THE AGRARIAN PROGRAM OF LÁZARO CÁRDENAS
1934 - 1940

by

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In six years Cárdenas broke the economic monopoly of Mexican agriculture enjoyed by the Lantos for forty years. The patterns and organizations used to accomplish this change are examined as well as the early course of reform during Cárdenas' presidency. An attempt has also been made to examine the bases of the progress in the light of the diplomatic issues evolving between the United States and Mexico over the land reform program of forty years is examined.

Final look is given to the effects made on the Mexican economic, social and political structure by the land emphasis of Lázaro Cárdenas.
PREFACE

One of Mexico's historic delusions has been, according to Nathan Weyl, that her poverty and instability have been caused by foreign intervention and influence. He and many other Mexican historians believe that land has really been the great focus of Mexico's problems. How one of Mexico's presidents, Lázaro Cárdenas, accepted the paramount importance of land tenure, and what he did about it, is the subject of this thesis.

In six years Cárdenas broke the economic monopoly of Mexican agriculture enjoyed by the landed gentry for more than three hundred years. The patterns and organizations used to accomplish this change are examined as well as the early course of reform during Cárdenas' presidency. An attempt has also been made to examine the bases of the program in the light of ideological backgrounds. The diplomatic issues evolving between the United States and Mexico over the land program of these years is examined.

Some of the complete aspects of agrarian reform, as well as the experiences of the individual reform programs, are studied. A final look is given to the effects made on the Mexican economic, social and political structure by the land emphasis of Lázaro Cárdenas.
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Land has been the one unalterable factor in the Mexican equation since man began his life there. The geography of the land can be termed an agriculturalist's nightmare. On the coastal plains where the land is fertile and well-watered, man suffers from many tropical diseases. On the high plateau, which makes up the broad central part of Mexico, rainfall is sufficient but the land is largely vertical, abounding in mountains and narrow valleys which are badly eroded. The northern plateau and parts of the Pacific coastal plain are arid without irrigation. Throughout the country the rivers are seasonal; flooding in the rainy season and going dry during the months when crops need water.

Thus the inexorable forces of nature have compelled Mexico to feed its population on approximately eleven percent of its national area—the only land technically arable.¹ This geographic problem was present even in the pre-conquest period of Mexican history. The Indian farmer built irrigation works and constructed artificial islands to add to land resources. Erosion and land exhaustion may account for the many Indian migrations.

Most of the Indian tribes on the central plateau in the time of

the Aztecs used a system of land tenure which could be called patriarchal communism. Theoretically under calpulli, or rights of kinship and family groups, everyone had equal rights and privileges concerning land use. Land was held in common but working rights to a particular piece could be passed from father to son. Water rights were also part of the land use privilege. Yet before the arrival of the Spanish, the upper classes of Indian society, especially among the Nahua tribes, were destroying the practice of communal ownership. Family heads were holding more and more of the land in kinship blocks without individual assignment. The incessant warfare of the Aztec people forced some land to be put to use as tribute. The growing theocracy of the priestly class encroached on communal lands in many communities.

Eyler Simpson and George McCutchen McBride, leading authorities on land use in the pre-conquest era of Mexico, agree on the communistic background of the Indian tenure system. Lucio Mendieta y Núñez differs: "Although the calpulli was communal, it was divided into parcels of land, each of which belonged to a family that developed it independently from the rest... In the epoch immediately preceding the Conquest, a communistic exploitation of agrarian property did not exist in Mexico."

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4Ibid.

With the coming of the Spanish to Mexico, land patterns were modified. The Spanish used the encomienda, the peonía and the caballería as tenure units in the conquered. The encomienda, similar to the conquered land grant of the Aztecs, had been developed in the Spanish colonies in the Atlantic prior to its introduction in the New World. Its main provisions were a grant of land and Indians to till the land. The owner fed, clothed, housed and Christianized his charges in exchange for their services. The peonía was a much smaller grant meant to provide for one family. No labor force was included. The caballería was larger than the peonía and was usually granted to horsemen of Crown service, hence its name.

The principle of communal land did not die with the coming of the Spanish. The towns still held land rights: the propios and the ejidos. The propios were owned by the municipality and could be rented to provide funds for city expenses. The ejidos, from the Latin word exitus, meaning a way out or an exit, were public lands used by the town residents for such communal necessities as a threshing floor, a slaughter pen, and a rubbish heap. No buildings could be constructed on the ejido nor could any ejidal land be cultivated. The Spanish Crown recognized and protected these property rights. Under the three hundred years of colonial development, the concept of the ejido broadened to include all communal agricultural lands of a town, thus becoming the precursor of

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6 Because of the many words of Spanish origin and use in this thesis, they will be underscored on first usage only.

7 Simpson, pp. 9-10.

8 McBride, p. 106.
the modern ejido of the reform program.  

During the colonial period the encomienda also changed in application. From the roots of the encomienda and caballeria grants came the mayorazgo, the entailed estate of the wealthy. The Roman Catholic Church, in the political-religious agreement of the patronato real, joined the encomenderos in creating great land estates. So the colonial period of Mexico ended with communal lands still in the hands of the Indians but with the grip of latifundia already strong on the land. The War of Independence, bringing Mexico political independence in 1821, had agrarian aims in its early stages. Father Hidalgo was concerned for land for his Indians, and Father Morelos also wanted more land and political responsibility for the lower classes. Though the war began with these social and economic overtones, it soon became merely a political upheaval. Agustín Iturbide, in the Three Guarantees of 1821, set one of the aims of the war as union of Mexicans of American and European birth, with the implied guarantee of their property under existing land systems. "The landless masses of Indians and mestizos remained the landless masses with the difference that they no longer had the doubtful benefit of the protection of the Spanish Crown."  

The first genuine effort to reform the land tenure system of Mexico was made by Benito Juárez. Juárez was particularly concerned

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10 McBride, p. 59.
11 Ibid., p. 66.
12 Simpson, p. 19.
about the great land holdings of the church, which had grown to fantastic proportions. Just before the Reform the productive real property of the church in Mexico was valued at 184.6 million pesos. Ninety percent of urban property and most of the rural lands belonged to or were mortgaged to the church.  

Against this "dead hand" ownership of the land, Juárez directed his Law of Desamortization. The law was to force the sale of unused church land and thus help land distribution. This effort was largely nullified by threats of excommunication against purchasers. Many land holders took advantage of the law for immediate earthly gain. A provision allowed for denunciation of tenants of land who had not availed themselves of purchase rights. The denouncers received an eighth of the property's value, and the right to purchase it. Land so passed from the latifundia of the church to the latifundia of the hacienda.  

The Law of Desamortization was incorporated into the Constitution of 1857; thus, unwittingly, Juárez gave legality to the sack of communal land during the diaz period. Article 27 of the constitution forbade civil and religious corporations from owning or administering real property except for immediate use. The owners of the haciendas were quick to see the advantage of this provision. A town, as a civil corporation, could not legally own or control ejidal lands. Juárez meant the article to encourage small individual property ownership rather than

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13 Ibid., p. 22.

communal holdings, but the ejidal lands soon went from the villages to the hacendado, regardless of the original purpose of the provision.\textsuperscript{15}

The climate of La Reforma passed quickly under the chill conservatism and authoritarian pacification of Porfirio Díaz. During his long regime (1878-1911) Mexican lands passed into fewer and fewer hands. Díaz interpreted and enforced with vigor the provisions of the constitution which could be used against village lands. He legalized denunciation whereby one could file a claim for land occupied but with no legal title. Few of the Indian villages could actually provide documentary evidence of title to their lands. Díaz also set up colonization companies which could occupy lands not having a legal title. Through the alienation of water rights by sale - or confiscation, some communal lands could no longer be worked and had to be abandoned. These were soon denounced and claimed by hacendados. Díaz also used seizure of land as a punishment for rebellion. The Mayas in Yucatán and the Yaquis in Sonora were so disciplined for action against Díaz.\textsuperscript{16}

In 1883 the Law of Public Lands was passed, providing that lands in the public domain could be surveyed by government licensed companies. The company would receive one-third of the land surveyed in payment for the service and also would have an option to buy the remainder of the land provided it was divided for colonists.\textsuperscript{17} The colonization provision was dropped by 1894, and the lands were granted by Díaz to political

\textsuperscript{15}Simpson, p. 25.
\textsuperscript{16}Ibid., p. 29.
\textsuperscript{17}Ibid., p. 27.
favorites. Twenty-seven percent of the land area of the republic changed hands during this period. 18

By the end of the Díaz regime ninety percent of the villages on the central plateau, the heavily agricultural area of Mexico, had no communal lands. Foreign companies had been quick to take advantage of the survey company laws, and Mexican land was in their hands and in those of a small group of native Mexican families — about ten thousand families and companies in all. 19

The Revolution which erupted in 1911 began with and was to retain strong agrarian aims. Andrés Molina Enríquez, in his book, Los Grandes Problemas Nacionales, published in 1909, focused Mexican thinking on the abuses of latifundia. Molina Enríquez likened the task of Mexico to that of France during the French Revolution. He felt that the Reform had attempted to create a large class of small proprietors but had failed.

The Revolution in France not only disentailed the lands of the clergy but also of the nobility. Such an achievement we should like to see in the cereal zone of Mexico, and it is necessary that it should be brought about; and it will be, either by the peaceful measures which we suggest or by a revolution which sooner or later must come. 20

Unfortunately for Mexico, reform was not forthcoming and the revolution of which Molina Enríquez wrote enveloped the nation. Jesús Silva Herzog succinctly labels the pressures which caused the Revolution:

"Hunger for freedom, hunger for land, hunger for bread, hunger for justice." 21

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18 Ibid., p. 28.
19 Ibid., p. 30.
20 Quoted in McBride, p. 156.
21 Quoted in Simpson, p. 21.
The situation would have been different if Mexico had had a great number of small proprietors, with a proprietor's devotion to law and order, and if the Diaz administration had not countenanced the despoiling of many small holders, who notwithstanding the irregularity of their legal claims to the land, were justified in expecting the full protection, to which, as rightful owners, they were entitled. Furthermore, the Revolution would have been impossible but for the vast army of Indians and mestizos who had neither soil, crops, houses, nor cattle that would suffer in the turmoil and who welcomed the chance to gain plunder or perhaps a confiscated hacienda by rousing the other landless hordes against the government that made such conditions possible.  

Yet it was from the hacienda class that the Revolution got its first leader, Francisco Madero, an idealist who felt that "effective suffrage and no re-election" could solve Mexico's age-old woes. He set forth his revolutionary aims in the Plan of San Luis Potosi on October 5, 1910. The twenty-five-hundred word program contained but one paragraph on the agrarian problem — the critical question of the country, and soon to become the pivotal issue of the Revolution — and not a word on the labor problem.  

The full text on land was:

Through the abusive application of the Law Concerning Idle Lands many small land owners, most of them Indians, were despoiled of their lands either through resolution of the Secretariat of Development or through decision of the courts of the republic. Since in all justice the original owners should be given back the lands so arbitrarily taken away from them, such resolutions and decisions are declared to be subject to revision and it will be required that those who obtained lands through such immoral practices, or their heirs, restore the same to the original owners, whom they should also indemnify for the damage suffered.  

The paragraph raised the hopes of many agrarian groups, such as

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22 McBride, p. 158.


24 Quoted in Whetten, p. 110.
that already organized by Emiliano Zapata in Morelos. Madero gave no pledge of expropriation and no commitment to divide the land. He promised restitution of land wrongfully taken during the Díaz regime. Yet some of the agrarian leaders intentionally and consciously misinterpreted Madero. Many others blindly, hopefully, subconsciously presumed a more extensive change than had been promised.  

Luis Cabrera, an early supporter of Madero and part of the vocal opposition to later turns of the revolutionary land program says, "Don Miguel Hidalgo did not think of absolute independence for Mexico, nor of the republican form of government. Don Juan Álvarez of the Reform period did not think of the separation of Church and State; Don Francisco Madero also declared many times that the oligarchy of science no longer had power and that the Mexican town had no claim to agrarian reform."

In the early course of the Revolution Díaz left the country in the hands of the provisional President De La Barra. Madero was the man of the hour, and it was he who went as a government representative to Morelos to try to quiet Zapata. Zapata, of the small land holding class, put weapons in the hands of landless peons and with them had cut a wide swath of destruction through the lush sugar cane area near Cuernavaca. Madero met Zapata to urge the discharge of the armed peons. Zapata impatiently asked for land reform. Madero hedged, saying that land was a difficult question and must be handled within the framework of the law.  

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27 Ross, p. 191.
De La Barra grew fearful of Zapata's refusal to disband his troops and ordered Huerta against the zapatistas in Morelos. Madero discreetly went to Yucatan.

After Madero became president, he was still faced with the angry forces of Zapata who would not wait for the niceties of the law to take the land the peons felt was theirs by natural right. Less than a month after Madero's inauguration, Zapata and his leading lieutenants proclaimed the Plan of Ayala. Zapata was still being hunted by government forces, but on November 28, 1911 he issued the strongly worded rebuke to the agrarian pretentions of Madero. So it was Zapata who crystalized the aims of the masses in the Plan and also in the battle cries of his troops — "Land is for the one who works it" and "The man who works the land should have its fruits." Specifically of the land, Zapata said:

> As an additional part of the Plan we put forth, we are certain that the lands, mountains and waters which were usurped by hacendados, científicos or political chiefs in the shadow of tyranny and venial justice, should come into the possession of the people, the villages or towns which have titles to these properties of which they have been despoiled. Because of the bad faith of our oppressors, we will hold the mentioned lands, through all danger, with our arms in our hands. Those usurpers who think that right has been taken from them may speak before the special courts which shall be established with the triumph of the Revolution.

Zapata's agrarianism was local in its ideas of reform. The peasants were to occupy immediately the land of which they had been despoiled. One-third of the land of private estates was to be expropriated,

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29Ibid., p. 28.
with indemnification, to provide lands for the ejidos and for individuals who did not have land. Nationalization of the remaining two-thirds of large estates was threatened for those owners who opposed the Plan.\(^30\)

Madero was overthrown and assassinated. Huerta, who had been sent against Zapata in 1911 became president, but a coalition of strong men in the north - Carranza, Obregón and Villa - was to throw the country into brutal war until 1915. Carranza was at last able to take the presidential chair in Mexico City then and hold it with some certainty for the future. In December of 1914 Carranza had issued the Plan of Vera Cruz, outlining what he intended to do about revolutionary aims if and when he had the chance. He promised to restore communal lands, to break up latifundia and to better the tax structure on land for the little man.\(^31\) Old soldier Carranza took the first legal step toward land reform in the Decree of January 6, 1915. While offering few concrete reforms, it gave governmental sanction to the agrarian aims of the people.

The main provisions of the decree were: (1) all alienation of village lands under misapplication of the Law of 1856, through illegal acts of surveying companies or other illegal means, was null and void; and (2) certain types of villages needing lands but lacking proof of title might have the right to receive land for their needs from expropriation of adjacent lands.\(^32\) The decree left the burden of proof of

\(^{30}\text{Ross, p. 252.}\)

\(^{31}\text{Simpson, p. 54.}\)

\(^{32}\text{Whetten, pp. 114-115.}\)
need on the villages. They had to prove their prior ownership of lands and its alienation from them. The reforms thus formulated would take place under the existing legal framework of legislation, giving the hacendado an endless maze of litigation to protest and protect against expropriation.\(^\text{33}\)

The Decree of 1915 also set up machinery for the return of despoiled lands and for the consideration of ejido petitions. The National Agrarian Commission was set up and state agrarian commissions were organized in each state. Special executive committees at the local level were authorized to help with petitioning and other land matters.\(^\text{34}\)

These early agencies did their share of bungling and became new centers for political and economic graft and corruption. The conservative newspaper, \textit{Excelsior}, took this look at the state agrarian program: "In view of precise and conclusive reports which have been supplied us by some persons who have been on local agrarian commissions, established in the various states of the Republic, we can say that the commissions have been responsible for the conflicts which have arisen between them, the people and the proprietors."\(^\text{35}\)

The Decree of 1915, followed by some expropriation and quite a bit of restoration, touched off the explosive situation between landlords and peons, beginning a smouldering but bloody conflict which was to last for more than two decades. To the Anglo-Saxon, the carnage that

\(^{33}\text{Ibid.}\)
\(^{34}\text{Jorge Vera-Estañol, Carranza and his Bolshevik Regime (Los Angeles: Wayside Press, 1920), 162.}\)
\(^{35}\text{Simpson, p. 58.}\)
accompanied the social, economic and political changes of the Mexican Revolution seems futile. As Frank Tannenbaum notes, almost the whole of Mexican history has been written in terms of cataclysm and regionalism. The revolution developed as cataclysm and the Mexican, with curious fatalism, accepted it that way.36

Agrarian pressures had been little eased by the Decree of 1915. In 1916 Carranza was forced to call a constituent assembly to make those changes in the constitution of 1857 which he felt the Revolution had made necessary. Carranza wanted no more than changes, but the radical group of revolutionary leaders had surprising strength. Led by Generals Obregón and Mugica, followers of Andrés Molina Enríquez, the convention held in Querétaro in December of 1916, soon abandoned amendment. Committees were set up to write sections for a new constitution.37

It was General Francisco Mugica who pushed through the most controversial articles in the constitution - Articles 27 and 123 - dealing with land and labor respectively. These two articles shattered Carranza's hopes for something less than a revolutionary document.

Felix Palavicini, in his two-volume history of the 1917 constitution, traces the discussions that swirled around the agrarian problem. Delegates early agreed that land was the central problem of the Revolution and that the constitution must make some definite provision for its solution or the common people would be justified in continuing the war. Showing a strange twist of conservatism, the delegates pondered more over


37Tucker, p. 274.
indemnification and protection of rights for the landholder than over methods of dividing land or administering it after division. Administration of the land program, in a grand gesture, was left to the discretion of the states.38

By the end of January the article was approved by the committee by a unanimous vote, on all save the section concerning church property; and was sent to the general assembly where it was accepted into the body of the constitution. Since agrarian reformers wrote Article 27 and labor factions wrote Article 123 and other pressure groups had their say in other articles, the finished constitution of 1917 is a curious patchwork of constitutional provisions, social legislation and items which could have been handled in local ordinances.39

Article 27 outlined three important objectives for the future agrarian program of Mexico: (1) a definition of the nature of private property, (2) which individuals and organizations may or may not hold private property and (3) a formula for distributing the land. Foreigners were perhaps more interested in these provisions than were most native Mexicans at the time the constitution was promulgated on February 5, 1917. Foreign interests read the article and began to be uneasy about their vast lands and concessions in Mexico:40

The ownership of the lands and waters comprised within the boundaries of the national territory is vested originally in the

38Felix Palavicini, Historia de la Constitución Mexicana de 1917 (Mexico: 1938), I, 632.
39Ibid., I, 616.
40Whetten, p. 117.
Nation, which has had, and has, the right to transmit title there­of to private persons, thereby constituting private property.

Private property shall not be expropriated except for reasons of public utility and subject to payment of indemnity.

The Nation shall, at all times, have the right to impose on private property such limitations as the public interest may de­mand, as well as the right to regulate the utilization of natural resources which are susceptible of appropriation, in order to conserve them and to insure a more equitable distribution of public wealth. With this end in view, the necessary measures shall be taken to divide up large landed estates: to develop small landed holdings in operation; to create new agricultural communities with the indispensable lands and waters: to encourage agriculture in general and to prevent the destruction of natural resources, and to protect property from damage to the detriment of society. Centers of population which at present either have no lands or water or which do not possess them in sufficient quan­tities for their needs, shall be entitled to grants thereof, which shall be taken from adjacent properties, the rights of small landed holdings in operation being respected at all times.\footnote{Mexico. Constitution of the United States of Mexico; Signed January 31, 1917 and Promulgated February 5, 1917. Rev. to April 1, 1926. (Washington: Mexican Review Press, 1926), p. 7.}

There followed in the constitution a definition of federal control over "all minerals or substances in ledges, masses or ore-pocket which form deposits distinct from the earth itself." Section I then dealt with ownership - only Mexicans of birth or naturalization or corporations com­posed primarily of Mexican citizens could own any lands, waters or mineral concessions.

Section II, which had some trouble getting out of committee, stated that all churches, irrespective of creed, may in no case acquire, hold or administer real property, or hold mortgages on it. All private property of the churches reverted to the state. Section III gave chari­table agencies the right to own property for immediate use, but there should be no association with a religious organization.

Section VI took up the problem of the common lands:
Properties held in common by co-owners, hamlets situated on private property, pueblos, tribal congregations, tribes and other settlements which, as a matter of fact or law, conserve their communal character, shall have legal capacity to enjoy in common the waters, woods and lands belonging to them, or which may have been or shall be restored to them according to the law of January 6, 1915, until such time as the manner of making the division exclusively of the lands shall be determined by law.\textsuperscript{42}

Power was given to both the federal and state governments to determine within their particular jurisdictions those cases in which the occupation of private property was necessary for public utility. Compensation for condemned property is set at the taxable value with consideration for depreciation and improvements.

In section VII it was stated that boundary problems arising between communal lands shall be of federal jurisdiction with the Federal Executive the final authority in such disputes. All land transactions alienating communal lands perpetrated during the Diaz period are null and void. Exceptions were lands gained in strict accord with the Law of June 25, 1856, and not exceeding fifty hectares.\textsuperscript{43} Sections IX and X set up machinery for the granting of land to towns and villages not having legal right to land but able to prove a need for it.

The seeds of land reform were in the constitution. There was federal power to expropriate, to determine common good; a return to the Spanish tradition that all the land and its minerals belonged to the nation and not exclusively to individuals. A bare outline of the government agencies was provided to carry land restitution and grants into actuality.

\textsuperscript{42}Ibid., p. 8.
\textsuperscript{43}Ibid., p. 9. A hectare is 2.47 acres.
Carranza did little to implement the reform element in the constitution. He had not wanted such a revolutionary solution for the land problem. Some more land was distributed but not enough for Zapata and the other agrarian leaders. Tired of the continual trouble given the government by Zapata, Carranza ordered an army against him. Zapata was assassinated through treachery; his body was returned to Cuatla to prove to his followers that their leader could no longer help them. As with many other causes, agrarianism was not crushed by the death of its leader; Eufemio Zapata, Emiliano's brother, continued to lead the zapatistas.

Carranza bore the criticism of the right wing for considering land reform. Jorge Vera-Estañol, one of the most vocal of the conservative right, took his views to California and from a safe distance wrote a bitter denunciation of Carranza and his "Bolshevik" processes. Of land distribution, Vera-Estañol wrote: "Where spoliation is an institutional system, there are properly no rights and no law; there is anarchy, and anarchy never is nor can it be, the foundation for tranquility and prosperity of a country."

More than words was soon flying at Carranza as rebellion arose in the north under General Alvaro Obregón, a former Carranza supporter; and Pancho Villa, bandit and guerrilla fighter as well as part-time agrarian supporter. In May of 1920 Carranza was forced to flee Mexico City under pressure from the Army of Sonora. Adolfo De La Huerta became

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144 Tucker, p. 276.
145 Vera-Estañol, p. 166.
provisional president. A short time later Carranza was assassinated on his way to Vera Cruz.

With the succession of Alvaro Obregón to the presidential chair in 1920, the first bloody period of the revolution was over. Obregón, a Sonora capitalist with a tidy fortune, was a hardened soldier and campaigner. He had lost an arm in the fighting against Huerta; he was handsome; he was the leader the Mexicans hoped could bring their country out of its costly civil strife.

Luis Cabrera summed up the tragedy of the early revolution in Veinte Años Despues:

The book, The Great National Problems of Molina Enríquez, studied the problem of property and land credit; treating carefully the division of the large properties, the encouragement of the small property and over all the support and protection of the communal property of the Indian villages, the rancherias and the other communities. But neither Madero nor the other revolutionaries read the book.

So backed by his Army of Sonora of 10,000 men, Alvaro Obregón had to prove that he "had read the book." In 1920 he fostered the Idle Land Laws, to discourage the untilled fields of latifundia. The laws provided that any citizen could cultivate for a year any land not under planting by a certain spring date. The cumbersome Law of Ejidos was passed that year but was repealed and reworked in 1921. By the Agrarian Regulatory Act of 1922 Obregón hoped to restore order in agrarian matters by

46 Parkes, p. 366.

47 The reaction of the United States to the constitution and these events in Mexico will be discussed in Chapter V.

48 Cabrera, p. 48.

49 Tucker, p. 277.
reorganization and clarification of governmental functions and agencies. There was a subtle shift in the revolutionary idea concerning land, from one of simple restoration to the wider ideal of solving somehow the socio-economic and technical problems associated with land distribution.\footnote{Ibid.}

The ejidal act of 1922 established the pattern of procedure for applying for grants. A village drew up a petition which was sent to the State Agrarian Commission. That commission could recommend the action on the grant to the governor. Upon his approval the village obtained provisional control of the land, and the application was sent to the National Agrarian Commission. The president made the final decision.\footnote{Ibid.}

The number of communities eligible for land was enlarged, and the amount of land for each family - from three to eight hectares (7.4 to 19.8 acres) according to the irrigation and water rights - was established.\footnote{Ibid.}

Obregón was not an ardent agrarian. He certainly did not envision any drastic change in the land pattern for the entire country. He felt Mexican economy was dependent on the hacienda system and that to break up these estates would mean economic ruin. Agrarian reform, at best, could be little more than a safety valve for revolutionary pressures. During the four years he served, three million acres of land were given to 624 villages, but too often peasants were left without seeds, implements, credit, or help in farming methods. Village politicians were able to gain control of land and labor. Money lenders made up to one-

\footnote{Ibid.}
hundred percent interest on loans to the struggling peasants.\(^{53}\)

But a start had been made; land had changed hands and the hold of latifundia had loosened a little more. Later developments dwarf those of Obregon, but he did give legal sanction to the land program, restricted as it was.\(^{54}\) Though there was still agrarian unrest, still bloodshed between peasants and landlords, there seemed to be some progress.

The presidency devolved on Plutarco Elias Calles, after a brief but bloody flare of rebellion led by some of the rightist groups. The people looked forward to more land reform under Calles, for, he had said in 1923:

> Agrarianism must be developed with all energy and without vacillation, but within the limits of method and order, so that our agricultural production may not suffer and without harm coming to those we seek to benefit . . . . I speak and fight for the compliance of the agrarian policy of the Revolution, for in this lies the revindicati on of the right of the people to live. To satisfy this necessity, the breaking of the large estates which are yet intact and which because of their size and the system under which they are worked constitute a monopoly of the soil, must be brought about through evolutionary proceedings, amply planned and studied, backed by a firm system of agricultural credit and by the organization of cooperative societies by the small farmers.\(^{55}\)

Calles was full of enthusiasm not only for dividing land among landless Mexicans, but he also felt that Mexico must colonize unoccupied lands. In 1923 he urged that after all Mexicans had received land, new areas opened by irrigation be made available to Europeans, immigrants and

\(^{53}\)Parkes, p. 375.


others who would help swell Mexico's small population. How Mexican leaders could believe that there was land enough for all, and to spare for colonists, cannot be readily understood in the light of Mexico's booming population since the Revolution.

The Calles administration started well in matters of land reform. There was the Regulatory Act of 1925 which sought to vest ejido land titles both in individuals and village groups. Calles also provided a revision of the Law of Dotation and Restitution, which widened eligibility for land to most populated areas and clarified functions of agrarian authorities. The state agrarian commissions were subordinated to the National Commission, and petitioning for land was simplified. Area of land exempt from expropriation was set at 370 acres.

Calles moved to free Mexican agriculture from foreign control, requiring that foreign-owned agricultural corporations sell to the Mexican government a controlling share of their stock. Foreigners would have to comply with the constitutional provision concerning the waiving of national and diplomatic protection against the Mexican government in case of disputes.

The Office of Loans, set up in 1908, bankrupted by official graft by 1914 and resurrected in 1916 only to go under again; had been reorganized under Obregon as the Bureau of Agricultural Cooperation in the Ministry of Agriculture. Calles widened credit for peasants

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56 Ibid.
57 Tucker, p. 278.
receiving land grants by chartering the National Bank of Agricultural Credit, for non-ejido borrowers; and the National Ejidal Bank, for the ejido societies. 59

In the four years Calles served as president eight million acres of land were distributed to 1,500 villages. 60 Calles was hailed as "the heir to Zapata", the man who put action to the words of the constitution. In 1927 Ernest Gruening wrote in The Nation that Calles had begun in Mexico the task of a generation – the replacing of feudal land tenure with small land holdings. 61

In 1926 Dwight Morrow went to Mexico as United States ambassador. Not only did he mitigate an ugly Church-State struggle in which the United States insisted on getting involved, but he is also credited by some historians with great influence on the Calles' land reform program. James Morton Callahan states that by March, 1928, Morrow has mapped out a program on the agrarian land dispute with a view to handling it gradually, case by case. He followed the hope of the Coolidge administration in Washington that Mexico would either stop taking land or would organize the agrarian procedure to take lands only under due forms of law, with compensation. 62

In 1928 Obregón, contrary to the explicit provisions of the constitution against re-election, was named to the presidency again.

59 Tucker, p. 278.
60 Parkes, p. 382.
62 Callahan, p. 615.
Before he could assume power, he was assassinated at a political meeting outside Mexico City. Calles raised the hue and cry against the Catholics for the death of Obregón, but no amount of blame could settle the affairs of the nervous nation. Politicians urged Calles to take the presidency again to avert what they feared would be civil war. But Calles refused, turning the reins of government over to the first civilian president since the revolution, Emilio Portes Gil. Calles retired from political life after a farewell speech in which he voiced the hope that Obregón would be the last caudillo of Mexico.

Portes Gil continued the land grant program, distributing more than one million hectares in 1929.63 Under the direct influence of Calles, the leaders of the revolution met in 1929 and formed the Partido Nacional Revolucionario (P.N.R.), which was to be the first permanent Mexican political party. The P.N.R. absorbed the dissident agraristas, who were getting restive over Calles' growing conservatism in matters of land reform. As his lands and wealth grew greater, Calles had become noticeably cooler toward revolutionary land programs, joining with other older conservatives who styled themselves the veteranos, revolutionary veterans. 64

In the summer of 1929, the P.N.R. nominated for the presidency Pascual Ortiz Rubio. He was duly elected, overwhelming José Vasconcelos, one of the country's first philosophers. It was becoming increasingly apparent that the man in the National Palace was not important; the

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63 Whetten, table, p. 125.
government functioned from Calles' palacial residence in Cuernavaca.  

Calles took the title of Jefe Máximo, Supreme Chief of the Revolution.  

A trip to France re-inforced his fears for the economy of Mexico under the ejido system. He sought an economy of small farmers similar to those in France. He increased pressure on Ortiz Rubio to move toward stopping ejidal land grants entirely. 

Land grants fell from the one million hectares under Portes Gil to 340,000 hectares in 1932, shortly before the end came for Ortiz Rubio. The man who would be president tried to remove some favorites of Calles, only to find that the Jefe Máximo had announced the resignation of the president. Abelardo Rodríguez became interim president; he played it safe and cut land grants to 188,000 hectares in 1933.

This was the background for the P.N.R. convention called at Queretaro in 1933 to establish a party program in the form of one of the omnipresent plans; this one to be for six years on Soviet lines. The convention was also to nominate a presidential candidate who would be obedient to the Jefe Máximo and his drift to conservatism. 

Calles' views on land reform were stated categorically in a speech in June, 1930: 

If we want to be sincere with ourselves we will have to confess as sons of the revolution that agrarianism, as we have understood it and practiced it up to the present time, is a failure. The happiness of the peasants cannot be assured by giving them a patch of land if they lack the preparation and the necessary elements

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65 Parkes, p. 394.  
66 Whetten, table, p. 125.  
67 Ibid., p. 127.
to cultivate it. . . . On the contrary, this road will carry us to disaster, because we are creating pretensions and fomenting laxness.

What we must do is to put an 'up to here and no further' on our failures . . . . Each one of the state governments should fix a relatively short period within which the communities still having a right to petition for lands can do so; and, once this period has passed not another word on the subject. 68

The agrarian aims of the Revolution were to be retained as a political sop, but Calles wanted no more expropriation. To carry out his program in its conservative course, he accepted, to please younger party members, the former Minister of War Lázaro Cárdenas, as P.N.R. presidential candidate. 69 He could not have made a more disastrous choice for the future of his conservative program.

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68 Ibid.
CHAPTER II

'YOUR PRESIDENT I WILL BE'

The man chosen for the presidency in 1933 by Calles and the P.N.R. was born José Lázaro Cárdenas Del Río on May 21, 1895 in the village of Jiquilpan in Michoacán. He was the first son of Damaso Cárdenas, owner of a small store and cantina, and Felicitas Del Río. The Cárdenas family was mestizo in origin but lived in the Tarascan area of Michoacán, emphasized Tarascan background more than Spanish heritage.

Lázaro Cárdenas attended the meagre school in Jiquilpan until he was eleven when his father apprenticed him to an accountant. Damaso Cárdenas died when Lazaro was twelve. While still in his teens, young Lázaro became the village jailer. In 1913 before the Revolution overran Jiquilpan, Cárdenas took his sole prisoner from jail and joined the anti-Huerta forces of Obregón and Carranza.

The next sixteen years Lázaro Cárdenas was almost constantly in the combat zones of the continuing revolution. His instinctive military leadership and ability won him a colonelcy before he was twenty years old. In 1917 Cárdenas was ordered against Zapata forces in Morelos — one of the ironic touches of the Revolution as the man who was to implement the

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1Biographic material on the early Cárdenas career is from the first three chapters of Nathaniel and Sylvia Weyl, The Reconquest of Mexico, the Years of Lázaro Cárdenas (New York: Oxford University Press, 1939). Cited hereafter as Weyl, Reconquest.
agrarian aspirations of Zapata was sent against him. After sporadic fighting against the zapatistas, Cárdenas was assigned to Vera Cruz, in the Huasteca country. Here he saw not only the conditions of Indian Mexico with which he was familiar in Jiquilpan but he also met for the first time "the politics of economic imperialism" in the great holdings of foreign oil interests. It is during this period that it becomes increasingly difficult to separate Cárdenas, the man, from Cárdenas, the growing legend. Here was a high military officer who seemed to be above bribery and corruption. The legend developed around Cárdenas' refusal to accept a new car from an oil company, driving instead an old car he could afford on his own salary. The legend grew even larger when Cárdenas repaid a forced loan from a Huasteca village. The village elders were so amazed at this unusual procedure that they tried to return part of the money to Cárdenas but he would not accept it.

From his early life in Jiquilpan, Cárdenas acquired two great ideals for the Indians of his country — more schools and fewer saloons. These ideals were strengthened by his experience with the ignorance and drunkenness of the oil camps. His later agrarian program was to include attacks in both fields.

With the election of Obregón in 1920 Cárdenas was sent against the Yaqui Indians and the troops of Villa, then united in Sonora. The people of Sonora found that when Cárdenas came with government troops he was an able military man with a strange penchant for avoiding bloodshed. By June of 1920 he had been promoted to the rank of major general for his successful campaign in Sonora. He was also named military commandant
and provisional governor for his home state of Michoacan.  

At the end of Obregón's term in 1924, rebellion broke out under Estrada in the north and Cárdenas was sent against him. During a battle in which government forces were badly defeated, Cárdenas was wounded and captured. Though urged to desert to Estrada, Cárdenas refused and was exchanged, because his wounds make it unlikely he could fight again. When Cárdenas' wounds healed Obregón had awarded his loyalty with a promotion to staff general, the highest position in the army. Cárdenas was assigned to Villa Cuauhtemoc, but politicians from Michoacan pressed him to return as governor. The prospect was not encouraging; Michoacan and neighboring Jalisco were in the grip of the bloody Cristero rebellion. The Cristeros, encouraged by the Catholic Church, sought to break the governmental control on education through terrorism against teachers and other government officials. Cárdenas decided to run for the governorship in spite of the Cristero opposition. In the election of 1928 he became governor of Michoacan in his own right.

Again the legend threatens the true picture, for in taking office in the midst of Cristero unrest, Cárdenas traveled all over Michoacan without special bodyguards or heavy armament. He also started the practice of being available to the petitions and complaints of the common people. Traveling unarmed and unguarded and mixing freely with the campesinos were later part of the Cardenas presidential pattern.

Cárdenas, as governor, tried to pacify the church and the

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\(^2\) Ibid., p. 64.  
\(^3\) Ibid., p. 72.  
\(^4\) Ibid., p. 76.  
\(^5\) Ibid.
Cristeros. But he also moved against the College of San Nicolas in Morelia, one of the oldest colleges in Mexico, with roots deep in the period of the conquest. Cárdenas believed the Catholic tradition was too strong in the college and so made it part of the state system. Unfortunately it soon lost its educational integrity but was no longer such a center for conservatism.

Cárdenas worked on land distribution as much as was possible within his powers as governor. He felt the growing tendency on the part of the federal government to oppose wide-spread, long-term land distribution. But to counter this reluctance, Cárdenas used all his authority and organized a peasants' federation to help press land reform demands. This organization of rural workers foreshadowed the later organization of such workers on a national scale during Cárdenas' presidency.6

In 1928 Cárdenas was again called upon to function as a military man when a rebellion of Cristero sympathizers developed under the leadership of Escobar. The uprising was localized in the north. Cárdenas and federal troops occupied Sonora, after an amazing forced march from Torreón. A later political rival, General Almazan, broke the full force of the rebellion and peace returned in time for the second election of Obregón.7

The assassination of Obregón by a religious fanatic rocked the tenuous stability of the Mexican government until Calles threw his support to Emilio Portes Gil, as provisional president. With Calles as

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6Ibid., p. 90.

7Ibid., p. 93.
Jefe Máximo and the power behind the presidential chair, the government managed to survive. In 1929 Calles encouraged the organization of the P.N.R. and supported its successful presidential candidate, Pascual Ortiz Rubio of Michoacán. Ortiz Rubio offered the post of Minister of War in his cabinet to Cárdenas, but Cárdenas refused the offer in order to finish his term as governor.

Cárdenas became a faithful member of P.N.R. After his term as governor ended in 1930, he accepted the chairmanship of the national party. But the Cárdenas brand of liberalism resulted in a state of affairs which caused him to resign the party post in September, 1931. Ortiz Rubio named Cárdenas again to be Minister of War and this time the appointment was accepted. Calles soon announced the resignation of Ortiz Rubio and the ill-fated president's cabinet appointments went with him out of office. Abelardo Rodríguez, who replaced Ortiz Rubio in the presidency, wanted Cárdenas to continue in the war post, but Cárdenas actually served briefly. A presidential candidate may not hold public office while campaigning, so Cárdenas resigned to give full attention to the nomination.

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9 Weyl, Reconquest.

10 Townsend, p. 61.

11 Ibid., p. 64.

12 Ibid., p. 73.
The P.N.R. called its second general convention in December, 1933, when Calles, himself, urged the formulation of some plan of action for the party. In a speech on May 30, 1933 he said:

The hour has come to formulate a detailed program of action for the period covered by the next six-year presidential term; a program that must be based on reason, statistics and the lessons of experience . . . . To make social experiments at the cost of hunger of the masses is a crime.\textsuperscript{13}

The moving forces at the convention, which met in Querétaro, was the agrarian block, led by Antonio Soti y Gama. The agrarians had been included in the formation of the party in 1929 to give it as broad a base as possible, but the pleas of the agrarians for adequate land distribution as implementation to the ideals of the revolution were carefully ignored. Yet in 1933 the followers of the aging Calles met the agrarians in full power at Querétaro and the outcome was the Six Year Plan for the National Revolutionary Party.\textsuperscript{14}

The Six Year Plan was formulated by the program committee of the convention and the Technical Commission of Cooperation with the Federal Executive (by which Calles was to keep careful control of contents).\textsuperscript{15} But the plan grew to include much semi-official interpretation of the Constitution of 1917 with regard to the role of the party of the Revolution and the people in bringing the provisions of the constitution into actuality.

One of the important statements in the plan concerned the role of government:

\textsuperscript{13}\textsuperscript{Weyl, Reconquest, p. 111.}
\textsuperscript{14}\textsuperscript{Tbid., p. 113.}
\textsuperscript{15}\textsuperscript{Bosques, p. 130.}
It is the thesis that the Mexican State assume and maintain a policy regulatory of the economic activities of the Nation. That is to say, it is openly and definitely declared that in the Mexican revolutionary concept the State is an active agent moving and controlling the vital processes of the country, not a mere custodian of the national integrity and keeper of the public peace and order.\(^{16}\)

The party also devoted a complete section to agriculture and development, stating:

The National Revolutionary Party does hereby most solemnly and emphatically reaffirm the Declaration of Principles enunciated when it organized and restates that the Mexican social problem of greatest importance is beyond any doubt the redistribution of the land and its most profitable exploitation from the standpoint of national interests.\(^{17}\)

The party then pledged itself to carry out the provisions of Article 27 of the constitution through the endowment and restitution of lands and waters by increasing moneys available for and the personnel assigned to the agrarian problem; by simplifying transactions of endowment and restitution; by making final all transactions previously granted provisionally; and by eliminating legal hindrances by which certain population groups were denied land.\(^{18}\) An agrarian department of cabinet status was to be established to carry out the plan.

Also mentioned in the agrarian section of the plan was a guarantee to respect small property as stated by law. The resident peons of the haciendas, acasillados, would be allowed to petition for land, provided they were gathered in groups and land was available.\(^{19}\) The party pledged watchfulness on government ownership of land, so there would be no federal monopoly, while every effort was to be made to complete the

\(^{16}\)Ibid., p. 131.  
\(^{17}\)Ibid., p. 137.  
\(^{18}\)Ibid., p. 139.  
\(^{19}\)Ibid., p. 140.
breakup of latifundia.

The ejido was to be encouraged, as were cooperatives of farmers, for the better distribution of credit and agricultural knowledge. Fifty million pesos were pledged to be used in the establishment of credit for the farmers. 20

The young agrarian leaders not only got their plan adopted, but they also pressed for the acceptance of Lázaro Cárdenas as candidate for the presidency in 1934. Calles accepted the plan with trepidation, but probably hoped it would be just another piece of official paper. He also accepted Cardenas - a good party man, loyal and obedient, though a bit too intent on the social and economic ills of the nation. 21

In the Calles' circles the Six Year Plan was taken as a document "to get in on, but not to stand on." 22 But the plan gave Cárdenas official party backing for some of his most liberal ideas. He had taken no part in the Six Year Plan debates. He had not even been consulted by the leaders of the left wing at the convention, nor had he participated in the work of the government experts' commission. 23 Yet the plan fit Cárdenas almost as if specially designed. He immediately set out to take the plan to the people, an action which caused alarm among Calles' followers. A presidential candidate should be interested in election, but a tour all over Mexico was scarcely necessary. 24

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20 Ibid., p. 150.
21 Weyl, Reconquest, p. 117.
23 Weyl, Reconquest, p. 118.
24 Ibid.
Cárdenas was elected with a resounding majority, as the party leaders knew he would be. In the campaign Cárdenas acquired one of his most vocal enemies, Luis Cabrera, who styled himself a true revolutionary and advocated the candidacy of Antonio Villareal in the 1934 election. Cabrera led the Cárdenas opposition throughout the presidential term. 25

On November 30, 1934, Lázaro Cárdenas Del Río took the oath of office as president of the Republic of Mexico and read his inaugural address. Public speaking was never a Cárdenas strong point and few noted the rather tedious contents of the address. One listener, Josephus Daniels, ambassador of the United States to Mexico, took note of the Cárdenas' statement: "You have elected me your president; your president I will be." 26

So Cárdenas became President of the Republic, with the general political understanding that the status quo of the Jefe Maximo would be undisturbed. Cárdenas accepted a largely Calles cabinet, including as Secretary of Agriculture Garrido Canabal, dictator of Tabasco and leader of the fascist-inspired Red Shirts. 27

In 1934 during Rodríguez' term, 676,000 hectares of land had been distributed. Rodríguez had been considered a liberal in agrarian matters for he had vetoed the "stop" laws of the Calles faction. 28 Under Cárdenas' instigation in 1935, 2,900,000 hectares of land were granted.

25 Townsend, p. 69.
26 Daniels, p. 59.
27 Weyl, Reconquest, p. 161. The Red Shirts, coming from Tabasco with Canabal, attacked Catholic meetings in Mexico City and generally antagonized the Church-State situation.
28 Whetten, p. 125. The "stop" laws were designed to put a terminal date on all agrarian petitions, and thus end land distribution.
This accent on agrarianism and Cárdenas' encouragement of labor activity soon became alarming to Calles. In a speech in June, 1935 Calles called on Cárdenas to slow down on land distribution and cease labor agitation. "The Cárdenas program will carry us to disaster." As a final warning, the Jefe Maximo recalled the fate of Ortiz Rubio.

Cárdenas continued to stress the importance of the speedy implementation of the Six Year Plan. On a visit to Campeche he said:

I consider the agrarian movement, the cooperative movement and the educational movement as the strongest fulcra of a government which has a sense of deep responsibility before the country and before history. The cooperative without organization of the masses and the extension of adequate credit is nothing but a lie. As against the outmoded economic unit of the hacienda we must build the ejido; as against the spiritual unit of fanatacism, the modern school must be erected; and as against capitalist industry . . . the cooperative of the worker must be established.

Calles, angry that his warning had been ignored, went to California for his health. In most government circles, it was felt that Calles hoped crisis might threaten in his absence, forcing Cárdenas to call him back. There was unrest, fear for Mexican stability in the United States, but Cárdenas held on. By December of 1935 Calles had returned from his rest cure and the tension grew.

Cárdenas, owing to his military background, had the support of the army. His encouragement of labor had won him support of the laboring classes and his program of land distribution and continued concern for the peasants held the backing of the campesinos. Cárdenas began to challenge the authority of the Jefe Maximo by replacing Calles men with those

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29 Daniels, p. 60.
30 Weyl, Reconquest, p. 129.
more sympathetic to his own views. Portes Gil was removed as chairman of P.N.R. and retired to private law practice. Canabal was replaced by Saturnino Cedillo of San Luis Potosi, a noted conservative in church matters. Calles adherents were forced to make a quick choice between continued loyalty to Calles and a change to Cárdenas. One official in the government is said to have sat for several days with two telegrams on his desk: one pledging loyalty to Calles, and the other offering his services to Cárdenas. He finally sent the one to Cárdenas and rose consistently in government favor.

The final act of the struggle took place April 10, 1936. Cárdenas sent word to Calles in Cuernavaca that he should prepare for a trip to the United States the following day. Calles, Luis Morones, Luis Leon and Melchor Ortega, close Calles associates, were put aboard a plane on April 11 and sent to Brownsville, Texas. Cárdenas asked the help of Ambassador Daniels in clearing the way for Calles and his friends to enter the United States. Daniels complied.

Cárdenas was now president in fact as well as in name. He had proved that he had enough popular support to overthrow Calles' control. Could he hold popular backing? In the course of the political maneuverings against Calles, Cárdenas had moved away from the radical left wingers in the P.N.R., and yet had made it appear that Calles was the reactionary. After Calles' departure, fear grew that a fascist coup was in the offing — a year after other alarmists had looked for Cárdenas

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31 Ibid., p. 161.
33 Daniels, p. 63-64.
to turn the government over to the communists. Cardenas, exercising the full power of the presidency, also had the backing of the National Revolutionary Party. Legally, the way was clear for his agrarian program through the provisions of the constitution and the agrarian code.

The revolutionary program of land reform had been based on three types of land grants: restitution, endowment or outright grant, and amplification. The restitution grant benefited those villages whose lands had been seized illegally. In the earliest phases of the agrarian movement this was the only method of land distribution used, as the agrarian problem was considered simply as one of restoring to villages the lands they had lost. The proof of previous possession and illegal seizure lay with the villages and in the absence of written titles and legal documents, proof was difficult, if not impossible to establish.

Endowment, or dotation, as it is called by some writers, was necessary when it became evident that restitution alone would not solve the land problem. A method had to be devised which would permit the granting of land to landless villages regardless of proof or lack of it about illegal seizure. Almost 79 per cent of the land granted under the Agrarian Code was given under this provision. The third method of granting land was by amplification: to enlarge the holdings of villages when it was shown that their present lands were inadequate for their needs.

35 Whetten, p. 129.
36 Ibid.
37 Ibid., p. 130.
Also under the provisions of the Agrarian Code, the eligibility of villages for restitution was established:

The centres of population which had been deprived of their lands, woods, or waters by any of the acts referred to in Constitutional Article 27 shall be entitled to have their property restored to them whenever it is proven: (1) that they are the owners of the lands, woods or waters whose restitution is petitioned; (2) that they were despoiled of same by any of the following acts: Alienations made by political chiefs, state governors or any local authority, in violation of the provisions of the Law of June 25, 1856 and other relevant laws and rulings; concession granted or deals or Sales made by the Ministry of Development, Ministry of Finance or any other Federal Authorities, from December 1, 1876 to January 6, 1915, whereby the property whose restitution is petitioned was invaded or illegally occupied; survey or demarcation of boundary proceedings, deals, transactions, transfers or auction sales effected during the period of time referred to in the preceding sub-clause, by companies, judges or other authorities of the States or of the Federation, whereby the property whose restitution is petitioned was invaded or illegally occupied.\(^38\)

The villages which were eligible for out-right grants of land were divided into two groups: (1) eligibility of the population center for receiving a grant, (2) the eligibility of individuals in a village to participate in a grant.\(^39\) A village was entitled to submit a petition for land if it had been in existence at least six months prior to the application and provided it contained at least twenty persons entitled to receive land.

Centers of population which lack lands, woods or waters, or which do not have sufficient for their requirements, are entitled to be granted same provided the centre of population existed at least six months prior to the date of its application. Centres of population having twenty or more individuals who lack a grant unit or plot are capacitated to petition an extension of their communal holdings. Groups of twenty or more individuals who fulfill the requisites established in Article 5h have the right to

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\(^{38}\) Quoted in Whetten, p. 130.

\(^{39}\) Ibid.
petition the creation of a new center of population even though they belong to different villages.  

Some communities were denied land. Cities of 10,000 with fewer than 150 persons engaged in agriculture, seaports, and colonies established under federal law could not petition for land.

A person living in a village with a successful petition would be eligible for land if he were a Mexican by birth, at least sixteen years of age, had resided in the petitioning village at least six months, and customarily made his living from agriculture. A woman could qualify if she were single or a widow and responsible for the livelihood of relatives.

During most of the period of agrarian reform, the resident peon on the hacienda was excluded from the land grants because he was under contract as an agricultural laborer and so was ineligible for land. Also in a special category were the graduates of the state's new agricultural schools as they were considered ineligible for ejidal grants because of residency requirements. Cárdenas moved against these provisions of the agrarian code in 1937 and made the acasillados and the agriculture school graduates eligible for land.

The land for redistribution might be taken from any public or private holding located within seven kilometers of the center of the petitioning village. Federal, state or municipal properties were also open to expropriation if available. The exemptions from expropriation

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\(^{10}\) Ibid.
\(^{11}\) Ibid.
\(^{12}\) Ibid.
\(^{13}\) Ibid., p. 132.
\(^{14}\) Ibid., p. 133.
An area not exceeding 100 hectares of irrigated or humid land, or 200 hectares of seasonal land, or the equivalent in other types of land. For exemption purposes, each hectare of irrigated land is equivalent to two hectares of seasonal, four hectares of good pasture land, or eight hectares of woodland or pasture land located in barren country; up to 150 hectares of land used for the cultivation of cotton, if irrigated with river water or a pumping system; up to 300 hectares with ordinary plantations of bananas, coffee, henequen, rubber trees, cocoanut palms, vineyards, olive trees, trees producing quinine, vanilla or cacao or fruit trees.  

According to the Agrarian Code, all buildings were exempt from seizure if they were not abandoned and did not serve some important need in the property expropriated. Irrigation works were exempt, too, if used only for irrigation on land not expropriated.  

The application of these terms of land affectability, though on the law books since the constitution of 1917, gave new fears to the hacendados. Before Cárdenas came to power the Mexican Supreme Court had declared itself incompetent to intervene by injunction (amparo) in the distribution of land under ejidal legislation. This decision, in 1932, was made during the period when the land program seemed to be waning and not much attention was given to it. Later, the Agrarian Code had this to say about legal procedures in such cases:

Landowners affected by past, present or future resolutions by which lands or waters are granted or restored to villages shall have no ordinary rights of legal recourse, and they cannot institute amparo proceedings in this connection. Parties affected have only the right to apply to the Federal Government to be paid the respective indemnity. This right must be exercised by landowners

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45 Ibid.
46 Ibid.
47 Ibid.
48 Tannenbaum, Peace and Bread, p. 205.
within a term of one year, reckoned from the date the respective Resolution is published in the Diario Official of the Federation. No claims whatsoever shall be admitted once this time limit has expired.48

A village desiring land sent a petition to that effect from its local governing group, usually a gathering of elders. The petition was sent first to the state governor, who turned it over to a mixed agrarian commission. The title "mixed" was applied to the commission because it was made up of a chairman who represented the national Agrarian Department; a secretary who was appointed by the state governor; and a third member representing the ejidatarios of the state and selected from a list presented to the President of the Republic.49 The commission investigated the petition, seeing that the need for land was real, and that census figures confirmed that the town had sufficient population to justify grants. The commission was also responsible for knowing where land was available for expropriation to satisfy the petitioning center of population. Owners of affectable property might speak to the commission, but when it reached a decision for the village, it recommended the forwarding of the accepted petition to the National Agrarian Department and its special advisory board.50 A state governor, prior to forwarding the accepted petition, might make a temporary grant of the necessary land to the village, pending federal acceptance. This was the authority used often by Cárdenas as governor of Michoacan. After the petition had been accepted by the Agrarian Department, it was referred to the President of

48 Quoted in Whetten, p. 134.
49 Tucker, p. 299.
50 Whetten, p. 136.
the Republic, who ordered the final resolution for expropriation printed in _Diario Oficial_. There was no appeal after that resolution.\(^{51}\)

The Agrarian Department of the Mexican cabinet had been created a year prior to the inauguration of Cárdenas.\(^{52}\) One of the first acts of the provisional government following the overthrow of Díaz in 1910–11 had been the creation of the Agrarian Bureau under the existing Ministry of Agriculture. By 1917 the Agrarian Bureau had been merged with the National Agrarian Commission under Agriculture.\(^{53}\) This commission was given cabinet status in 1934, with Gabino Vásquez as the first secretary. Under the terms of organization, the Agrarian Department had the power to apply appropriate provisions of the constitution, to subdivide ejidos, and to take a census to establish eligibility.\(^{54}\)

The Ministry of Agriculture declined in official favor after Saturnino Cedillo became minister, and Cárdenas seems to have transferred much of the authority for his land program from agencies under Agriculture to the new Agrarian Department. That there were strong political reasons for this shift is unquestioned. Cedillo was too conservative in many things for Cárdenas, but Cedillo had to remain in power, at least until the church controversy cooled. As Nathan Weyl explains:

The political necessity of stripping Minister of Agriculture Saturnino Cedillo of all real power, while leaving him temporarily

\(^{51}\) Ibid.
\(^{52}\) Townsend, p. 100.
\(^{53}\) Tucker, p. 298.
\(^{54}\) Ibid.
in enjoyment of the perquisites of office, helped create a situation under which seven sovereign departments and banks became the independent executors of the agrarian program.55

The Ministry of Agriculture and Development had been established in 1853 but its active function dates from 1917. Three subsecretaries were in the ministry organization: forestry, agriculture, and stockraising.56 The agriculture division was the largest and most powerful part of the ministry. It worked with problems of rural economy, soil and water conservation, ejidal agricultural and small property aid, experimental farms, agronomy, and diseases and pests.57 The problems of dividing authority between the Ministry of Agriculture and the Agrarian Department were great during the period of great ejidal development. Agriculture still maintained a Bureau of Ejidal Agricultural Promotion, although most of that work was transferred to the Agrarian Department. The Agriculture Ministry was responsible for hydroelectric development and the preservation and construction of irrigation systems.58

Yet important as the Agrarian Department was in the organization of the machinery of government whereby land grant petitions were processed, the paramount agency in the land program was the National Bank of Ejidal Credit. This bank was organized in August, 1936, under the Ley de Justicia Fiscal of that year.59
The National Bank of Ejidal Credit was chartered with the purpose of aiding the ejidos in matters of finance. The function of the bank depended principally on the organization of ejidal credit societies in which a group of ejidatarios joined together to further their collective agricultural interest, or for the development of interlinked agriculture and industrial enterprises. As the Agrarian Department worked to some extent with the Ministry of Agriculture on the Cardenas land program, so did the National Bank of Ejidal Credit share economic functions with the National Bank of Agricultural Credit.

The National Bank of Agricultural Credit became a separate entity in 1936 and assumed the functions of banking agent to the small landholder and to private individuals. Most of its business was with non-collective credit societies, organized on a voluntary basis by small landholders. The majority of loans handled by the National Bank of Ejidal Credit were extended for eighteen months for the running expenses of cultivation. Certain five-year loans were for purchase of such necessities as fertilizer, machinery and livestock. Long term loans, up to thirty years, were for permanent improvements of the land, including irrigation canals, processing plants and railroads on sugar and other staple plantations.

A board of nine members and six alternates directed the ejidal bank. The stock in the bank was held by the government, by the states

60 Weyl, Reconquest, p. 194.
61 Tucker, p. 302.
62 Weyl, Reconquest, p. 194.
and by the ejidal credit societies which did business with the bank. The Minister of Agriculture and the Secretary of the Agrarian Department served as members of the governing board. To implement the varied program of the bank, the following departments were established: credit, for servicing the loan program to ejidal societies; technical, for giving aid in construction and conservation; trust, which acted as liaison between the government and the ejidal societies; agricultural services, to help maintain the machinery and equipment; forestry, to encourage reforestation and conservation; and the administrative departments of treasurer, accountant, legal and administrative.

The authority of the bank widened into the areas of warehousing, crop storage and sales, repairs on irrigation systems and power plants, purchasing on an extremely large scale, plant diseases and soil analysis and general custodian for collective agriculture.

In the official opinion of the government this system of interlocking organizations and agencies worked well enough for successful operation. The National Agrarian Department reported:

To take care of the credit needs of peasant communities the National Bank of Agricultural Credit was instituted to which falls the duty of financing small and medium-sized proprietors of agricultural lands under cultivation. The Government of the Nation, exceeding two and a half times the provisions of the Six Year Plan, has increased the capital of the National Village Common Land Credit Bank by approximately an annual sum equal to 6.66 per cent of the total budget of the Federation. Said Bank and the

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63 Tucker, p. 301.
64 Ibid.
65 Weyl, Reconquest, p. 195.
66 Banco nacional de crédito ejidal has many translations into English. This is one.
Federal Department are charged with carrying out agrarian reform, organizing peasant communities, direct them technically, introduce new crops, encourage the use of improved machinery and chemical fertilizers, and care for their health and education in cooperation with federal and local authorities to which are entrusted each one of the different phases of the social action of the state.67

An opposing view of the power and success of the bank came from Luis Cabrera:

The ejidal bank is the one that selects the land which seems suitable for ejidos; the bank seeks the peasants who will apply for the land; it transfers the land, it organizes the credit societies, decides which crops are to be grown, when the land is to be watered, when to harvest, advances the money for seed, buys the plows and oxen, names the foreman, pays wages and calls them 'advances' on profits; it directs the harvest, sells the crops, keeps the accounts, and above all, it decides who can work and who cannot.68

There had been governmental land agencies before Cardenas engaged in distributing land. The provisions of the constitution were unchanged. Yet with these agencies and the constitution, Cardenas changed the land tenure, social and economic patterns of Mexico in about three years. He made the monumental change and raised a storm of protest and commendation largely through his new look at the age-old ejido.


CHAPTER III

THE WAY OUT

The Six Year Plan of the National Revolutionary Party stressed the role of the ejido in the solution of Mexico's agrarian problems. Yet, as has been noted, the ejido, even as viewed by the staunch agrarians, was a subsistence unit. It would provide for one family but it could not be expected to produce much for market.

Cárdenas, from the time he was governor of Michoacan, had looked at the ejido in a different light. As governor, he had expropriated an entire sugar plantation but contrary to the usual procedure, he did not order the land broken into individual plots for the workers. Instead the land and the production machinery on it were granted to all the resident workers to be utilized communally.¹

During the year of conflict between Cárdenas and Calles, Cárdenas had been unable to implement further this idea. With Calles in exile in the United States, Cárdenas put the plan of the undivided agricultural unit into practice in the fall of 1936.

This new dimension in ejidal development had its first large-scale use in the cotton-producing area of La Comarca Lagunera, lying between Durango and Coahuila. About 1,300,000 hectares of land had been

¹Townsend, p. 157.
developed by foreign land companies and Mexican landholders into the most important cotton center in the nation. Agrarianism rocked Laguna as early as 1915. With the ratification of the constitution in 1917 feeling ran even higher, for farm and industrial workers were given the right to strike. The workers used the strike to demand both better wages and land. The latter demand proved to be a technical mistake, for only localities having political status (categoría política) were entitled to petition for land. The landlords were careful to keep workers from gathering in clusters large enough to merit this necessary recognition and the strikes actually accomplished little but a worsening of tension.

Little was done to solve the situation until 1930 when agrarian pressure became so strong that the hacendados drew up a plan of their own. According to the plan, lands which were not in cultivation would be given to the agrarians. If those lands were not sufficient, the landowners planned to buy several haciendas to round out the donations. The hacendados wanted a governmental agrarian census taken, an ejidal district established and ejidatarios given the land. Once this was done, the agrarian question was to be closed in Laguna, with no further expropriation brought against its holdings. The landholders plan was accepted by Abelardo Rodríguez, and in 1934 it was put into effect. The plan had the result of intensifying the already smouldering conflict in the area. The agrarians claimed that the lands offered them were of poor quality and badly watered, that intimidation had been used to prevent laborers from enrolling in the census and that only a small part of

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2 Whetten, p. 217.
the number of eligible workers actually received land.  

A series of strikes erupted and an ugly situation developed when strike breakers from the Mesa Central were imported, hired by the hacendados at more than the prevailing wage at Laguna. The strike of August, 1936, was such that federal action seemed necessary. President Cardenas finally called the strike committee to Mexico City and agreed that he would invoke the constitution and agrarian code against Laguna, in exchange for an end to labor strife. The strikers agreed, but the hacendados were dumbfounded. Groups of landholders were reported waiting in the presidential ante-room on October 6, 1936, when Cardenas signed the expropriation decree of Laguna.  

The acuerdo of expropriation, published in the Diario Oficial on October 22, 1936, read in part:

In order to comply with the agrarian code, the rural population should be given lands. The workers in La Comarca Lagunera should be included in this provision. As the lands of La Laguna are especially suited to agriculture, they shall be transferred intact, not in small pieces. The Commission of Irrigation will take over the water systems of the area. Creation of ejidal districts shall begin immediately but will not affect the small properties already in the area.  

The Agrarian Department, represented by over three hundred agronomists and agricultural engineers, moved in to Laguna within a few days of the expropriation to supervise an agrarian census, survey the available land and make the ejidal allotments. Cardenas himself went to Torreón in November and remained until the initial stage of expropriation and distribution was complete. During a forty-five day period at Laguna, (November and December) 447,516 hectares of land were distributed to

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3Ibid., p. 218.  
4Ibid.  
5Diario Oficial, XCVIII (October 22, 1936.)
296 individual ejidos, organized into twenty-four ejidal districts. In May of 1937 additional ejidos were established and with the completion of a secure water supply, other lands were also put under ejidal cultivation.

The Bank of Ejidal Credit officials came into the area with the Agrarian Department representatives, as the Ejidal Bank had been charged with the task of establishing credit necessary for the success of the collectives. The bank’s many bureaus and divisions came to help with types of seed, plant diseases, cattle production, application for loans, marketing, field irrigation and the maintenance of farm machinery.

The land was surveyed, distributed and the collectives established. But the haste with which this program had been launched soon began to tell. The agrarian census had counted 38,000 workers eligible for land. As the count had been made in the harvest season, it included about 16,000 migrant workers, who lived in Laguna only about four months of the year. Thus the land was to support about half again as many people as usually depended on it. This caused the cultivation of marginal land with dubious water supplies. Haste also caused boundary disputes between ejidatarios, and hacendados. The area granted each ejido was not always equitable, which led to additional antagonism between the ejidal organizations.

The first problem confronting the ejidos was organization. The local unit was centered around the general assembly, made up of all the

6 Whetten, p. 219.
7 Ibid., p. 224.
8 Ibid., p. 220.
peasants entitled to land in a village. The general assembly selected three members to make up the executive committee. This executive committee had a virtual power of attorney to act in all matters for the other members of the ejido. To check on the activities and accounts of the executive committee were the three members of the vigilance committee. The collective organization stemmed from these agencies. In the collective all the land was owned and worked jointly by the members of the ejido. The capital available to the ejido was administered en toto and not dispensed to the individual. All ejidatarios worked jointly for the benefit of all.

The key man in this ejidal structure was the work foreman. With the end of the hacienda system, the worker felt, all too often, that he should no longer be forced to work. He resented being told when, how and where to work in the ejidal grants. So it took a man of extreme tact and great persuasion, as well as stern will, to be a successful work foreman. He took the responsibility of seeing that jobs were assigned; work done promptly and well; and records made of work for final profit distribution. Because of the need for discipline in the work performance, certain sanctions were authorized by the executive committee and the general assembly. Laggards could be suspended from work for three days, thus losing a profit share for those days. Worse offenders could be expelled from the ejidal society.

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9 Ibid., p. 224.
10 Ibid.
11 Ibid., p. 188.
The members of the executive committee and a representative of the ejidal bank distributed subsistence pay in the ejidos until harvest time. The ultimate aim of the collective was self-sustaining production, with profits enough from one season to carry over and support the next. But until production could be self-sustaining the federal government, through the bank, set up a system of daily allotments, based usually on the type and duration of work performed for the ejido. This subsistence pay was considered theoretically an advance on the profits of the harvest, but the field workers came to regard it as a wage, much like that they had received from the hacendados. Whenever possible, tasks were paid for on the contract basis, encouraging industriousness, but little of ejido work could be so delegated. The problem of accounting for quality of work, for skill and industriousness, was to plague the bookkeeping of the collectives from the beginning.

At the end of the growing season, profits, if any, were distributed according to the work records of the ejido. Records of the daily compensation were used to establish the amount of time given to the ejido and these records also rated skill and industriousness, to some extent. Profit sharing was not entirely on a time-payment basis, but showed a capitalistic trend toward larger shares for the better, more productive workers.

The ejidal collectives soon built up "social reserves", when profits were large enough to sustain them. After interest was paid on bank loans, and a division of ejidal shares made, funds which were left were earmarked for such community projects as a water system, municipal

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12 Ibid., p. 209.
School construction began soon after expropriation, but additional buildings were often financed by the ejidos themselves. A municipal gathering place took first place after the schools, followed by recreational facilities. The sudden availability of leisure time made the latter quite necessary to the culture of the collectives. The facilities usually consisted of little more than baseball diamonds, soccer courts and a basketball hoop or two, but the ejidatarios eagerly found time for play for the first time.

Of concern to the entire area of Laguna were adequate medical facilities. Few doctors and even fewer medical centers and dispensaries were in the region during private ownership. With expropriation, the federal Department of Public Health established a full medical program, and supported it through the first critical year. Each ejido family was asked to pay twelve pesos per year for medical attention, beginning in 1937. Inflation gradually forced this fee up. By the early years of the 1940's, a central hospital had been set up in Torreon and sixty full time physicians and numerous assistants, nurses and midwives worked in the entire area. Preventative medicine gradually gained acceptance, through the medical units in each ejidos which offered vaccines and inoculations. Maternity care, practically unknown to the peasant women, received much slower acceptance.

The ejido's need for adequate credit had been under government

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13 Ibid., p. 206.
14 Ibid., p. 236.
15 Ibid., p. 235.
consideration since the beginning of the agrarian program; but never did credit facilities face such a task as at Laguna. As has been noted, the ejidos needed subsistence against their eventual profits. For more long-range needs, loans were vital. The Law of Agricultural Credit of 1931 had eliminated for a time the Ejido Bank, while reorganizing and strengthening the Agricultural Bank. The latter, designed to deal with the small property owner, was given added power under Calles. In 1934 the Ejidal Bank was re-established under the new terms of the Six Year Plan, and regional banks were set up to deal with the credit societies of the ejidos. Seven agricultural credit warehouses, where produce could be held for a better market, were established. In 1936 Laguna felt the full strength of the Ejidal Bank organization, but even that strength was to prove inadequate for the growth of the collective in other areas. So it was that almost seventy percent of all the ejidal credit societies in Mexico were left to the mercy of the loan sharks, or acaparadores. As ejidal land could not be mortgaged, interest rates were fantastic.  

At Laguna, the first crop year of 1937 can only be described as disastrous. Drought hit the area; and production potential was stretched into the marginal lands. Cotton production fell from the yield of 2.2 bales per hectare during the last year of private ownership to 1.3 bales per hectare. The bank lost an estimated 48,000 pesos invested in the area that year, though some of the loss was later recouped as production increased. 

16 Tucker, p. 300.  
17 Whetten, p. 195.  
18 Whetten, p. 231. See also Figure 2.
In addition to the drought, complaints came in about the bureaucratic organizations at Laguna. Bank engineers saw to it that ejidatarios paid more than market value for machinery and tools, and pocketed the difference. Sometimes the subsistence pay system broke down, and families went hungry. Feed mixed with ten percent soil was delivered to the ejidos. Crop land was flooded through the negligence or inexperience of personnel operating the irrigation system. In 1938 the president ordered a full-scale investigation of all bank activities in Laguna. The Minister of Finance got a presidential reprimand and the director of the bank at Torreón resigned in the aftermath of the investigation.

Water was vital to the success of Laguna. The Nazas and the Aguanaval rivers are seasonal, running full in the rainy season and often going completely dry in the summer. During the period of private ownership, no attempt had been made by the hacendados to secure a steady water supply for the entire area. Each landowner fought to obtain water for his own use without taking into consideration the fate of Laguna as a whole. After expropriation, all water supplies and irrigation works became the responsibility of the Ministry of Agriculture's Irrigation Commission. Cárdenas gave the executive secretary of the commission, Francisco Vásquez, almost full cabinet powers in settling payment for irrigation works, and planning a dam for Laguna. El Palmito Dam,

19 Plenn, p. 246.
20 Ibid., p. 247.
22 Ibid.
finished in 1943, was designed and built by Mexican engineers, a factor which brought enormous national pride to focus on Laguna. The completion of the dam gave the area a secure water supply and also opened new lands for production.

The remaining hacendados were an influence to be reckoned with at Laguna. Under the provision of the agrarian code by which Laguna lands were divided, each landowner was allowed to choose and keep 150 hectares of land from his property. Quite naturally the hacendado chose the best land, in fact the center of the hacienda with its best lands, buildings and machinery. This left the hacendado in a better position than before, having land for intensive cultivation, yet relieved of the nagging labor situation. Some did resign themselves to farming what was left of their lands, shifting also into commercial and industrial work.

Unfortunately, not all the landowners took their loss so philosophically. "The extent of sabotage was terrific: active sabotage such as the bombing of pumps and water supplies, and the passive sabotage which consisted of sowing mistrust in the peasants' minds against the bank and the government." Some of the landowners, enraged at seeing their land worked by their employees, using their water systems, went even further. "The white guards, that dread scourge of peasant life, sprang up, paid and armed by the landowners to assault the ejidatarios

25 Millan, p. 131.
26 The White Guards were used extensively during the Diaz period by landowners and were private police forces.
and even resort to occasional murder in order to terrorize them into submission." 27 Cardenas finally organized the agrarians into a reserve of the Army to protect them from such depredations.

Not only was it hard on the pride of the landowner to have his holdings cut to a relatively small plot, but it was also galling that expropriation hit his pocketbook. The issue of agrarian bonds had been suspended in 1934 because their value had dropped so badly. The only hope of payment that the hacendados had was in non-real property expropriation which was paid for in cash. The landowner could also apply for agrarian bonds, if and when issue was resumed. But some refused to apply, for they resented the fact that bonds were based on tax valuation on property, always low. Government representatives even had trouble making non-real property settlements, because some hacendados hoped for some change in official policy which would return the property, land and all, to them. 28

The British foreign office tried official diplomatic pressure concerning the 300,000 hectares of Laguna which belonged to British land companies. The United States was not deeply touched by Laguna expropriations. Only about 3,000 American-owned hectares were involved and most of that belonged to a land company. Laguna did serve to focus foreign attention on Cardenas, his agrarian program and the expropriation it entailed. 29

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27 Ibid.
Particularly objectionable to foreigners were the speed of expropriation, and the lack of legal recourse. Partisans of the Cárdenas program retorted that speed was necessary, for they feared that time for planning would also have given the hacendado time to marshal political and economic strength to block the action. Critics of the program felt that the hacendado had been denied his rights by expropriation, for no discrimination had been made as to how a piece of land was obtained. Some landowners had worked and saved for their property, unlike those who had used illegal means. Some holdings, specifically exempt from seizure under the constitution, were swallowed up. Some official redress of this grievance was noted as late as 1942.

Landowner bitterness also centered around the denial of the amparo, or legal injunction against expropriation. Through long experience, the agrarian forces in Mexico had learned that legal action could and did stall the land program indefinitely. In 1928 over 5,000 land cases had been taken before the courts of Mexico. Two thousand decisions were handed down and ninety percent of those were favorable to the landlords. In the Agrarian Code of 1934 the court decision of the previous year, removing the amparo in land cases, was restated. The landowner might still appeal to the president prior to the final granting of land. Partisans of the agrarian program felt that the denial of

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30 Whetten, p. 150.
31 Ibid., p. 145.
32 Simpson, p. 60.
33 Manuel Fábila, Cinco siglos de legislación agraria en México (Mexico City: Banco nacional de crédito agrícola, 1941 —), I, 696.
amparo was necessary. The choice had to be made between justice and reform. The country might well have been plunged into infinitely more civil war if the promises of land reform had been longer delayed.

Mexico did not have the time for legal technicalities, nor did it have the money for full restitution for the land necessary for the distribution. That expropriation without injunction was a deliberate denial of rights to stifle criticism and increase opportunities for wealth was charged by Cardenas critics, but was vigorously denied.

Property rights were violated, especially when viewed by Anglo-Saxon standards of fee-simple title to land. From the viewpoint of Spanish law, the King and later the Mexican nation had final title to all land. On this point of interpretation was to hinge many of the diplomatic quarrels of the later expropriation, not only of land but oil.

Yet it must be conceded that the weight of political and economic control in Mexico had long been with the hacendado. If he were abused by the Cardenas reform, he had enjoyed virtual immunity for many previous years. A staunch supporter of Mexican sovereignty, Andres Molina Enríquez even traced expropriation without indemnity to American investors. During the dictatorship of Porfirio Diaz, he said, "The American railroads imposed upon the entire republic the condemnation of private property great and small, for their tracks and stations, without paying any indemnities whatsoever. The railroads established the


35 Ibid.
precedents of doctrine and procedure later adopted by the agrarian program." 36 Though not all Mexicans would agree with that interpretation, the majority could recall the tienda de raya, the white guards, debt peonage. 37 The landholders who maintained such a system, who had received land for nothing or at least very cheaply, could not expect much sympathy when expropriation came. The feeling was that landowners had received profits many times their investments in Mexico. The constitution of 1917 had warned hacendados to break up their estates or face expropriation. If the landowners had not taken advantage of that warning, it was not really the fault of the government.

One of the early bulwarks of opposition to agrarian reform was the Catholic Church. Embittered by years of warfare with the government over the provisions of the 1917 constitution, the church smarted under socialized education, restrictions on foreign priests and de-franchisement of the clergy. The peak of active resistance of the church to the federal government was the Cristero uprising during Calles administration. Peace had come slowly to the troubled situation and Cárdenas still had to face a strong opposition force in the church in 1934. He mitigated some of the more stringent regulations of the constitution, such as that giving the states the power to limit the number of priests within their borders. But the church could not forget


37 The tienda de raya was the hacienda store from which the peon had to make all his purchases. If in debt to the store, a peon could not leave the hacienda, a provision which assured his attachment to the land as firmly as slavery.
Cárdenas' stand on education, when he said that the people of Mexico had to be freed not only from the bondage of the soil, but also from the fanaticism which had helped to keep them in slavery.  

The church felt that the government's land program was nothing short of theft. As active political participation was denied the clergy, more subtle ways of influence were found. The peon could be convinced that taking land in ejido grants was against divine law. The plague of locusts, the dry season, the disease of the cattle could be traced to the acceptance of ejidos. Diego Rivera, the Mexican muralist of ardent Marxist inspiration, painted a series of posters for the government to use in combating this influence on the peon. With each natural disaster governmental reassurance became necessary again.

Through the focus of Laguna, the landowners and many interested foreigners first questioned the basic principles of the land program advocated by Cárdenas. Was the Mexican collective communistic on the pattern of development of the Soviet state farms? To these charges, ardent Mexican nationalists answered that the ejidal system of communal development had been used in pre-conquest times. The application of the communal ejido to the revolutionary situation was a restoration of this ancient system. Emiliano Zapata's pressure for land distribution and communal use, and the constitution of 1917 both pre-date the Russian


39 Ibid., p. 265, and plate opposite. Cárdenas finally received full church support, not on his land program, but on expropriation of oil in 1938. The archbishop of Mexico then urged complete backing for the government's action.
revolution, giving other deep national roots to the ejido. The peasant people of Mexico have always been closely attached to their villages. Lázaro Cárdenas, with his own beginnings in Indian culture, felt this Indian love for his own village.

The native of the valley of Teotihuacan is incapable of understanding the ideal of the fatherland. He does not know that Mexico is a republic nor is he interested in knowing his obligations and his rights as a citizen. The only manifestation of solidarity and of love for the fatherland among the natives is the absolute and almost irrational affection which they feel for their pueblo. They deeply love their village and this love sometimes manifests itself in violent forms.

Cárdenas felt that the ejidal collective was the best way to introduce the Indian peon to modern agriculture. The village organization was the natural center for the new ejido, and did not upset the traditional cultural association of the Mexican Indian. Cárdenas wanted fewer Indians and more Mexicans, indicating that he would like to break the cultural isolation of many of the indigenous groups of Mexico. But Mexican identity would come slowly, even with the help of the ejido. So Cárdenas also stressed education to go hand in hand with land reform.

What of the communist overtones of the Mexican collective? The Soviets, in the 1930's, had developed a pattern of state-owned and collective farms in Russia. The state farm was the full property of the

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state. A manager hired labor to work the property for the government. The collective farms fell into three categories. The commune was characterized by the communal ownership of all livestock, equipment and implements. The most liberal of the collectives was called "the society for joint land cultivation" and it featured cooperative production, but little communal ownership. The artel organization allowed peasants to retain ownership of their garden plots and livestock, but land was held in common.\(^3\)

The Mexican collective was nearest in structure to the commune, with communally owned and worked land. The communal idea never extended in the Mexican village to housing, livestock or garden plots. It is also interesting to note that communal working of the land was practiced in Mexico prior to Laguna, but only by executive decree in 1937 was communal ownership legalized. This change in the agrarian code came during the collectivization of Yucatán, almost a year after Laguna’s land had been successfully put under communal ownership.\(^4\)

But the social development of the ejidal collective was quite different from that of the Soviet pattern. As Betty Kirk explained it:

Taking the literal meaning of the word the Mexican agrarian policy might be termed communism, since the land is owned communally in ejidos. But its effect socially would seem to be the opposite of what the word has come to imply, since development of the Soviet system. For the ejidatario having become the owner of a share in an ejido has become the equivalent of a capitalist, owning a share in a trust, which he cannot dispose of, but the income he can use as he desires; he will be against revolution, disturbances, regimentation of individual values and definitely


\(^{4}\)Nathan, p. 240.
against domination by the proletariat of industrial workers.

This change could be seen especially in Laguna with the booming construction and activity in Torreón. A dusty cotton town during private ownership, Torreón became a city of 75,000 by the early 1940's and was the commercial center of the entire collective area. The profits of production, which under private ownership had gone to Mexico City, Paris or London, now stayed in Torreón. Greater business activity generated by the increased buying power of the ejidatario offset the lowered production of collective ownership. The worker found his credit was good in Torreón and he could buy clothes, food, shoes, which his peon father had only dreamed of.

It must be explained that the Soviet collective never received government subsidies or loans as did the collective in Mexico. As the Russian collective was considered a voluntary association for production, the government gave its financial backing to the state farms. The Soviet collective produced and supported itself, or it and its people ceased to exist.

If the Mexican collective had communist overtones but was nationalistic in basic character, what of its developer, Lázaro Cárdenas? What were his political affiliations and ideals? Early his opponents, at home and abroad, called him a doctrinaire communist. That could no longer be considered an answer when Cárdenas gave asylum in Mexico to Leon

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45 Kirk, p. 110.
46 Whetten, p. 239.
47 Treadgold, p. 270.
Trotsky, one of the most outspoken critics of Soviet communism. If Cardenas were not himself a communist, it was charged he allowed himself to be surrounded by communists and fellow travelers. Vicente Lombardo Toledano, leader of the powerful labor organization C.T.M., did have strong communist leanings to the extent of feeling that true collectivism could not come until all private property was in the hands of the workers. Toledano broke with the communists during World War II, when his national loyalty outranked the party line. The Mexican support of Finland in the war with Russia did little to endear any Mexican to the communists.

If not communist, Cardenas could be called socialistic without hesitation. Yet his radicalism was overlaid with patriarchal feeling for his people. "The people must learn that they can be governed without terror," he said. Others said of him: "He is no more a Marxian socialist than was King Arthur or Robin Hood." "His enthusiasm is for cooperative control of industry, rather than any rigid pattern." "In economics, Mexico does not tend toward the state capitalism of the totalitarian nations, but toward a loose formed agrarian syndicalism spiritualized by values of the Mexican ethos with its Indian and Christian depths: depths which no anarchosyndicalist or socialist school possesses." "The concentration of power in the president's

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48 Townsend, p. 187.
49 Plenn, p. 310.
hands is a kind of state socialism ... It is hardly fascism, for civil liberties are largely unimpaired, nor true socialism, for it gives legal recognition to the right of private property." 53

Cárdenas, in a speech opening the Mexican Congress in 1939, said: "The Mexican revolution is an original movement. It is not copied from any foreign doctrine, and it is older than the revolutions in Europe and America. Mexico wishes to create a democracy of workers. We are not trying to build up a dictatorship as our enemies charge." 54

Cárdenas borrowed freely from the communists and the socialists — tactics, procedures and patterns which could be easily adapted to Mexico. He utilized these in land distribution and management because the collective was the historic pattern of Mexico, and it was "the way out" for the thousands of peons who needed technical help for increasing the low yield of Mexican fields, bringing water to the dry milpas, for constructing schools and for building better houses and sanitary facilities. 55

Laguna was the first experiment in the collective program. Long after other collectives had been established, Laguna remained a show place. Foreign dignitaries and journalists always were taken on a tour of Laguna. The ejidal bank continued to focus its financial help on Laguna. 56

54 Ibid.
55 Kluckhohn, p. 182.
56 Nathan, p. 263.
This did not mean the end of the individual ejido, for by its very nature the collective was limited to the agricultural areas of intensive cultivation and irrigation. But in the shift of agricultural control from hacienda to ejido, the collective must carry most of the burden, Cárdenas insisted. When he officially opened the Laguna area to collectivism, he put into words this new emphasis on the old form:

The evolution of the concept of the ejido corresponds to the growth of a new text to article 27 in the constitution. In an early period of the revolution, there were those who considered the ejido as a supplement, insufficient to guarantee the economic independence which is the fundamental one of all liberties. Those who have been given land received little plots of ground, truly but no help, no credit, no organization — it was certainly bitter recompense for their sacrifices [in the revolution]. The nation now has recognized a new side of the ejido, one with open perspectives to serve the aspirations of the population as have already been granted to them in the constitution and the agrarian laws.57

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57 Cabrera, Veinte años, p. 337.
CHAPTER IV

BAJA CALIFORNIA TO YUCATÁN

During October and November of 1936, Cardenas presided at the distribution of ejidal collectives in the Laguna cotton area. Ejidal Bank aides were still busy with organization of the new Laguna collectives when demands came from two other areas of the republic — Sonora and Yucatán — for agrarian distribution, perhaps in the new collective pattern.

The lands of the Rio Yaqui Valley in Sonora were fertile and would produce abundantly if water were available. This the Spanish Jesuits had discovered during the seventeenth and eighteenth centuries, but it was not until the latter part of the nineteenth century that agriculture became a serious business on a commercial scale in the Yaqui region. An American, Charles Conant, entered into a colonization contract with the government of Porfirio Díaz in 1890. In the terms of the contract Conant was to acquire title to a vast tract of land in exchange for bringing in settlers and putting the land into production.¹ The Yaqui Indians, for whom the river is named, objected to being put off their tribal lands which had been included in the colonization grant. To put down the Yaqui rebellion, Díaz ordered the tribe broken up; hence,

¹Foreign Relations, V, (1936), 712.
the most troublesome were sent to Yucatan to work in the henequen fields, while impressionable young Yaquis were conscripted into the army. Many of the tribe fled into Arizona rather than remain at the mercy of Díaz. The revolt was put down in due time, and the Americans began development of irrigation works, and crops were put in. Soon the American enterprise on the Rio Yaqui was prospering, and the nearby towns of Ciudad Obregón and Guaymas had become important. Irrigation was from the seasonal Yaqui, which, like the Nazas and the Aguanaval, was dry during the critical crop months; or from deep wells. Yet even with unstable water sources, the colony produced one fifth of the wheat and one third of all the rice grown in the republic at the time of the Revolution.  

The Revolution had come slowly to Sonora. In a military sense the state had been fought over many times, but the land reforms of the revolution were delayed. The first favorable resolution for ejidal dotation in the Yaqui Valley was handed down from Hermosillo in 1924.  But the early ejidal grants did not jeopardize the lands of the colonization company. In 1934 a few more ejidal grants were made, after the influence of Obregón and Calles had waned in the state, but they were in token response to the hundreds of agrarian petitions received.

In 1936, encouraged by the success of petitioners in Laguna, the agrarians in the Yaqui Valley raised a storm of protest over the delay in dotation in their area. The landowners had a staunch defender in the

2Pena, p. 178.

3Octavio Ortega Leite, Datos de la explotación agrícola del Valle del Yaqui, Estado de Sonora (Ciudad Obregón: Uniones de crédito agrícola del Yaqui y de Cajeme, 1946), p. 66
Sonoran governor, Roman Yocupicio, a Mayo Indian, pledged to maintain the landowners’ claims against the agrarians. Cárdenas faced the unfriendly governor in a conference in Mexico City before Yocupocio agreed to any further partitioning of agrarian lands in Sonora.

The lands most desired by the agrarians, and those against which petitions were drawn up, were those developed by the American colony. These were close to the railroad and close to Obregón. The landholders offered to clear and fence lands, build canals and even houses for the agrarians in an area which was some distance from the colony. The agrarians disliked the idea that the lands offered were several miles farther from the railroad, and about twenty miles farther from Ciudad Obregón, as well as poorly watered. A commission from the landholders visited President Cárdenas, who expressed sympathy for their plight but said he could not force the agrarians to accept lands that had been offered, since the colony grants were larger than could be protected under the constitution. The landholders said that a valid contract had been drawn up between the colony and the Mexican government for the land, and dotation of the land to the agrarians would break the terms of the contract. Cárdenas replied that he had studied the agrarian code and found no protection afforded to colonization enterprises.

The Ministry of Agriculture’s Irrigation Bureau, following the

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5 *Foreign Relations*, (1936), V, 698.
successful beginning to El Palmito Dam in Laguna, began surveying for a dam in the Yaqui Valley to provide dependable irrigation waters. The landholders again took hope that the agrarians would be given public lands farther upstream which would be irrigated when the dam was completed. But when such a plan was presented to Cardénas, he said that the agrarians could not be put on the un-irrigated land as it was to go to the Yaqui tribe, to form the nucleus of new tribal lands for them. He also added that "since Americans had come into the Yaqui region in 1890 they had surely been able to make money out of their agricultural holdings and should by now have reimbursed themselves for the benefit they brought to the country in instituting irrigation and developing the valley as a cultivated area." The American landowners replied that they had feared dotation for some years and had so tried to sell their lands to native Mexicans, but none would buy for fear of expropriation.

By March of 1937 the landowners had banded together and had offered to create an ejidal district from land contributed by private owners, to be put in shape for growing crops before being given to the agrarians. They also established a fund to enable the agrarians to cultivate government-owned land in the area. There was hope that the president would delay dotation until completion of the Angostura Dam. But the Sonorans were again frightened by the provisional expropriation of foreign property in the Colorado River Valley in Baja California. The grants were centered, appropriately, in the Lázaro Cárdenas

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8Ibid.
9Ibid.
10Foreign Relations, (1937), V, 605.
agricultural colony. Tension continued to mount in the Yaqui between the landowners and the petitioning Mexicans.

Ramon Betata, an Under-secretary of State and considered one of the outstanding young men in the Cardenas official family, tried to arrange a settlement pleasing to both sides. The landowners would be allowed to keep the minimum small property, and would receive in exchange for their land, grants in the un-irrigated area of the upper Yaqui. These lands could be sold when the Angostura was completed and thus just payment given for the lower valley lands.

The American landowners accepted this proposal and on October 27, 1937, President Cardenas signed the acuerdo granting the Yaqui Valley lands to the agrarians and to the Yaqui tribe. The Indians of the Yaqui tribe were granted the entire area on the right bank of the river, which would be irrigated when the Angostura Dam was completed, and the mountain area was also included which was known as the Sierra del Yaqui. Not only was this tribal settlement unusual, but also interesting were the military lands which, like the un-irrigated lands, were included in the federal public domain, the baldios. The military lands, now used for retired soldiers, especially those from the state of Sonora, were evidently originated during the Diaz period to help patrol the tribal area of the Yaqui. About 1,600 hectares are in this military reserve in Sonora, between the Rio Yaqui and the Rio Muerto.

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11 Ibid., p. 610.
13 Ibid., p. 623.
14 Ortega Leita, p. 71.
In 1937 the Department of Indian Affairs was ordered by Cárdenas to establish an agricultural boarding school for the Yaqui Indians. The school was set up near Vicam, and government assistance was also given the Yaqui to improve irrigation on the south bank of the river. Delays plagued the establishment of ejidal collectives in the Yaqui and it was not until 1938 that the Agrarian Department developed units there. The Secretary of Education also received special instruction in that year to proceed with the construction of schools in the Yaqui ejidal area. One-hundred and twenty thousand pesos were added in 1939 to the funds already available for irrigation and canals in the area. By the time Cárdenas left office in 1940 ejidal collectives were well established in the Yaqui Valley. The Yaqui themselves were still skeptical about the good intentions of the Mexican government. Cárdenas visited Sonora early in 1938 and met with tribal chieftains. The continued shortage of water and the slow completion of the Angostura Dam caused the conservative element in the tribal leadership to grumble and recall that the generous presidential acuerdo had given them only a fourth of the area that the Yaquis had once claimed in Sonora. Cárdenas issued an official invitation for all members of the tribe to return to Sonora, from Yucatán and from Arizona, as soon as Angostura was completed. Fifty percent of the water from the dam was to be reserved for the Yaqui in perpetuity.

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17Quoted in Townsend, p. 313.
The balance sheet of the Yaqui may be considered incomplete until after the term of Cardenas, for the Angostura Dam was not finished until the late 1940's. The critics saw the Yaqui as an humanitarian effort which went sour. The Yaqui tribe did not properly appreciate lands, and the agrarians operated year after year in the red. William Townsend reported the other side of the story. In his book about Cardenas, he admits that he went to the Yaqui ejidal area "preconvinced that the system would be unsuccessful. The Indians in the area were better dressed than ever before; there were new schools, new hospitals. The peon's income had doubled. The farms looked good." 

At the other end of the Mexican Republic agrarian unrest was growing in Yucatan. Yucatan, a limestone peninsula, with almost no rivers or lakes, had a monocultural economy based on henequen or sisal, from which the world's binder twine is made. Henequen was fastened on the land following the invention by Cyrus Hall McCormick of the mechanical reaper which made binder twine necessary for the harvesting of grain. The blaze of Spanish culture, - of the plantation, the hacienda, the ornate churches and public buildings - flared quickly in Yucatan, and then in a bloody uprising in 1847, it as quickly died. The War of the Castes began when the Maya, remnants of the once-proud Indian culture which left the amazing cities of Chichen Itza and Uxmal

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18 Pena, p. 179.
19 Townsend, p. 172.
20 Gustavo Molina Font, La tragedia de Yucatán (Mexico: Revista de Derecho y Ciencias Sociales, 1941), p. 68.
in the jungle, sought to clear their land of all mestizos and criollos. In a murderous, burning drive to the sea, they almost succeeded; but Mérida, the capital, never fell to their hands. The inland cities, such as Valladolid, were virtually snuffed out, never to rebuild.

During the fifteen years that the War of the Castes continued to smoulder across the land, economy and agriculture were at a standstill. The Maya felt little common cause with the rest of the Mexican nation, and petitioned the United States for admission to that American nation. The connection of Yucatán with Mexico was tenuous until the twentieth century when a railroad finally was built to join the peninsula with the rest of the republic. During the War of the Castes communication was by ship from Vera Cruz. The jungles of Tabasco and Campeche were impassable. As federal troops were sent in and Yucatán returned to a semblance of internal security, the plantation economy began again, encouraged by the markets opened in the United States West and the Steppes of Russia. Many Maya, rather than stay in Yucatán, took to the high country of what is today Quintana Roo. Others returned to the plantation system and worked for the mestizos and criollos they had almost exterminated. 22

The new era of glory for Yucatán came during the Díaz regime. Henequen was sold at high prices and the haciendas grew larger and more wealthy. Mérida became the center of culture of a growing aristocracy of henequen. Díaz sent the rebellious Yaqui to augment the labor force, and Cubans and Chinese laborers were also imported to care for

22Ibid.
the growing plants. The field worker did not share in the new wealth. He was assured of work only a few months of the year and his wages were kept low to hold down the cost of producing the sisal fiber. During World War I the Mexican monopoly on henequen production came to an end as the British successfully introduced henequen culture into West Africa and Java. Production in Yucatán had always depended on the supply of cheap labor, and little had been done to mechanize or modernize the methods of cutting, processing or packing the fiber. More of the market was lost in the 1920's and early 1930's, as depression cut production.

During the days of the early revolution, hope was revived among the Maya and the other field workers in Yucatán. The agrarian promises of the Revolution might bring better things to the henequen fields. Yucatán, during this period, had two liberal reforming governors, Salvador Alvardo and Felipe Puerto Carrillo. Both divided some of the corn lands among the Maya but did not move against the henequen lands. Puerto Carrillo finally drafted expropriation decrees for henequen land holdings and was assassinated as a bloody reminder of the safety of the status quo. Conditions worsened in 1935 when railroad workers and other municipal workers in Mérida went on strike, encouraging the field workers to petition again for land.

Land reform was made difficult if not impossible in the early

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23 Molina Font, p. 77.
24 Nathan, p. 245.
26 Ibid., p. 203.
days of the Cardenas regime, not only because of the Yucatan landowners' open violence to any reform; there was also an unfriendly governor, Florencio Paloma Valencia. Valencia, though an avowed leftist, was deeply influenced by the separatist fervor which still dominated Yucatan. Bitterness was festered by the separation of Campeche from Yucatan in 1858; the acquiescence of the central government when the British took over the southern coast around Belice; and the later division of Quintana Roo. Valencia felt that any reform which came from Mexico City would be wrong for Yucatan and he discouraged any federal intervention. The labor troubles in Merida led to a visit by Vicente Lombardo Toledano in 1936. While there he made the statement, without official sanction, that expropriation would come to Yucatan as it had come to Laguna, because of labor trouble.\(^7\) This caused immediate and destructive reaction among the hacendados. Rather than see their fields go to the laborers, they cut the henequen plants or burned them. Some of the less destructive arranged fictitious sales among the family for parts of their plantations.\(^8\)

The last obstacle which still stood in the way of expropriation in Yucatan was the cloudy nature of the claims which the agrarians in Yucatan had to the land. There had never been a well defined ejidal pattern in the Maya country and therefore the lands could not be restored to villages. Dotations was denied to hacienda peons, or the acasillados, under the constitution. Obregon had strengthened this

\(^{27}\)Ibid.

\(^{28}\)Ibid., p. 200.
provision with a decree which stated that under no circumstances could those peons living on estates be eligible for land.\(^{29}\) Under the Agrarian Code of 1934 the acasillados could qualify for land if they left the hacienda and associated with other agrarians in petitioning for land.\(^{30}\)

To facilitate the distribution of land in Yucatán and in other areas of heavy plantation concentration, Cárdenas issued a presidential decree in 1937 making permanent resident farm workers eligible to apply for ejidos under the agrarian code. By August of 1937 there had been enough petitions from Yucatán to justify partition. Cárdenas and a staff of engineers and ejidal bank personnel moved to Mérida to attempt some solution of the chronic problems of Yucatán.\(^{31}\) During the next two months Cárdenas presided over the distribution of forty percent of the henequen zone to peasants and acasillados.

The pressure from landowners in Yucatán was even greater than it had been in Laguna, and the sabotage of the hacendados was far more effective among the henequen growers. The henequen plant, a member of the agave family, will not produce fiber for seven years after planting, and excessive cutting can kill a plant before its usual productive span of eighteen years. The usual plantation pattern had been to retire a certain number of acres each year, remove the old plants and plan new ones; thus to maintain the production potential of the plantation. The hacendados had not only destroyed many of the producing fields,
but they had refused to replant as the older plants went out of production. 32

Working under extremely adverse circumstances and with little state support, the federal engineers with Cárdenas partitioned the land and set up ejidal collectives to produce henequen. But haste and nerves caused some land to be given to several ejidos. The inequality of the size of the parcels granted was glaring and some communities received fields of new plants which would not be in production for four to five years. 33 Another problem to plague the new ejidal collectives was that of machinery. Such machinery as was necessary for the production of fiber was left in the hands of the hacendados. At Laguna such property had been purchased for cash from the landowners. The decorticators (the machines which removed the fiber from the plant leaves) were operated by the hacendados for a time and then were purchased by the new production association of henequen workers, a procedure which took almost fifty percent of the association's dividends for years to come. Why the machinery was not purchased for the collectives has never been fully answered. Paul Nathan says that the oil crisis may have diverted Cárdenas' attention from his purpose of obtaining the machinery for the ejidos' use. 34 It also seems possible that the heavy air of suspicion and separatism in Mérida could have turned Cárdenas' mind from such matters. At any rate the failure to provide the machinery may be termed

32 Ibid., p. 200.
33 Ibid., p. 204.
34 Nathan, p. 246.
the first crack in the elaborately organized structure of the ejidal collective in Yucatán.

The ejidal bank poured ten million pesos into Yucatán collectives during 1937-38. But selectionalism and suspicion continued to block any effort to change the status of the field worker. He had simply exchanged bosses and continued to live in abject poverty as before. The election of Humberto Canto Echevarría as governor was looked on as a hopeful sign for the future of the collectives. An uncompromising leftist, a trained engineer, Echevarría soon developed strong dictatorial tendencies. He encouraged the spirit of separatism and expelled the ejidal bank in 1938, establishing in its place the non-profit Henequeneros de Yucatán. This production association was given the powers to regulate the entire henequen industry from field to world market.

The henequeneros organization was established around an executive committee composed of three ejidatarios, one hacendado, and one small property owner. The vice president on the committee represented the interests of the federal government, but the president was the governor. The henequeneros also set up an auditing department. The latter was given the agrarian aura of authority by the appointment of Adolfo Palma Carrillo, nephew of the martyred Puerto Carrillo, as director.

35 Lawrence Dame, Yucatán (New York: Random House, 1941), p. 41.
36 Weyl, Reconquest, p. 205.
37 Ibid.
It was the avowed purpose of Echevarría to set up one vast ejido on all the henequen lands, and so to avoid workless weeks and inequitable distribution of labor. Unfortunately for the field workers this purpose soon was forgotten for the more immediate one of wealth. Little of the profits from the henequeneros got beyond the executive level. Echevarría, in an interview with Lawrence Dame in 1939 observed:

We put the workers in charge of the confiscated haciendas and plantations and they do not want to work. They are not efficient, have little sense of duty and how can it be otherwise? For they are their own bosses now, and there is no one to make them do more. The fields grow fallow with a lack of intensive cutting and cultivation. Grass grows in place of henequen and the plants fail and die.

During World War II there was a brief period of prosperity but Yucatán seems little more stable economically than she was under the hacienda system.

What happened in Yucatán to doom the collective program almost from its inception? The state's fear of the central government, the haste of distribution, the hatred of the reform by the landowners and the pistolero group of politicians in Yucatán, and the failure to provide enough credit, enough machinery, and enough technical help, may be mentioned as a few portents of disaster.

The Maya living in the corn culture areas received title to their lands, on which they had made milpa for generations, so the

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38 Ibid.
39 Dame, p. 41.
40 Redfield, p. 11. Milpa is the practice of burning and cutting the jungle to make a field which is planted for two to three years, then allowed to lie fallow for ten to twelve years.
erection of ejidos there did benefit. The henequen worker failed to obtain much relief and the former hacendado class formed into bitter anti-Cárdenas, anti-reform groups in the larger cities. They had no good word for any of the Revolution and called Cárdenas "Mas papista que el papa."^1

The monocultural structure of Yucatán's economy was not touched, leaving the peninsula still subject to periodic famines,^2 and to the fluctuations of the world market in henequen. That market has continued to drop because of the increasing dependence on man-made fibers.

As Paul Nathan points out, Yucatán was one of the first of several Cárdenas areas of reform (labor was another) which was quickly forgotten as soon as their author was no longer in power. "The promise of a successful one-man reform is that the edifice he builds, once erected, will stand by itself. But . . . it takes day-to-day supervision or integrity to maintain many of the achievements of reform. For that Cárdenas has no time and for that reason, Cárdenas worked in vain in Yucatan."^3

The sugar industry had long concerned Cárdenas and in September of 1937 an acuerdo was published in the Diario Oficial abolishing the clause in the agrarian code which had exempted sugar cane lands, specifically those with mills and other permanent installations, from expropriation. With this power at hand Cárdenas moved against the sugar

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^1 Dame, p. 41. "More popish than the Pope."

^2 Molina Font, p. 37.

^3 Nathan, p. 247.
plantations, most notably the William O. Jenkins estates which stretched from Morelos to Puebla. Jenkins, a former United States ambassador, had almost provoked war between the United States and Mexico over this property during the early revolutionary period. Cane workers had long complained of low wages and poor working conditions but got no relief until expropriation.

Near Atlixco in Morelos, in the Jojutla Valley, government teams had surveyed as early as 1935. This was the country of Zapata, which had once been the major sugar producing area in the republic. The long years of guerrilla warfare had wrecked the plantations and left the mills in ruins. Early ejido grants had broken up some of the land into such small parcels that cane could no longer be grown profitably and much of the best cane land in the nation had so been planted to corn. Cárcenas was also concerned about the cane plantations in his home state of Michoacán. The hacienda of Guaracha near Jiquilpan had been broken into ejidos and the Agricultural-Industrial Collective Society 'Rafael Picazo' was established. This was the first successful peasant-worker collective. Others established in Vera Cruz soon had field worker-labor troubles with both groups struggling for control of the organization.

Zacatepec, with its Agricultural-Industrial Collective Society 'Emiliano Zapata', became a show place of the worker-peasant

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\[\text{\textsuperscript{14}}\text{New York Times, June 15, 1937, p. 26.}\]

\[\text{\textsuperscript{15}}\text{Kuy, Reconquest, p. 257.}\]

\[\text{\textsuperscript{16}}\text{Ibid.}\]
collectives, largely through its close association with the Zapata legend. After expropriation in 1937, the collective was organized but in 1938 thirty-two ejidal societies and about three hundred Union of Sugar Workers members came into open conflict over the control of the new sugar mill, built by the government. The first year of operation saw the mill operating at about fifty per cent capacity because of these internal power struggles. Peasant workers sabotaged the mill and the labor unions replied by destroying trackage in the rail system on the plantation.

It was not until 1939 that a truce was arranged. Following a personal visit from Cárdenas, production jumped to four times that of the previous year. A modern hospital and model villages for mill workers and field workers were built. The mill, the largest in Mexico and at that time in the world, finally worked to capacity, 35,000 tons, employing 2,000 agricultural and industrial workers.

As the next step in controlling the power of the sugar cartel in Mexico, Cárdenas expropriated the El Mante Sugar Company of Tamaulipas and the Los Mochis Sugar area of Sinaloa in February of 1939. El Mante had been the special preserve of the Calles family. Calles had borrowed eleven million pesos from the Bank of Mexico to make the original purchase and after eleven years only two million pesos had been repaid, though the sugar company was a rich operation.

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47 Ibid.
48 Kirk, p. 118.
Cárdenas, who had long wanted government control of the sugar and alcohol industries in Mexico, expropriated El Mante because of the default on the bank loan. Other stockholders of note in the company were the Saenz family and General Pablo Gonzales, who had killed Zapata.  

The year 1938 brought the oil crisis to Mexico and drained the treasury. Trouble began to develop in Tamaulipas when work had to be stopped on irrigation projects in the El Mante region. The governor of the state, Marte Gómez, no friend of the agrarians, even promised the return of expropriated lands because the government could no longer be expected to pay for them.  

To forestall further trouble, Cárdenas visited Tampico and ordered the seizure of the El Mante land and mills. About 5,000 hectares were involved in the land taken, plus several high production mills.

The Los Mochis decree affected the sugar lands in Sinaloa, owned by the American estate of Benjamin F. Johnston, incorporated as United Sugar Company. The property of 100,000 acres, about 60,000 of which were planted to sugar cane, was valued at ten million pesos, including the mills and machinery.  

As early as 1934 Toledano had urged Cárdenas to expropriate Los Mochis as he charged that United Sugar Company was deporting members of the General Confederation of Workers and Peasants from Sinaloa, refusing to let them work on any of

50 Weyl, Reconquest, p. 259.
52 Ibid., February 11, 1939, p. 1.
the company holdings. Cardenas feared the troubles which later plagued Zacatepec and refused to intervene. In August, 1936, a strike erupted at Los Mochis over the suspension of medical service to workers, but when the government moved to take some of the outlying haciendas around Los Mochis, the company settled with the strikers. The company even agreed to divide some of its land holdings with the agrarians but little distribution actually took place.

Following expropriation, three thousand workers of the Sugar Workers Union established collective ejidal societies in Los Mochis. The collectives pledged to provide for all workers pure drinking water and better housing. They also agreed to pay 108,000 pesos a year to the Public Health Department for hospital care, free medical attention and all serums and vaccines necessary for all members of the collectives, the first such arrangement made.

The bitter experience of Zacatepec led to the better planning and organization of the later industrial-agricultural collectives. Government supervision was increased through the National Union of Sugar Producers, which was a joint-stock company with a government representative having the veto power. The collectives were more successful socially and economically after the initial troubles, and in the 1940-

53 Weyl, Reconquest, p. 254.
54 Ibid., p. 255.
55 Ibid.
56 Foreign Relations, (1938), V, 713.
1950 period domestic and foreign needs have risen so that the government and the Union of Sugar Producers have encouraged more sugar production. The modernization and expansion of mill facilities, the zoning of cane crops to assure maximum production for the mills, the prohibition of the growing of other crops in the optimum cane zones, the prohibition of exports, the provision for generally improved agricultural and industrial conditions have been the government's purposes.

The experiences of Laguna, Zacatepec and Yucatán all came into good use in the planning and expropriation of Lombardía and Nueva Italia, one of the better organized of the agricultural collectives. The two haciendas, both located in Michoacán, were founded by Comendatore Dante Cussi who came to Mexico in 1898 from Italy. He settled in the fertile valleys of the Sierra Madre and by 1902 began the vast irrigation works which made the area the finest rice and lime producing area in all of Mexico. At the time of expropriation in November of 1938 both were under the direction of Don Eugenio Cussi.

As early as 1933 the workers on the plantations had tried to take land's but did not receive governmental support. As a presidential candidate, Cardenas had sent a letter to Cussi urging him to turn the property over to the workers for cooperative operation and management. In the waning months of 1938 the workers again tried seizure and this time received direct support from Cardenas. Sixty-one thousand

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58 Ibid., p. 395.
60 Weyl, Reconquest, p. 215.
hectares of land were turned over to the peasants, organized into two large societies of ejidal credit.

Cussi had done all he could to forestall expropriation but when it came, he accepted it gracefully, to the extent of having President Cardenas as his guest during the ceremonies turning the land over to the workers. There was a wrangle with Cussi over payment for inventories, cattle and machinery, and the net result of that unpleasantness was that the season advanced until the peasants could not get the rice crop planted. The federal government did its best at Lombardia—Nueva Italia, sending in squadrons of engineers and technical assistants, who managed to confuse the situation in the early months. Representatives of the Communications Ministry were sent in to help move the rice; the Department of Education provided teachers for the new schools; the Department of Physical Education sought to encourage sports as a preventative of drunkenness; the Ministry of Health began work on better sanitation facilities; the Forestry Department took charge of the fruit and lime trees; the Ministry of National Economy set up consumer-cooperatives and established markets as well as seeing to electrical power for the area; the Ministry of Agriculture took over the irrigation and the Agrarian Department divided the lands. From this welter of aid, some order did emerge so that Nathan Weyl wrote of the area:

In the newest and most carefully planned of the agrarian cooperatives, the peasants earned as much as ten pesos ($1.70) a

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61 Kirk, p. 11.
62 Weyl, Reconquest, p. 214.
63 Ibid., p. 217.
day in the second half of 1939, according to the latest report of the Federal Land Bank. This compares with a wage of 1.10 pesos under private management. The 2,000 members of the cooperatives paid interest on their debt and set aside 21,000 pesos in a social fund. 64

There is little doubt that Lombardía-Nueva Italia was one of the more fortunate of the collectives in planning, in organization and in landowner attitude.

In 1939 Mexico, under Cárdenas, ventured again into the industrial collective field in areas which were to affect agricultural production. The collectivization of Tabasco's banana crop and Chiapas' coffee production came during that year. In Tabasco the Standard Fruit Company had long enjoyed a monopoly of the Mexican market through its control of cargo space of vessels taking the crop to United States buyers. 65 This monopoly and the dread banana disease, chamusco, put the Tabasco producers at a disadvantage. Trujillo Gurria became the governor of Tabasco in 1938 and tried to help the economic pressure on the state by the expropriation and distribution of 63,000 hectares of land, but the banana situation worsened, until Gurria asked President Cárdenas' help. Cárdenas was then in Sonora and there he met company, trade union (the River Transport Workers of C.T.M.) and federal government representatives. The union received the company's warehouses, storage tanks and river steamers and was given the job of transporting the entire Tabascan crop from the plantations to the wharves of Alvaro Obregón. Standard Fruit withdrew from all phases of the banana

65 Weyl, Reconquest, p. 212.
production except crop purchase and export of the crop to the United States.

The agreement in Tabasco worked far better than did the collective attempt in Chiapas, which recalled the fiasco in Yucatán. In the years of 1936 to 1939 the coffee export of Mexico had almost doubled, but the production methods were so poor as to keep the quality of the coffee far below the Colombian and Guatemalan product. Transplanting methods were bad and the bushes were crowded too much for good growth. The estates of Chiapas owned by British, French and German hacendados were worked by the Chamula Indians and migratory Guatemalans who came into the country for the coffee harvest. Toledano organized the coffee workers in 1939 and promised them more help in their struggle for lands. Expropriation took place in the spring of 1939 during the season when the coffee trees must be worked, and new trees planted. As in Yucatán, the landowners reacted to seizure by suspending all work in the fields, though active sabotage seems to have been rare. The ejidatarios were left with nominal title to the land but with no machinery (again as in Yucatán the machinery was left in the hands of the landlords) and almost no credit. Each hacendado was allowed to keep 750 acres of land, which caused a broken pattern of ejidal development. The workers were thus left with little choice but to continue work for the landowners, but the hacendados fired all union members and hired "free" labor. The ejidatarios appealed to the Central Board

66 Ibid., p. 213.
of Conciliation and Arbitration for help but were told that the board had no jurisdiction since the ejidos were already established and the landlords had no official status.

Though the expropriation and division of land in Chiapas was called "an act of treason to the peasantry", some order finally came from the chaos. The collectives were able to get the government funds necessary for the purchase of machinery and later expropriations consolidated ejidal gains. By 1940 only fifteen percent of the land in Chiapas was in the hands of the ejidos, but the ejidos were having some economic success.

Land was taken in Baja California in March of 1937 under the provision of the constitution which states that a foreigner may not own land within ninety miles of the national border. The American Colorado River Company lost 20,000 acres in that expropriation. In 1939 Cárdenas made an official visit to the Colorado delta country of Baja California for the distribution of lands belonging to Harry Chandler of the Los Angeles Times. These lands were taken under the agrarian code.

Chiapas was also to suffer through another expropriation struggle in 1940 when three American-owned chicle companies operating in the state and in Campeche were told that their land contracts were

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68 Weyl, Reconquest, p. 185.
69 Ibid., p. 186.
71 Townsend, p. 315.
null and void. The companies affected included the Laguna Corporation, the Mexican Gulf Land and Lumber Company and the Pennsylvania Campeche Land and Lumber Company. Land titles had been granted to the companies by Diaz and so were not considered legal. The Mexican government would not indemnify for taking the properties so granted. The owners objected to the decision stating that lands had been taken from them for ejidos within the year, and in so doing the government had recognized them as the legal owners of the lands. Injunctions were finally granted to stay the expropriation of the land until the case could be heard by the Supreme Court since it was not an agrarian case.

According to New York Times coverage of the situation the workers in the area petitioned the government to allow the owners to remain in the area since roads, transportation and housing had been furnished by them. The state governor was quoted as replying that the workers must suffer for the aims of the Revolution and the good of all Mexico. The court held for the government.

These were the larger examples of the collective program in Mexico, but not the only land program. The Diario Oficial continued to be crowded with the individual ejido acuerdos though Cardenas stressed the importance of the collective in making the ejido a producing part of Mexico's economy. Yet dispute over the program of collectives continued even in the official cabinet. General Francisco Mugica,

73 Ibid.
74 Ibid., March 30, 1940, p. 6.
75 Ibid., March 27, 1940, p. 1.
Secretary of Communications, wanted a widening of the collective influence in Mexico. Saturnino Cedillo, Minister of Agriculture, refused to consider the collective, opposing all attempts to divide land in his own private preserve, San Luis Potosí. After Cedillo resigned from the agriculture post, Cardénas ordered land division in San Luis Potosí and some was carried out. The final showdown between the two men, Cedillo, one of the last of the old-time caudillos, and Cardénas, representing the new social conscience of the nation, came in early 1939. In the face of Cedillo's open rebellion, Cardénas offered him a zone commander's commission in Michoacan. Cedillo refused, but found that the support of the peasantry of San Luis Potosí had been cut away by the Cardénas social, agrarian program. The old soldier took to the hills, while Cardénas visited in San Luis Potosí, unarmed and unguarded as usual. Cedillo was killed as federal troops pursued his forces into the mountains. There was foreign interest in the Cedillo uprising; including some hope among oil interests that Cedillo might overturn the Cardénas regime. Representatives of the United States did not support Cedillo, deciding he was a minor figure or that the "cure" for Cardenismo would be worse than the disease. So the last armed rebellion against Cardénas dissolved. But to consolidate his gains for the people, Cardénas reorganized the national party of Mexico, and set up the National Confederation of Co-Operatives and the

77 Nathan, p. 363.
78 Ibid.
79 Ibid.
The national party was reorganized on December 19, 1937. The new official party, organized around a base of military, labor, peasant and popular support. It was renamed the Partido de la Revolución Mexicana (P.R.M.) at an official convention in March, 1938, just weeks after the expropriation of foreign oil property. The peasant element in the party was dependent on the Mexican Peasants Federation which had evolved into a strong unit since the early days of the Revolution. The peasant group had achieved legal status in 1930 through the recognition of the P.R.N. and had obtained representation on the party's central executive committee. The group also was organized on the state and local levels. Emilio Portes Gil early led the peasants in 1930 but he was too conservative for the young agrarians and Saturnino Cedillo became the nominal head of the party group for about two years. Lombardo Toledano looked with longing at the growing ranks of the peasant confederation and wanted to organize them into the C.T.M. Toledano drew a warning from Cárdenas, after C.T.M. had organized sugar workers, cotton pickers and henequen peons into the labor group, that it was the sole prerogative of the P.R.N. to organize the peasantry of the nation.

Cárdenas was aware of the dangers of peasant organization. He

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80 Plenn, 360.
81 Townsend, p. 217.
82 Tucker, p. 284.
83 Weyl, Reconquest, p. 191.
84 Ibid., p. 139.
knew that such organization would draw the increasing anger of the hacendados, but he also felt that the need for cooperative action was greater than the risk. In February of 1936 Cardenas made the agrarian peasantry a part of the army reserve, granting them the right to bear arms at all times, if necessary. Foreign reporters were quick to see private army plans in this move and to fear for the internal security of the nation. Others, notably Frank Tannenbaum, felt that the armed peasantry was the only answer to white guard terrorists and remaining Cristeros. The convention of the Mexican Peasants Confederation in 1938 was that of a group becoming increasingly aware of their role in the national political and economic life. The program recommended by the convention included seven provisions: (1) No special privileges should be given to small farmers not enjoyed by the ejidal farmer, (2) collective enterprises, state owned and state controlled, should be formed on land remaining after all ejidos have been satisfied and small property restricted to the same size as ejidal parcels, (3) collective farming of the ejidos will be encouraged; organization of producing and consuming cooperatives stressed with more state regulation on all organizations, (4) the distribution of land should be pushed forward at a faster pace; (5) the reorganization of credit should be considered with the recommendation that the ejidal bank become an organic part of the Agrarian Department; (6) the ejido should be given the full recognition as the sole form of economic-technical exploitation of the soil.

86 Ibid., July 2, 1936, p. 20.
with the agrarian laws redrafted to conform to this idea, (7) the can­
cellation of agrarian debts undertaken as they are an unjust burden on
the future; the landowners had years of exploitation of land and labor
to return their investment. 87 The ejido dominated the thinking of the
party and so confounded the Mexican and foreign opposition who said that
the Mexican peasant didn't really like the ejidal program and wanted
only his own land and his own corn patch; nothing more.

Point two of the program shows the naive assumption of the
party that all ejidal parcels' needs would be filled, in spite of the
governmental acceptance of the fact that there was not enough Mexican
land to give ejidos to all the peasantry. So the Soviet-type state
farms never got a chance. Credit continued to occupy peasant attention.
With credit an ejido had a chance against the hacienda; without credit
there was subsistence living and that was all.

The insistence on cooperatives for purchasing and consumption
led to the organization of the National Confederation of Cooperatives,
made up of 300,000 members of 2,600 cooperatives. The group functioned
under the direction of the Ministry of the National Economy. 88 Its
object was to encourage an increasing number of cooperatives under more
direct governmental control than ever before.

The P.R.M. was thus began as the P.N.R. before it — extremely
responsive to the needs of public opinion. Cardenas had feared the
power of the army but managed to contain the power and put it to good

87. Plenn, p. 254.
88. Ibid., p. 360.
use in the party work. The might of labor in Mexico was such that many felt the only man capable of challenging Cárdenas' power was Toledano, but an important role in the party controlled the rising power of the workers. The peasants, proud of their growing importance in governmental circles, took enthusiastic part in the reorganization of the party. Yet the party had an ideology only once, in 1934, when the Six Year Plan was announced. This ideology was based not on theoretical construction of the pattern of fascism or communism but on the observed desires of the people. The new party was without democratic procedure; it was shamelessly corrupt in election procedures; yet there was never any effort to mold Mexico according to an ideology without reference to the local conditions.

In 1937 the government, at Cárdenas' direction, had established controls on farm production; fixing the minimum and maximum prices which might be charged for farm products; and also putting all farm import and export under state control. From these government controls grew CEIMSA, the present-day organization in Mexico which controls farm prices and provides wholesale outlets for surplus products. CEIMSA's original purpose was to make food supplies available to all Mexicans at reasonable prices. The agency also has a warehouse system throughout the republic for the storage of crops in abundant supply, for distribution to the public, or for holding until the market price improves.

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89 Nathan, p. 90.
91 Silva, p. 98.
The nationalization of the agricultural associations, the production groups and the increasing governmental control of industry led to the nationalization of the railroads of Mexico in 1937 and the famous oil nationalization in 1938. But Lombardo Toledano, leader of the strong C.T.M., was not too pleased with the collective turn of affairs in the republic. He said:

Socialization is reached only when private property disappears as the base and aim of social institutions so that the collectivity, composed exclusively of workers, can impose on production and distribution the modalities necessary for society, without encountering any legal obstacles. So, as long as there is private property, there can be no socialized property. The two forms cannot exist side by side. . . . Within the capitalistic regime the turning over of some centers of production to the workers does not necessarily lead to socialism. It is solely an act which may temporarily help the workers to a greater or lesser degree, but the beneficiaries do not thereby free themselves of the consequences of the capitalist regime.92

Toledano was much closer to the classic communist ideal than was the socialistic planning of Cardenas. In a speech to Congress on December 9, 1938 Cardenas outlined his own thoughts and plans for collectivization:

I do not evade censure nor appraisals of the work of my administration. It shall go right ahead, however, in handling the agrarian problem. As it broke up the estates of Laguna, Yucatan, Lower California and along the Yaqui River instead of building up estates for a new bureaucracy that would constitute a threat to the tranquility of the peasants, so also it will continue to turn centers of gambling and vice into schools for laborers and hospitals for the sick. Instead of utilizing the deposits of the National Bank for the private speculations on the part of the functionaries of the government, as happened in the case of El Mante sugar mill that still owes the government seven million pesos . . . mills like the one we built at Zacatepec will be founded for the collective benefit, and the funds of the people will be used in extending credit to aid enterprises owned by the laborers themselves.93

92 Plenn, p. 360.  
93 Townsend, p. 108.
He made no mention of an end to private property; gave no encouragement of any ideal which was not of Mexican origin and use. Consistently the Cardenas dream was for nationalistic growth; the Mexicanization of industry and agriculture. He felt, and in some case quite rightly, that foreign interests were not always attentive to the needs and aspirations of the workers in Mexican ventures.  

Following the high point of the ejidal program in 1937 a distinct but gradual decline could be observed in the over-all area expropriated by Cardenas for the individual ejido or its growing collective counter-part. The national attention was occupied with the oil crisis; the haciendas suitable for expropriation were scarce; and Cardenas was wise enough to see the economic and social confusion resulting from the sudden and widespread altering of the previous land tenure relationships. The tremendous problems confronting the administration in dealing with the new ejidal program; the treasury crisis which threatened the entire credit structure of the new collectives and the nation; these had to be dealt with before the land program could succeed over any long period.  

Cardenas therefore gave his attention to consolidating the gains of his agrarian program, realizing that the economic dependency in agriculture had already passed in a large measure from the hacienda to the ejido in Mexico. The large group of ejidatarios controlling almost half of the arable

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95 Whetten, p. 128.
land in Mexico would be a political and social force with which to reckon in the future. In spite of Cardenas' statement in his 1939 New Year's message that "Mexico's example might benefit other peoples exploited by the voracity of imperialistic interests", it may be assumed that Cardenas himself knew that Mexico needed a more conservative government during the 1940's to assure the stability of its socialist, yet very nationalistic gains.

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CHAPTER V

EXPROPRIATION OR CONFISCATION

The United States was early involved in Mexico's Revolution. Following the promulgation of the 1917 constitution, this involvement shifted from military intervention (the Pershing mission and the occupation of Vera Cruz) to diplomatic and economic maneuvering. The United States and its citizens had fared very well in Mexico during the Porfirio Díaz period. Other foreign nationals also had taken advantage of the Díaz contracts for surveying, for colonization, for industrialization; but the proximity of the United States gave its investors an unofficial first choice. When this hey-day of consideration for the foreign citizen in Mexico came to an abrupt and sometimes bloody end during the Revolution, the United States' reaction was generally typified by men like Henry Lane Wilson, who used every diplomatic and several undiplomatic methods to assure the return of a more congenial government. The futile attempts at military action and the growing tension in Europe which pulled the United States into war wearied most American public opinion with the entire Mexican situation.

The constitution of 1917 brought the attention of United States investors and landowners back to Mexico with a start. The land laws embodied in Article 27 endangered the entire framework of American economic interests in Mexico. Carranza, then the president of Mexico,
promised no action on the controversial article. So it was not until
the election of Obregon that American diplomatic pressure was brought
to bear concerning property rights of United States nationals in
Mexico. Using recognition of the Obregon government as a diplomatic
lever, the United States representatives, Charles Beecher Warren and
John Barton Payne met with Mexican officials in May, 1923. The
series of meetings which met on Bucareli Avenue in Mexico City cul­
minated in the Bucareli Agreements featuring three main points: (1)
American nationals who had owned surface rights before May 1, 1917,
and who had performed some "positive act" which was evidence of a
purpose to utilize the subsoil deposits, would be protected against
nationalization; (2) those who had performed no "positive act" still
had preferential rights against third parties; and (3) claims to vested
rights challenged by the Mexican government would be settled by arbi­
tration.  

On the question of the taking of agricultural lands, the United
States representatives insisted on guarantees of immediate cash in­
demnity, or par Mexican bonds for tracts of land not to exceed 4,335
acres. A general and special claims commission was established by the
agreements which was to settle claims for losses and damages by both
nations.  

In exchange for these guarantees, Mexico received United
States' recognition of the Obregon government, which added to the

1 James Morton Callahan, American Foreign Policy in Mexican

2 Ibid. The constitutional provisions concerning land are
discussed in Chapter I.

3 Ibid.
The Bucareli Agreements remain in an ambiguous position in diplomacy and international law. The agreements were not presented for approval to the United States Senate, nor did the Senate approve the appointment of the representatives to the meetings. The appointments had been at State Department levels and the agreements were not considered by the United States as of treaty status.¹

The quiet after Bucareli was broken in 1925 by a violent and unexpected denunciation of the Calles government by United States Secretary of State Kellogg in which he noted that "this government will continue to support the government in Mexico only as long as it protects American lives and American rights, and complies with its international engagements and obligations", and closed his statement with the challenging "The government of Mexico is on trial before the world".²

Calles answered that no government had the power to create a privileged position for its nationals in Mexico; and that the government of Mexico was no more on trial than was that of the United States. The United States ambassador Sheffield urged a strong stand to make the Mexicans yield to the American point of view. The battle was fairly joined over the regulatory agrarian and petroleum laws, defining the application of the constitution, which were before the Mexican Congress.³ The State Department of the United States felt

²Tannenbaum, Peace and Bread, p. 268.
³Ibid., p. 272.
that these laws destroyed the rights of American property previously protected by the Bucareli agreements. The Mexican government countered that the laws were not confiscatory in nature as they could legally be under the terms of the constitution; the Bucareli agreements had done nothing to change the terms of either nation's constitution.  

One of the most disputed laws called for Americans (and other foreign concessionaires) to apply to the Mexican government for new concession contracts, as Mexico recognized no vested property rights. The situation came to a diplomatic draw, with neither side willing to back down. But President Coolidge showed no inclination to push the American point. Sheffield was recalled and Dwight Morrow sent as the new United States ambassador to Mexico. The Senate voted that differences with Mexico should be settled by diplomatic means rather than seeking a military solution to them. But Morrow did a great deal more to ease the suspicion and fear of the Mexican people in the United States. He was genuinely interested in Mexico and its people; he tried to understand local problems and he went beyond the bounds of the old regime by opening the embassy to Mexican citizens. His friendship with Calles embittered the old guard American colony in Mexico for they felt he had sold out American interests to the Mexican bandits. Concessions were accepted by the oil companies and it was hoped that tensions would further lessen if the agrarian land distribution were slowed or stopped. American and Mexican diplomatic pressures slackened

7 Ibid.
8 Ibid., p. 278.
during the Calles-directed presidencies of Portes Gil and Rodríguez.
True, there was some concern over the election of Lázaro Cárdenas in
1934. His revolutionary record was radical, but he was a Calles man
and could be expected to do little to upset the cordial turn of events.

The appointment of Josephus Daniels as United States ambassador
to Mexico had recalled old troubles in Mexico. Many Mexicans remembered
(as Roosevelt and Daniels said they did not)\(^9\) that both men had been in
the United States Navy Department when the occupation of Vera Cruz was
ordered in 1914. Daniels soon proved himself as friendly to the
Mexican point of view, and fears of his attitude gave way. When
Cárdenas came into his own in 1936, Daniels became one of his staunch
supporters and defenders.\(^10\)

The Montevideo treaty of 1933 had established a new precedent
in inter-American relations by the inclusion of some definite stipu­
lations concerning the rights and duties of states. The United States
and Mexico both were signatories and so were bound by the treaty, which
included the Calvo clause, named for the Argentine statesman, Calvo,
who first proposed it in 1870.\(^11\) Embodied in the recommendations of
the Second Pan-American Congress in 1902, the Calvo clause called for
inclusion in any contract between an alien and a government other than
his own an agreement not to call on the alien government in any and all
matters arising out of the terms of the contract. Simply stated, an

\(^9\)Stuart, p. 173.

\(^10\)Townsend, p. 183.

\(^11\)Abraham Howard Feller, The Mexican Claims Commission, 1923-34
alien must expect no better treatment in contractual matters than the nationals of the country of contract, and he must agree to abide by the laws of the host country in all matters. 12

That the Calvo clause was important to the Mexican national pride may be gathered from the reverse of the situation during the Díaz period. Foreign nationals had been encouraged to come in to Mexico during that period, receiving special privileges and contracts to industrialize and modernize Mexico, so Díaz insisted; to squander in private hands Mexico's patrimony, the leaders of the Revolution said. With the Calvo clause there would be no repetition of the Díaz situation, when a Mexican had been virtually a stranger in his own land. This, no doubt, strengthened Cárdenas' nationalization of industry and the widening of the land program. 13

In 1934, under the joint commission organization of the Bucareli Agreements, an en bloc settlement of special claims, including some land claims, was signed. This settlement extended from 1923 until December of 1930. 14 The special claims commission continued to act in claims cases, and eventually handled property claims arising from expropriation of improvements, buildings, machinery and irrigation works. Americans were encouraged to file claims promptly but the total claims never neared the actual value of the property taken. A partial answer to this situation may have been that much property other than land

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13 Charles A. Thomson, La Revolución social Mexicana (Santiago de Chile: Ediciones Ervila, 1940), p. 65.
14 Foreign Relations, (1934), v, 467.
owned by United States citizens in Mexico was heavily mortgaged and claims could not be filed legally on such. 15

When Cárdenas sent Calles to the United States, and assumed full control of the presidency, there were those in the United States who felt that Cárdenas would not be strong enough to control the Mexican situation; that the United States should insist on the restoration of Calles, perhaps through the withdrawal of recognition. But President Roosevelt and Secretary of State Cordell Hull, strengthened by Daniels' faith in Cárdenas, rode out the crisis of the Calles expulsion without taking American action. 16

In the months after the fall of Calles, the diplomatic tone between the two nations changed. Prior to 1935, it had been concerned chiefly with church suppression and oil concessions. Cárdenas guaranteed the full constitutional rights of the Catholic Church and thus mitigated the anti-clericalism in the government, and American companies applied however unwillingly for concessions. American attention diplomatically turned toward the rapidly increasing land distribution program. During the en bloc settlement in 1934 Americans suggested that all expropriation be stopped until discussions could settle the payment problem for those deprived of land. The Mexican government replied that it could not restrict its full liberty of action in the "vast agrarian program under the Six Year Plan for the restoration of land to the people." 17 The full period of time for appeal to the mixed agrarian commissions would

15 Ibid., (1935), IV, 772.
16 Townsend, p. 183.
17 Foreign Relations, (1935), IV, 774.
be allowed but nothing else could stand in the way of expropriation; following the court decision in 1934 the injunction was denied the landowner in agrarian questions.

To give American landowners cause for further alarm, the speed of the Cardenas land distribution had so depleted money allotted for land that agrarian bonds were suspended in issue and interest on bonds already granted was cancelled. The continuing United States' pressure for immediate and valuable compensation could not be met even by resumption of the agrarian bonds as their value could not be increased by increasing their number. Americans were also concerned about the seizure of land by agrarians, often illegally; yet the government showed a strong tendency toward legalizing such seizure as soon as possible, leaving the owner to make out the best he could. Daniels wrote in October of 1935 to his superiors in Washington:

I feel that any arrangement which protects American citizens from further expropriation even though it is but a temporary expedient, is well worth seizing in the hopes that a more opportune time may present itself in the future for the urging of a more rational land policy in which public lands and those already taken may be fully utilized before more private property is taken.

Yet that was the strongest statement that Daniels was to frame against the Cardenas program for he soon noted to Washington:

The administration of President Cardenas is so definitely committed to the distribution of land to the peasants that it is politically impossible for it abruptly to reverse this policy. There is no money to pay compensation and the President is convinced that Congress will not vote the credits

18 Ibid.

19 Ibid., p. 771.

20 Ibid., p. 779.
even if it were possible to devise some means of providing security for a further issuance of agrarian bonds. 21

In November of 1935 an attempt was made to settle all agrarian claims after a convention for handling the claims could be drawn up. Claims would be processed through the Special Tribunal of the National Agrarian Commission. 22 To this Mexican proposal Daniels replied that the United States government could not agree to the putting of agrarian claims under the jurisdiction of the National Agrarian Commission. The United States felt that the taking of lands not designated for ejidos (such as lands on the border or within the prohibited area of the coast) could not be considered with agrarian claims and had been separated in consideration since the Bucareli conferences. 23

The American diplomatic notes became a refrain - full and immediate compensation for all lands expropriated under the agrarian code or the provisions of the constitution. Many Americans felt that Daniels was too soft on the Mexican government and that Roosevelt himself might be too much in sympathy with the "confiscation" of land in Mexico to be fair to United States nationals. The Catholic Commonweal remarked:

All the soft words of praise to which Ambassador Daniels has given voice in exalting the policies of Cárdenas as paralleling those of Roosevelt (notably on Thanksgiving Day and in a speech at the inauguration of a Cárdenas governor of Vera Cruz) have not helped to dissuade thinking Mexicans from the conviction that religious persecution and communistic tendencies are not only frowned upon by President Roosevelt but are openly

21Ibid.
22Ibid., p. 757.
23Ibid., p. 762.
condemned by him. 24

Samuel Flagg Bemis blamed the Roosevelt government for not forcing payment from the Mexican government. It was, he said, not until after the first re-election of President Roosevelt for which the New Deal needed the vote of organized labor then in close contact with the Mexican labor organizations, that more diplomatic pressure was applied concerning indemnity. 25

In 1936 all the American nations met in Buenos Aires and signed a pact which made the Monroe Doctrine multi-lateral and enacted a special protocol which bound all states to non-intervention in the internal affairs of the others. 26 "The Mexican government seems to have interpreted the presidential election of 1936 in the United States and the Buenos Aires Special Protocol on non-intervention as green lights from Washington to proceed against foreign corporations." 27 Ramon Betata, speaking to American consuls in 1937 as a representative of the Mexican Foreign Ministry, reminded those Americans that the time had passed when a citizen of the United States was especially privileged in Mexico. He made it clear that absolute equality of treatment would be given to all citizens, Mexican and United States, alike. This equality was possibly more in intent than in actual execution. 28

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28 Nathan, p. 354.
During the latter months of 1936 when expropriation in the new collective pattern became an actuality in Laguna, the outcry from the British ambassador was much stronger than that of the American representatives. The American interests in Laguna were confined to a third control of the Tlahualilo Company, and landholdings of individuals totalling 3,321 cultivated acres. Despite the early assurance of the New York Times that while some owners of Laguna property were foreigners, "the majority are Mexican," later accounts in the same paper note that British land companies and private citizens owned Laguna tracts valued at 2,240,000 pounds and covering about 55,000 acres, a sizable portion of the area.

The impact of the new ejidal expropriation did not trouble American owners until the rising tide of agrarianism involved the Yaqui valley of Sonora. For many months prior to the actual dotation in October, 1937, American consuls and embassy personnel worked for some mitigation of agrarian petitions against the American colonization lands in Sonora. In April of 1937 Cordell Hull had addressed the following note to the Mexican ambassador to the United States, Castillo Najera:

We are in entire sympathy with any program to distribute lands among the peasants; that as friends and neighbors we are encouraging the same thing in Cuba; and we have no sympathy with people from other countries going into Mexico and fleecing the Mexican people by any sort of method . . . . Any foreigner going there and purchasing property for a trifle, later expecting the Mexican government to pay large amounts thereof was without any sympathy as far as we are concerned; the only real question is whether it is possible for the Mexican government, when some

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citizen of this country in good faith and in a spirit of good will toward Mexico, has gone there and in a perfectly honest manner purchased lands or other property with no plan or purpose to make undue or unreasonable profits; or to fleece the Mexican citizen, but solely with a view to fair play and fair dealing, to determine what would be reasonable and just in the way of compensation for property. 31

Some of the Americans affected in the expropriation in the Yaqui valley included Cornelius Vanderbilt Whitney, the John Hays Hammond estate, and the Richardson Company of Arizona. 32 Despite offers by these landowners to provide "more suitable" but not so well watered lands for the agrarians, Cardenas continued his plans for expropriation. Betata finally worked out a plan which met acceptance by affected property owners. They would be allowed to keep the maximum small property in the irrigated areas, and would also be granted unwatered lands on the upper reaches of the Yaqui which would be irrigated with the completion of the Angostura Dam. 33 Unfortunately, in a moment of compromise Betata had promised free water to the American owners after the dam was completed; a promise he had to withdraw as irrigation works were kept up by water payments. Also the Yaqui tribe had been given water rights to half the output of Angostura and such unwarranted liberality with Americans would bankrupt the program, Betata had to admit. 34

Landowners were given until October 31, 1937 to plant a crop in the Yaqui area. After that date, the crop would be the property of the agrarians. Armed with the 1936 expropriation law, Cardenas also

33Foreign Relations, (1937), V, 616.
34Ibid., p. 613.
saw that machinery, gins and irrigation works went with the land, but were paid for as soon as settlement could be reached. There was still no sign of a resumption of agrarian bonds or other methods of payment for lands taken, other than the land exchange.  

Some Americans had to admit, however grudgingly, that the collective ejido was working in Laguna and in Sonora. John George, manager of the C. V. Whitney estate in Sonora, noted while on a visit to Douglas, Arizona in 1937, that the agrarian program was succeeding in the Yaqui. Of more interest to Americans was the resumption, in June of 1938, of payment on expropriated properties in the Yaqui, totalling 120,000 pesos each month. Senator Pittman of Nevada, chairman of the foreign relations committee, who had been asked to recommend intervention in the Yaqui dispute, finally reported that the Americans whose land had been taken were indeed unfortunate, but that they had been treated as large native landholders, with no discrimination, the only thing which could justify United States intervention in Mexican handling of the matter.

In the early months of 1938, though the land distribution moved ahead in Mexico (few Americans were involved in land expropriation in Yucatán, Lombardía-Nueva Italia) attention shifted to the more explosive matter of the oil expropriation. As an adjunct to the fight for indemnification for oil properties, the indemnity for lands came into

35Foreign Relations, (1936), V, 711.
37Foreign Relations, (1938), V, 671.
sharp focus again. It was known that Cardenas had promised some payment on the agrarian claims in early 1938, but the oil crisis and the accompanying expropriation put an end to such an idea. Fortune, in its report on Mexico in October, 1938, described the situation:

The State Department has been blasting at Mexico, not about oil but about the seizure of £10 million worth of United States plantations, some of which were expropriated twenty years ago. This harping on the land grab is obviously intended to ridicule Mexico's promise to pay for oil by showing that she has never done anything toward discharging the relatively piddling land debt.\(^\text{39}\)

In June, 1938, the Department of State presented a bill for $10,132,388 to the Mexican ambassador to the United States for land indemnity claims since 1927.\(^{40}\) Eduardo Hay, Minister of Foreign Affairs in Mexico, replied that if Mexico paid off American debts before paying those of Mexicans and other nationals, it would discriminate. He recommended the action of some foreigners in Torreón and Sonora who had renounced their claims against the Mexican government.\(^{41}\) Throughout the summer the arguments, couched in diplomatic language, continued. The United States demanded payment, or cessation of land distribution. Mexico said it was her intent to pay when funds were available, and the land program must go on in the interim. Cordell Hull, pressed for more definite action, sent a strongly worded note to Hay, insisting that the Mexican failure to pay for expropriated property was a violation of international law. Hay's reply stated that Mexico


\(^{40}\) Townsend, p. 286.

\(^{41}\) Foreign Relations, (1938), V, 663.
recognized no principle, universally accepted in theory or recognized
in practice in international law, which made obligatory the payment of
immediate compensation, or even deferred compensation, for expropria-
tions of a general and impersonal character such as Mexico was carrying
out.\footnote{\textsuperscript{42}}

"The taking of property without compensation is not expropria-
tion. It is confiscation. It is no less confiscation because there
may be an expressed intent to pay at some time in the future." So
Hull replied to Najera in Washington. Reinforcing this stand in a
note on September 10, he stated "This government stands irrevocably
and eternally on two or three basic ideas (1) every sovereign nation
has the power to carry out social reforms; (2) the doctrine of just
compensation must at all hazards be maintained; (3) my government
must resist in every possible way the alternative policy of confisca-
tion."\footnote{\textsuperscript{43}} Hull demanded the cessation of expropriation until some
settlement could be agreed on.

Hay replied, recalling the agrarian reform programs of
Czechoslovakia, Germany, Yugoslavia, Russia, Greece, Poland and Finland
which had been similar to that of Mexico. There had been expropriation
without indemnification in Prussia in 1811, in Austria in 1848, in
Russia in 1861 and even by Great Britain in Ireland.\footnote{\textsuperscript{44}} Just when the
situation began to have critical overtones, both sides showed willingness

\footnote{\textsuperscript{42}} Ibid., p. 685.
\footnote{\textsuperscript{43}} Ibid., p. 705.
\footnote{\textsuperscript{44}} Mexico, Secretaría de relaciones exteriores. \textit{Memoria}, Tomo
to compromise. The United States proposed that a joint commission be appointed to study all claims arising from agrarian expropriation, and that Mexico post a million pesos as a bond toward good faith in paying for all the land taken. Mexico refused to consider the posting of bond; saying that it would insult her national integrity to be so considered below the trust of a neighboring nation. But the commission was established and Cardenás ordered all expropriation of American property held up until the negotiations for the commission could be settled. The final agreement was that Mexico would pay one million dollars in 1939, and each year thereafter until the obligation could be met. This was accepted overriding some United States insistence on only four yearly installments to pay out the debt.

Mexican resentment of the Hull participation in the land discussions centered around what Mexicans felt was his insistence on Anglo-Saxon land usage and legal patterns. Andrés Molina Enríquez summarized Mexican feeling:

The way Mr. Hull stated the question of land indemnity seemed to be in accordance with three postulates: (1) the United States considers that its nationals who settle in a country not their own, carry their own concept of property with them and that it ought to prevail; (2) recognition of the United States' superior concept of property ought to prevail over the laws of the land its nationals enter, by dint of direct backing of the United States or pressure from a tribunal of powers having the same concepts of property; (3) recognition of the superiority of the United States concept of property should be held as an international principle to which all Latin American nations

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46 Foreign Relations, (1938), V, 712.
should adhere as to a written law.⁴⁷

Though tempers cooled as negotiations for settlement went forward, it came hard to many Mexican leaders to see the wealth of their nation being paid to its most reactionary citizens, and to those nationals whom they felt had given little to Mexico. It is not strange that Mexico's feeling of nationality became so strong during this period of crisis over oil and land, that the Catholic Church, long a critic of the government, was drawn into supporting Cardenas and his program.⁴⁸

The United States, cautious in the face of rising public opinion in the early days of 1939, urged the oil companies to seek settlements with the Mexican government and also sought to further the commission organization. But there were less liberal forces at work. The oil companies printed a flood of scurrilous literature charging Mexico with all crimes from religious persecution to nazism. Mexico was pictured as a land without law where bandits preyed on honest citizens while agrarians took all private property under the guns of federal authority. The stories of such anarchy became so flagrant in the New York Times that Frank Tannenbaum wrote refuting them, stating that in his thirty-year knowledge of Mexico it had never known such peace; that its president was a gentleman and was working solely for the benefit of his people.⁴⁹ Nonetheless, there was a move afoot in Congress to establish an investigation committee on the Mexican situation; on the

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⁴⁸Stuart, p. 176.
assumption that expropriation was somehow a violation of the Monroe
Doctrine, and that it was certainly a sign of nazism.\footnote{Ibid., January 22, 1939, p. 2h.} The committee
was never formed. A group flourished briefly in New York called the
National Citizens Committee on Mexico, which advocated the use of
armed might to restore property in Mexico and to eliminate the nazi
threat.\footnote{Ibid.} The State Department continued negotiations.

On May 31, 1939 a message came from Josephus Daniels, stating
that General Hay had handed him that morning a check in the amount of
one million dollars drawn on the Bank of Mexico as the first payment of
the agrarian claims agreement.\footnote{Foreign Relations, (1939), V, 659.} This settlement plus the rising
tension in Europe eased the Mexican situation and the diplomats were
allowed to return to the old friendly pattern of communication typified
by a note in a communication to Washington in 1936: "At this point the
Ambassador [Daniels] observed [to President Cárdenas] that tea was
getting cold, so we all had tea and cookies and the conversation lapsed
briefly into less serious channels.\footnote{Ibid., (1936), V, 711.}

But with the settlement of the first agrarian claims there had
been renewal of expropriation. San Juan de Babicora Ranch, which be­
longed to William Randolph Hearst, was expropriated as idle land.
Babicora, which covered 900,000 acres of Chihuahua, had been purchased
by George Hearst during the days of Geronimo's raids for about forty
cents an acre. The Hearst estates also included land in Vera Cruz, Yucatán, and Campeche totalling another thousand square miles. The Mexican government began taking these lands, little at a time, though Hearst thus became a formidable enemy of Mexico in the United States. Daniels quoted a conversation with Hearst in 1941 in which Hearst replied to questions about his Mexican holdings that he supposed he would lose them. "They have taken some land already and I suppose they will take it all, piece by piece." Many of his lands in the north were unsuited to agriculture, as were those chicle lands in Campeche.

Mexican and United States commissioners continued to work on a final settlement for agrarian properties. In November, 1939, Betata reported that claims would amount to about $36,000,000 dollars of which $21,000,000 represented property held by five Mexican land corporations and therefore not subject to consideration by the claims commission. But the threat of war in Europe and the Pacific was getting the best of diplomatic attention in the United States, and the feeling grew that the United States would have need of a friendly Mexico in the event of war. The final report of the joint committee set up in 1938 was accepted on November 19, 1941 (Avila Camacho had succeeded to the Mexican presidency). The settlement included all claims but those of

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55 Nathan, p. 353.
56 Daniels, p. 354.
57 *Foreign Relations*, (1939), V, 661.
58 Townsend, p. 288.
the oil properties. Mexico agreed to pay over a seventeen-year period $40,000,000 for all these claims. Three million dollars already paid for agrarian takings was credited and an additional $3,000,000 was paid on the exchange of ratification of the agreement (April 2, 1942). The remainder of the amount was to be paid in annual amounts of $2,500,000, beginning in 1942. The oil settlement came in 1943.

Also part of the agreements of November 19, 1941 were a reciprocal trade agreement; American financial help in the stabilization of the peso; the continuation of United States purchase of Mexican silver at thirty-five cents per ounce, up to six million ounces per month; and a promise of aid in Mexico's highway construction program.

There were Mexican extremists who felt Mexico had paid too high a price for the settlement. Accusations were hurled at Cardenas concerning the election of Avila Camacho; Cardenas was charged with being in league with President Roosevelt in electing Camacho in order to continue the leftist trend of the government. Mexico was rankled by the boycott of Mexican oil by American buyers, and the accusations of nazism made when Mexico reluctantly sold oil to Axis powers in order to stay alive financially.

59 Bemis, Policy, p. 348.
60 Stuart, p. 179.
The Second World War proved that the United States' insistence on Mexico's right to self-determination, on the political and economic integrity of Mexico, had been wise though doubtless costly. Mexico broke off relations with the Axis powers immediately after Pearl Harbor and declared war on the common enemy in May, 1942. At the Pan-American Conference in Lima and at the later Rio de Janeiro conference, Mexico stood by as one of the strongest defenders of the United States' position in American affairs. 

So the Cárdenas period ended during which Mexico had weathered some of the most serious diplomatic crises in the history of relations between Mexico and the United States. Yet out of this era emerged a new respect for the sincerity of the United States in Mexico, and for Mexican sovereignty in the United States. This friendship, proved in war, has become even more vital in the development of the Congress of American States and the United Nations.

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Tannenbaum, Peace and Bread, p. 281.
CHAPTER VI

THE BALANCE SHEET

In 1940, prior to leaving the office of the presidency to his successor Avila Camacho, Lázaro Cárdenas drew up a revision to the 1934 agrarian code, which embodied the reforms and the collective program of his administration. After Cárdenas became a private citizen, the agrarian program went on, but at a slower rate, and with a different emphasis. While Camacho continued to stress the importance of the collective ejido, he also wanted to see that all agrarians receiving land got enough land for production beyond subsistence. He wanted the gains of the Cárdenas period solidified. Surveying was more carefully handled and some second looks were taken at the earlier program; such as some lands in ejidal areas which had been wrongly expropriated, being in the little property class, were returned to their owners.¹

There was increasing concern over soil depletion and more federal attention was given to agricultural schools, experiment stations and pilot projects for erosion control. Forestry and the conservation of wild life also got increased support.

Later administrations in Mexico have continued this slow but

¹Whetten, p. 567.
gradual agrarian program, finally moving into the northern tier of
states to expropriate ranch lands, considered unsuitable for collective
development in the early program. The official emphasis also has grown
toward individual ownership where possible, without undermining the
basic importance of the ejido.

When considering the overall results of the six years of the
Cardenas land program, production, credit and effect on the total
Mexican agricultural pattern must be examined.

Critics of the agrarian distribution were quick to point out
the drop in production in almost all agricultural products following
expropriation. As may be seen from the production figures from Laguna,
(figure 2), which are fairly typical of the whole picture, production
after the first ten years of ejidal development had not yet reached the
totals of hacienda owners. Yet larger areas of land were cultivated
in Laguna and the irrigation system was gradually built up during the
period. Contrary to the hacienda period, when profits from Laguna
and other areas went to Mexico City or to Europe, most of the profits
under the ejidal development stayed in the area, increasing the buying
power of the ejidatario beyond his peon father's fondest dreams. ²
Several American writers, including Nathaniel Weyl, Paul Whetten and
Betty Kirk asked ejidatarios, if in the light of debt, official cor-
ruption and poor management of the ejidos, they would return to the
hacienda system. The ejidatarios said that the freedom of the ejido
was well worth the price paid, and they wanted reform and better

²Ibid., p. 568.
management of the ejido rather than any return to the old patterns.

It is interesting to note that crop diversification was begun in Mexican agriculture only since the advent of the ejidal program. Breaking the hold of the omnipresent corn is the increasing production of pineapples, bananas, tomatoes, rice, sugar cane, chickpeas and cattle. Land which lay fallow in the immense acreage of the hacienda was returned to production and often this production was in a different crop from the usual staple of Mexico.

The growing network of roads in Mexico has had a part in diversification, without doubt. Prior to this emphasis on roads, the peon was not able to get his crop to market easily or cheaply, so rather than gamble on an unknown but marketable crop, he planted corn which he and his family and animals could eat. The peon could not easily survive on a year's crop of tomatoes or pineapple.

Credit and the problem of governmental finance plagued the Cardenas land program from its inception. Many dedicated agrarians felt that indemnification for land was playing into the hands of the hacendado class, traditionally the most conservative and often reactionary class in Mexico. In the choice between indemnification and credit sources for the ejidos, Cardenas chose the latter. Even with the emphasis on credit sources, it may be remembered that only about fifteen percent of the ejidal associations were able to obtain federal credit; the rest had to deal with private individuals and firms, at fantastic interest rates since ejidal lands could not be mortgaged. The coming of World War II with its increased market for Mexican goods and products helped in the credit situation but brought with it
inflation, which was not matched by the earnings of the agricultural worker.

The credit agencies established under Cárdenas still handle agricultural credit, and after the critical period of the showpiece ejidal collectives such as Laguna and Lombardía-Nueva Italia, the Bank of Ejidal Credit did turn its attention more toward the smaller, less stable collectives. The high cost of these financial services may be seen from figure 3.

Some critics of the agrarian program, such as Antonio Soto y Gama, think that the ultimate realization of the agrarian aims of the Revolution should have been a more gradual, carefully planned program to take place as credit and federal monies were available. It cannot be denied that the crash program of Cárdenas in agrarian matters plus the nationalization of oil in the same period put an almost intolerable strain on the Mexican economy. But Cárdenas supporters such as Jesús Silva Herzog felt that speed was of utmost necessity, to prevent a tedious and debilitating legal battle between the nation and the landowners. Credit and indemnification could be added unto the agrarian program after land was distributed.

At the end of the Cárdenas presidency the monopoly of land in a few hands had been definitely broken. In the Second Ejidal Census of 1940 the ejidatarios were in possession of about half the arable land of Mexico and controlled twenty-two percent of the total land area.

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At the time of the Revolution ninety percent of the arable land had been alienated from the people who worked it. This change of control has made the ejidatarios an increasingly important member of Mexican society and political consideration. Waldo Frank, an enthusiastic supporter of the Cardenas program, noted: "The ejido exists. It has already established a gravitation field strong enough to absorb legitimate enterprise and to resist the sullen, plotting foe hacendados."

The ejido became the center of a new Mexican interest in schools, in sanitation and in better housing. True, the Mexican village is still lacking in adequate housing, schools and sanitation, in many instances, but the ejidal organization has been an encouragement to investment in such improvements.

Has the ejido encouraged the development of communism in Mexico since its collectivization? Not appreciably, for given land, no matter the method of land ownership, the Mexican agrarian is content. He has not been deeply affected by communism or its opposite number in Mexico, sinarchism. Sinarchism, an avowed protest organization against the excesses and abuses of the Revolution, flourished in many areas of Mexico during the World War II period. Sinarchism was conspicuous in its absence from Laguna, the Yaqui, and the Soconusco in Chiapas.

Jesus Silva Herzog's analysis of the success of the Revolution is also valid in consideration of the balance sheet of Cardenas:

In answer to the question, have the revolutionary struggles and the various revolutionary governments, succeeded in improving the standards of living of the Mexican people? The answer is timidly in the affirmative. Something has been accomplished

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1Waldo Frank, "Cardenas of Mexico," Foreign Affairs, XVIII, (October 1939), 98.
but much less, very much less, than could have been expected. We do not ignore the difficulties of the problem, nor are we unaware of the fact that it is not an easy task to provide, within the space of a few years, an abundant life for a people long hungry, ragged and exploited. The level of living of the skilled worker employed in the large industries has been raised somewhat; the economy of the peasant has also been improved in a few agricultural regions; but a considerable number of inhabitants in the cities and in the country districts who perhaps make up the majority have not had their real incomes increased and they have not participated in the benefits of the work of the revolution. . . . We have not accomplished what should have been done, not what could have been done. . . .

But Cárdenas made an important beginning on what should have been done. That he accomplished so much and that so much of it has lasted, even in modified forms, is a thing of wonder in the Mexican experience.

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5Quoted in Whetten, p. 564.
<table>
<thead>
<tr>
<th>Year</th>
<th>Total Hectares Distributed</th>
<th>Total No. of Persons Receiving Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>1915</td>
<td>****</td>
<td>182</td>
</tr>
<tr>
<td>1916</td>
<td>1,246</td>
<td>1,536</td>
</tr>
<tr>
<td>1917</td>
<td>5,491</td>
<td>14,099</td>
</tr>
<tr>
<td>1918</td>
<td>63,292</td>
<td>14,649</td>
</tr>
<tr>
<td>1919</td>
<td>37,639</td>
<td>15,384</td>
</tr>
<tr>
<td>1920</td>
<td>58,903</td>
<td>1,536</td>
</tr>
<tr>
<td>1921</td>
<td>173,307</td>
<td>25,268</td>
</tr>
<tr>
<td>1922</td>
<td>113,157</td>
<td>14,629</td>
</tr>
<tr>
<td>1923</td>
<td>257,547</td>
<td>30,319</td>
</tr>
<tr>
<td>1924</td>
<td>580,661</td>
<td>64,081</td>
</tr>
<tr>
<td>1925</td>
<td>723,957</td>
<td>78,837</td>
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<tr>
<td>1926</td>
<td>758,055</td>
<td>76,728</td>
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<tr>
<td>1927</td>
<td>888,917</td>
<td>81,234</td>
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<td>1928</td>
<td>608,949</td>
<td>60,155</td>
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<td>1929</td>
<td>1,000,124</td>
<td>103,654</td>
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<td>1930</td>
<td>697,124</td>
<td>65,655</td>
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<td>1931</td>
<td>600,986</td>
<td>43,792</td>
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<tr>
<td>1932</td>
<td>340,075</td>
<td>20,729</td>
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<tr>
<td>1933</td>
<td>188,889</td>
<td>16,733</td>
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<tr>
<td>1934</td>
<td>676,037</td>
<td>55,271</td>
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<tr>
<td>1935</td>
<td>2,900,226</td>
<td>178,995</td>
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<tr>
<td>1936</td>
<td>3,303,787</td>
<td>198,278</td>
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<td>1937</td>
<td>5,016,321</td>
<td>184,157</td>
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<td>1938</td>
<td>3,206,772</td>
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<td>1939</td>
<td>1,746,890</td>
<td>65,957</td>
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<td>1940</td>
<td>1,716,581</td>
<td>71,818</td>
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<tr>
<td>1941</td>
<td>879,082</td>
<td>33,271</td>
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<tr>
<td>1942</td>
<td>1,174,232</td>
<td>27,275</td>
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<td>1943</td>
<td>1,178,859</td>
<td>36,688</td>
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<tr>
<td>1944</td>
<td>1,102,216</td>
<td>21,581</td>
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<tr>
<td>1945</td>
<td>598,969</td>
<td>15,593</td>
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<tr>
<td>Totals</td>
<td>30,619,321</td>
<td>1,732,062</td>
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From Whetten, p. 125.
Cotton Production in the Laguna Region, 1931 - 1943

<table>
<thead>
<tr>
<th>Year</th>
<th>Acres Planted (Hectares)</th>
<th>Production (Bales)</th>
<th>Yield (Bales per hectare)</th>
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</thead>
<tbody>
<tr>
<td>1931</td>
<td>68,870</td>
<td>141,446</td>
<td>2.05</td>
</tr>
<tr>
<td>1932</td>
<td>43,231</td>
<td>59,340</td>
<td>1.37</td>
</tr>
<tr>
<td>1933</td>
<td>78,800</td>
<td>175,253</td>
<td>2.23</td>
</tr>
<tr>
<td>1934</td>
<td>60,751</td>
<td>132,350</td>
<td>2.18</td>
</tr>
<tr>
<td>1935</td>
<td>66,468</td>
<td>146,412</td>
<td>2.20</td>
</tr>
<tr>
<td>1936</td>
<td>133,100</td>
<td>173,000</td>
<td>1.30</td>
</tr>
<tr>
<td>1937</td>
<td>120,000</td>
<td>140,000</td>
<td>1.17</td>
</tr>
<tr>
<td>1938</td>
<td>92,670</td>
<td>147,000</td>
<td>1.59</td>
</tr>
<tr>
<td>1939</td>
<td>85,300</td>
<td>133,000</td>
<td>1.56</td>
</tr>
<tr>
<td>1940</td>
<td>73,908</td>
<td>105,016</td>
<td>1.42</td>
</tr>
<tr>
<td>1941</td>
<td>105,984</td>
<td>120,846</td>
<td>1.14</td>
</tr>
<tr>
<td>1942</td>
<td>120,000</td>
<td>203,931</td>
<td>1.70</td>
</tr>
<tr>
<td>1943</td>
<td>135,037</td>
<td>262,298</td>
<td>1.94</td>
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From Whetten, p. 231.
Total Amount of Loans and Collections Made by the Ejido Bank, 1936-45

<table>
<thead>
<tr>
<th>Year</th>
<th>Loans (Pesos)</th>
<th>Collections (Pesos)</th>
<th>Percentage Recovered</th>
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<tbody>
<tr>
<td>1936</td>
<td>23,277,692.43</td>
<td>6,162,304.28</td>
<td>26.5</td>
</tr>
<tr>
<td>1937</td>
<td>82,880,019.25</td>
<td>44,348,729.11</td>
<td>17.3</td>
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<tr>
<td>1938</td>
<td>63,441,596.94</td>
<td>34,970,973.06</td>
<td>70.9</td>
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<tr>
<td>1939</td>
<td>61,176,391.38</td>
<td>48,736,487.81</td>
<td>79.7</td>
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<tr>
<td>1940</td>
<td>59,149,151.86</td>
<td>40,333,492.57</td>
<td>83.4</td>
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<tr>
<td>1941</td>
<td>63,619,657.04</td>
<td>36,655,972.85</td>
<td>73.6</td>
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<tr>
<td>1942</td>
<td>68,037,831.36</td>
<td>48,382,988.94</td>
<td>89.5</td>
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<tr>
<td>1943</td>
<td>103,257,130.31</td>
<td>86,778,117.26</td>
<td>84.0</td>
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<td>1944</td>
<td>108,48,009.00</td>
<td>111,573,133.00</td>
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<tr>
<td>1945</td>
<td>108,767,509.53</td>
<td>101,111,727.29</td>
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<tr>
<td>Total</td>
<td>741,891,898.20</td>
<td>570,551,126.17</td>
<td>76.9</td>
</tr>
</tbody>
</table>

From Whetten, p. 194.
GLOSSARY OF TERMS

Acasillado — the native who lived and worked on a large landed estate in Mexico.

Acuerdo — a presidential order, or decree: often used in connection with the final distribution of agrarian grants.

Amparo — an injunction granted by a court: to stay the expropriation of land, in agrarian usage.

Campesino — any agricultural worker in rural Mexico; a term used especially since the Revolution.

Ejido — the communal land unit used by the Indians, named by the Spanish, and restored to use in the revolutionary period.

Ejidatario — the worker-owner of the ejido.

Hacienda — the large landed estate in Mexico, long the center of agricultural production.

Hacendado — the owner of the hacienda. Also used to describe a member of the landed gentry in Mexico.

Hectare — Spanish-Mexican land measure of 2.47 acres.

Latifundia — a large landed estate; also used to describe the land allowed to lie fallow by the hacienda system.

Milpa — the primitive use of burning to clear the land for cultivation; also can mean any small plot of cultivated land.

Peon — the rural worker in Mexico, generally of Indian or mestizo background; identified with the hacienda system, the term has fallen out of general use.
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