

# AGRARIAN REFORM IN MEXICO : AN INTERPRETATION

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The Agrarian Reform in Mexico has been capitalist in nature ever since its initiation. The difference in opinion between the radical and the conservative groups lies in which path should be taken for capitalist development, whether or not some precapitalist elements should be permitted to remain. It has become increasingly difficult to develop capitalism in its pure form because industrialists have acquired vested interests. The reason for the failure of the Agrarian Reform to liberate working farmers from poverty and desolation is to be found in the nature of the socio-economic structure as a whole, not in the reform's inability to enhance productivity, nor any lack of measures to implement it.

Agrarian reform has been a vital task throughout Latin America as well as everywhere in underdeveloped regions, particularly since World War II. Hence arises the urgent necessity to study this subject.

Of the many experiments in agrarian reform heretofore attempted throughout the world, the Mexican one has been outstanding in the following aspects :

The Mexicans initiated the Agrarian Reform of their own accord amidst the turmoil of the Revolution of 1910-1917, one of the first of the revolutions in this century.

The experiment has been under way for as long as half a century, thus making it possible for other countries to draw lessons from the accumulated experience of Mexico.

And, Mexico has also experimented with the collective farming system called the *ejido* system, the only such experiment in the non-Socialist world with the exception of Israel.

The Agrarian Reform in Mexico, therefore, has been studied by a great number of social scientists, most of whom are Mexican naturally, with North American next in number. As each of these scholars propounds his own view, anyone disposed to investigate this subject will be confused by the variety of appraisals. Indeed, they are all in agreement only in one point : that the Mexicans have not been able to achieve the aim of agrarian reform in its pure sense, that is, the liberation of every working farmer from poverty and desolation.<sup>1</sup> But, they differ from each other in answering the

<sup>1</sup> Jesús Silva Herzog, one of the most prominent Mexican social scientists, proves that every Mexican social scientist or politician agrees in that "hay que reformar la reforma agraria," in his respectably elaborate work on the ideologies of the Agrarian Reform,

following questions:

In what respects has the Mexican experiment succeeded and in what has it failed?

What have been the obstacles to the Agrarian Reform?

Will the Mexicans be able to lead the Agrarian Reform to success?

If so, how is it to be done?

It will be sufficient here to represent the main lines of thought, classifying those who adhere to them into two opposing groups. Those belonging to the first group argue that the Agrarian Reform has completely failed to attain its economic aim, the increase of productivity, though it has carried out its political and social task to some degree, and they conclude that a utopian idea of the Agrarian Reform should be discarded immediately.<sup>2</sup> The others contend that the Reform has been hindered from achieving full success only by some minute mistakes easily to be rectified. They propose that the Agrarian Reform, with the *ejido* system as its core, should be carried out more vigorously, through such measures as more intensive land redistribution, a greater extension of credit, more large-scale extension services.<sup>3</sup> The former group could be termed "*agronomistas*," the latter "*agraristas*."<sup>4</sup>

*El agrarismo mexicano y la reforma agraria*, México, Fondo de Cultura Económica, 1ª ed., 1959, and 2ª ed., 1964 (p. 547). This work seems to me to have a bias to interpreting some views unjustly in favour of the *agrarista* school.

<sup>2</sup> Ramón Fernández y Fernández, "Logros positivos de la reforma agraria mexicana," *El trimestre económico*, julio-septiembre, 1946, and the same author, "Problemas creados por la reforma agraria de México," *El trimestre económico*, octubre-diciembre, 1946. In *Política agraria*, México, Fondo de Cultura Económica, 1961, in collaboration with Ricardo Acosta, he argues that collective farming, *ejido*, is theoretically the best for Mexican agriculture, but in practice has been a failure. North American authors, such as Clarence Senior (*Land Reform and Democracy*, Gainesville, University of Florida Press, 1958) and Howard F. Cline (*Mexico: Revolution to Evolution 1940-1960*, London, Oxford University Press, 1962), are adamantly against the Agrarian Reform as pushed forth by the Cárdenas administration. Nathan L. Whetten, in his classical work, *Rural Mexico*, Chicago & London, University of Chicago Press, 1948, was also doubtful of the prospects for the *ejido* system. In contrast, the North American scholars in the twenties and thirties, such as Frank Tannenbaum (*The Mexican Agrarian Revolution*, New York, Macmillan, 1930) and Eyley N. Simpson (*Ejido: Mexico's Way Out*, Chapel Hill, University of North Carolina Press, 1937), were pro-Reform.

<sup>3</sup> Almost all Mexican social scientists belong to this school. With Jesús Silva Herzog as the leader, there are Edmundo Flores (*Tratado de economía agrícola*, México, Fondo de Cultura Económica, 1961), Víctor Manzanilla Schäffer ("La reforma agraria," in *México: 50 años de Revolución*, México, Fondo de Cultura Económica, 1963), Emilio Romero Espinosa (*La reforma agraria en México*, México, Cuadernos Americanos, 1963), and Moisés González Navarro ("Mexico: The Lop-Sided Revolution," in *Obstacles to Change in Latin America*, London, Oxford University Press, 1965), to name a few of these authors. The recent article by a Soviet scholar Shul'govsky ("Общинное земледелие и аграрная реформа в Мексике," *Вопросы истории*, No. 9, 1965) vehemently defends the Agrarian Reform under the leadership of Lázaro Cárdenas.

<sup>4</sup> H. F. Cline in his work cited above states as follows (p. 48): "In the end *agronomist* rather than the *agrarianist* may turn out to be the hero of the agrarian Revolution." (Emphases supplied.)

Of the former group we would like to pose a critical question: Has the aim of the Agrarian Reform been only economic, and should it be so? And we would like to ask the latter: Is it possible for agrarian reform in its true sense to be carried out successfully only through (minor measures)?

This paper attempts to answer these questions, presenting a reinterpretation of the Agrarian Reform in Mexico.

## I

The idea of the Agrarian Reform was crystallized in the process of the Revolutionary struggle against Porfirio Díaz's régime, a régime which had established itself on the foundation of a feudal land tenure system called the "hacienda" system. As is usual in bourgeois revolutions, this struggle included three social classes opposed to feudalism: the bourgeoisie,<sup>5</sup> the peasantry, and the labour. But the labour only followed on the heels of the bourgeoisie without raising its own voice, partly because of the remembrance of the severe suppressions suffered in the pre-Revolutionary strikes such as those in Cananea and Río Blanco, and partly because of the strong influence of anarcho-syndicalism imported from the Latin countries of Europe.<sup>6</sup> Whereas it was the peasantry that insistently demanded agrarian reform, it was the bourgeoisie that initiated and triumphantly terminated the struggle. Then it is pertinent first to review the demands of the peasantry and next to turn to the evolution of the idea of the Agrarian Reform among the bourgeoisie, in order to grasp the essential nature of the constitutional crystallization of the idea of the Agrarian Reform, Article 27 of the 1917 Constitution.

The peasants' demands found their most clear expression in the *Plan de Ayala* issued by Emiliano Zapata in November of 1911. The Plan demanded: (1) outright restitution of the usurped lands, mountains, and waters to the former owners; (2) expropriation of the lands, mountains and waters monopolized by the few; (3) nationalization of the lands, mountains, and waters possessed by the opponents of the Plan. Although the Plan expressed a deep aversion to latifundism long held by all peasants, it was not as radical as is commonly thought. First, the collectivism mentioned in many works cannot be found in this document; we can find individuals (*ciudadanos*) as well as villages (*pueblos*) the beneficiaries of this Plan. Secondly, it stipulates the prior compensation of one-third of the expropriated property as a pre-condition in putting the second demand into effect.<sup>7</sup> Finally, it does not

<sup>5</sup> The word "bourgeoisie" does not mean the capitalists as persons, but a social class which is interested in the capitalist development of society in favour of proprietorship. Then we can regard Venustiano Carranza as a leader of the "bourgeoisie," though he was a landowner.

<sup>6</sup> On the activities of *Casa del obrero mundial*, the only national labour organization in Mexico at that time, see José Mancisidor, *Historia de la Revolución Mexicana*, México, Libro Mex, 2<sup>a</sup> ed., 1959, pp. 224-225.

<sup>7</sup> William Cameron Townsend, in his instructive biography of Lázaro Cárdenas: *Mexican*

contain a demand for the nationalization of land, a demand which should be made in order to develop capitalism in the pure sense, as was done in the French and the first Russian Revolutions by the more radical revolutionaries.

It can therefore be concluded that the peasants' demands were not for socialism, or even for the straight path, but for the moderate path to capitalism. Needless to say, there would have been possibilities for the peasants to make their demands more and more radical if they had been triumphant in the Revolutionary struggle.

The bourgeoisie were so timid against the landlords that their do-nothing in agrarian reform in the first phase of the Revolution forced the peasantry to raise its own voice, but the bourgeoisie could not accept the moderate plan of the peasantry and clashed with them in battle in the later phase. The *Plan de San Luis Potosí*, the first battle-cry raised by Francisco I. Madero in November of 1910, though overwhelmingly political in nature, contained an article on the agrarian problem. It proposed the restitution of lands to the former owners, but to the "numerous proprietors of small holdings." This phrase was nothing but destructive to agrarian reform, since it was the communal villages more than anyone else who had been dispossessed of land under Díaz's régime.<sup>8</sup> Immediately after the fall of Madero, in May of 1913, Venustiano Carranza issued the *Plan de Guadalupe* against the usurper Victoriano Huerta, a plan which was nothing but a political accusation of the usurper and assassin.

When Carranza was forced to formulate his economic objectives in the face of the militancy of the peasantry, the formulation should have been more concrete than Madero's, even if Carranza was basically conservative. In his Decree of January, 1915, restitution and grant were stipulated as being the two ways "for returning to the villages the lands of which they have been despoiled," but emphasis was placed upon the former. Though this plan was more constructive than Madero's in stipulating communal villages as the beneficiaries, it was clearly insufficient since almost none of the members of communal villages had held legal title to the lands they were deprived of. Furthermore, the Decree contained barriers to the implementation of agrarian reform. As Eyer N. Simpson critically commented: (1) it was primarily a "negative" programme to rectify past wrongs; (2) its application was limited to the communities within "political categories" (*pueblos, rancherías, congregaciones, and comunidades*), in spite of the fact that many communal villages had been designated by other terms; (3) it put the most emphasis upon individuals, stating in its preamble that it was not intended "to revive the traditional landholding villages" or to vest "proprietorship to the land...

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*Democrat*, Ann Arbor, George Wahr Publishing Co., 1952, misread the text of *Plan de Ayala* as follows (p. 154): "... his Plan de Ayala... actually demanded the return of only one-third of the monopolized lands and water rights to the peasants, and that upon indemnification."

<sup>8</sup> On Madero's agrarian reform and his concept of it, see Charles Curtis Cumberland, *Mexican Revolution: Genesis under Madero*, Austin, University of Texas Press, 1952, pp. 208-221.

in the village in its corporate capacity" and that the land was to be "parcelled out in dominion to the inhabitants of the villages"; (4) it could be applied only after the villages themselves had presented their claims to the government, though the peasants had been so long suppressed that they could not become articulate enough to do so in a short time; (5) it stipulated a court injunction (*amparo*) as a safeguard for the landowning class to postpone its application.<sup>9</sup>

Hence it is concluded that the Revolutionary bourgeoisie could not even go hand in hand with the peasantry on such a moderate path to capitalist development as the latter class demanded, and that they could not help but walk on the more winding path, often hand in hand with the feudal landlords against whom they initiated the Revolution. This was because on the one hand the bourgeoisie had been aware of the danger that the upsurge of the peasants' movement might lead to the abolition of the private property system, and because on the other hand they themselves had been connected with the landlords to some degree, having been hindered from attaining full independent growth.

The new Constitution was promulgated on February 5, 1917, as the greatest result of the long civil war. Predominantly bourgeois-oriented as it was, the Constitution to some degree embodies the peasants' will for agrarian reform, a will which found its own spokesmen in the younger generation of the Constitutionalists (the partisans for Carranza), the more progressive and radical group. Thus, the Constitution took its shape as a compromise between bourgeois and peasant ideas. On the main points of the agrarian problem Article 27 of the Constitution provided as follows:<sup>10</sup>

(1) *On the Concept of Property.* Here can be seen two principles. The first is that "the ownership of lands and waters comprised within the limits of the national territory is vested *originally* in the Nation," and that the Nation "has had, and has, the right to transmit title thereof to private persons, thereby constituting *private property.*" The other is that, while the Nation's ownership of mineral deposits and waters "is inalienable and may not be lost by prescription," "concessions shall be granted... to private parties or civil or commercial corporations..., only on condition that said resources be regularly developed..." (Emphases supplied). In the former case the system of private property was not substantially changed, and not at all in relation to the recipients of ground rent; in the latter case it can be said that private property was taken in the functional sense, as in the case of the implementation of the land nationalization policy.

(2) *On the Measures for Land Redistribution.* It stipulates three measures; (a) to create village lands (*ejidos*) by restitution or by outright grants; (b) to recover national lands and waters illegally alienated or held "in prejudice of the public interest"; and (c) to destroy latifundism through limitations on the

<sup>9</sup> Eyles N. Simpson, pp. 58-61.

<sup>10</sup> The text of the 1917 Constitution in an English translation can be found in Frank Tannenbaum, *op. cit.*, pp. 517-527.

area of private holdings. It is true that viewing only this, we cannot find any bourgeois lineage, but, if the following point is taken into consideration, the true meaning of this stipulation can easily be found.

(3) *On the Type of Property to Be Formed.* In enumerating the general measures to be taken, the Constitution considers a measure "to develop small landed holdings" as second in importance to one "to divide large landed estates." And, whereas supporting the right of a village having no or insufficient land to be provided with land from adjoining properties, it sets as a condition that of "always having due regard for small land holdings," needless to say, not on the principle that private property rights are inalienable, but on the principle that "private property shall not be expropriated except for reasons of public utility and through compensation." Here can be found the preference for small private property over communal property, and an obstacle to land redistribution procedures.

In short, the 1917 Constitution was essentially bourgeois, with a propensity to be conservative bourgeois. But, it is a fact that it was born of two opposing minds, the conservative bourgeois and the radical bourgeois supported by the peasantry. It, therefore, was so flexible in nature that both the conservative and the progressive might bring it forth as their own.

## II

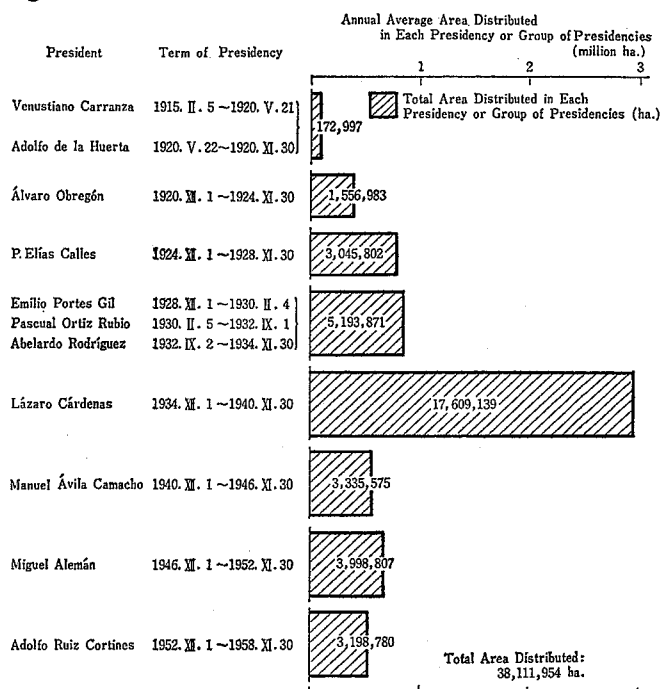
The compromising nature of the 1917 Constitution explains the reason why the process of agrarian reform had been very slow for nearly two decades after the promulgation of the Decree of 1915, and why it could be speeded up and revitalized during the administration of Lázaro Cárdenas (1934-1940), one of the leaders of the more progressive, younger wing of the Revolutionary bourgeoisie, as is clearly seen in Figure 1.

The first period of retardation of the Agrarian Reform, though at times the idea of "simple collectivism"<sup>11</sup> appeared, as embodied in Circular 51 of the National Agrarian Commission (October, 1922), was symbolized by the Law of Ejido Patrimony promulgated by Plutarco Elías Calles in December of 1925. The Law was enacted on purpose (1) to curtail the power of the village agrarian authorities who had a propensity to favour the peasants' course, and (2) to take the first step in converting the *ejidatarios* from members of a commune into proprietors of independent private property. Taking account of the heretofore negligible accomplishments in land redistribution, it can be easily seen that the Law meant putting a *de facto* full stop to the Agrarian Reform. The idea of the true fathers of the 1917 Constitution, the bourgeois, or, to say more correctly, the bourgeois-landlord, had been faithfully observed throughout this period. But the pure bourgeois aspirations born during the civil war were not completely suppressed.

As it were, this period was forcibly brought to a close culminating in a

<sup>11</sup> A phrase used by Eyer N. Simpson (op. cit., p. 318). He considers the nature of the Law of Ejido Patrimony "rugged individualism."

Figure 1. THE PROGRESS OF THE AGRARIAN REFORM



Note: Area distributed may not be coincided exactly with presidential term. The figures used up by various authors differ slightly from each other; e. g. Eyler N. Simpson, *Ejido*, Table 17, p. 609 and Nathan L. Whetten, *Rural Mexico*, Table 19, p. 125.

Sources: Edmundo Flores, *Tratado de economía agrícola*, p. 314.

Jesus Silva Herzog, *El agrarismo mexicano y la reforma agraria*, p. 535.

battle of words between the "veteranos" and the "agraristas," a battle which was sparked by the confession of P. Elías Calles, then a retired president but the behind-the-scenes boss in the political circle as the "Jefe Máximo de la Revolución." Calles confessed that the agrarian reform with the *ejido* system as its core had been nothing but failure.<sup>12</sup> It was in 1930 that these fatal words were uttered. Amidst the harsh exchanges that followed, the only party ruling the Mexican political scene, the *Partido Revolucionario Nacional*, formulated its programme of action, the "Six-Year Plan" at its convention in December, 1933, while the new Agrarian Code was promulgated by the government in March, 1934.

These documents did not represent "any convincing evidence of a new emphasis on the idea of the socialization of property advanced with such fervour by the more forward-looking of the *agraristas*,"<sup>13</sup> even if they showed

<sup>12</sup> The text is cited in Eyler N. Simpson, op. cit., pp. 113-114, from *El Universal*, June 23, 1930.

<sup>13</sup> Eyler N. Simpson, p. 463.

some concessions to the *agraristas* in such points as the abolition of the "political category" by using the phrase "centres of population," a phrase which was to include all sorts of communal villages in whatever terms they were called, the recognition of the right of resident farm labourers (*acasillados*) to the land, more emphasis on the *ejido* system as a system to be established, and others. It was on such principles that the Agrarian Reform was implemented under the Cárdenas régime. Nevertheless, the policies of the Cárdenas régime appeared so radical that the régime was slandered as being "Bolshevik" and has been accused of being "communist." Hence arises the necessity to scrutinize the policies of this régime on agrarian reform.

The most outstanding agrarian policy of the régime was the creation of the large-scale *collective ejidos*. Such *ejidos* were established mainly in the areas of plantations producing goods for sale: the Laguna region (cotton and wheat), the Yaqui Valley (wheat, rice, and flax), Los Mochis (sugar-cane and winter vegetables), Lombardía and Nueva Italia (rice, limes, and cattle), El Soconusco (coffee); and also in the newly developed areas: the Yucatán region (henequen), Mexicali (cotton and alfalfa) and others. A mere listing of these areas would be sufficient to prove that a new era in the Agrarian Reform was ushered in with the advent to power of Cárdenas, taking account of the fact that most of the land distributed by the preceding "revolutionary" governments were poor, short of water, and badly located with regard to marketing. What is more, in the former group of areas, the power, both political and economic, was taken from the former bosses, the *hacendados* and the foreign companies which had dominated over the areas and had long mercilessly suppressed the peasant masses. At this time the oppressed became new masters (*dueños*), as was exemplified in the Laguna case.<sup>14</sup>

We should give consideration to the fact that almost all of the *ejidos* established in these regions were collectively managed, that is, *ejidos colectivos*. The works of *ejido*, such as tilling, sowing, harvesting, tractor-driving, and so on, are allotted to each member by the Executive Committee (*comisariado ejidal*), the members of which are democratically elected and can be recalled for legitimate reasons by a two-thirds vote of the majority at the general meeting of *ejidatarios*, and never in any other way. The task performed by each *ejidatario* is compensated partly in the form of a regular wage, which in fact means an advance payment of the individual's share of the yearly profits, and partly in a dividend to the members after the harvest. The socialist principle, "from each according to his ability, to each according to his work," is observed here.

If one were to limit observations to the above-mentioned facts, one would say that the aim of Mexico at that time was the establishment of socialism.<sup>15</sup>

<sup>14</sup> On the process of land redistribution in the Laguna region, see Clarence Senior, *op. cit.*, Chap. 3. On the improvement of living, see Henrik F. Infield and Koka Freier, *People in Ejidos: A Visit to the Co-operative Farms of Mexico*, London, Atlantic Press, 1956, p. 73, and others.

<sup>15</sup> The "socialistic education" propounded by Cárdenas and his colleagues is sure to



It is necessary, however, before forming a conclusion, to ascertain the real nature of these facts as parts of the whole socio-economic structure, to analyse the agrarian policy of the Cárdenas régime as a whole, and to take its economic policy as a whole into account.

The creation of collective *ejidos* was one of the results of the Agrarian Reform under the Cárdenas régime. But if we look at the total results of the Agrarian Reform, we would first note a very small proportion of *ejidos* to total landholdings in both scale and area. According to the Census of 1940, the *ejidatarios* numbered only slightly over 1,600,000—including the *ejidatarios* of individual *ejidos* as well as those of collective *ejidos*—while the population engaged in agriculture was about 3,830,000, 64.5% of the total economically active population in Mexico; only four in ten were *ejidatarios* in the rural Mexico at that time. There were 14,682 *ejidos* with a total of 28,922,860 hectares, and 1,119,022 private holdings with a total of 100,334,574 hectares: the area in private holdings was nearly four times larger than was held by *ejidos*. What is more, more than 30% of the land was in the hands of only 2,832 individuals,<sup>16</sup> which means a poor result in the abolition of latifundism, one of the most important objects of the Agrarian Reform.

Second, the collective *ejidos* were not playing as important a role as commonly held, in comparison with the individual *ejidos*, as is seen in the following data:<sup>17</sup>

	Total <i>ejidos</i>	Collective <i>ejidos</i>	Individual <i>ejidos</i>	Mixed <i>ejidos</i>
Number	5,650	696	4,886	68
Percentage	100	12.3	86.5	1.2

These data refer only to the *ejidos* co-operating with the Ejido Bank in 1944. But almost all *ejidos* which were operated collectively were co-operating with the bank, and the number of each type of *ejido* had not changed considerably from 1940 to 1944. This, therefore, means that of the 14,683 *ejidos* (according to the 1940 Census) only about 5% were operated collectively. Needless to say, the *ejidos* of the individual type could be considered small holding farm lands, since in this type each *ejidatario* is allotted a plot of farm land (*parcela*) which he tills in his own way with the help of his family.

Third, the land restituted or granted to *ejidos* was inferior in quantity and quality to land which was private property, contrary to the stipulation of the Agrarian Code of 1934 (Article 38). Table 1 shows the average arable land per holding for the *ejidos* and for private property.<sup>18</sup> What is more,

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have contributed to the formation of this interpretation (Townsend, pp. 75-82, and Sanford A. Mosk, *Industrial Revolution in Mexico*, Berkeley & Los Angeles, University of California Press, 1954, p. 58).

<sup>16</sup> Silva Herzog, p. 478.

<sup>17</sup> Nathan L. Whetten, pp. 203-204.

<sup>18</sup> Frank Tannenbaum, in his recent book, *Mexico: The Struggle for Peace and Bread*, London, Jonathan Cape, 1965, though agreeing to scarcity of good land in the *ejidos*, states (pp. 187-188): "As of 1940, 28.5 per cent of the land in farms was in *ejidos*, and

the land belonging to landlords in excess of the stipulated area had been expropriated according to the regulations of the Agrarian Code of 1934 (Article 59) as follows:

Owners of property subject to expropriation under this Code shall have the right to choose the location, within their property, of the area which... shall be unaffected (*inafectable*).

Hence arises the unnatural situation in which the *ejido* lands were wedged in around private property, as shown in Figure 20 in Whetten's *Rural Mexico* and Figure 5 in Senior's *Land Reform and Democracy*. It is unnecessary to enumerate the defects or demerits of such a way of distribution.<sup>19</sup>

Fourth and last, the insufficiency of credit granted to the *ejidatarios* should be taken into account. The importance of credit to the farming population after the implementation of land distribution had been comprehended so that a bank for this purpose was established as early as 1926. But it could not be operated effectively for a decade after its establishment,

Table 1. ARABLE LAND BY TYPE OF HOLDING IN 1940

	Ejidos	Private Holdings		
		Total	More than 5 Hectares	5 Hectares or Less
Number of Holdings	1,222,859 <sup>3)</sup>	1,218,929	290,336	928,593
Irrigated Land (ha.)	994,230 (0.8)	738,124 (0.6)	617,164 (2.1)	120,960 (0.1)
Humid Land (ha.)	342,870 (0.3)	422,643 (0.3)	366,682 (1.3)	55,961 (0.1)
Subtotal (ha.)	1,337,100 (1.1)	1,160,767 (1.0)	983,846 (3.4)	176,921 (0.2)
Seasonal Land (ha.)	5,358,173 (4.8)	6,164,570 (5.1)	5,267,301 (18.1)	897,269 (1.0)
Land for Perennial Plants (ha.)	349,947 (0.3)	500,521 (0.4)	500,521 (1.7)	...
Total of Cultivable Land (ha.)	7,045,220 (6.3)	7,825,858 (6.4)	6,751,668 (23.2)	1,074,190 (1.2)

Note: 1) In the Mexican agricultural census, *tierras de labor* (cultivable land) is shown as the sum of *tierras de riego* (irrigated land), *tierras de jugo o humedad* (humid land), *tierras temporales* (seasonal land), and *tierras con cultivos de ciclo vegetativo mayor de un año* (land for perennial plants).

2) The figures within the parentheses in this table are the average area per plot owner in each type of property and in each type of land.

3) Numbers of *ejidatarios*.

Source: *Censos agropecuarios. Totales comparativos en 1930, 1940 y 1950*, México, 1959.

admittedly they had a greater share of the better land." It is, however, misleading to take the percentage of the better land in the total area of the holdings in place of its area in absolute terms, as is done here. Many private holdings were and still are incomparably larger than the *ejido* plots.

<sup>19</sup> Cf. Whetten, pp. 221-222.

because of the propensity of the bank to operate on a business basis and therefore to lend more to the private landholders than to the *ejidatarios*, because of the bureaucratic corruption of its officials, and, above all, because of the true nature of the political power in Mexico at that time. It is true that against the wishes of private landowners, the Cárdenas administration separated the bank for *ejidos* (*Banco Nacional de Crédito Ejidal*) from the bank for private agricultural enterprises (*Banco Nacional de Crédito Agrícola*) immediately after the liberation of the Laguna region in 1936. But, in the peak year of 1937 the number of *ejidatarios* actually receiving credit from the bank was 390,154; only one in four *ejidatarios* was receiving credit. In addition, the number of recipient *ejidatarios* was decreasing, numbering 216,300 in 1942.<sup>20</sup> Moreover, most of the credit went to the *ejidos* engaged in large-scale collective farming, while the subsistence *ejidos* engaged in individual farming, especially in the Central region, were not receiving enough credit to live even as miserably as before the Revolution.

It is, therefore, concluded that the Cárdenas administration was not as radical in agrarian reform as is commonly held, but as radical as the peasants in the Revolutionary era. No doubt, the régime would have pushed forth the Agrarian Reform to full bloom, to lead the country towards socialism, if Cárdenas had had himself re-elected in violation of the Constitution in 1940—he was so popular that he would certainly have been re-elected if he had wanted to be, a re-election which was not brought about because of Cárdenas' very honesty. In other words, the Cárdenas régime cleared the way for more smooth capitalist development than if an administration similar to its predecessors had been in power.

### III

To turn our eyes to the industrial aspects of the economic policy of the Cárdenas administration, we find that the nationalization of the petroleum industry in March, 1938 was as radical as the creation of collective *ejidos* in the agrarian sphere.

President Cárdenas took a stand for labour which was striking against the oil giants, the "international pirates." It is natural that the significance of this event was exaggerated by the jargon "it is communistic," since the affected giants were North American with the British as the next most powerful. But, considering that the companies had long terrorized the workers in the oilfields and defiantly broken the Mexican laws, supported by their home governments, we cannot help but consider the Mexican policy very just and reasonable. Mexico, be it socialist or capitalist in its orientation, had no need to endure the high-handed behaviour of foreign companies, notwithstanding what they could do for the economic development of the country. Since Mexico at that time was capitalist in its true nature, the measure taken in that instance was not confiscation, but expropriation of the properties

<sup>20</sup> Whetten, p. 197.

with compensation, the most moderate measure that can be thought of in such instances. As a matter of fact, almost all Mexicans, including even Catholics and businessmen, supported this measure without any reservations. This nationalization, therefore, should not be seen as anti-capitalist, but should be seen together with the following measures as an integral part of nationalism, the aspiration for national unity to accelerate capitalist development.

The first measure for national unity under the Cárdenas régime to be considered is the railroad and road construction, and development and colonization, especially in the backward regions.<sup>21</sup> In 1936, a railroad was constructed through the vast swampy land between the Isthmus of Tehuantepec and the Yucatán Peninsula. Farther to the southwest, the territory of Quintana Roo was also integrated into the nation, and colonized and developed for chicle production. The President himself made a visit to the northwest, which was instigated by one of the Los Angeles dailies describing Lower California as the "forty-ninth state" of the North American Union in July of 1938. A development programme was immediately formulated for this region, a programme which included railroad construction through the desert terrain. Such construction and development works as mentioned above, though they were full of difficulties, were to make the rich and vast, but undeveloped area an integral part of the nation which is to play an important role in economic development. The development planning was not limited to the border area, but throughout Mexico, a country which had been plagued with parochialism, and all isolated places were connected up with each other and with the developed areas. Viewed from another angle, these undertakings can be seen as public investment in the infrastructure, or as an attempt by the government to lay the foundation for industrial development through the efforts of the private sector.

Second, the national banking system was amplified and centralized under the Cárdenas régime.<sup>22</sup> In 1936, with the transition from the gold standard monetary system to the managed currency system, the central bank, *Banco de México*, was converted into a central bank in the true sense and was authorized to control credit, to regulate the resources of private banks, to maintain the volume of credit within certain limits and to direct credit towards the sectors which the government wanted to develop. The industrial development bank, *Nacional Financiera*, established in 1934, before the inauguration of Cárdenas, had come to play its full role in encouraging industrialization under this banking system. This tendency towards making the bank participate more actively in financing production and in capital formation is illustrated by the General Law of the Institutions of Securities, a law enacted for the purpose of Mexicanizing securities and of making banking institutions invest their deposits within Mexico.

<sup>21</sup> Townsend, *op. cit.*, p. 194, supplies us with the facts on railroad construction and regional development in the Cárdenas era.

<sup>22</sup> On the development of banking system in Mexico, see Raúl Ortiz Mena, "Moneda y crédito," in *México: 50 años de Revolución*, pp. 83-92.

As all social scientists agree, these moves towards national unity were given only an auxiliary position to the Agrarian Reform measures in the industrialization planning throughout the Cárdenas period. Nevertheless, it is an undeniable fact that Mexico was developed industrially at a higher rate than she developed before or after this time; in other words, Mexico underwent an industrial revolution in this period (Table 2). It is therefore reasonable to say that the Agrarian Reform of the Cárdenas administration played

**Table 2.** ESTIMATED NATIONAL INCOME IN THE MANUFACTURING INDUSTRY, 1929-1945

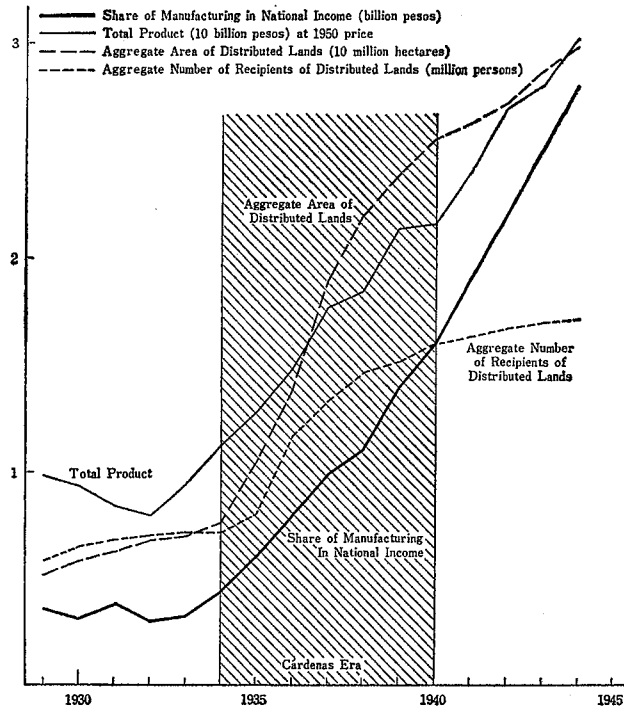
	Manufacturing (million pesos)	Index Numbers (1929=100)	Annual Rate of Growth in Each Period
1929	336	100	5.4
1930	315	94	
1931	386	115	
1932	278	83	
1933	329	98	
1934	444	132	
1935	605	180	28.7
1936	813	242	
1937	986	294	
1938	1,118	333	
1939	1,424	425	
1940	1,648	491	
1941	1,909	568	11.6
1942	2,189	652	
1943	2,487	742	
1944	2,800	833	
1945	3,020	899	

Source: Estimates of Josué Sáenz, in *Revista de economía*, Vol. 9, No. 2 (February 28, 1946), cited in Sanford A. Mosk, *Industrial Revolution in Mexico*, Berkeley & Los Angeles, 1954, Table 9, pp. 314-315.

a role as a promoter of industrial development, supported by other measures for national unity, whatever the intention of Cárdenas himself. The Agrarian Reform measures supplied more labour to urban industry, liberating rural labour from feudal or semi-feudal bondage, on the one hand, and extended the domestic market particularly for consumer goods, improving the living standard of rural people on the other (See Figure 2).<sup>23</sup>

As a matter of fact, the bourgeoisie had not only maintained their enterprises, but also expanded them, throughout this period. So many entrepreneurs of a new type founded their enterprises that the origin of dozens of large and hundreds of medium-sized industries existing in the 1960's can be traced to the Cárdenas era. Foreigners and first-generation Mexican capitalists had never been harmed, those such as William Jenkins, Henry Wright, Harry

<sup>23</sup> Cf. Edmundo Flores, pp. 377-379.

**Figure 2. AGRARIAN REFORM AND INDUSTRIALIZATION**

Sources: Sanford A. Mosk, *Industrial Revolution in Mexico*, Table 9, pp. 314-315.  
 Edmundo Flores, *Tratado de economía agrícola*, Cuadro 33, p. 352.  
 Nathan L. Whetten, *Rural Mexico*, Table 19, p. 125.

Steele, Carlos Prieto, Carlos Trouyet, Raúl Bailleres, the Legorretas, the Azcárragas, the Garza Sadas, the Salinas and Rocha families, Antonio Ruiz Galindo, Luiz Aguilar and others, the lineage of some of whom can be traced back to the *hacienda* owners and banking enterprises in *Porfiriato*.<sup>24</sup>

The non-Socialist nature of the Cárdenas régime is also ascertained by the words of Cárdenas himself on February 21, 1940:

The Government of Mexico has not socialized the means of production. It has not taken over our export trade. The State has not assumed the ownership of our factories, homes, lands, or warehouses. The instances have been isolated and exceptional where machinery has been expropriated for purposes of public welfare as in the case of La

<sup>24</sup> Frank Brandenburg, *The Making of Modern Mexico*, Englewood Cliffs, Prentice-Hall, 1964, pp. 97-98, 267. Brandenburg, "A Contribution to the Theory of Entrepreneurship and Economic Development: The Case of Mexico," *Inter-American Economic Affairs*, Vol. 16, No. 3 (Winter 1962), pp. 13-15. Raymond Vernon, *The Dilemma of Mexico's Development*, Cambridge, Mass., Harvard University Press, 1963, pp. 70-76, 81, 85. These two social scientists put a stress upon capitalist economic development under the Cárdenas administration.

Laguna, the petroleum industry, the railroads, the Mante sugar mill and hemp mills in Yucatán. These were fully justified by the special conditions which existed in each instance, and were forced upon us by the attitude of the owners.

The Government of Mexico, then, is not communistic.... In line with the dictates of the Constitution and without infringing upon our democratic traditions, we have carried out the necessary reforms. We have sought only to organize and intensify production so that our poverty-stricken land may be able to take care of its most urgent needs. In doing so, we have been careful to respect the personal rights of labourers, the freedom of the press, the sanctity of human life, and the development of individual initiative and gifts.<sup>25</sup>

Thus, the main aim of the Cárdenas administration was the full economic development of the country within capitalist limits, with the elimination of feudal or semi-feudal remnants in society and the arrogant imperialist domination. The Agrarian Reform in his era was an important integral part of this policy, though its results were not satisfactory.<sup>26</sup>

#### IV

The half-matured Agrarian Reform was modified under the succeeding administrations, which have represented the industrial interests which grew during the Cárdenas epoch and which were strengthened by the scarcity of imports during World War II.

The first significant step was the issuance of the new Agrarian Code in December, 1942, under the administration of Manuel Ávila Camacho who, as an official candidate of the *Partido de la Revolución Mexicana*, the ruling party reorganized in March of 1938, won the Presidential election of 1940 over Juan Andreu Almazán, the strongest opposition candidate and the head of a reactionary party.

Seen literally, the new Code, which is still in effect, was a step towards the completion of agrarian legislation.<sup>27</sup> The Code abolished the absurd system of triple criteria for the maximum area "*inafectable*" (which cannot be affected) in the Code of 1934: in the former Code 50 hectares was stipulated in the case of restitution, 150 hectares of irrigated lands or 300 of seasonal lands in the case of grant, and 100 hectares of irrigated lands or 200 of seasonal lands in the case of scarcity of land to be distributed; the last

<sup>25</sup> Cited in Townsend, p. 204.

<sup>26</sup> The relationship between agrarian reform to industrialization has been an issue of much controversy, as succinctly reviewed by George Wythe, "Agricultura vs. industria: Tres libros recientes sobre México," *El trimestre económico*, enero-marzo, 1951. As far as the Cárdenas era is concerned, it should be concluded that agrarian reform should be a pre-condition for industrialization. This problem deserves a serious study, whereas it has not been given full consideration in this paper, since this problem is outside the main theme of this paper.

<sup>27</sup> On the provisions of this Agrarian Code, see Lucio Mendieta y Núñez, *El problema agrario de México*, México, Editorial Porrúa, 7<sup>a</sup> ed., 1959, pp. 222-359, and Whetten, op. cit., pp. 129-143.

criterion was as a rule the one applied. The Code adopted only one criterion, defining the following "inafectable":

(1) An area less than 100 hectares of irrigated or humid land. And each hectare of irrigated land is equivalent to 2 hectares of seasonal, 4 hectares of good pasture land, or 8 hectares of woodland or pasture land located in barren country.

(2) Up to 150 hectares of land used for the cultivation of cotton, if irrigated by river or by a pumping system.

(3) Up to 300 hectares of land occupied by plantations for bananas, sugar-cane, coffee, henequen, rubber trees, coconut palms, vines, olives, quinine, vanilla, cacao, or fruit trees.

(4) Up to 5,000 hectares of land in the states of Aguascalientes, Coahuila, Chihuahua, Durango, Nuevo León, San Luis Potosi, and Zacatecas on which guayule shrubs are already being cultivated or may in the future be cultivated. The exemptions may cover a period of fifty years and can be extended for another twenty years.

(5) Lands which are being replanted with trees in accordance with the Forestry Law and Regulations.

(6) Up to 300 hectares of the most fertile or 50,000 hectares of the most barren land devoted to the raising of cattle. The exemptions may cover a period of twenty-five years.

(7) Others.

Here, we can find increased exemptions as well as the clarification of criteria for "inafectabilidad." In particular, the new Code permitted commercial enterprises to operate without any legal obstacles. It is clear that an area of 100 hectares is too large to be considered small property (*pequeña propiedad*), as is seen by comparing this area with the area of only 6 hectares of irrigated or humid land to be granted to each eligible recipient for the purpose of creating small property.

What is more, the situation under which the Agrarian Reform was to be implemented was different from that of 1934. It cannot be denied that the more the Agrarian Reform had been implemented, the more restricted the area of land not subject to expropriation should have become, since the total area of land is limited, and since a wide difference could be found between the area to be exempted and the area to be granted to farmers with agrarian rights. But the opposite situation existed in the Mexico of 1942.

It is therefore concluded that the Agrarian Code of 1942 was retrogressive in nature from the standpoint of the protagonists of agrarian reform in the true sense, though it was progressive in the sense of the completion of agrarian legislation.

This tendency was culminated in the advent to the Presidency of Miguel Alemán on December 1, 1946.<sup>28</sup> Immediately after his inauguration, Article

<sup>28</sup> The proposal on the amendment of Article 27 by the Second Commission of the Constitutional Problems is reproduced in *El trimestre económico*, Vol. 14, No. 1 (abril-junio, 1947), pp. 131-137. The full text of Article 27 amended on this date is found



27 of the Constitution was reformed by the Decree of December 31, 1946. Three sections were amended: (1) Section X referring to the amount of land to be granted, (2) Section XIV providing for the court injunction (*amparo*), and (3) Section XV defining "*inafectabilidad*."

Section X heretofore stated only that "in no case shall they [centres of population] fail to be granted the amount of land which they need." The amended Section defined the minimum area to be granted as follows:

The area or individual allotment of land in the future should not be less than ten hectares of irrigated or humid land or, lacking these, the equivalent in other types of land as specified in the third paragraph of Section XV of this Article. (Reviewed below.)

Here we can see the intention to increase the minimum amount of land to be granted, taking into account the fact that it had been set at 4 hectares of irrigated land in the Agrarian Code of 1934, and that it was increased to 6 hectares of irrigated or humid land by the Agrarian Code of 1942. Considering the fact that the peasants who had been granted land eked out only a miserable living because of the scarcity of land, this tendency appears reasonable. But the question of to what extent this stipulation was to be put into effect is important and it should be answered taking into consideration the other amendments.

The right to appeal to the court for injunction (*amparo*) had been denied to the landowners both in 1934 or in 1942, and, needless to say, in 1917. The new revised Section XIV, however, made *amparo* possible, adding to the original text, which prohibited *amparo* in general terms, as follows:

The owners or possessors of agricultural or livestock holdings to which have been given, or in the future may be given, certificates of *inafectabilidad*, may initiate injunction proceedings (*amparo*) against the deprivation or illegal agrarian disposal (*afectación*) of their lands and waters.

The *amparo* right was to be exercised more frequently than supposed, owing to the definition of small property in the new Section XV. The Section, after enumerating the aforementioned three groups (1, 2, and 3) in the Agrarian Code of 1942 as small property, added the following:

A small livestock holding shall be considered that which does not exceed the area necessary to support five hundred head of cattle (*ganado mayor*) or the equivalent in small livestock (*ganado menor*) according to the terms fixed by law and in accordance with the grazing capacity of the lands.

When, because of irrigation projects, drainage, or any other improvements made by the owners or possessors of a small agrarian holding to which has been given a certificate of *inafectabilidad*, the quality of the land is improved, this land cannot become the object of agrarian disposal (*afectación*), even when, because of the improvements, the holding surpasses the maximum specified in this section, provided that the requirements of the law have been observed.

The absurdity of this definition was already shown in the review of the Agrarian Code of 1942. Areas too large to be considered "small property"

in Whetten, op. cit., Appendix B, in English. A critical comment on this amendment is given in Mendieta y Núñez, op. cit., pp. 364-366.

were sanctioned as such *constitutionally*, and put outside of the Agrarian Reform *constitutionally*. This was especially so in the case of commercial large-scale plantations.

The amendment, seen as a whole, meant a go-signal for capitalist development in agriculture, be it undertaken by the new agrarian bourgeoisie or by the old landlords. It held as inalienable the property rights to land, rights which set an obstacle against the pure capitalist development of society.

This was the framework within which the Agrarian Reform under the banner of "Institutional Revolution,"<sup>29</sup> or the Agrarian Reform in its new phase,<sup>30</sup> was to be carried out.

## V

Table 3 gives us the statistics for ascertaining the trends in changes in the land tenure system since 1940.<sup>31</sup> This table shows unexpectedly good results at first glance. The *minifundism* (land tenure system under which minute landholdings are prevalent) has had a tendency to decline. The rate of growth in land holdings of 5 hectares or less has been smaller both in number and in total area than the land holdings of more than 5 hectares, or *ejidos*, except in comparison with holdings of more than 5 hectares in area between 1940 and 1950. In the second decade, the holdings of 5 hectares or less decreased both in number and area in absolute terms. Moreover, the average area per holding has increased, though very slightly, that is, from 1.2 hectares in 1940 to 1.5 in 1960. On the other hand, *latifundism* has lost its power gradually. The average area of holding of more than 5 hectares has been decreasing, from 400 in 1940 to 280 hectares in 1960. And the *ejidos* show a very slight increase both in number and area. All of these, however unsatisfactory, are indicative of the trends which could be expected from the Agrarian Reform.

But we cannot be content to make our conclusions on the basis of the rough data cited above. It is necessary to examine them in close relation to other data and to the whole economic change.

First, the nature of the land held by each holding group should be taken into account. Table 4 sheds light on this point. The irrigated land on the private holdings with more than 5 hectares increased more than threefold during

<sup>29</sup> On January 19, 1946, the official party was redesignated; the *Partido de la Revolución Mexicana* was renamed the *Partido Revolucionario Institucional*. Frank Brandenburg correctly translates the word "Institucional" into "Institutionalized." But, as a phrase of appeal, "Institutional Revolution" is preferred. The programme of the Institutional Revolution is adroitly summarized in Cline, *op. cit.*, p. 213.

<sup>30</sup> Víctor Manzanilla Schäffer, p. 213.

<sup>31</sup> The original censuses are not available here. As statistical sources the *Censos agropecuarios. Totales comparativos en 1930, 1940, y 1950*, México, 1950; the *Panorama económico latinoamericano*, No. 171, La Habana, 1965, which reviews the land tenure system with the 1960 Census as its source; and statistics in the works on Mexican agriculture.

Table 3. CHANGE IN LAND TENURE, 1940-1960

Types of Holdings	1940			1950			1960		
	Area (ha.)	Number	Area (ha.)	Number	Area (ha.)	Number	Area (ha.)	Number	
<i>Ejidatarios</i>	28,922,808 (100)	1,222,859 <sup>2)</sup> (100)	38,893,899 (135)	1,378,326 <sup>2)</sup> (113)	44,497,065.3 (154)	1,523,796 <sup>2)</sup> (124)			
Private Holdings:									
More than 5 Hectares	98,669,132 (100)	290,336 (100)	105,260,245 (107)	360,798 (124)	123,259,025.5 (125)	447,334 (154)			
5 Hectares or Less	1,157,285 (100)	928,593 (100)	1,362,799 (118)	1,004,835 (108)	1,328,106.9 (115)	899,108 (97)			

Notes: 1) The figures within parentheses in this table are index numbers for each type of property and in each corresponding column (1940=100).

2) Number of *ejidatarios*.

Sources: *Censos agropecuarios. Totales comparativos en 1930, 1940 y 1950*, Mexico, 1959.

*Panorama económico latinoamericano*, No. 171, La Habana, 1965, pp. 15-20.

Table 4. CHANGE IN TYPE OF LAND HELD BY EACH TYPE OF HOLDING (ha.)

Type of Land	<i>Ejidatarios</i>						5 Hectares or Less					
	1940		1950		1960		1940		1950		1960	
Irrigated	994,230 (100)	1,211,712 (122)	1,417,615.3 (143)	617,164 (100)	1,082,103 (175)	1,862,161.2 (310)	120,960 (100)	138,126 (115)	128,662.4 (107)			
Humid	342,870 (100)	346,289 (101)	394,379.9 (115)	365,682 (100)	278,722 (76)	268,289.4 (73)	55,961 (100)	43,443 (78)	90,797.6 (175)			
Subtotal	1,337,100 (100)	1,558,001 (116)	1,811,995.2 (135)	983,846 (100)	1,350,815 (137)	2,130,450.6 (217)	176,921 (100)	181,569 (103)	219,460.0 (124)			
Seasonal	5,358,173 (100)	6,899,487 (129)	7,995,172.1 (149)	5,267,301 (100)	8,070,941 (153)	9,379,232.1 (178)	897,269 (100)	1,038,238 (116)	970,457.8 (108)			
Total	6,696,273 (100)	8,457,488 (116)	9,807,167.3 (146)	6,251,147 (100)	9,421,756 (150)	11,509,682.1 (184)	1,074,190 (100)	1,219,807 (114)	1,189,917.8 (111)			

Note: The figures within parentheses in this table are index numbers for each type of property and in each corresponding column (1940=100).

Source: Same as Table 3.

two decades, whereas a 43% increase in the *ejidos* and only 7% in the holdings of 5 hectares or less could be seen. If humid land is added to this, the rate of increase becomes 117% in the first group, 35% in the second, and 24% in the last. Hence, it becomes evident that the irrigation work had been carried on very fervently by the administrations of the "Institutional Revolution" for the benefit of the proprietors of land of more than 5 hectares. Furthermore, it can be assumed that the capitalist enterprises holding between 100 and 300 hectares had benefited more than anyone else, taking into account the fact that the average area of holdings between 5 and 5,000 hectares decreased less than 1%, from 120.0 to 118.7 hectares while that of holdings of more than 5,000 hectares decreased about 20% from 22,660 to 18,325 hectares, and that the group of holdings assumed as beneficiaries obtained a safeguard clause in the revised Constitution.

Second, the existence of *latifundism* should be reviewed. The large land-holdings, even if a decrease in the average area was seen, increased in both number and area in absolute terms, as is clearly shown in the following data on the holdings of more than 5,000 hectares:

	1940	1960
Number	2,832	3,854
Area (ha.)	64,174,000	70,626,196

Third, two types of *ejidos* should be taken into account, since the "individual *ejidos*" can be considered the same as "*minifundios*." According to the Census of 1960, 258 of 18,699 *ejidos* were co-operative in sales operations, 77 co-operative in purchasing operations, while 161 associated for consumption purposes, 150 practised collective agricultural production, and 281 collective cattle-raising. The first three groups can be thought of as so-called "*mixed ejidos*," and the last two as "collective *ejidos*." Thus 2.3% of all *ejidos* were collective. Comparing this percentage with the 5% of 1940, we can clearly see the tendency from collective to mixed *ejidos*, and even further, to the individual type of *ejidos*. Moreover, this tendency is one of the prevalent features of the disintegration of *ejidos*, through such illegal acts as the renting of the land allotted to the *ejidatarios* and the degradation of the poor *ejidatarios* into sharecroppers on neighbouring landlords' holdings.<sup>32</sup>

Fourth, the decrease of *minifundism* should be re-examined. A lot of landless farmers should not be put aside into oblivion, since at such a small rate of decrease as seen above we cannot answer the question of when *minifundism* will be obliterated. Even now as many as two million peasants have no land, though they have been given the agrarian right by the Con-

<sup>32</sup> Henrik F. Infield and Koka Freier are describing an *ejidatario* arguing fervently for the transformation of his *ejido* from collective to mixed type (op. cit., pp. 136-137).

A sharecropper system in which large landowners are exploiting the poor *ejidatarios* in their neighbourhood is shown in Whetten, op. cit., pp. 258-259. The case of illegal renting of *parcela* allotted to *ejidatarios* to the poor private holder at a relatively high rent in many regions throughout the country, is described in Emilio Romero Espinosa, op. cit., pp. 78-79.

Table 5. MECHANIZATION IN EACH TYPE OF HOLDING, 1940 AND 1950 (Pesos)

	1940			1950		
	Ejidots	More than 5 Hectares	5 Hectares or Less	Ejidots	More than 5 Hectares	5 Hectares or Less
Total Value of Machinery, Implements, and Vehicles	49,493,216	49,575,664	5,875,582	300,988,399	719,089,524	47,048,680
Wooden-Ploughs	2,942,444 (461,866)	1,209,515 (251,611)	1,548,462 (212,066)	11,877,103 (482,421)	6,743,837 (295,387)	7,799,566 (350,524)
Iron-Ploughs	11,287,117 (401,106)	5,347,607 (213,760)	2,712,140 (110,827)	57,578,746 (620,833)	31,484,151 (348,332)	4,023,907 (172,481)
Cultivators	982,305 (34,908)	1,612,126 (33,308)	96,287 (1,234)	11,761,279 (91,009)	9,451,222 (69,697)	1,589,343 (13,810)
Seeders	1,250,201 (10,020)	1,540,114 (16,191)	55,444 (328)	7,232,299 (27,428)	8,819,831 (29,367)	811,449 (3,106)
Harvesters	387,775 (928)	1,043,132 (4,044)	18,955 (74)	1,329,787 (1,260)	6,735,482 (6,275)	...
Threshing Machines	1,696,319 (324)	3,103,733 (1,654)	1,200 (4)	6,191,773 (460)	34,345,816 (2,602)	...
Motor Lorries	4,914,392 (1,467)	7,718,522 (4,449)	2,800 (3)	42,932,501 (3,589)	158,258,745 (14,284)	...
Tractors	5,026,143 (958)	9,285,998 (3,591)	...	63,111,433 (3,618)	298,689,727 (19,093)	...

Notes: 1) The figures within parentheses in this table are the numbers of each machine, implement, or vehicle.

2) Each of the three groups divided by the dotted lines shows its own peculiarities.

Source: *Censos agropecuarios. Totales comparativos en 1930, 1940 y 1950, México, 1959.*

stitution. A considerable number of the proprietors of *minifundios* have a tendency towards becoming part of this landless group. We cannot be optimistic on this point.

Finally, we should mention mechanization in each group of landholding, since mechanization can be considered as an important key to the improvement of productivity insisted on above all else by many social scientists, and at the same time since this is one of the most important indicators of capitalist production. Table 5 tells us that the holdings of more than 5 hectares have been far more mechanized than the *ejidos*, not to mention the holdings of 5 hectares or less. The rate of mechanization was far larger in the former group than in the latter; for example, the tractors increased fifty-three times in number and thirty-two times in value in the former during one decade, while in the latter thirty-eight times in number and thirteen times in value. Taken together with the poor nature of land granted the *ejidos* this makes one assume the rise of agrarian bourgeoisie in the group of landholdings of around 100-300 hectares.

Hence, we can conclude that the administrations since 1940 have carried on the Agrarian Reform for the benefit of the newly rising agrarian bourgeoisie and not against the old large landlords, and never for the complete liberation of the peasantry from destitution and poverty, which was the original, or at least was the commonly supposed purpose of the Agrarian Reform. And some questions remain unanswered: Is it possible that a society can be capitalistically developed in full without an agrarian reform in the true meaning and without the creation of a domestic market? Is it not necessary for such a society to depend on foreign countries in order to maintain uninterrupted development? These and others remain.

In summary, the Agrarian Reform in Mexico can be divided into three periods: (1) the pre-Cárdenas period, (2) the Cárdenas period, and (3) the period of "Institutional Revolution"; throughout all of these periods the Agrarian Reform has been capitalist in nature, and never socialist. The difference between the periods lies in the way in which the administration or administrations in each period took steps towards industrialization, in other words, steps towards capitalist development. Whereas the administrations in the first and last periods intended to establish a capitalist society with the pre-capitalist elements remaining, the Cárdenas administration strove to pave the way to develop capitalism in the pure form. In other words, in the first mentioned periods, the idea of "*veteranos*" or "*agronomistas*" was put into reality, while during the Cárdenas administration, the idea of "*agraristas*" was realized.

This, however, does not of course mean that a simple theory of rotation is accepted in this paper. Between the first and the last period there lies a great difference, which is due to the results brought about by the Cárdenas administration. This administration paved a smooth way to capitalist development, and if somewhat insufficient, it accomplished this task more com-

pletely than its preceding administrations, with considerable part of the peasantry liberated from poverty which enlarged the domestic market. The process of industrialization was initiated. On this foundation, the succeeding administrations have actively encouraged capitalists to develop not only within the manufacturing industry but within agriculture also. International capital has counterbalanced the very slow expansion of domestic market brought about by this policy.<sup>33</sup> Thus, most of the bourgeoisie of the present-day Mexico prefer the *status quo*.<sup>34</sup>

It has now become far more difficult than in the first period to accomplish the task of agrarian reform in its original meaning, a task which will clear the way for pure capitalist development or independent industrialization without foreign aid. To only demand of the government such measures as more intensive land redistribution, more credit, extension services, as proposed by "*agraristas*" would probably not be enough to complete the implementation of the Agrarian Reform. The Agrarian Reform should be put under deliberation along with problems of political power and international affairs.

It is easily seen from many statistics that the productivity of private holdings has been higher than in the *ejidos*, the core of the Agrarian Reform, as "*agronomistas*" insist. But productivity is never the only index of economic development, though it is one of the most important, especially when the period to be reviewed is relatively short. Instead, we should focus upon the foundation on which productivity would grow in the future. Moreover, it may still be premature to compare the productivity of private holdings with that of *ejidos*, since *ejidos* in the true sense have not been established on a large scale and since the Agrarian Reform is far from accomplished.

In concluding, it is necessary to comment on the problem of "population pressure." This problem has not been taken into account in this paper,

<sup>33</sup> The relationship between foreign capital investment or foreign trade and industrialization is a problem worthy of a serious effort of solution. It has been, however, omitted from this paper, since it is outside the main theme of this paper.

<sup>34</sup> It is true that some of the bourgeoisie are now demanding change. In this connexion it is worth-while to give attention to the demands of the New Group (according to Mosk, "industrialists of youthful outlook" or "progressive industrialists") on the agrarian problem. As summarized succinctly by Sanford A. Mosk (op. cit., p. 50), this group would have the government adopt measures: (1) To continue the distribution of land in the form of *ejidos*. (2) To increase the size of holdings, both on irrigated and non-irrigated lands. (3) To open new lands to cultivation through irrigation, and also by means of drainage and health programmes in the coastal areas. (4) To encourage the production and use of fertilizers and of farm machinery. (5) To assure adequate credit for farmers. (6) To fix minimum prices for farm products in advance of the crop season.

The following questions should be solved concerning this group. In concrete terms what kind of industrialists belong to this group? In what sector of industry are they dominant? What relations have they to the other social groups or social classes? Above all, has this group changed from the time when Mosk gave his elaborate work to the public?

although it has been considered the most serious obstacle to the Agrarian Reform, particularly by many of North American social scientists. *Latifundism* is still persistent in Mexico. The lack of irrigation systems makes an immense tract of the land arid and unarable. The technology of mechanization, fertilizers, insecticides, and fungicides can improve the productivity in Mexican agriculture, now one of the lowest in the world. If one takes as unchangeable the situation existing in rural Mexico, one must agree with those who are propounding the theory of "population pressure." But, at this point, it is far more natural and important to find what the obstacles to change really are.