on the bank of the river too expensive and thus should not be granted credit.

Juan Ruiz insisted that they should find an immediate solution to the flooded cane and an agreement for future floods. Maximino, having calculated the odds against him, repeated his earlier solution of charging 50% of the costs to the growers with flooded canes. Finally, this suggestion was the basis for the final agreement reached among all the committee members about the division of loss-bearing responsibility. But its implementation, raised further financial complications, specifically, who should cover the interests and extra costs that the replanting would imply.

Some explanation is needed here. Although there has been rather limited scope for interpreting the allocation of financial responsibility for the loss of damaged cane, the law does not specify precisely how the cane should be replaced, and who should shoulder the costs of the interests accruing to loans for the replacement. This is particularly important when, as with the case of the IMO, the whole aim of Osuna's management was to run the mill efficiently cutting the costs to the minimum. This meant that he loathed advancing any unnecessary funds. Such reluctance was evident in the discussion about who would cover the cane replacement. Oliver proposed that the refinery should bear all the extra costs. Osuna characteristically, complained bitterly, but a solution was eventually found, wherein the issue of interests was referred to the national bank. Eventually the bank decided that the refinery should pay.

The final agreement reached was a neat solution to a conflictive issue. The victims of the flood were entitled by law to receive a compensation of two-thirds of their losses. However, they were considered by most cane growers to have a relatively privileged position under normal circumstances because their crop yields them higher profit than the growers with cane away from the river bank. Thus most cane growers supported Osuna financial reluctance to keep covering the losses of the cane near the river. Maximino was in a tricky situation: on the one hand he had to protect the growers who had damaged cane, and on the other hand he agreed with the majority of the growers that they should stop doing it. Finally all the parties involved relinquished some of their claims and reached a compromise: the cane growers with flooded cane would receive for the last time 50% compensation and they would be entirely responsible for any future accident to the cane planted on the bank of the river.

At the end of the meeting, Osuna talked to Oliver and shook hands with him. Osuna extended an invitation to Oliver to come and visit them more frequently. Maximino walked back with him to the CNC offices and that was the end of that round of negotiations. Osuna had to agree to pay to the sugarcane producers 25% of their losses, which was 8% less than the



percentage specified by the 1979 Decree. The question concerning suspending interests on the loans of affected plots was sent to the tribune of conciliation and it was resolved in favour of the sugarcane producers some months later.

The negotiations I have presented were mainly conducted between the CNC's representatives and the refinery's manager, who played the main roles, with the CNPP's representatives performing a minor but strategic role. The 1979 Decree stipulates that producers who lose their sugarcane by natural causes should be reimbursed to the tune of 66% of the estimated value of the cane lost (after the refinery and the association had discounted credit owed by the producers). The refinery provides 33%, and all the sugarcane producers, the other 33%. However, there was a catch on the case of the the sugarcane planted on the bank of the river in Autlán. This crop has a high water content but a low saccharose content, whereas the sugarcane planted on higher plots, which is the majority, have less water but more saccharose. Since producers are paid by the tonne and water represents extra weight, sugarcane producers feel that they are effectively subsidising the few who produce cane on the bank of the river.

On this occasion, most canes flooded belonged to CNC's members, though they are not the only ones who plant cane on the river banks. The CNPP has a little cane on the river banks and its members have been complaining for two years in succession that they have had to compensate those producers who had been receiving more than their fair share of profits in good years and when they are not flooded. Therefore, they wanted to discuss the issue and make some special arrangements for such future eventualities, though they were willing to pay on that last occasion. The manager is mainly concerned about cutting costs, but he knows he must tread carefully. The CNC wants the committee to follow the decree, which would imply that most of its own members would have to contribute their share. Maximino did not worry about these extra costs as A. Castro certainly did. Thus Maximino wants to pin down the committee to compensate his supporters. A. Castro is willing to pay this time, but he wants to lay out a new agreement to deal with future floods along the bank of the river. Osuna would like not to pay at all.

The outcome of the negotiations was satisfactory for all parties concerned: on this occasion, for the last time, the committee's members would pay compensation to the producers whose cane was flooded. But they would receive only 50% instead of the 66% stipulated in the decree. Finally after several discussions, it was agreed that in the future the planting of cane on the banks of the river was the total responsibility of the producer who

would not expect any compensation if they are ever flooded again. This outcome reflects the even balance of power of the leaders of the two associations and the refinery administrator. The refinery stands in an advantageous position in the negotiations through its control of financial support to grow sugarcane but the producers' associations grow the main raw material without which the refinery would stand still. Thus all the parties involved depend on each other and are compelled to hasten a solution.

## **Conclusion**

The managerial and organizational styles displayed by IMO administrators reflect their the uncertainty in their job career. Each of them has to develop their professional survival kit which includes extensive networking within the parastatal institution in charge of the state-own refineries. Their relations with the local political groups and organizations, including the producers associations, provided the opportunities to improve their economic means, e.g. Limón's offer to Osuna and the involvement of Blanco with the avocado producers in Michoacan. However, their career improvements depend more on wheeling and dealing at the national level in the parastatal institution. This shielded them from the producers' barrage and provides them with elbow-room to deal with their demands.

Sugarcane producers and their leaders have developed different styles for dealing with the refinery administration. The CNPP leaders support the manager in his cost-cutting policies but are very critical of his attempts to increase the price of the financial services which the refinery provides. The majority of CNPP members scrutinises their statements and demands from its leaders an explanation of each item for which they have been charged by the refinery. This attitude puts pressure of the CNPP leaders who concentrate their concern on economic issues. This contrasts with the CNC leaders' concerns which are less specifically economic.

The majority of CNC members are small producers but they grow two-thirds of the sugarcane ground in the IMO, thus their leaders represent the majority of sugarcane producers in the region and this gives them some leverage to deal with the refinery administration. However, CNC leaders have a more politically oriented agenda, specially Maximino, who sees his leadership as a stepping-stone to other public posts e.g. the national leadership of sugarcane producers. Within this long-term and wider scope of interest CNC leaders juggle their political interests and the producers' to negotiate with the refinery. Most CNC members do not check their

statements carefully, as long as they receive some profit. This attitude gives the CNC leaders discretionary power which they have used skilfully, especially Maximino, who has consolidated his control over the CNC and managed to be re-elected twice. His accomplishments illustrate the individual capacity to play the system to his advantage while defending small producers' interests.

The interface of the three parties involved in the committee of sugarcane production provide evidence of the interaction of social actors' different interests and how they deal with the institutional structures and manage to intertwine them with their individual expectations. As I have described in this chapter, the different styles and strategies which these social actors display are part of their concretisation of their interests and expectations within the social arena of sugarcane production.

## NOTES

1. For a detailed discussion of the legitimate and non-legitimate practices see Schaffer, 1986.
2. Jessop 1990: 110-143, describes the political implications of the corporative organization of different productive groups. Leal 1986, discusses how the Mexican State has consolidated its power through corporatism, which, according to Paré 1990, is suffering serious blows by the newly formed political alliances and peasant movements in Mexico.
3. Goffman in 'The Presentation of Self in Everyday Life' p.21, describes 'interaction modus vivendi' as follows: "Together the participants contribute to a single overall definition of the situation which involves not so much a real agreement as to what exists but rather a real agreement as to whose claims concerning what issues will be temporarily honoured."
4. The annual rate of inflation with base 1980 in Mexico increased from 28.5% in 1981 to 148.4 in 1987. See Ten Kate 1992.
5. The articles that regulate the committee meetings are described in the Decree of 28th of December in which the planting and harvesting of sugar cane is declared of public interest.
6. See Pare, 1979 and Pare et al, 1988.
7. Azucar, S.A. is the government institution in charge of administering all the sugar mills owned by the Mexican State. It has its headquarters in Mexico City and below this, several regional offices in key sugar cane areas.

## CONCLUSION

The strike of CNC sugarcane producers and the immediate response by the refinery administration neatly sums up the ongoing political negotiations between the main actors involved in the organization of sugarcane production in the Valley of Autlán-El Grullo. In Chapter I, I introduced the protagonists of sugarcane production participating in the strike which I characterized as a social drama of confrontation and negotiation. In Chapters II, III and IV, I described the historical conditions in which *ejidatarios* and landowners made the decision to grow sugarcane. These social actors manifested a wide range of skills and an acute understanding of social institutions. This held true for all producers from the smallest to the largest. Hence they were actively involved in promoting their own interests and improving their circumstances, which clearly defies the images of powerless reactive peasants and farmers that abound in the literature on Mexico (see Paré 1979 and Ronfeldt 1975).

The individual accounts of sugarcane producers contained not just empirical information on day-to-day life at local level, but disclosed data on the broader social structures, at local and national level, underpinning their decision-making. It was clear that they were well aware of the range of economic choices available and tailored their expectations accordingly. The assets owned by each individual, or the lack of them, set the parameters for their decision-making. *Ejidatarios* and landowning cane growers, as I described in the early chapters, had different interests and responded differently to the refinery's encouragement to plant sugarcane. The diversity of social conditions in which each producer decided to grow cane could not have been determined without the close observation that an actor-oriented approach encourages. The decision-making and actions of each individual are influenced by the larger economic and political forces (though they cannot be reduced to such externalities). This is typified in the way that Eduardo Lara, who was influenced by the national policy of providing credit for sugarcane, decided then, to grow this crop in spite of his preference for staples and horticultural crops. But, equally, individual actions can influence wider social currents. A striking example of this is the case of Jacinto Rosas, an *ejidatario* who was instrumental not only in bringing the mill to the region but in encouraging other peasants to plant sugarcane. Curiously he himself

did not plant any cane until the new crop had proved its comparative benefits!

It is necessary then to intertwine local data with an interpretation of the wider forces impinging on them and thus achieve a better understanding of the processes studied. Chapter VII provides the most striking panorama on this intertwining of levels, in the study of decision-making in the committee. It is clear that the different styles and strategies which the social actors display in the committee's meetings are part of their concretisation of their interests and expectations within the political organization of sugarcane production. A specific example of this is the negotiation of the flooded canes by the sugarcane production committee. In this case the CNPP representatives had to support the CNC against the refinery in spite of the fact that none of their members had been affected by flooding.

The opening of the refinery in the valley coincided with a series of crop failures which threatened the precarious economic conditions that most *ejidatarios* endured. As I have described in this thesis, the local producers themselves were involved in bringing the sugar mill to the region. Unlike the wealthier farmers, they did not have any extra resources to fall back on. In these economic conditions, the refinery's offer of cheap credit to grow cane, and to level and drain their land was a proposition difficult to reject.

*Ejidatarios* and private landowners in Autlán-El Grullo decided to grow sugarcane after considering the available alternatives. This differs from the conditions predominant in the regions where sugarcane has been a long-standing crop, such as in Morelos and Veracruz. In such regions, landowners owned the mill and the cane was cultivated by farm workers whose status was even lower than that of the workers in the mill. In colonial times, in some old sugar mills, African slaves worked in the mill and local Indian peons cultivated the cane. In the post-revolutionary period, when the Mexican government carried through an agrarian reform and redistributed land, the mill owners lost the ownership of the land surrounding the mill, which was turned into *ejidal* land and assigned to individual heads of families. In order to oblige the new landholders to continue growing cane, the government decreed that the land surrounding a sugar mill become a cane supply zone. Conditions for sugarcane growers in these areas did not however improve, as shown in most studies of sugarcane growers in Mexico (see Chapter II). Yet, these conditions could not be more different to those faced by the peasants and farmers in the Autlán-El Grullo Valley as recounted by the sugarcane growers in this study.

The organization of sugarcane production anywhere demands that the raw material be produced as near to the mill as possible and its supply

carefully coordinated with the industrial capacity available to process it (Mintz 1986: 48-61). All parties involved in sugarcane production need to follow a tight schedule, which might appear to limit cane growers' leeway for decision-making. But although the refinery administration tries to apply general rules of good practice for growing cane and to monitor what farmers do, this amounts to no more than a normative prescription. In fact, cane growers are entirely responsible for their crop and they usually make flexible use of the credit provided by the refinery to suit their specific needs. They have also found that cane needs less attention than other crops and, with the help of modern machinery, growers are left with time to develop other activities, the importance of which I stressed in Chapters III-V.

Ejidatarios and landowning sugarcane growers in Autlán-El Grullo, who freely choose to grow cane, present a different scenario to those described in other studies on Mexican sugarcane growers. Summarising the varied accounts of how and when Autlán-El Grullo farmers decided to grow cane, we detected two main types of sugarcane growers: the small *ejidatarios* and medium to large growers. Most of the former were pioneers of cane production in the valley, who were followed by the bulk of the latter, once the crop had proved to be profitable. According to the individual circumstances of each producer, activities essential to cane production are complemented by other activities. All sugarcane producers have managed to accommodate sugarcane growing to their other economic activities. In the case of the wealthier growers, they have invested in machinery to cultivate and transport their and other growers' cane; whereas the small growers have been able to migrate seasonally, mainly to the USA, as migrant labourers. Furthermore individuals in both groups have launched themselves into political-administrative careers in the two associations of sugarcane growers, which has benefited them well, economically and politically.

The associations of sugarcane growers are incorporated into the PRI, which has been in power for more than sixty years. As the government party, the PRI has consolidated a corporatist style of government where different social groups have been integrated into its structure. As the dominant party, the PRI has provided a stable political arena where different interest groups are supposedly able to discuss and resolve their varied agendas (Cornelius and Craig 1988). This corporatist structure has integrated *ejidatarios* and private landowners through two different organizations: the CNC and the CNPP, each one belonging to different sectors within the party. Whereas the CNC is part of the peasant sector, the CNPP belongs to the so-called "popular" sector, which gathers together small merchants, businessmen, government employees and private landowners.

In the first years of the sugar mill in the valley, there was only one association of sugarcane growers which was affiliated to the CNC and included all the producers, *ejidatarios* and private landowners. The first leaders of the association had been involved in the running of the local branch of the PRI and were instrumental in attracting the refinery into the area. As I mentioned above, at the beginning most cane growers were *ejidatarios*, but after a few years, when sugarcane had been established as a profitable crop, the wealthier landowners began growing it on their land. They mucked in with the *ejidatarios* in the same association, though they insist they only did so because there was no other alternative. Their sense of social superiority pervaded their early involvement in the CNC association. Social distance was less emphasised by the *ejidatarios* than by the private landowning growers, who never missed an opportunity to wax lyrically about the lack of ambition among *ejidatarios* and their uncritical acceptance of their leaders' decisions, which, they liked to stress, were not always in the growers' best interests. Finally, a group of producers succeeded from the CNC to form the CNPP. This was led by some of the wealthier cane growers, who claimed that their interests were not catered for by an association where *ejidatarios* were the majority. The break-away group considered themselves more financially adept and expected more detailed accounts from the leader of the association than they were given by the president of the CNC organization.

Over the years, CNPP has attracted the majority of the medium to large private landowning growers and more recently even some *ejidatarios*. The organization of their association seems less centralised than the CNC organization. The members of the CNPP committee were forthright in their opinions, participated more actively than the CNC committee members in decision-making, and they kept a closer eye on their association's leaders than did the CNC membership. The CNPP is only one-tenth of CNC's size but a larger number of their members than those in the CNC owns machinery and lorries for carrying the cane to the refinery. Thus CNPP members have more of their own resources invested in sugarcane-related activities than the great majority of the CNC members. Given that the CNPP is not able to make the economies of scale that the CNC can achieve, the small savings on administrative costs are thereby particularly significant, as they go out of their way to point out.

Although both cane growers' associations belong to the PRI, each has a different attitude towards the party. Most CNC members seem to support the regime unconditionally, whereas the CNPP members are more critical of it and some even support the right-wing opposition party, the PAN (National

Action Party). They claim that they are all for a more efficient administration which allows farmers and entrepreneurs to maximise their profits. They accuse the *ejidatarios* of cravenly accepting the CNC leaders' decisions. Up to a point this may be true, but it ignores the fact that smaller growers are more economically constrained, and therefore can less afford to take risks than the larger producers. This leads them to prize consensus and to cooperate with the leadership which they see as their protectors. Thus, the underlying economic logic is different in each case. Regardless of the economic differences and organizational structures, sugarcane growers in both organizations consider that their associations deliver a good service, though there is still room for improvement.

In the Valley of Autlán-El Grullo a group of local farmers and *ejidatarios* successfully lobbied the Mexican Government to attract public investment into the region, which arrived in the form a sugar refinery with the financial resources to build access roads and improve the conditions of the irrigation canals which had been neglected. In Chapter V and VI, I detailed how these peasants and farmers brought public investment to the region. In the same chapters I also explained how these groups have sharpened their capacity to deal with the refinery administration through the strengthening of their organizations. In Chapter VII, I closed the circle with a description of the process of negotiation between producers and the refinery administration over a key aspect of production, which reached an agreement satisfactory to all parties involved. This negotiation process highlighted the shifting alliances and interests among participants.

The theoretical-methodological approach to the subjects of this study has been essentially a 'bottom-up' actor-oriented approach. Although I would not claim to have been a *tabula rasa* when I started the research I would certainly emphasise that this approach allowed me to immerse myself in different individual perspectives which, in spite of their contradictions, enabled me to grasp better the ethos of the organization of sugarcane production in the region. The cases elucidated the complex structuring of institutional arrangements. As North (1993) describes the process, as they interact individuals follow guides provided by the institutions which shape human interaction in historical contexts. These structures provide social actors with incentives in the political, social and economic arenas which, in turn, bring change to organizational arrangements. Sugarcane producers accept institutional constraints in order to diminish the uncertainty of their everyday life. Yet their participation in local economic and political organizations has repercussions beyond their region. As Gledhill (1994: 124-125) argues, the study of micro-political processes not only illuminates local



situations but also contributes to the understanding of how these impinge on larger political processes. The present analysis adheres to this theoretical perspective and has focused on the ways in which these different levels of political and economic organization at national and local level are brought together by the social actors involved in sugarcane production in Autlán-El Grullo region.

Some of these peasants and farmers participated in the initial negotiations to bring the refinery into the valley, others had to be persuaded to grow sugarcane. In contrast with sugarcane producers in other regions, the *ejidatarios*' decision to grow sugar was based on the pursuit of their individual and family interests. As explained by Long (1977: 141), decision-making processes should be analyzed together with the social networks of the decision-maker, though at the same time due weight must be given to changing macro-conditions. Hence in Chapters III and VI I describe how these *ejidatarios* took the decision to grow sugarcane when state-directed intervention boosted sugarcane production in their area. The Mexican government was trying to secure a steady supply of sugar for the domestic market. This policy was precipitated by the severe crisis of sugarcane production following the bankruptcies of several private refineries at the end of the 1960s (Purcell 1981: 224-225 and Singelmann 1993: 70-71). These national conditions provided local peasants and farmers with room for manoeuvre. They could join forces with sugarcane producers in other regions and push for better terms of production. These producers did not have to overturn archaic structures of exploitation as did the sugarcane producers in other regions of Mexico (see Ronfeldt 1975). The conditions were propitious for the emergence of an organization of production where all parties involved could participate fairly equally. However, such favourable conditions provided no more than the institutional arena wherein social actors had to negotiate and implement the agreed plans for the organization of production. In other regions, sugarcane growers were not able to seize as much control over production as where the producers in the Valley of Autlán-El Grullo.

Explanations for the type of productive organization agreed to by sugarcane producers and refinery administrators in the valley must be based on the specific historical conditions in which these social actors were immersed. But the social actors involved not only relied on the prevailing social, economic and political institutions but transformed them in the process of fulfilling their own needs and aspirations. In the case of the *ejidatarios* and private landowners, they took advantage of integration into the official associations which bind them into the corporatist government apparatus (see Jessop 1990).

At farm level, producers relied on personal interaction with the refinery administrators to resolve their everyday farming decisions. But these matters are far from straightforward. As I discussed in Chapter VII, these administrators had not only the farmers' interests to respond to. They had to accommodate the producers' demands with their career aspirations which depended on other groups. They looked towards the national echelons of public administration - their line of command - where they hoped eventually to secure a place. So, they had to reconcile three different forces: producers' demands, national policies they had to implement, and their career aspirations, which was an extremely difficult task.

However in practice, all parties involved in the organization of production seemed to have been able to work out a *modus vivendi* where they reconciled their differences and managed to run the organization of production efficiently in the Valley of Autlán-El Grullo. This made the Melchor Ocampo refinery one of the most profitable in the country. As was manifest in most comments, this was not achieved easily, though the results have been worth the effort and provide an example of successful cooperation between public administrators and local producers. The skilful negotiations of all parties involved demonstrates that the organization of sugarcane production in the valley was not run in an authoritarian style by the refinery administration. Each party involved took care of their own interests but at the same time were willing to work out their differences. Thus they managed to establish an efficient *working arrangement* which most certainly changed when the refinery was bought by the CNC organization and after three years sold again to a private consortium. The sound financial record and impressive level of productivity made this refinery an attractive investment when the privatising wave reached the sugar refineries in the late 1980s. How this change of ownership has affected the various actors involved in the organization of sugarcane production in the valley call for a further assessment of this new phase of state-peasant relations.

### Some Policy Implications

The detailed knowledge of how social actors establish working rules of sugarcane production in a specific region highlights the complex negotiations and interactions entailed in the process. Using an actor-oriented perspective we can see how the sugarcane producers interface with the large forces of market and State. In this way, my study exposes the fallacy of condemning state intervention as such, without taking into account exactly how state

intervention actually occurs, which in the case I discuss includes the appropriation of state policy by local producers. Furthermore sugar mills in Mexico are a good example of how public funds have not only rescued the sugar industry from collapse, but have been the promoters of its expansion, such as opening state-owned refineries such as the IMO in the 1970s.

The advantage of sugar production for the domestic market is based on not having to expose producers and consumers to fluctuating international prices, thereby reducing the trade deficit. During the last forty years the state has been committed to supporting a steady supply of sugar for the fledgling food industry that consumes the majority of the domestic sugar output. State support has made sugarcane a profitable cash crop and attracted peasants and farmers who in some cases planted sugarcane on the land surrounding existing sugar refineries, but who, in others, such as those described in this thesis, campaigned to persuade the government to open a refinery in their region. Sugarcane producers in such new areas have been confronted with different obstacles to those faced by producers in long-standing sugarcane-growing areas, such as Veracruz and Morelos. The recent sugarcane growers, unshackled by exploitative sugar plantation systems, have been able to develop strong organizations, especially among the middle to large producers. The latter have also a higher level of commitment to sugarcane production, since they have invested a considerable amount of their own resources in it - buying machinery and lorries to load and transport the cane.

In the recent rush of privatisation, the Mexican Government managed to sell-off most refineries, at give-away prices in most cases. The IMO, being one of the most efficient was snapped up immediately by the CNC organization, later to be resold to a private consortium.

In this way the wealthier sugarcane producers, who are concentrated in the CNPP, have capitalised on the advantages of a profit-oriented refinery administration and they have managed to maintain and even increase their profits, while the prices of other, until recently profitable, crops have slumped. This has been made possible because sugarcane is one of the few cash crops that, in spite of the North American Trade Agreement (NAFTA), still benefits from a guaranteed price, thereby indicating continued state involvement. Sugarcane production in Autlán-El Grullo has doubled in the last three years, replacing other crops and turning the valley into a mono-crop producing area. The interdependence of private enterprise and public support is reflected in the decisions made by farmers and peasants in the region, who have clung to this secure crop against the other more risky export crops. State intervention has been instrumental to the profit-making of sugarcane producers in Mexico and is one example of how it could buttress market forces in spite of NAFTA.

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## **ACRONYMS**

|                 |  |
|-----------------|--|
| <b>ANPCA:</b>   | <b>Asociación Nacional de Productores de Caña</b>                        |
| <b>CNC:</b>     | <b>Confederación Nacional Campesina (National Peasant Confederation)</b> |
| <b>CNIA:</b>    | <b>Comisión Nacional de la Industria Azucarera</b>                       |
| <b>CNOP:</b>    | <b>Confederación Nacional de Organizaciones Populares</b>                |
| <b>CNPP:</b>    | <b>Confederación Nacional de Pequeños Propietarios</b>                   |
| <b>CTM:</b>     | <b>Confederación de Trabajadores Mexicanos</b>                           |
| <b>FIMAIA:</b>  | <b>Fideicomiso de Maquinaria Agrícola para la Industria Azucarera</b>    |
| <b>FIOSCER:</b> | <b>Fideicomiso de Obras Sociales para Cañeros de Escasos Recursos</b>    |
| <b>IMO:</b>     | <b>Melchor Ocampo refinery</b>   |
| <b>ONISA:</b>   | <b>Organización Nacional de la Industria Azucarera</b>                   |
| <b>PEMEX:</b>   | <b>Petroleos Mexicanos (State-owned oil company)</b>                     |
| <b>PRI:</b>     | <b>Partido Revolucionario Institucional</b>                              |

## SUMMARY

The strike of CNC sugarcane producers and the immediate response by the refinery administration are a good example of the ongoing political negotiations between the main actors involved in the organization of sugarcane production in the Valley of Autlán-El Grullo. I introduced in Chapter 1 the protagonists of sugarcane production participating in the social drama of confrontation and negotiation. I have described in Chapters 3, 4 and 5 the socio-economic conditions in which local peasants and farmers have evolved their decision to grow sugarcane. These social actors disclosed a wide range of skills and acute understanding of social institutions. This holds true among all producers from the smallest to the largest. The ways in which these different actors have got involved in sugarcane production defy the images of powerless reactive peasants and farmers that abound in the social analyses on Mexico.

Sugarcane producers in the valley successfully lobbied the Mexican Government to attract public investment into the region, which arrived as a sugar refinery with the financial resources to build access roads and improve the conditions of the irrigation canals which had been neglected. The reconstruction of how these peasants and farmers brought to the region public investment to build a refinery and how they have developed, with the encouragement of the refinery, their own organizations to deal with the refinery administration, was covered in Chapter 6. In Chapter 7, the last chapter, I have closed the circle with a description of a negotiation between producers and refinery administration which reached a satisfactory agreement to all parts involved, this negotiation highlights the shifting alliances and interests among participants.

The methodological approach to the subjects of study was a down-up actor-oriented approach. Although I would not claim I was a *tabula rasa* when I started the research I would certainly emphasise that this approach allowed me to immerse myself in the different individual perspectives which were, in spite of their contradictions, complementary to grasp the ethos of the organization of sugarcane production in the region. The individual cases illustrated their complex structuring of institutional arrangements. As North (1993) describes, individual decision-making follows guides provided by the

institutions which shape human interaction in historically contexts. These structures provide social actors with incentives and guidance in the political, social and economic arenas which they apply and develop in their organizations. Sugarcane producers assume institutional constraints to diminish the uncertainty in their everyday life. On the one hand their participation in local economic and political organizations have repercussions beyond their region as on the other the national organizations impinge on their activities. My study has focused on the ways how these different levels of political and economic organization at national and local level are brought together by the social actors involved in sugarcane production.

Some of these local peasants and farmers participated in the initial negotiations to bring the refinery into the valley, others had to be lured to grow sugarcane. Their decision-making, in contrast with sugarcane producers in other regions, was based on the pursue of their own interest. As I described in Chapter 2, this was possible because they could make their decision when the state direct intervention in sugarcane production was trying to boost a steady supply of sugar for the domestic market; after several private refinery owners had gone into bankruptcy precipitating the crisis of sugar production at the end of the 1960s (Purcell, 1981: 224-225). These national conditions provided local peasants and farmers with room for manoeuvre. They could join forces with sugarcane producers in other regions and ask for better terms of production. Thus, they did not have to overturn archaic structures of exploitation as sugarcane producers in other regions in Mexico did (see Ronfeldt, 1975). These conditions were propitious for an organization of production where all the parts involved may have an equal participation. However, these propitious conditions only provide the institutional arena where social actors have to negotiate and implement the agreed plans for the organization of production. In other regions, sugarcane producers have not been able to seize as much control over production as the producers in the Valley of Autlán-El Grullo.

The possible explanations to the type of organization of production agreed by sugarcane producers and refinery administrators in the valley have to be extracted from the specific historical conditions in which these social actors were immersed and how they not only rely on the hegemonic social, economic and political institutions but transform them to fulfil their need and aspirations. In the case of local peasants and farmers, they have learned how to deal with the dominant political party, which pervades in a corporatist way the negotiations between the governmental institutions and the civil society (see Jessop, 1990). Each local peasant or farmer has found a way to deal with the refinery employees. As I discussed in Chapter 7, the refinery

administrators have a different agenda to the producers, they look up to the national echelons of public administration, which is their line of command and where they would like to secure a place. These administrators have to reconcile the producers' demands with the national policies they have to implement and their careers, which is an extremely difficult task.

However all parts involved in the organization of production seemed to have been able to work out a *modus vivendi* where they have conciliated their differences and run efficiently the organization of production in the Valley of Autlán-El Grullo, which made the refinery Melchor Ocampo one of the most efficient in the country. As it was transparent in most comments, this was not achieved easily but the results have been worthwhile the effort. And these results provide an example of a successful cooperation between public administrators and local producers.

The sound financial record and good level of productivity made this refinery an attractive investment when the privatising wave reached the sugar refineries in the early 1990s. As it could have been expected, the Ingenio Melchor Ocampo was one of the first refineries to be sold to CNC. How this change of ownership has affected all parts involved in the organization of sugarcane production in the valley must be assessed in a re-study.

## SAMENVATTING

De staking van CNC suikerrietproducenten en het onmiddellijke antwoord van het bestuur van de raffinaderij zijn een goed voorbeeld van de voortgaande politieke onderhandelingen tussen de voornaamste actoren die betrokken zijn bij de organisatie van de produktie van suikerriet in de vallei van Autlán-El Grullo. In hoofdstuk 1 introduceerde ik de hoofdpersonen, actief in de suikerrietproduktie, die in het sociale spel van confrontatie en onderhandeling participeren. Ik heb in hoofdstuk 3, 4 en 5 de sociaal-economische omstandigheden beschreven waarin lokale peasants en boeren hun beslissingen om suikerriet te verbouwen hebben ontwikkeld. Deze sociale actoren beschikken over een grote variatie van vaardigheden en een scherpzinnig begrip van sociale instituties. Dit betreft alle producenten, van de kleinste tot de grootste. De manieren waarop deze verschillende actoren betrokken zijn geraakt bij de produktie van suikerriet weerlegt het beeld van de machteloze en conservatieve peasants en boeren dat veelvuldig in de sociale analyses over Mexico naar voren komt.

Suikerrietproducenten in de vallei hebben met succes bij de Mexicaanse overheid gelobbyd om in de regio te investeren, wat resulteerde in een suikerraffinaderij voorzien van de financiële middelen om toegangswegen aan te leggen en de verwaarloosde irrigatiekanalen te verbeteren. De reconstructie van de manier waarop deze peasants en boeren publieke investeringen in de regio aantrokken om een raffinaderij te bouwen en hoe zij, met de aanmoediging van de raffinaderij, eigen organisaties ontwikkelden om met het bestuur van de raffinaderij te onderhandelen is beschreven in hoofdstuk 6. In het laatste hoofdstuk, hoofdstuk 7, sluit ik de cirkel met een beschrijving van een onderhandeling tussen producenten en het bestuur van de raffinaderij, wat resulteerde in een overeenkomst bevredigend voor alle betrokken partijen. Deze onderhandeling toont de veranderende allianties en belangen van de participanten.

In deze studie werd een 'down-up actor-oriented' benadering gebruikt als methode om de onderwerpen te bestuderen. Hoewel ik niet wil beweren dat ik een *tabula rasa* was toen ik met het onderzoek begon, wil ik benadrukken dat deze benadering mij toestond mezelf te verdiepen in de verschillende individuele perspectieven die, ondanks hun tegenstellingen, complementair

waren om het ethos van de organisatie van suikerrietproductie in dit gebied te begrijpen. De individuele cases verhelderden de complexe structurering van institutionele regelingen. North (1993) beschrijft dat het nemen van individuele beslissingen gebaseerd is op instituties die vormgeven aan sociale interacties in historische contexten. Deze structuren voorzien sociale actoren van drijfveren en een leidraad in de politieke, sociale en economische arena's die zij toepassen en ontwikkelen in hun organisaties. Suikerrietproducenten aanvaardden institutionele beperkingen om de onzekerheid in hun alledaagse leven te verminderen. Enerzijds heeft hun participatie in de lokale economische en politieke organisaties repercussies buiten hun regio, anderzijds worden hun activiteiten beïnvloed door de nationale organisaties. Mijn studie is gericht op de manier waarop deze verschillende niveaus van politieke en economische organisaties op nationaal en lokaal niveau samen worden gebracht door de sociale actoren die betrokken zijn bij de productie van suikerriet.

Enkele lokale peasants en boeren participeerden in de eerste onderhandelingen over de komst van de raffinaderij naar de vallei, anderen hebben zich moeten laten overhalen om suikerriet te verbouwen. Hun besluitvorming, in tegenstelling tot suikerrietproducenten in andere regio's, was gebaseerd op het nastreven van hun eigen belangen. Zoals ik in hoofdstuk 2 beschreven heb, was dit mogelijk doordat zij deze beslissing konden nemen toen de staat via directe interventie in de suikerrietproductie probeerde een gelijkmatig aanbod van suiker te bevorderen; nadat verschillende eigenaren van particuliere raffinaderijen failliet waren gegaan hetwelk de crisis in de suikerproductie eind jaren '60 bespoedigde (Purcell, 1981: 224-225). Deze nationale omstandigheden gaven de lokale peasants en boeren keuzeruimte. Zij konden zich verenigen met de suikerrietproducenten in andere regio's en betere productievoorwaarden eisen. Zo waren zij niet genoodzaakt, zoals suikerrietproducenten in andere regio's van Mexico, om de archaische structuren van exploitatie omver te werpen (zie Ronfeldt, 1975). De omstandigheden waren gunstig voor een organisatie van productie waarin alle betrokken partijen evenredig participeerden. Echter, deze gunstige omstandigheden voorzien alleen in een institutionele arena waarin sociale actoren moeten onderhandelen en de overeengekomen plannen met betrekking tot de organisatie van de productie moeten uitvoeren. In vergelijking met de producenten in de vallei van Autlán-El Grullo, was het voor suikerrietproducenten in andere regio's niet mogelijk zoveel controle over de productie te verkrijgen.

De mogelijke verklaringen van de organisatievorm van productie, overeengekomen door de suikerrietproducenten en de bestuurders van de

raffinaderij in de vallei, moeten worden gezocht in de specifieke historische omstandigheden waarvan deze sociale actoren onderdeel zijn, en hoe zij niet alleen steunen op de hegemonische, sociale, economische en politieke instituties maar deze ook transformeren om in hun behoefte en aspiraties te voorzien. De lokale pesants en boeren hebben geleerd om te gaan met de dominante politieke partij, die de onderhandelingen tussen de overheidsinstituties en de samenleving op een corporatistische manier doordringt. Elke lokale peasant of boer heeft een manier gevonden om om te gaan met het personeel van de raffinaderij. Zoals ik besproken heb in hoofdstuk 7 hebben de bestuurders van de raffinaderij een andere agenda dan de producenten; zij hebben ontzag voor de nationale geledingen van de overheid waaronder zij vallen en waarin zij een plaats willen veiligstellen. Deze bestuurders moeten de eisen van de producenten verenigen met het uit te voeren nationale beleid, en met hun carrière, wat een uitzonderlijk moeilijke taak is.

In de vallei van Autlán-El Grullo, echter, lijken alle partijen die bij de organisatie van produktie betrokken zijn de mogelijkheid te hebben een *modus vivendi* uit te werken, waarin zij hun verschillen verzoenen en waardoor zij de organisatie van produktie efficiënt kunnen uitvoeren. Dit maakte de raffinaderij Melchor Ocampo tot een van de meest efficiënte van het land. Zoals uit de meeste opmerkingen bleek, was dit niet makkelijk te bereiken, maar waren de resultaten de moeite waard. Deze resultaten geven een voorbeeld van een succesvolle samenwerking tussen ambtenaren en lokale producenten.

De goede financiële prestatie en het hoge niveau van produktiviteit maakten deze raffinaderij tot een aantrekkelijke investering toen de golf van privatisering de suikerraffinaderijen begin jaren '90 bereikte. Zoals verwacht kon worden, was de Ingenio Melchor Ocampo één van de eerste raffinaderijen die aan de CNC werden verkocht. Hoe deze overgang van eigendom alle partijen, betrokken bij de organisatie van de produktie van suikerriet in de vallei, heeft beïnvloed zal in een vervolgstudie moeten worden vastgesteld.

## **CURRICULUM VITAE**

Elsa Guzman-Flores was born in Mexico City in 1954. Her father's involvement in rural development took the family to live in all corners of Mexico. She obtained her first degree in Economics at the University of Guadalajara in 1976. She then taught and did research at the Centre for Economic and Social Studies in the same University.

In 1981 she received an M.A. in Rural Social Development in the University of Reading, U.K. At the end of that year, she married Chris J. Martin and continued her post-graduate studies in the University of Texas at Austin.

After Texas she came back to teach in the University of Guadalajara and was about to start her fieldwork, when she met Professor Norman Long who was setting up a large research project sponsored by the Ford Foundation and WOTRO, the Netherlands Foundation for the Advancement of Tropical Research in the Valley of Autlán-El Grullo. He offered Elsa the opportunity to join the research team and write her Ph.D. at Wageningen Agricultural University. Here the Department of Sociology of Rural Development gave financial support.

Since 1991, she has been a lecturer and researcher at Goldsmiths' College in the University of London. She is now in charge of the section on work, training and education in the evaluation of a Department of Environment's urban regeneration programme in Deptford.