

# Common Sense

Mexico is Not Only Chiapas.  
Nor is the Rebellion in Chiapas  
Merely a Mexican Affair

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**John Holloway**  
Dignity and the Zapatistas

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**Riccardo Bellofiore**  
Lavori in Corso

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**Werner Bonefeld**  
Globalisation and Democracy: An  
Assessment of the *Competition State*

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**Ana Dinerstein**  
Marxism and Subjectivity: searching for  
the marvellous (Prelude to a Marxist  
notion of action)



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*Common  
Sense*

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Journal of the  
Edinburgh  
Conference of  
Socialist  
Economists

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*Number 22*

Published by **Common Sense**, c/o Werner Bonefeld, Department of Politics, University of York, Heslington, York, YO1 5DD.

Printed by Clydeside Press, Glasgow.

Typeset in 9pt New Century Schoolbook.

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**ISSN: 0957 - 240X**

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## **Mexico Is Not Only Chiapas Nor Is the Rebellion in Chiapas Merely a Mexican Affair**

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In January 1994, in the south eastern state of Chiapas in Mexico, news of the Zapatistas armed revolt composed mainly of Indian peasants, travelled all over the world bringing about an explosion of interest and information on Mexico because the rebellion was automatically connected with the Mexican revolution.

In this text we undertake an analysis of the class struggles in Mexico since the beginning of the century up until now, which includes a critical presentation of the guerilla movement of the Zapatistas. Among last year's events, a presentation of the 'National Democratic Convention' was decided upon, not only because its character transcends the boundaries of Chiapas but also because it is indicative of the political direction of the class struggle. More than a year later nothing has been concluded. Whereas the Zapatistas still constitute a considerable force, the recent devaluation of the peso and the attempted military repression of the movement, has created a deeper crisis of class relations in Mexico.

The following analysis is from a viewpoint which goes beyond the outdated anti-imperialist distinctions of a 'First World' and a 'Third World'. The Capitalist International, the only class unfortunately that has the clearest class consciousness, has seen to that. This class wouldn't have won until now if it hadn't imposed itself on 'underdeveloped' and 'developed' countries simultaneously. Because to every privatization in West Europe there corresponds a new wave of immigrants from East Europe; to every temp worker there's a former 'privileged' one and to every homeless person in North America there's a landless peasant in South America. It is against this class that the Chiapas ejidatarios rebel, and their struggle has a universal dimension which transcends south east Mexico. It's in fact the same struggle that takes place everywhere already, with different intensity and forms, against immiseration and alienation. If we have managed to show this, then we think we have contributed not only to the Chiapanecos' fight, but to our own.

**The National Democratic Conention (Convention Nacional Democratica-CND), San Cristobal, Chiapas - Aguascalientes, Lacandona Jungle, 6-9 August 1994.**

'Zapata vive, la lucha sigue!'  
'Zapata vive y la lluvia sigue!'

In June 1994 in their Second Declaration from the Lacandona Jungle, the EZLN addressed an invitation to the National Democratic Convention for the purpose of introducing propositions about a transitional government and a new constitution. EZLN's sub-commander Marcos intensified his letter-writing mania inviting Mexican personalities within the left and center-left spectrum. Due to the Zapatistas' appeal to 'Civil Society' the range of those who finally participated was quite big: non-government organisations in general, leaders of peasant and Indian organisations, members of 'independent parties', a few academics, union delegates, feminists, a few businessmen, lesbians, homosexuals, members of organisations in defense of the vote and naturally journalists or fake journalists (like myself). The organising committee of the CND consisted of Zapatistas delegates and various other organisations (the 'Caravan of the Caravans', the 'Chiapanecos Assembly for Democracy' etc with a dominant view in favour of the elections).

On Saturday 6th of August in San Cristobal Mesas-workshops were formed to discuss the 'peaceful transition to democracy, the elections, the formation of a National Project and the defense of the vote'. In spite of the great majority of supporters of the oppositional PRD (Party of the Democratic Revolution) and the prevalent tendency in favour of the elections there was a general distrust of the parties and a minority (1) against the elections and in favour of the formation of a National People's Assembly -a Transitional Government- consisting of peasants, workers and Indians.

Among the demands of the Mesas (to which the majority agreed) the following ones were included: Salinas' resignation, expulsion of members of the PRI (Party of Institutional Revolution, the government party) from administrative posts, mobilisation against a possible electoral fraud, political trial of Salinas, electoral reform for the representation of the Indians and all the ethnic groups, recognition of the EZLN as a belligerent force, breaking up the system of National Security, non-assumption of office of any candidates in case of high abstention, expulsion of the army from the states of Chiapas, Guerrero and Michoacan and satisfaction of the 11 demands of the EZLN. All were almost devoutly accepted by the Mesas. The same atmosphere of confusion, recrimination, vexation and euphoria that prevailed on Saturday evening in San Cristobal with thousands of people bustling in and out of the Mesas and discussing in circles in the streets while songs were heard (and tourists were complaining about the sudden lack of rooms) would prevail even more intensely in the jungle.



6 or 7 thousand people -in hundreds of buses- in the drive towards Aguascalientes (2) passed through Mexican army outposts and then through regions controlled by the Zapatistas. Swarms of clapping and cheering Indians could be seen everywhere along the road, many of those holding posters of Zapata and placards with slogans in favour of fair elections.

During the descent to the jungle enthusiasm gave way to exhaustion (the last ones to arrive in Aguascalientes had journeyed for about 24 hours) and then the excitement on first contacting the Zapatistas at their outpost. At last in Aguascalientes Fitzcarraldo's Ship came into view: for 28 days, 600 Zapatistas had constructed this gigantic amphitheatre, made of tree trunks and covered by a huge tent, surrounded by hundreds of smaller tents. Above the stage two Mexican flags were hanging, behind it the honoured guests were seated and the place was full of posters with subjects from the Mexican Revolution. There was a colourful and diverse crowd from elderly, veteran co-fighters of Emiliano Zapata's original army, to young punks, to contemporary armed Zapatistas scattered all over, to reporters armed with cameras; all in an atmosphere of confusion, exuberance, turmoil and comings and goings beneath the hot tropical sun. Angry protests were caused when a mural appeared on the stage depicting Marcos and Zapata on horseback shaking hands and beneath them Cardenas with the bishop of Chiapas Samuel Ruiz (3). Protests from many sides led to the withdrawal of the painting.

Around evening Marcos' appearance on stage set off an outburst of chanting: 'Marcos, our friend, the people are with you!', 'Transitional Government and a new constitution', 'Long live Ramona and Ana Maria' (women Zapatistas), 'Long live Self-government by the Indians', 'Let the National Convention be an electoral force' but by way of a reply: 'All against the electoral farce'. Songs about Zapata could be heard as well as the guevarist anthem of the 70's 'Dressed in olive green, politically alive, comrade, you haven't died, we'll take revenge for your death'. Marcos announced the presiding committee of the CND and called upon commander Tacho to speak, who declared that the EZLN give Aguascalientes over to the CND. He also presented the people's committees of the EZLN, the civil guards, Indian women, men and children with scarves on their faces and staves in their hands -one of the most touching moments of the Convention. Afterwards, Marcos presented the EZLN army, whose gun-barrels had white bands around them, indicating that 'these guns are not to confront the 'Civil Society', but paradoxically, they wish to become useless'. Marcos' speech, a mixture of sentimentalism, patriotism, poetry and populism was received reverentially and in dead silence by the audience. After exulting at the large CND attendance, Marcos went on: 'thanks to the EZLN having mobilized parts of society which had until recently been sunk in apathy and inability to get over their localisms', he made clear that the EZLN, '(do not expect from the CND) a civil arm... a civil pretext for war...or for submission...nor the dubious

honour of a historical vanguard, of the numerous vanguards that made us suffer... We expect from the CND the opportunity to search for and find those to whom we will hand over the flag that we found deserted and forgotten in the palaces of power... To struggle so that all Mexicans will recognize it as their own, to become the national flag again, your flag, companeros... We hope that there will be enough maturity at this CND, so that this place will not be converted into a terrain for settling internal accounts, something sterile and emasculated... We are moving aside but we are not leaving. We hope that the horizon will open up so that we will not be necessary anymore, we the dead since always, who have to die again in order to live. We hope that this CND will give us an opportunity, the opportunity we were denied by those who govern this country, to return to our subterranean life with dignity after we have fulfilled our duty. The opportunity to return to silence, to the night out of which we came, to the death we lived in, the opportunity to disappear in the same way we appeared, one morning, without a face, without future. To return to the depths of history, of the dream, of the mountains...'

Amidst a deluge of applause, Marcos left the stage giving the Mexican flag to Rosario Ibarra (president of the CND and the FNCR, National Front Against Repression, a leftist organisation). These moments of patriotic effusions were soon followed by a real storm; a tropical rain storm that swept over everything. Despite the witticisms subverting the original slogans: 'Zapata lives, the struggle goes on' becoming, 'Zapata lives, the rain goes on' -and the few brave ones who half-naked were sloshing about in the mud- it meant the sudden end of the first day of the CND in the jungle. The next day after several participants gave speeches that were no more than greetings and a minimal agreement on mobilizations against a possible election fraud was finalized, there followed Marcos' press conference. Confident like a pop star and evasive like a politician, he answered various questions ironically. He expressed again the EZLN's wish for a dignified peace and to make efforts to contact other guerilla armies in the country. To his question if he would take off his mask, Marcos replied, 'Yes, if you want it. You tell me'. The cries of 'NO!' confirmed that the Marcos symbol should remain masked in order to preserve the legend and, in no way, becoming an ordinary, recognizable mortal.

So, in this mish mash of people; in this 'Civil Society' in a festive and tense atmosphere somewhere between a rave-up and a political meeting; in this National Convention that wasn't really much of a convention at all, there actually was confirmed a vague and abstract will for 'change', 'democracy' and 'peace'. It was a symbolic gesture just before the elections. A manifestation of patriotism and reformism, contradictory expectations and general promises amidst the loud 'Viva!'.

**From the Revolution (1910-1920) ...**

'You take Revolucion to the end,  
turn right and you are on Reforma'.  
Mexican joke referring to the streets one  
takes to reach Downtown Mexico City.

At the end of the previous century the Porfiriato, Diaz's dictatorship, combined an expanding capitalist growth with an oligarchic-dictatorial state. Capital's dominance through domestic and foreign monopolies, the centralisation of economy and political power on a national scale caused the gradual disintegration of the old traditional, feudal structures. The new bureaucrats and technocrats (the Positivists and Social Darwinists) provided the ideology necessary for the concentration of capital and the coordination of local big landowners with central political power.

Agriculture, subsumed by capital was creating an increasing class of rural proletarians consisting of landless peasants, unemployed or farm workers alongside peons and immiserated Indian comuneros. On the other hand, small-scale land owners became increasingly disadvantaged with the onset of large-scale units of production. The working class, concentrated in the north because of the high degree of investment there, consisted of independent artisans, the main body of the industrial proletariat and a relatively better paid skilled section. The artisans taking one blow after the another over a period of time gradually united with the rest of the workers who, in their turn, took to strike action or more violent revolts which were ruthlessly crushed.

The edifice of the Porfiriato started to shake due to a multiform discontent reflecting different and conflicting interests which later took the form of an armed revolt. The conflict within the bourgeoisie between its (mainly northern) industrial-financial sector and the more traditional, local big landowners, a conflict which represented the antithesis of the bourgeois-democratic project to oligarchy and authoritarianism; the discontent of the petit-bourgeoisie in the face of the monopolies; the rage of the proletariat and the comuneros and the ambitions of the intellectuals who were suffocated within the repressive regime were the basic reasons for the explosion which followed.

Emanating from the modern industrial-financial bourgeoisie, Madero came to power supported by Villa, his initial admirer, and Zapata. The latter, an uncompromising fighter for agrarian reform, faced with Madero's 'betrayal' (i.e. his loyal adherence to his class) called for the continuation of the revolution, issuing in November 1911, his Ayala Plan (4). Against General Huerta's dictatorship (1913-14) a loosely united front was formed consisting of three forces: Zapatistas in the south, composed mainly of ejidatarios or landless peasants with a communal social tradition, Villa's army in the north composed chiefly of petit-bourgeois and proletarians and the

Constitutionalists who represented the middle-classes, some landlords and even some proletarians and peasants who believed in their socialist propaganda (5). The Convention at Aguascalientes in 1914, where these three armies met, proved the impossibility of their alliance.

Beside the legendary figures of a controversial Villa, and a fervent Emiliano Zapata whose indomitable proletarian consciousness combined a romantic nationalism with faith in a democratic government which would make real the popular vision of revolutionary change and agrarian reform, the internationalist, anarcho-communism of Ricardo Flores Magon stands out. Starting as a liberal, Magon gradually formed his anarchist ideas (which for tactical purposes he did not openly declare until 1910) and tried to turn the political revolution into a social revolution. Organizing strikes and revolts, influencing and agitating amongst workers and peasants mainly in northern Mexico (and having taken over the northern part of the state of Baja California) the Mexican Liberal Party (the PLM) founded by Magon, not only ignited many land expropriations and seizures of the means of production but also gave such actions a clear communist perspective, as can be seen in the 1911 manifesto.

The outcome of the class war was determined by the alliance made between the powerful workers' union, the Casa del Obrero Mundial (espousing an anarcho-syndicalist and corporate socialist ideology) and the Constitutionalists in exchange for promises of financial support and the satisfaction of some demands of the workers. Among the motives of the workers' class alliance one cannot ignore their discontent with Zapatistas' religiosity and Villistas' brutality, whose increasing militarism had turned them into professional soldiers.

After the crushing of the Zapatistas, the Villistas and the PLM, the 1917 constitution crystallized the dominant nationalist, anti-imperialist and socialist/populist ideology of the post-revolutionary Mexican state (6). Some of its reformist articles which provided for anti-clerical measures, agrarian reform and labour rights had constituted part of the 1906 programme of the PLM. It was the triumph of the liberal wing of the bourgeoisie over the peasants and workers and, ever since, it would make use of the content of the revolution in its own interests.

The enslavement of the working class by the state through limited concessions inaugurated a long practice of populism combined with repression and submission to the state. Alongside a defeated peasantry and a crippled working class an expanding petit-bourgeoisie started forming which benefited from state privileges. During the Revolution military men, bureaucrats, intellectuals and union leaders emerged, who later staffed the new state mechanism. This new bourgeois-bureaucratic state was legitimized with 'Revolution' as its ideological banner recuperating and distorting its content. 'Revolution' as a myth became the unifying ideology of the

state domination in the 20th century.

### **...To the Modern State**

'We want a liberal, democratic and nationalist government...the concessions to labour are granted within the economic possibilities of the capitalist sector'. Lazaro Cardenas

When the sound of the last revolutionary guns had died away, the Mexican state faced the double need of its reinforcement and capitalist development. The problem of controlling foreign capital (setting up the Banco de Mexico was the first act of co-operation between Mexican and foreign capital) and the class struggle that constantly intensified in the face of state manipulation, together with the corruption of the official labour leaders and the 1929 crisis, meant things couldn't wait any longer. The still unfulfilled promises of the Mexican Revolution threatened the legitimacy of the successive governments and the state in general as a vehicle of its ideology.

With Lazaro Cardenas' 'socialistic' rhetoric and populist practises, in 1934 Mexico enters the period of state-regulated capitalism, a strategy already in use in America and Europe. The necessity of reformism which meant concessions to peasants and workers, nationalisations of selected sectors, redefinition of the conditions of the imperialist intervention, discipline of the recalcitrant unproductive landlords and 'comprador' bourgeoisie heightened the 'popular' role of the state. At the same time it satisfied the interests of the modern bourgeoisie.

The 'politics of the masses' consolidated the corporate state that absorbed 'Civil Society'. The strengthened national political party (7) has acted ever since as a powerful administrative committee organizing and dividing society into separate constituencies that depend on it; class struggle became 'legalized' through the recognition of the labour movement as an official, national one: the powerful until today CTM (Confederation of Mexican Workers) was formed. CNC (National Peasant Confederation) was also formed and the 'popular sector' of the party consisted of state employee unions, women's and youth organisations.

The consolidation of the democratic-capitalist ideology of the 'common interest' became possible through the creation of a climate of 'national unity' thanks to Cardenas' 'anti-imperialist' politics. This climate reached its height when the mainly American and English-controlled oilfields were expropriated in 1938. The limited agrarian reform laid the basis for state-regulated capitalist agriculture. Land redistribution (through the expropriation of many unproductive latifundias) and the granting of state credits aimed at aiding small private farms so that the national market could be expanded. However, the intention was the support of the largest and most

productive landholdings under state regulation. In 1940, at the end of Cardenas' presidency, his 'socialist' politics had produced the following results regarding agricultural production: over 60% of the peasants were either landless or owners of inadequate plots of lands or ejidatarios trying to compete with big owners of fertile lands, capital and technology. Ejidatarios were forced gradually to let their holdings to those big landowners and work the land on their behalf. This led to the flourishing of neolatifundismo precisely in those areas of agrarian reform.

In general, during Cardenas' period the basis of the modern state was laid blunting class conflicts through the combined social-patriotic politics of concessions and repression. Starting in this period, the practise of populism and corporativism would form a historical continuity on the state and ideological level that holds until now.

### **Between the Scylla of Capital and the Charybdis of Ideology**

Cardenas' reforms and the modernization of capitalist development soon bore fruit. The twenty year period (1940-1960), just before the tumultuous appearance of the first threatening radical movements, is the one with the biggest and most rapid capital accumulation. The role of the state becoming more and more authoritarian and technocratic is crucial to this concentration of capital. Industrialization took a different course from the still colonized economies of Latin America (8).

With the 'Green Revolution' there begins the modernization of agricultural production, which increases six-fold between 1940 and 1975. The programmes of the 'Green Revolution' (a capitalist rationalization) financed by the World Bank (and initially by the Rockefeller Foundation) expressed the state's need both to control the fragile social relations in the countryside and to organize a cheap food supply for the hordes of the proletarians in the cities. This process took place not only in Mexico but also in other countries where the agrarian question was vital (India for example). Initially, regions in the north were selected where 'revolutionary' landlords possessed vast quantities of land (10). A series of loans to pay for modern technological input (from irrigation to chemical fertilizers) caused not only the intensification of cultivation and the increase of productivity but also the replacement of traditional crops with new ones for export. The onerous terms of credits for the aquisition of the means of production led ejidatarios or minifundistas (small-scale landholders) to immiseration or to bankruptcy. Many got forced off their land, becoming part of the 'surplus population' known since the first enclosures in history and always present when 'agrarian reform' takes place, becoming suitable for multiple purposes: as a reserve army, as an industrial proletariat, or, as land labourers. Besides the forced land expropriations, which added to the possessions of the landlords, another usual practice was the

periodical parcelization of ejidos. This functioned as an absorber of social unrest since it maintained the idea of revolutionary land distribution.

On the whole the state's ability to present itself as a guardian of the ideas of the Mexican Revolution explains the relative political stability of the decades after the 'pioneer' Cardenas' presidency as well as the recuperation of the social movements. The revolutionary heritage of the peasants and the workers was taught through the state educational system and the state invoked it as its own mother and that's why it assumed the role of its defender (10). When the proletarians did not content themselves with state recognition of their contribution to the making of a 'powerful, independent' state and showed vigorously their ingratitude they were turned automatically into 'enemies of the Revolution' and 'anti-patriots'. However, the systematic propaganda of the national-democratic advances gave results: many peasants, workers, petit-bourgeois believed that the big trade unions CTM, CNC and the 'popular sector' really represented them.

Interchanging with the unitary ideology of national interest, class harmony and populism other divisive ideologies dominate Mexican society: Indianism (Indigenismo) and that patriarchal Mexican inclination towards machismo. Saint, whore and cheap worker are the three basic roles the Mexican woman is called upon to assume (whereas Mexican capitalism promotes feminism, at the same time, sexism is reinforced -a common practice everywhere).

Indianism, the official recognition of the Indian heritage, was one of the contradictory achievements of the Revolution. It holds a central place in Mexican nationalism (all too often the invocation of the Indian heritage is overestimated as against the dominant mestizo composition of the Mexican people or conflicts with the more conservative, pro-Spanish religious tendencies). Behind the hypocritical ideological mask of the 'national heritage', that runs through Mexican history, there lies the state effort to destroy and assimilate the Indian culture within the national commodity economy. Since 1948, INI (National Indian Institute) serves as a channel for the legalization of Indians' exploitation by caciques (11), bosses, recruiters of migrant labourers, moneylenders, merchants, landlords and their thugs. According to anthropologist Marcela Lagarde 'INI programmes are directed and planned by anthropologists who proclaim themselves to be for the Indian, but whose end is that he cease to be one' (see Cockroft, p. 147-148).

### **Los Olvidados:**

#### **Decomposition and Recomposition of the Proletariat**

Rapid industrialization and domestic immigration after 1950 gradually meant the urban proletariat assuming a central role in class struggle increasing its industrial share to 25% of the economically active population. Altogether, the total of salaried

workers rose from 46% in 1950 to 75% in 1982. With less than a quarter of wage labourers unionized and with the 'comparative advantage' of extremely low wages (only after wildcat strikes in 1974, did wages manage to exceed to a great extent their 1939 level, only to come tumbling down again after 1976) Mexican capitalism reproduces accumulation at one pole and misery at the other. The first wave of strikes between 1958 and 1962 mainly in the public sector (railways, petroleum) sparked resistance in other sectors (education, agriculture) and ridiculed various marxist drivel about an 'underdeveloped third-world' proletariat. It also forced international capital to invest in new sectors (the auto-industry) initially in Mexico City and then in the north -in the same way Detroit had been previously abandoned- when it confronted the workers' insurgency in the 70's reinforcing the industrial zone of the maquiladora camps (12).

Through compulsory or 'legal' land expropriations landless peasants swarm into the cities, particularly the capital. A vast lumpen-proletariat composed of unemployed, underemployed and temporary workers is constantly moving within the agricultural, industrial, commercial and service sectors. While this perpetual mobility brings on the one hand workers in the black economy closer to the unionized ones, on the other hand, it undermines the benefits of the better organized industrial proletariat.

Olvidados (the forgotten ones), those crowded in the 'lost cities' of Mexico City, in the colonias proletarias (in the larger metropolitan area of Mexico City half the population lives in these slums), work mainly in small owners' workshops, in hundreds of thousands small sweatshops assembling furniture, and making shoes, clothing etc. Capital controls them both through the supply of raw materials and the sale of the finished products. These workshops are more profitable for capital because the wages are extremely low and the splintering of the workers does not allow for any organized resistance. In 1970, the World Bank programmes 'Investments in the Poor' tried through credits to further integrate these neighbourhood workshops into monopoly capital.

The state role in the geographical concentration of this lumpen-proletariat and in the organization of its political behaviour (manipulating the leaders of community movements) was always vital: it regulated its local markets, it organized a phoney petit-bourgeois network of petty-trade and it provided for rudimentary social services (state-run cheap food stores, minimal health care, schemes of land and housing distribution to the homeless etc).

However, the subjective dimension of the recomposition of the proletarians must not be ignored. A general class culture is constantly confirmed either through riots or other dynamic mobilizations. A relatively recent example is Tepito slum, in the centre of Mexico City: after the earthquake in 1985 the inhabitants formed autonomous organizations, occupied their rented houses and forced the government to withdraw its development plans aimed at



the gentrification of the area and consequently their evacuation. Tepitanos, known for their outdoor festivals, their everyday practical refusal of work, their solidarity and their communal traditions proved that the colonias proletarias are sometimes dysfunctional for the state. That's why when the recuperative practice comes to a deadlock, BARAREM arrives (paramilitary assault squad specialized in driving off 'land invaders'). (13)

### **Insurgencia Obrera - Workers' Insurgency 1973-1977**

At the end of the 60's, a student/youth rebellion began expressing a belief (to the very letter) in the nationalist ideology taught in schools and propagandized by the PRI. Zapata, Magon and Cardenas became symbols of a 'national change' which was made materially visible only in the form of statues and busts in plazas everywhere. The end of the student democratic movement came with the massacre in the Plaza of Three Cultures in Mexico City on the 2nd of October in 1968. The participation of many proletarians and peasants in that drenched in blood demonstration (perhaps there were about 500 dead protesters) was an indication of the insurgency that was soon to follow. Guevarism was also a very widespread ideology at the beginning of the 70's and was the basic inspiration behind many urban guerilla groups which by 1975 had been broken up.

Despite some limited populist reforms during the early Echeverria presidency (1970-1976) the industrial proletariat started turning against the state union leaders, the so-called charros. We are talking about relatively well-paid, militant workers concentrated massively in state industrial sectors, that formed the reformist 'Democratic Tendency' within the CTM. During this period the first independent unions emerged chiefly in the automobile sector (some of which were recuperated in the early 80's and their leaders became like a red rag to a bull for the coming radical rank'n'file movement). A series of wildcat strikes spread a spirit of struggle, on the one hand, in rural Mexico igniting land occupations and efforts at unionizing farm workers, and on the other hand, in metropolitan barrios inciting the marginal proletariat to angry mobilizations. In this period, with the 'Democratic Tendency' acting as its spearhead, the workers' movement was hit by the inconsistency of its militancy vis-a-vis their respect for the 'nation and the presidential institution'. Also the army repression, the lay-offs and the austerity measures imposed by the state and the IMF (through a loan in 1976) and the 100% devaluation of the peso, meant the workers' movement died down only to give way to something new. On the other hand, the PRI was forced to make political constitutional reforms in 1976 (legalizing the CP, increasing minority seats in the Chamber of Deputies to 100 and permitting opposition parties to participate in national elections) in its efforts to confine class struggle within the political arena and thus to disarm it.

## **The Unbearable 'Classes' of Debt: Debt Crisis as a Crisis of Class Relations**

Mexico was not of course the only field of class struggle in the 70's. In America and Europe (the eastern one included) wildcat strikes as well as the increasing refusal of work brought about the end of Keynesianism. The fuel of capital's counter-attack was oil, the so-called 'energy crisis' of 1973. The planned increase in the price of oil paved the way for the simultaneous decomposition of the working class (the curtailment of the welfare state, wages cuts, unemployment) and recomposition of terrestrial capital accumulation (profiting energy multinationals, finance capital and the oil-exporting states). The recycling of petrodollars financed later the capitalist strategy of automation and introduction of high technology in industries in the west, and what is of importance here, petrodollars were the capital for the loans that generated later the debts (14).

In the same period in Mexico capital flows in (through loans) for industrial expansion and the policing of the proletariat, especially after the massacre in 1968. The discovery of oil in Chiapas was of immense importance; Mexico becomes the Arabia of the Caribbean.

At the beginning of the 80's the resurgent class struggle in Mexico took on a more anti-state and anti-party character. Along with the loans working class demands for a slice of oil revenues increased. In early 1981, for the first time for many years, real wage hikes were gained that consequently led to a wider radicalization. Tensions within independent unions intensified and the official union leaders (charros) tried to outflank, though only verbally, the workers' militant demands. Threatened by the pressure of a rank'n'file movement they begged capitalists to give in stressing the importance of their role. 'If we change tactics or abandon the workers to their luck, employers won't have time to realize what will happen: imagine a mob let loose on the streets, out of control', says Velasquez, CTM boss, in March 1982. Just a few months later, in August 1982, the change in international capital's strategy would dispel his apprehension.

What's widely known as 'monetarism' or 'Thatcherism' is a capitalist restructuring not based on the previous decade's 'energy crisis' but on the 'debt crisis'. Interest rate increases, the investment strike and austerity measures in western economies bringing about a downturn in world trade as well as a decline in the price of oil after 1979, caused Mexico's debt (together with other countries) to increase astronomically. The Mexican government declared a moratorium on the repayment of debts inaugurating the international 'debt crisis'. The role of the IMF from Africa to Asia becomes decisive: the vicious circle of loans and debts (new loans for the repayment of the old ones) is accompanied with the World Bank's

'Structural Adjustment Programmes' which is the more decent name of the restructuring of class relations through privatizations, unemployment, austerity and immiseration. Between 1982 and 1984, 66 countries of the so-called Third World agreed to austerity programmes imposed by the IMF with a pretext about the 'restoration of the balance of payments'. In essence it is a new political strategy for the reorganization of the relations between international capital and nation-states and the international decomposition of the proletariat. The 'debt crisis' becomes a functional means for the control of national economies and capitalist discipline. The case of Mexico is a typical example, where the 'debt crisis' caused a chain reaction: IMF intervention; the implementation of austerity programmes, to which the PRI technocrats adhered eagerly; severe cutbacks of the welfare state and encouraging the growth of the maquiladoras zones. This last one helped many north American industries transfer to the south causing the decomposition of both the Mexican and the American proletariat (for example, General Motors in December of 1991 planned to fire thousands of its American workers while at the same increasing the number of its workers in the maquiladora zone, blackmailing its remaining American workforce into accepting longer hours and lower wages).

The integration of Mexican capital with international capital imposes a restructuring of class relations and proves that the 'debt crisis' is in effect a productive crisis and therefore, not an obstacle to capitalist development. Debt repayment which is presented as the objective is nothing more than an excuse for an attack on working class struggles and the violent restoration of self-sacrificial ethics in favour of 'the national cause', starting, for example with the donation of 1% of workers' salaries to the government, as the CTM asked for in 1982 in chorus with some leftist parties. This practice characterizes the entire 80's decade until today blackmailing the consent to undermining the welfare state, to unemployment and privatizations, all packaged as solutions to the national problem'.

### **The Theology of Neoliberalism**

In the 80's, the prevalent technocratic PRI fraction implemented the IMF-dictated 'Structural Adjustment Programmes' to the letter. Over 500 state corporations were privatized and until the early 90's less than 400 had remained under state administration. Some of the most important moments of capital's assault were the subjugation of the independent union at Uramex (state uranium corporation) in 1984, the closure of DINA-Renault in 1986 (after strikes against its privatization), lay-offs at the state oil corporation Pemex, the sale of the state telephone company Telemex, the restructuring of the textile industry... The two sectors of particular importance for the state are the automobile industry in the north (which presents the most rapid development worldwide) and oil in the south. What is



































































































































































































