

NAFTA and the New Rural Economy: implications for Mexico

presented by

Professor David R. DÁVILA-VILLERS
Department of International Relations and History,
University of the Americas-Puebla.
E-mail: dadv560@udlapvms.pue.udlap.mx

at the
Latin American Studies Association
congress

Guadalajara, Mexico, 1997

NAFTA and the New Rural Economy: implications for Mexico

Paper presented by David R. Dávila¹ (UDLA-Puebla) at the
LASA congress, Guadalajara, Mexico, 1997

Summary: The author sustains that Mexico has become a three-speed country, and that there is a close relation between such a process and Mexico's international economic integration. The new shape of the Mexican countryside in the wake of the NAFTA is assessed.

Introduction

Assertions abound that income concentration is the logic result of Neoliberal policies applied throughout the Third World. It is also said that, as a consequence of the *globalization*² process, the gap between the rich and the poor countries has widened. The combined effect of both domestic and international changes and policies has sized down the old developmentalist state. The rationale behind such transformation (at least as regards the Neoliberal doctrine) is the conversion of largely inefficient into "competitive" economies.³ But since oblivion has not proven to be the right medicine against poverty conditions, new social divides are now manifest in several perverse ways.

This paper is an attempt to analyze and present, in an orderly fashion, the new social configuration emerging out of the demise of an *ancien regime* submitted to erosion by the internal and external above mentioned agents.

The Mexican corporatist state has been aptly described by many authors of diverse ideological persuasions. Even those authors that have emphasized its classist nature, had nevertheless admitted its notorious all-inclusive vocation.⁴ The Mexican state has long been, simultaneously, the leading economic performer, the continent of politics and the number one community developer.

In the economic realm, the public sector has been largely dominant, as it was at the origins of the private sector itself. At the very height of such dominance,⁵ the Mexican state came to directly intervene on every single aspect and area of the national economy through state-owned companies, federal trusts, banks, monopolies, price controls and all sorts of

¹ Dr. in Social History (Univ. of Paris, 1984), Ph.D. in Government (Univ. of Essex, 1994), Chair of the Dept. of Int. Relations and History, Univ. of the Americas-Puebla. E-mail: dadv560@udlapvms.pue.udlap.mx

² We will deal extensively with the process that the "globalization" notion mystifies.

³ Euphemism for colonies that be productive rather than well-dressed only.

⁴ See, for instance, González Casanova, Pablo. *El Estado y los Partidos Políticos en México*. Mexico, Era. 1981.

⁵ December 1982; which also marks the beginings of its rapid decline.

regulations. Through such instruments, the “Institutional Revolutionary” state secured the growth of the national industry during the so-called substitutive industrialization; which incidentally led to the de-capitalization of the countryside, whose resources were depleted in such a thrust.

In a hitherto unfinished process, a radical privatization program ensued the 1982 economic crisis. Enterprises belonging to the national “patrimony” were sold out by numbers, in an attempt to bring afloat the economy, attract foreign capital and pay the sovereign debt.

Concurrently, the Mexican state (was it the IMF’s persuasive endeavours, or was it Mexico’s own conviction?⁶) reduced its social justice claims to mere rhetoric. The impact of Neoliberal policies was cruel. Income concentration was brutal. Salaries shrunk. Millions of Mexicans fell under the poverty line, while the share of the budget devoted to education, health, etc., attained ridiculously small proportions.

By relinquishing its moral duties towards the dispossessed, in the name of economic efficiency, the government was sapping the very foundations of the national social pact. It is my contention that three Mexicos have emerged from such process, as I expect to further illustrate.

At this point of my explanation I realize that some of my readers might got lost already without a clear reference to Gregorian years. I could argue that each one of the emerging Mexicos would purport a different periodization of the transformations occurred⁷. For the sake of clarity, a subdivision into six stages is presented bellow, in a last concession to those who only speak *Economist*.

Six Stages in Mexico’s Recent Economic Evolution

The recent economic evolution of Mexico can be divided into six different stages.

Stage one (*Stabilizing Development*) spans over the 25 previous years to the 1970s’ economic crisis. It would be universally acknowledged that Mexico enjoyed a period of sustained economic growth, characterized by a yearly 6% GDP growth, in average, and a fixed exchange rate at 12.50 pesos per US dollar. Those were, also, the wonder years of macroeconomic stability. The Mexican society (with exceptional years like 1968) seemed to have learned to live under PRI hegemony. Those were the wonder years of a the Mexican corporatist system (rekindled by Lázaro Cárdenas). The Mexican countryside produced exportable surplus. The national industry grew protected by high tariff barriers and generous subsidies. The political system worked like a well-oiled machine, even in the face of occasional challenges.

⁶ President Salinas de Gortari claimed it was Mexico’s own conviction and not, in any way, a foreign imposition.

⁷ Mexico-1 would divide the period into economic stages. Mexico-2 into political stages; probably presidential terms. For Mexico-3, Zapata is still alive! Its timing is apparently irrational (i.e.: different from Economics or Politics, as we will see).

Stage two (*Shared Development*) covers only seven, very intense, years: 1970-76. Economic growth (erratically) continued, but there was a dramatic increase in the national foreign debt. Importantly, the Mexican peso was devalued twice, at the end of this period. Self-sufficiency in *basic grains* was lost, as the agricultural sector went bankrupt. Third Worldism permeated the Mexican government, and the state-owned sector grew enormously as to account for 60% of the GNP.

This period is also marked by an increase in social and political mobilization, and by a growing divide between the Mexican government and business. The Consejo Coordinador Empresarial, an independent coordinating entrepreneurial institution was created in 1975.

Stage three (*Oil Growth*) goes from 1976 through 1982. Economic growth quickly accelerated thanks to the oil discoveries of 1974; but most of such growth was concentrated in the (state-owned) oil sector, only. The Mexican economy over-specialized in crude production. At the same time, the national foreign debt continued its frantic growth. It can be said that this sexenio consist of a postponement of the lurking economic and political crises. Unhappily, the Arab-like oil riches of Mexico turned out to be a mirage. At the end of this period, the Mexican government nationalized the banking system.

Stage four (*Crisis and Recovery*): 1982-1988. After the oil bonanza came the time of reckoning. In 1983, Mexico went through its worst⁸ economic crisis. Many giant companies declared bankruptcy. The government was left no other option but to declare a moratorium on its foreign debt. Many state-owned companies were sold out. Growth figures reversed. In the middle of the crisis, however, the national economy was de-petrolized, as oil prices plummeted down.

In 1985, as if to add movement to the picture, a couple of major earthquakes devastated the capital of the country. The domestic market shrunk and national prices became “highly competitive” (shorthand for “miserably low”). Mexico begun to export large amounts of its manufactured goods that could not otherwise consume.⁹ In those circumstances, the national protectionist barriers were lowered, effectively opening the economy to foreign competition.

Stage five (*the First World*): 1988-on. The Mexican political system deeply resented such macro-economic earthquakes; but a two-hour computer breakdown spared the presidency for Carlos Salinas de Gortari. Throughout this sexenio, however, a three-party system was created, with PAN and PRD challenging the hitherto unquestioned PRI hegemony.

When Salinas *inherited* the country, the crisis was fading away. An aggressive privatization strategy (debt for equity) made the foreign debt manageable while attracting large amounts of foreign, often speculative, investment. The size of the state, consequently, was considerably reduced.

⁸ Until 1994, naturally.

⁹ Up to 1985, only 35% of the total Mexican exports were oil and oil products.

Being a member of GATT, the OECD and the NAFTA, was not Mexico part of the First World already?¹⁰ Such a consideration, plus the return of macro-economic stability and healthy public finance made many believe the dream come true. Indeed, the Mexican economy was further integrated to the US economy. Mexico was supposed to grow at a sustained yearly 10% and to register an equally sound trade surplus. These calculations were Oh, so wrong! and I am Oh, so happy not to be an economist!¹¹

Three Mexicos in the making

The demise of the “welfare” Mexican state-led strategy and fast incorporation of the country to the US economy is having a tremendous impact on the society and polity. In this paper, I am about to argue that three distinctive Mexicos are emerging as a result.

No *core-periphery* theory, no *dual economy* theory either, or *two speed-economy* approach (i.e.: Italy) can account for this ongoing development. For it is not economics what defines and explains it.

What I am attempting to describe is three institutional speeds¹², three collective paces, involving three forms of occupying an space, three logics of social action, three rationales, three forms of efficiency (efficiency in economic terms, in political terms, and survival-efficiency) three approaches to life, three forms of social relationships. I have labeled them Mexico 1, 2 and 3 for the sake of a clear explanation. In fact, they have appeared in history, in reverse order. None of my categories are neither teleological nor desirable.

Mexico-1

This is competitive Mexico. This Mexico arrives on time, experiences the stress of productivism and spiritual vacuum, is networked or getting networked, has relatively high salaries, occupies high posts in the public administration and in the (mainly but not only) service industry, speaks Spanish and foreign languages, drives (or is driven in) new cars, personal airplanes and helicopters (from atop high buildings in Mexico City) lives comfortably in nice neighborhoods or suburbs, eats in nice restaurants (eats more bread than tortillas), is body-conscious, travels abroad, stays in fancy hotels, is holder of international credit cards, is educated in fine Mexican and international universities, attends international events, conferences etc.

Mexico-1 is integrated or likes to think it is integrated to the First World (its is “abroad” within Mexico), and that might well be its main source of power and prestige. This Mexico owns a computer (or several) and has, of course, access to all services: cellular telephones, fax, cable TV, etc.

It is white-skinned or looks at itself as such. It is cosmopolitan, as money can be. It is very influential (on Mexico 2) but does not get organized in political parties; it rather forms

¹⁰ George Bush *dixit*.

¹¹ The GDP official figure for 1995 was a negative 6.9% !

¹² For a definition, see page 13 and subs.

pressure groups. It is the less ascriptive of the three Mexicos (all Mexico is ascriptive). Money rules over ascription. It makes money very fast and benefits greatly from “financial coup d’états”. It is both “rational” and prejudiced. It incarnates “future” and “progress.” It does function at the speed of money: its “time is money.” Its life is paced by the stock-market, the banks, industry, etc. Mexico-1 is a “projection” and can be more easily understood using the tools of the economic science. Religion and official rituals are subsumed in economics.

Mexico-1 suffers from complicated First World diseases which require expensive treatments, but it has access to the best private hospitals, the elite of the public hospitals (IMSS, ISSSTE¹³, etc.) and, of course, foreign hospitals. This Mexico has well-paid servants, private gardens, consumes more than it needs (and pays with major credit cards). In its trash bins you can find old TV sets, radios, etc. Mexico-1 likes expensive sports and hobbies. It has developed “economic reflexes” as it can buy whatever, or whoever; but, above all, Mexico-1 exists to sell¹⁴. It can be found in all major cities of Mexico and in all the nicest parts of the country, as well.

Included in this Mexico are: Mexican and foreign competitive corporations and companies, the modern agro-industry, some parts of the federal administration, some advisory cabinets, parts of the administration of the states, some private and few public universities and higher education institutions as a whole, some pockets of excellency in both public and private universities, some national newspapers, some elite groups in the national army and police, parts of the Church hierarchy, etc.

Mexico-1 represents a tiny proportion of the national population, and should not be mistaken by a group of income, a political or social group, and is certainly not politically coherent, neither does it act as a group. It is rather part, or a would-be part of an “international community”.

Mexico-2

This Mexico sets the pace of the nation. This Mexico arrives almost on time, works at a slower pace than Mexico-1, is not networked, has a salary, occupies posts in the public administration and in the industry, speaks Spanish and can speak foreign languages, too (it is mimetic), drives used cars (more persons by car than Mexico-1; typically a Volks Wagen beetle) and uses public transportation, lives in standard neighborhoods or suburbs, eats in “*comida corrida*” restaurants (bread and tortillas), with more calorie and protein intake than Mexico-3. And unlike Mexico-2, is not body-conscious, travels seldom abroad, stays in pensions and medium class hotels, is holder of national credit cards, is educated in Mexican educational institutions, attends national events, conferences etc. It

¹³ IMSS (Instituto Mexicano del Seguro Social), and ISSSTE (Instituto de Seguridad y Servicios Sociales para los Trabajadores del Estado) are the main two social security institutions, the first should be for workers of private companies only, the second for state workers, only.

¹⁴ Mexico-1 wants to produce and market as many products with as less people involved as it can, and with the highest profit margin.

has access to the telephone and fax machines (and of course, its elite exhibit cellular telephones and pagers). It watches the national TV channels and radio stations.

Mexico-2 wants to be white (as it is mainly *mestizo* and *criollo*). Mexico-2 protects Mexico-1 from Mexico-3 (it sees Mexico-1 as the “future” and as an agent of change). It does have a job. This is organized Mexico, it is “permanent” and defends the “*status quo*.” Mexico-2 sets the standard of the nation, represents Mexico as a nation (it actually is a representative sample), and is not integrated, as a whole, to the First World. Its life is marked by the political calendar (power is national): elections, national politics, the “destape.” In that respect, its life is subject to stress. It is politically ascriptive: by region, education, political party, family bonds).

This Mexico has institutionalized the myths of the nation. In the past, it attempted and failed to laicize the country. Mexico-2 is the national structure, and can be more easily understood using the tools of political science. Mexico-2 is *national*, its international activity is nationally based. Its economic activity is ruled by the political. It has developed political reflexes, its elite can force whatever or whoever to comply with the rules of the nation (this reflex exists from the higher ranks to the lower bureaucrat)¹⁵. If Mexico-1 sells, Mexico-2 concedes.

Mexico-2 has secured access to the social security (IMSS, ISSSTE, etc.)¹⁶, and may have domestic servants, but increasingly uses part-timers. It has almost no-credit these days (it is indebted). Mexico-2 likes physical endurance national sports: soccer, boxing, and private and public gardens. This Mexico manages to meet its needs (or almost) but leaves no trash to be re-used.

Included in this Mexico are: Most Mexican companies, most of the national private agricultural sector, most of the federal and state level administration, most of the educational system, big regional newspapers, the national army and police as a whole, and most of the religious body of the country.

Mexico-2 represents a sizable proportion of the national population, and should not be mistaken by a group of income, a political or social group; but it is certainly coherent around the national values. It sees itself as “the nation.” It reclaims monopoly over the conduction of foreign affairs.

Mexico-3

This is a messianic Mexico. It represents the nation’s past and roots. It can produce saints, virgins, wizards, a leader in ski-mask (Marcos) or a masked- wrestler-city-dweller-champion (Superbarrio). It is often cosmogonic. Mexico-3 is the champion of survival and

¹⁵ Mexico-2 set the rules but cannot live according to them any longer. The national law lacks moral strength; *ergo*, Mexico-2 is in crisis.

¹⁶ Only 36.5% of the Mexicans have access to social security services. *La Jornada*. 22 April 1996.

resistance. Its “economic” and “political” activities are geared towards survival¹⁷. It is the Mexico of rural and urban economic poverty.

It includes the sub-employed and unemployed, as well as a great deal of the informal economy. It is local, but can emigrate (and can be reinforced by southern emigration). Mexico-3 has no visible purchasing power or credit. It re-uses Mexico-1 and Mexico-2 trashes. It cannot afford a life and it dies young.

This dark-skinned Mexico has its own notion of time (it appears to be timeless) marked by climatic seasons, religious festivities, seasonal jobs, etc. It does not experience the stress of productivism; it works hard, but its main worry is survival. It has low income, occupies no permanent post in the public administration or the industry, does not speak foreign languages (although it can often speak Indian languages), uses overcrowded public transportation, *pesero*, 2nd class buses, trains, horses, mules, and it walks. It lives in poor housing. It does not have servants (it is often a servant itself, with women taking the worst part). Mexico-3 is increasingly female.

This Mexico eats more tortillas than bread, in “*fondas* and *taquerías*.” It has very low calorie and protein intake. Such nutrients, it has substituted for fried spicy albumin. Not surprisingly, this Mexico suffers the most from epidemic and endemic diseases (Cholera, TB and all sort of poverty-conditions).

Mexico-3 works manually, does not travel abroad (but can emigrate), seldom stay in hotels, does not have credit, is nearly illiterate¹⁸, plays “*llanero*” soccer, likes boxing, wrestling, low-class movies, and have access only to the most powerful of the national TV and radio stations. It leisurees at almost grass-less public parks when it is urban, in the town centers when it is rural. This Mexico has almost no access to the telephone (including rural telephony). This is backward Mexico. Mexico-3 has almost no contact with Mexico-1, let alone the First World. But it can suddenly gain international salience. When it does, its international activity is locally based.

If Mexico-1 sells and Mexico-2 concedes, Mexico-3 trades in kind, as it has developed submissive reflexes in relation to Mexico-1 and Mexico-2 (that is: in relation to money and political power). Within itself, however, Mexico-3 has developed extraordinary solidarity bonds.

It is difficult to understand Mexico-3, because this Mexico has been *denied*, and then selectively incorporated and institutionalized into “modern” Mexico (Mexico-2, i.e.: Mexico-1). Mexico-3 constitutes the very foundation of the nation, as well as the byproduct of the national economic “development”: urban misery. It can be more easily understood using the tools of History and Anthropology, of course. . .

¹⁷ Mexico-3 wants to reproduce, so it engages in “production” using as many persons as it can, with the highest social “welfare” impact possible.

¹⁸ Only 32% of the Mexican households possesses more than 20 books. *Nexos* [Mexican magazine]. May 1996. p 39.

Included in this Mexico are: Most of the non-permanent workers of the national industry, most of the small and micro industry itself, the Mexican countryside as a whole (as we will explain), some parts of the backward municipal administration, even parts of the administration of certain federal states, even some public and private so-called “universities” and educational institutions (all “provincial universities”). But mainly, this Mexico is composed of the miserable, the destitute, the disenfranchised, the marginalized¹⁹.

Mexico-3 represents a large proportion of the national population, and it does constitute a group of income. It is rather defined by its lack of a stable and permanent income. It is not coherent, neither does it act as a group. Beware when it does! for it might not have anywhere else to go, if it is pushed to hard.

A family picture of the three Mexicos

A group picture of the three Mexicos should look as a smoking volcano:

The skirts of the volcano would gather Mexico-3, a Mexico shaped by tradition and custom, bordering with Mexico-2. This is the unorganized society. Every time that a group of illegal Central Americans crosses the Mexican southern border, Mexico-3 grows, as well as with every crisis, and by numbers. . . This Mexico has almost no contact with Mexico-1 (except through a window when a red light stops a luxury car, or when an Anthropologist decides to live among the poor people). This Mexico is very ingenious, like a hungry coyote.²⁰ The search for survival gives meaning to its collective action.

Mexico-2 gives definite shape to the mountain. Mexico-2 incorporates, frames, formalizes, recruits, educates, disciplines (labor, political militancy, etc.). It is law and order. It knows its way through, like a lawyer. The search for political power gives meaning to its collective action. Every time a Mexican gets a permanent job, or an education, or enters the army, or the party, Mexico-2 grows. The border between Mexico-3 and Mexico-2 is, thus, formal. Neo-liberalism and the consequent trimming of the state have weakened Mexico-2 in economic terms, and the current crisis of the PRI, in political terms.

Mexico-1 occupies the snowy peak (and the smoke) of Popocatepetl. This Mexico wants to des-incorporate, does not want to be framed, formalized, recruited or disciplined. It sees itself as the incarnation of change and transformation, like a stock-broker does. Every time that a part of Mexico is trans-nationalized or inter-nationalized, Mexico-1 gets stronger. The border between Mexico-2 and Mexico-1 is, thus, informal.

¹⁹ “The Virgin of Guadalupe is the creation of a helpless people in need of a generous and protective mother”. Fernando Benítez in *La Jornada*. 5 June 1996.

²⁰ Nezahualcóyotl (“hungry coyote”) was the most clever of the Aztec monarchs.

What are the origins of this division and how it is being affected by Mexico's quick integration to the US economy.

Mexico has long been noted for its political stability, centered around the PRI regime. For many years, the Mexican state represented all Mexicos together. It was the main agent of change, and the promoter of welfare. It helped the rich to get richer, and poor to be less poor. It protected the rich against foreign competition by erecting commercial barriers, and it gave the poor some relief (education, health, etc.). There was a consensus that the state intervention was required to correct the imbalances produced by underdevelopment.

Such a consensus around the developmentalist approach went bankrupt at the beginning of the 80's, in sight of the notorious governmental incompetence and corruption scandals. Public enterprise was synonymous of inefficiency and corruption. Private enterprise (until recently) was assumed to be the opposite.

Enter **Globalization**, an unfortunate term for a process that is no globe-shaped. The so-called Globalization is very irregular, and implies the strengthening of the complex interdependence links between First World countries, only. Some Third World countries' dependency links with some regions of the First World are just being modernized. You have to think of countries like India and China, which concentrate most of the population of the globe, to start laughing at the "unglobally" globalization.

In the particular case of Mexico, "globalization" has brought about the growing divide of the Mexican society that I am endeavoring to illustrate. One of the main ingredients for this explosive cocktail (a spitting volcano, in my illustration) is, of course, the latest information revolution, which is increasing the institutional speed of Mexico-1, in relation to the other two Mexicos.²¹ But access to computers is not the only factor explaining the whole process. Each one of the three Mexicos reproduces itself in a different (economic, political or survival oriented) way, and reacts accordingly to macro changes.²²

We are talking about three different ways of occupying an space (economic possession, versus sovereignty, versus physical presence). Implied also are three forms of timeliness (Mexico-3 lives a shorter life, Mexico-1 lives a longer and hectic life, Mexico-2 defines the national time. In other words, we are talking of three Eco-Nomies which imply three different efficient utilizations of space and time (with three different rationales).²³

²¹ In 1995, there are about two million personal computers in the country. According to INEGI (National Institute for Statistics, Geography and Informatics) only 5 million Mexicans knew how to use a computer.

²² Therefore, Mexico needs a president that is a consummate populist (to rally the people behind him) and a skillful technocrat (to bring the economy afloat).

²³ At the end of the day, and since Social Sciences still move in a fairly Newtonian world, Time and Space are just two measures of Matter: Time indicates its aging, Space its extent. In this paper, Space and Time are to be defined in the social realm, as well as the collective existence of the three Mexicos.

Measurement Criterion

Mexico-1's institutional speed is set according to the timing of the international economic frenzy. Its life is an economic venture. Its very diverse activities can be assumed to be part of a grand design of economic expansion. Likewise, the appropriate indicators to measure its success are the figures and trends that the economic science has developed; so, the number of excellent exporting companies, their rates of return, their international projection, their capital and influence, all give good notice of its progress. The growth of other "non-economic" institutions, activities, individuals, etc., matching Mexico-1's institutional speed should be assessed (case by case) and added to the equation.

Mexico-2's institutional speed is set according to the political calendar, the pulse of the nation. Its life is eminently political. It plays the "big game" of politics. Thus we have to look at indicators such as union and party affiliation, school enrollment, social security coverage, land ownership, employment, housing, etc., to assess its victories, stalemates and defeats. Similarly to the previous case, other "non-political" institutions, activities, individuals, etc., matching Mexico-2's institutional speed should be added, as well.

Mexico-3's apparently timeless institutional speed follows a communitarian rhythm. Climatic seasons (rains, droughts, hurricanes) agrarian cycles (particularly that of maize), religious (some civic) festivities, and of course the calendar of resistance and solidarity pace its life. Mexico-3 is signaled by its exclusion and marginalization from the *civis*. So, the "have nots" are for once important. Illiteracy, income concentration, land concentration, structural unemployment, endemic and epidemic diseases, malnutrition, inadequate dwelling, infant mortality, etc., but above all, child-birth give accounts of Mexico-3's extraordinary fitness for survival against all odds. Like in the two previous cases, all those "economic" or "political" activities matching this communitarian institutional speed belong to Mexico-3.

Could I ever find statistics to justify my points of view?²⁴ That might be the easiest part of my job. Official figures, as an example, show that 60% of the Mexicans are undernourished, that 40% are functionally illiterate, etc., etc., etc. On the other extreme, only few Mexicans (10 % of the total; roughly 10 million) concentrate more than half of the national income, etc., etc. etc. I can also document the fact that Mexico-1 and Mexico-3 elude corporatized Mexico (that is, Mexico-2) because of their different institutional speed and rationality, as I have been arguing.

Preliminary Definitions

What kind of intellectual mixture could ever produce an adequate theoretical framework? I have thought of Tönnies (on *ascription*), Durkheim (on *social solidarity*), Weber (on *collective action*), Norbert Elias (on the *civilization process*), Edgar Morin (his search for

²⁴ It is easier to lie without than with statistics!

a new paradigm) Jean-Marie Vincent (on a *critique of work*), Karel Kosík (on *the quotidian*) and many other authors, mainly philosophers.²⁵

However, I would be lying if I said that I had a pre-conceived theoretical framework before-hand, and that I am now making use of it to explain reality. Quite the contrary, the following paragraphs are an essay on acknowledging, *ex post facto*, the authors whose approaches are connected with my own enterprise.

The most convergent of such established lines of reasoning is German sociology in three of its main exponents: Max Weber, Ferdinand Tönnies and Norbert Elias.

From **Max Weber**, I appeal to his account of modern society emerging out of the former unity (or State *avant la lettre*) represented by the Church; which incarnated economics, politics, moral, science, religion, tradition, etc.

The Mexican state cannot, for sure, be equated to the Church. However, some parallel can be drawn. True that the Mexican state failed to completely laicize the country;²⁶ but it created nevertheless a very powerful *ideology of the Mexican revolution*.²⁷ Furthermore, the Mexican state, emerging from the revolutionary movement, acted as the main, often the sole, agent for economic reconstruction and advancement. Needless to say that, in political terms, the state-inspired political parties have monopolized power, coopting or destroying all credible opposition.²⁸ Finally, the Mexican state promoted “social justice” through several institutional means: agrarian reform, social welfare, public education, housing, etc., etc. In other terms, the Mexican state incarnated a unity that is been dissociated into three, as described in length, pages ago.

Now, for those who jumped over several pages of this paper, I must clarify that, from an “economist” point of view, there has never a single Mexico.²⁹ The point here is, however, whether or not Mexico ever moved at a single institutional speed. Mexico-3 (the oldest Mexico) came to feel included in the State, and Mexico-1 detached itself from the State in very recent date.³⁰

Other features of Weber’s work cannot be applied as readily. In particular, *classes*, as conceived in his theoretical framework, do not correspond to the social entities I am endeavoring to analyze. Each one of the three Mexicos would be, in a Weberian sense, clusters of classes sharing a common institutional speed. Arguably, the three Mexicos will eventually crystallize in something new, whose definite contours are not yet visible to me.

²⁵ Kant, Einstein, and Hawking on the nature of *time*. But also Social History, as a discipline, in relation with *temporalities*.

²⁶ During the “Cristero war” the school teachers were regarded as the apostles of the revolution.

²⁷ See Córdova, Arnaldo. *La Ideología de la Revolución Mexicana*. 5th ed. Mexico, Era. 1977.

²⁸ “It is a mistake to live outside the budget”--the say goes.

²⁹ Witness the abundant literature on Structural Dualism in Latin America.

³⁰ The Seventies and Eighties.

Norbert Elias study of the civilizational process is another possible connection with our own research.

Culture emanates from Mexico-3. Not only in the sense of “original” source,³¹ but as a recurrent influence. The foundational myth of the nation is associated with Mexico-3, and the latter has reappeared several times in history, in successive often revolutionary conjunctures, shaping the contemporary Mexican society and impressing it with its unique “popular” character. Lots of words of the current Spanish language spoken in Mexico, site names, plants, food, traditions, festivities, the past and roots of the nation are all associated with Mexico-3: *deep* Mexico.

Civilization, on the contrary, has long been the prerogative of the elites organized around Mexico-2, whether conservative or liberal, laic or religious, they have organized and codified all sorts of variegated influences into something *national* and *Mexican*.

Apart from that, Norbert Elias’s theoretical framework would be subjected to severe stress if it could be extrapolated to analyze Mexican syncretism, hybridizations, mestizaje, etc.³²

From **Ferdinand Tönnies’** theoretical approach there is a main aspect to be retrieved: his account of society’s passage from *Gemeinschaft* to *Gessellschaft*.

Mexico-1 approximates his description of an associational society, as Mexico-3 nears his representation of an ascriptive society. Mexico-2, from such a point of view, would fit somewhere in the middle.

However, the enduring existence of Mexico-3³³ and Mexico-2, and the recent detachment of Mexico-1 from the latter, conspire against this approach centered on the transit from one to the other. Instead, we need to focus the simultaneity of the three Mexicos and the relativity of their three institutional speeds.

Whether the three Mexicos will crystallize and solidify is something new, I see dependent on the quotidian life each one of the Mexicos lead. But once more, to the difference of **Karel Kosík**, we need to focus three different quotidianities, centered on institutions of different nature, running at different speeds.

As it can be observed, the analysis of the three Mexicos calls for a multidisciplinary approach, inasmuch social sciences in their evolution -as **Edgar Morin** has made clear-

³¹ The Mexican nation built its identity on a rejection of the Spaniard (reaffirming the Aztec) much in the same way Spain had rejected its Arab identity three centuries before.

³² To analyze Mexico-3, besides of the tools of Rural Sociology, those of History and Anthropology are required.

³³ Which can be traced back to pre-Columbian times.

led to the parcelling out reality.³⁴ The current Mexican transition offers a fine opportunity for intellectual adventure. Old paradigms should be dusted and new synthesis proposed. After more than 30 years of Latin American criticism, it should be clear (but sadly enough it is not, for many) that economic growth and development are NOT the same thing, and that poverty is not “previous to” but a consequence of “development.”³⁵

My main problem, then, is to theorize, in holistic terms, “my” three Mexicos. Despite the ongoing re-elaboration of this paper, I can offer some definitions already. Mexico, as I have said, can be divided in three. Some main features can be summarized as follows:

Mexico-1	Economics	Pressure groups	Individual
Mexico-2	Politics	Parties, unions, etc.	Mass politics
Mexico-3	History and Anthropology	Social movements	Communities

We are dealing with three forms of *integration/disintegration*³⁶ processes at a social-institutional level. Three forms of *socio-political integration*, out of the former “unity” represented by the Mexican corporative all-inclusive state. These three layers in the Mexican society act according to three rationalities (Economic gain, Political gain, and Survival) and can be better understood, respectively, by using the tools of Economics, Politics, and History and Anthropology.

In other words, what I am attempting to describe is the rise of social divides, in an unfinished process, that could eventually crystallize in three different social configurations within the Mexican society. The unfinished character of the process is, precisely, what leads me to use terms like “institutional pace” and “collective speed.” Should these dynamics continue, the three emergent Mexicos may crystallize into rock-hard social configurations with the characteristics so far outlined.

In a class of its own though, this process embraces, in odd ways, different aspects pertaining to concepts like *quotidianity*, *socialization*, *reproduction*. But largely a result of its unfinished, transitory character, this re-configuration of the Mexican society goes beyond the reach of such concepts. It can rather be said that quotidianities, socializations and reproductions are indeed being re-defined.

³⁴ See the first volume of *La Methode*. Morin warns us of such dangers, and he attempts to re-install human nature at the center of our attention.

³⁵ I am referring mainly but not only to the work of CEPAL. The lack of understanding of such fact is the reason why “structural” has to be used in connection with other terms; vgr. “structural unemployment,” etc., etc.

³⁶ With systolic/diastolic movements.

Behind this process is the changing nature of the economy, the political power and labor in the Mexican society. The economy is transnationalized, its commanding heights are much more responsive to international market and financial information than to national indicators. The stockmarket (highly sensitive to changes in the New York stock index) gives the pulse of the national economy as never before.

The political power is also changing, with the decay of the all-inclusive, corporatist, populist Mexican state. The *trimming* of the Mexican public sector of the economy and brutal reduction of the traditionally insufficient national welfare system has severely diminished the clientelistic ascendancy of the PRI-government, and has given new meaning to the struggle for political power. The over-concentration of power in a single person, the President, seems doomed to fade away, as the PRI-system accelerates its demise. The Mexican polity has grown more complex. The civil society has grown stronger.

Labor is also transformed³⁷. There is a lack on centrality, a lesser importance of contemporary blue-collar workers in industry, due to the new, service-oriented processes of production. The informal sector of the national economy has acquired gargantuan dimensions fueled by chronic unemployment and subemployment and unremitting crises in the countryside. And there is also a decrease of unions' political influence, as affiliation to the main unions and confederations continues to drop.

The result of such transformations is the emergence of new social divides characterized by three different collective speeds, marked by paces of different institutional nature. The three different paces (the *Internationalized*, the *National*, and the *Communitarian*) correspond to three different kinds of institutions (setting different calendars) and quotidianities. Institutional speed is here defined as the collective pace at which a set of institutions moves. Their *economic*, *political* or *social* nature derives from the objective to attain.

The continuum time-space of each of the three Mexicos can intersect with the others'. As a matter of fact, Mexico-2's institutional speed (the national pace: "normalcy") can be altered, and it is also possible that, on specific occurrences, Mexico-3 comes to mark the national pace itself.³⁸ In the following table I have attempted to summarize, for the three Mexicos, the ideals, reproduction environments and goals³⁹.

³⁷ For an excellent discussion of the transformation of labor (in philosophical terms) see Jean-Marie Vincent. *Critique du Travail: le faire et l'agir*. Paris, Presses Universitaires de France.1987.

³⁸ When a Third World nation customarily moves at Mexico-1's speed, we can say it has joined the First World.

³⁹ Mexico-2's institutions to address the needs of Mexico-1 and Mexico-3 are subjected to quick transformation as I have argued.

Mexico-1	Profit, Rent	Macroeconomic stability	Market expansion
Mexico-2	Power	Political stability, Gobernability	Power maximization
Mexico-3	Survival	Solidarity	Social distribution maximization

The three Mexicos basically aim at three different general objectives and those can be summarized as being *economic* (the logic of capital accumulation), *political* (the logic of political reproduction) and *communitarian* (the logic of survival, and community preservation).

The nature of the National political institutions formalizes the separation between the three Mexicos. There is a formal separation between such institutions and those placed above and below the National institutional framing, pertaining to the other two Mexicos. As I have said before, Internationalized Mexico wants to escape the National institutional framing, while Communitarian Mexico just cannot get into it.

It can be easily understood that a particular set of institutions is central to each one of the three Mexicos; their activities, aims and timing revolves around such social constructs. Institutions like the stockmarkets of Mexico, New York, etc., the banks, and all sorts of international financial indicators pace out the life of Internationalized Mexico. Its quotidianity is molded in rich neighborhoods and suburbs, foreign schools, elite clubs, expensive cars, fine restaurants, holidays abroad, etc. Internationalized Mexico lives in a world of bounty, it leads a fairy-tale life.

As for National Mexico, it is rather institutions of statesmanship creation that pace out its life: the President's agenda, the Legislative Power sessions, the courts, the official calendar of the National University and other schooling systems, the elections, the union elections, the major political moves, alliances, etc. National Mexico is aware that it can afford a life thanks to the public institutions, it lives within the "welfare state".

The quotidian life of National Mexico is shaped according to the national, State-permitted standards: lodging, education, health care, markets, sporting facilities, used cars, spicy food, national holiday resorts, etc.

Communitarian Mexico is arranged following agricultural cycles, promiscuous dwelling, early incorporation to home-duties, sub-employment, unemployment and apprenticeship of urban and rural handiworks, religious festivities, communitarian and local institutions pertaining to ethnicity, region, language, etc. Communitarian Mexico is excluded and marginalized, it leads a life of deprivation.

Quotidian life in Communitarian Mexico is market either by its limited, non-permanent access to jobs, basic schooling, public health systems, land, etc., or by its complete

exclusion from such goods and services. Life in poor communities (rural or urban) bears on strong solidarity bonds created to survive in very hard, helpless conditions.

What can this framework be used for

What is happening in Mexico is illustrative of what might occur to all those big underdeveloped countries that are presently being inserted into the First World. I do not think that small underdeveloped countries can go through a similar process. That is, obviously, the subject of yet another paper on this same subject. Once said, this theoretical framework should not be used to predict behavior. It is rather a behavioral description itself. Obviously, this paper runs at the encounter of non-holistic approaches; specially those grounded in Economics alone.

The three Mexicos in the rural space

By way of introduction, let us give a brief review of the background to this question. Mexico has a continental area of 197.7 million hectares. Of this, only approximately 23.9 are considered of labor (12% only). The rest is too dry, too humid or too mountainous⁴⁰ for agriculture. Most of the 23.9 million hectares (about 18 million) is non-irrigated and it is planted in annual crops. Some 5.8 million, then, are irrigated. If we consider that Mexico might have 90 million inhabitants by now, that gives 0.26 cultivated hs./capita; which is well below the average for North America (0.75) or South America (0.43).

In addition, erosion is a very serious problem for Mexico. At least 81 779 632 has. are considered eroded; 29 877 643 are *severely* and *very severely* eroded, and 16 million has. are turned into a desert. This is also a real tragedy for the very rich ecosystems in Mexico. Data from Conservation International and WWF estimate that Mexico is host to the highest variety of reptiles in the world (717 species),⁴¹ and second in mammals (449 species), fourth in amphibians (282 species). There are more than 1 010 varieties of birds species (30% more than in the US and Canada together). As for flora, Mexico has 2 000 classified genera, more than 50% of which exists in Mexico only.

Land is highly concentrated in the hands of few owners: 90.6% of the units possessed 17% of the land in 1980, while 9.4% of the units concentrated 83% of the land. In the pinnacle of land ownership, 0.2% of the units averaged 1.5 thousand hectares, while another 0.2% averaged 6 794 hectares.⁴² Accordingly, 54.4% of the land was labored in less than 20 has. units.

We can square the Mexican Economically Active Population in primary activities at 6.6 million, out of which, the *campesinos* might well be 2.3 million.⁴³ A large proportion of

⁴⁰ Two thirds of the agricultural surface of Mexico has an inclination superior to 4%

⁴¹ Not counting those involved in politics !

⁴² Negrín M. José Luis. Análisis del Minifundio en el Agro Mexicano. México, Instituto Lucas Alamán. 1991.

⁴³ See *Los Productores Campesinos*, article by Kirsten Appendini in Calva, José Luis. Alternativas para el Campo Mexicano. México, Fontamara-Friedrich Ebert Stiftung-PUAL-UNAM. 1993. p. 195-211.

the Mexican rural population (between 51% and 96.7%) is below the poverty line; that is, between 43% and 79.4% of the rural households.⁴⁴

In the Mexican countryside the division between the three Mexicos, so far illustrated in generic terms, acquires very specific contours. For life in the agricultural sector is organized around the crop which is cultivated and the way it is cultivated. The three institutional speeds stand out in bold relief.

In the countryside, the Integration/Disintegration Process (from two to three Mexicos) has a variant.⁴⁵ In the urban space the three Mexicos emerged out of a fracture in the former elite. In the countryside, a double movement took place: 1) the crisis of Mexican state intervention in the countryside: the demise of the national agrarian reform, and 2) the phenomenon of *neo-latifundism*. In other words: first we had the re-privatization of the Mexican countryside, and then its transnationalization.

Rural Mexico-1

Rural Mexico-1 is a world-class producer of foodstuffs. It is organized around individuals, and multinational and national companies (it includes, of course, the elite of their technicians) that produce for international markets.⁴⁶ Its lands are irrigated, but it can also choose to associate with local producers. It possesses capital, the best seeds, the latest techniques, fertilizers, etc., and practices permanent innovation. It is, in fact, part of an international agro-industrial exporting complex, and it organizes and attends international agro-industrial fairs. Some of the chief national crops are associated with Rural Mexico-1; particularly *wheat*, *tomatoes* and *forages*. Traditionally, its strongest geographical base is located in the North-West of the country (Sinaloa, Baja California), Guanajuato, and the state of Colima. It can, of course, be found elsewhere. Mexico-1 is the most able to “escape” from the tyranny of excessive rain or drought⁴⁷ and of the natural agricultural cycle: it can decide what and when to cultivate.⁴⁸ It has computer-simulation models to predict the optimal level for Mexican exports and to allocate acreage. Its main enemy is other: international commercial protectionism. Its life is timed by the future markets

⁴⁴ Ibid.

⁴⁵ This will be explored in a future paper to be presented next year, either at IPSA or LASA.

⁴⁶ During the last three years, more than 230 agro-industries in the state of Veracruz invested US\$ 2,757 and generated 6,072 jobs. The investment went to the production of pigs, chicken, mushrooms, citrus, coffee and juices. *La Jornada*. 5 May 1996. Currently, Mexico covers more than 60% of the imported vegetables of the USA (mainly tomatoes, cucumbers, peppers, squash, asparagus and eggplant), although Mexico's share of the US market is only 1.6%

⁴⁷ In 1996, Mexico faced its worst drought in the last 50 years. The state of Sinaloa, in particular, with its dams at 13.2% capacity, had to reserve the water for human consumption only, in three barrages: Sanalona, Adolfo López Mateos and José López Portillo. The Mexican dams were at 22, 17, 30 and 55 per cent capacity in the NW, NE, Center and South of the country, respectively. Six million hectares should be left idle that year (aprox. 3 million tons of maize and beans) among which, 740 thousand hectares of irrigation crops. The drought badly affected the states of Coahuila, Durango, Chihuahua, Tamaulipas, Nuevo León and the Laguna region. Cf. *Epoca*. 29 April 1996.

⁴⁸ There are three cycles in winter: *fall* (Nov.-Dec.), *winter* (Jan.-March) and *early spring* (April-June).

(Chicago, etc.). And it does worship the Holy Money, in the form of elevated rates of returns.

Rural Mexico-2

Rural Mexico-2 encompasses the bulk of the small private farms, some of it irrigated, as well as the subsistence agriculture (the subsistence ejido). It produces mainly for the national market and also exports⁴⁹. It is organized around produces like *rice*, *oleaginous crops*, *coffee*, *sugar cane* and *tobacco*, and it organizes and attends local and national agricultural fairs. It used to have access to credit, but it is now heavily indebted, like the whole of the nation. Rural Mexico-2 is somehow mechanized, thanks to the “Institutional Revolution,” but it does not use fertilizers. It works its mostly seasonal land at the pace of oxen yokes, and tractors. Rural Mexico-2 is framed in the realm of mass politics; either corporatized in PRI-affiliated mass organizations or (lately) organized in independent farmers’ unions. Its indebtedness, as its main dilemmas can be phrased as: the crisis of the state intervention in the countryside: the demise of the Mexican agrarian revolution. Its life is timed by such political requisites (the Ministry of Agriculture, the CONASUPO,⁵⁰ the Ministry of Commerce) and by the Central de Abastos in Mexico City. Some criollo and mestizo saints and charismatic leaders are object of its religious veneration.

Rural Mexico-3

Rural Mexico-3 includes the infra-subsistence ejido. It also includes those campesinos which do not possess land or have a job on a permanent basis: the seasonal workers.⁵¹ It is associated to the traditional Mexican crops: *maize* and *beans*, but it does not produce enough or retain enough to feed itself.⁵² You can probably find some of its produce in the local town markets. Is it necessary to say that Mexico-3 does not have access to irrigated land, nor credit or fertilizers, etc.? That it is not receiving sufficient aid either? Its crises are Third World crises. This dark-skinned Mexico, that includes the indian part of Mexico as a whole, is concentrated in the *Deep South* of the country; which is to say,

⁴⁹ Between 3 and 5 million tons of maize (20 to 30% the national harvest) are consumed by the peasants themselves.

⁵⁰ Comisión Nacional de Subsistencias Populares. Maize accounts for 35% of the sales of CONASUPO’s 19 900 country stores.

⁵¹ From this point of view, a *jornalero* (seasonal worker) could fall in Mexico-2 if he can secure frequent seasonal jobs, possesses a plot of land, is unionized, etc. Fifty thousand *jornaleros* work in San Quintín, Baja California (May through December); 30 thousand in Hermosillo, Sonora. Some 83 thousand work (Sep. through Dec.) in Culiacán, Sinaloa. Other regions of Mexico also attract *jornaleros*, like Apatzingán, Michoacán, and Soconusco, Chiapas. And last but not least, some 700 thousand Mexicans labor in Fresno, Madera, Stockton, Visalia, Modesto, Merced and Bakersfield, California, USA. A research conducted by CIOAC-Uach reported that 57.5% of the *jornaleros* under study received no other salary than food and alcohol. *La Jornada*. 16 July 1996.

⁵² The Monterrey based agro-industrial group *Maseca* (owned by Roberto González) should be given careful consideration for its impact in the production of maize products. *Maseca* claims that it will produce 50% of the tortillas in Mexico, during 1996. Cf. *La Jornada*. 5 May 1996.

mostly in central and southern Mexico⁵³ It leads a communal life. Its main aim is the reproduction of the community. Its life is timed by the maize cycle, by the rainy seasons, the oxen yokes (when available) the barefooted journey, and the religious festivities. Rural Mexico-3 is dramatically poor and increasingly female. It prays a lot, and God knows for how many years, now. But its saints --indian-like saints-- are seemingly deaf. In many communities, those who have not emigrated are either too old or too young to escape.

Thank you.

Bibliography

- Anderson, Luis A. and Bruno Trentin. Trabajo, derechos y sindicato en el mundo. Venezuela, Nueva Sociedad. 1996.
- Calva, José Luis (ed.). Alternativas para el campo mexicano (2 vols.). Mexico, Fontamara. 1993.
- CEPAL. Economía campesina y agricultura empresarial: tipología de productores del agro mexicano (3rd ed.). Mexico, Siglo XXI. 1986.
- Córdova, Arnaldo. La Ideología de la revolución mexicana. 5th ed. Mexico, Era. 1977.
- Dávila Villers, David R (ed.). NAFTA, the first year. University Press of America. 1996.
- Einstein, Albert. El significado de la relatividad. Mexico, Artemisa. 1985.
- Elias, Norbert. El proceso de la civilización. Mexico, FCE. 1994.
- Elias, Norbert. La sociedad cortesana. Mexico, FCE. 1982.
- Elias, Norbert. Sociología fundamental. Barcelona, Gedisa. 1982.
- Epoca* [Mexico City magazine].
- Estrada Martínez, Rosa Isabel (ed.). Legislación y modernización rural. Mexico, Universidad Autónoma Metropolitana. 1990.
- Florescano, Enrique. Precios del maíz y crisis agrícolas en México. Mexico, Era. 1986.

⁵³ Aguascalientes, Campeche, the Federal District, Guerrero, the state of Mexico, Nuevo León, Oaxaca, Puebla, Querétaro, Quintana Roo, San Luis Potosí, Tlaxcala, Yucatán y Zacatecas: **old Mexico!** It can also be found in all major Mexican and American cities.

- González Casanova, Pablo. El estado y los partidos políticos en México. Mexico, Era. 1981.
- Hacyan, Shahan. Los hoyos negros y la curvatura espacio tiempo. Mexico, FCE. 1988.
- Hawking, Stephen W. Historia del tiempo. Mexico, Grijalbo. 1988.
- H. Cámara de Diputados (LV Legislatura). Ley agraria. Mexico, H. Cámara de Diputados. 1992.
- INEGI [Instituto Nacional de Estadística Geografía e Informática]. Anuario estadístico de los Estados Unidos Mexicanos 95. Mexico, INEGI. 1996.
- Johnston, Bruce F., Cassio Luiselli, Celso Cartas Contreras and Roger D. Norton (eds.). U.S.-Mexico relations: agriculture and rural development. Mexico, FCE. 1988.
- Kant, Manuel. Crítica de la razón pura. Mexico, Porrúa. 1977.
- Kosik, Karel. Dialéctica de lo concreto. Mexico, Grijalbo 1976.
- La Jornada* [Mexico City newspaper].
- Lara Flores, Sara María. Jornaleras, temporeras y bóias frias. Venezuela, Nueva Sociedad. 1995.
- Mennell, Stephen. Norbert Elias, an introduction. Blackwell. 1992
- Morin, Edgar. La méthode (several volumes published after 1980). Paris, Seuil. 1977.
- Negrín, José Luis. Análisis del minifundismo en el agro mexicano: comparación de productividad entre unidades agrícolas grandes y pequeñas. Mexico, IIESLA. 1991.
- Nexos* [Mexico City magazine].
- Prosterman, Roy L., Mary N. Temple and Timothy M. Hanstad. Agrarian reform and grassroots development: ten case studies. Lynne Rienner publishers. 1990.
- Restrepo, Iván y Salomón Eckstein. La agricultura colectiva en México (2nd ed.). Mexico, Siglo XXI. 1979.
- Sanderson, Steven E. La transformación de la agricultura mexicana. Mexico, Alianza Editorial. 1986.
- Tönnies, Ferdinand. Desarrollo de la cuestión social (2a. de.). Barcelona, Labor. 1933.

Tönnies, Ferdinand. Principios de sociología (2a. de.). Mexico, FCE. 1946.

Toennies, Ferdinand. On sociology: pure, applied, and empirical. University of Chicago Press. 1971.

Urriola, Rafael. La globalización de los desajustes. Venezuela, Nueva Sociedad. 1996.

Vincent, Jean-Marie. Critique du travail. Paris, PUF. 1987.

Vincent, Jean-Marie. Fetichismo y sociedad. Mexico, Era. 1977.

Warman, Arturo. Ensayos sobre el campesinado. Mexico, Nueva Imagen. 1980.

Weber, Max. Economía y sociedad (2 vol.). Mexico, FCE. 1977.

Weber, Max. Historia económica general. Mexico, FCE. 1978.