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THE AGRARIAN REFORM PROGRAM IN MEXICO

Brief Analysis

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Mexico was the first Latin American country which drastically modified the structure of land tenure. The agrarian reform process which was initiated more than fifty years ago, has affected not only the *Agropecuarian* sector, but it has also brought about great social, political and economic changes in a country which has had one of the most rapid developments in the last thirty years. The objective of this work is to outline its results.

The Mexican Revolution of 1910, the immediate objective of which was the overthrow of a dictatorship of more than 30 years, was primarily a rural revolt. This was due to the fact that when the *campesino* fought he expected a possible change in the oppressive situation and extreme misery in which he lived.

The land tenure structure was characterized by the concentration of land among a small number of owners: 8,431 *haciendas* having more than 1,000 hectares each, controlled the percentage of cultivable land of the country. On the other hand were the large numbers of *campesinos* without lands and subject to a semi-feudal system with poverty level wages and forming the basis of the *latifundista* wealth. In fact, the minimum net salary at that time, decreased at the rate that the land concentration increased.

From 1877 to 1907 the total agricultural production increased by an annual rate of less than 1 per cent. While production for export increased at an annual average rate of 6 per cent, production for domestic use remained stagnant and in some cases, such as maize, output decreased in absolute terms. Given the extensive characteristics of the *latifundio* agriculture, the productive investment was reduced in the construction of irrigation works, improvement of equipment, and in general, the use of more productive inputs.

In 1910, more than ninety per cent of the heads of rural families had no land at all. This critical situation was especially acute in Central Mexico, which had the highest densities and where the community lands had been plundered more frequently.

Characteristics of Agrarian Reform Process

Since 1915 the *campesino* pressures forced the revolutionary governments, to take measures in order to satisfy the hunger for land. In Article 27, of the 1917 constitution, the state was granted the faculty of regulating the ownership of private property, according to the public interest. This Article served as the basis for the formal initiation of the agrarian reform program. The fundamental objectives of the program were to restore and provide land and water to rural communities and villages, thus forming the *ejido*, a territory of communal property, perpetually assigned to a population nucleus. It included cultivable lands, pastures, forests or other types, plus an urban zone called a legal fund where plots were available to the *campesinos* for the erection of houses. Within the *ejido* cultivable land was distributed to the *campesino* in individual size lots. Pastures and forest lands, however, were held as communal property and rules were developed for the allocation and distribution of the product of these lands.

Initially, *ejido* lots were very small, but their sizes have increased continuously and the average size of lot is 10 hectares of irrigated land, or 20 hectares of unirrigated land. None of the *ejido* lands, with the exception of the urban plots can be sold, rented or given as a guaranty. The right of ownership is limited to its use and the *campesino* loses it should he stop cultivation of his lot for two or more years. The urban plots, after some years of ownership can be considered as having commercial value. The *campesinos* who receive the land do not pay anything for them.

The *ejidos* have been formed principally through the expropriation of *latifundios*, large landholdings within a radius of 7 kilometers from the most densely populated point of the nucleus requesting the lands.

From 1915 to 1934, the agrarian action of the governments was not very fast and in general, the great commercial exploitations in areas which produced essentially for export were not affected. The principal idea during this period was to provide each *campesino* with a piece of land which would complement his wage as a labourer. In addition the agrarian reform was used as a political flag and as a means of pacifying the country, especially in the areas close to the capital city, which were seriously affected by the *Zapatista* movement.

Despite the confused and hesitant initiation, of the agrarian reform between 1915 to 1934, 11 million hectares were given to 947 thousand *campesinos* of which approximately 1.8 million hectares were cultivable lands. However during the 1935-1940 period, a more definite impulse was given to Agrarian Reform, having tremendous effect on the *haciendas* in rich and commercial agricultural regions.

Over the period 1935-1940, the *ejidal* sector spread to approximately half the arable land in the country and acquired importance within the agricultural economy. In addition, the *Ejidal* Bank was founded to provide credit to the *ejidatarios*, principally granting for the construction of infra-structure works and the irrigation works of great importance to a country with such unfavourable climatic conditions for agricultural activity.

It is during this same time, when upon dividing the great exploitations and giving lands to *campesinos*, that they tried to avoid the inconveniences presented by the *minifundio* within certain regions. Instead of having each *campesino* individually cultivate a small plot, cooperatives were formed where the *campesinos* used and worked the land, water and machinery together, dividing up the produce at the end of the agricultural year. These *ejidos* or "collectives" especially in the La Laguna in the Northern part of the country, a cotton producing region, obtained good results when the government gave them its support and assistance. At the end of 1940, however, with the change of government, the decomposition and division of these *ejidos* began, caused externally by official political pressures, and internally by corruption and personal ambitions.

The acceleration of the agrarian reform program during the 1935-1940 period is shown by the fact that by the end of the period 17.6 million hectares had been given to 772 thousand *campesinos*. However, the distribution of cultivable land in the *ejidos* was unequal: 65.2 per cent of the *ejidatarios* had lands of less than 6 hectares and owned just 33.8 per cent of the *ejidal* work lands. Differences were also found at the regional level: 78 per cent of the lots having less than one hectare were concentrated in the more densely populated central zone of the country, where 48.3 per cent of the *ejidatarios* having workable lands were located.

With regard to the two principal types of land tenure in Mexico, the situation in 1940 was as follows: 47 per cent of the tillable land belonged to the *ejidos* the other 53 per cent to private property, with farm sizes varying from less than one to thousands of hectares, depending upon the region and the type of exploitation.

The speed of the land distribution programme decreased after 1941. Between 1941 and 1950, 2,890 *ejidos* were formed, approximately 9 million hectares of which 1.7 million were tillable lands, were given to 185 thousand *campesinos*. The official policy was based on the "modernization of agriculture" by means of agricultural promotion and construction of irrigation works, especially in the North and Northwest.

When the nucleus of *ejidal* populations do not have sufficient land to satisfy their needs, they have the right to request an enlargement of their *ejido*, upon proof that they fully exploit the tillable lands and those of common usage which they may own. The population nucleus can also buy private property lands.

When there are not sufficient tillable lands in an *ejido* to satisfy the needs of all the trained individuals and it is not possible to grant them the increase when the increase is sought by opening up to

cultivation land which may require irrigation, health or drainage works. This is done with the financial assistance of the Federal or State government or Official banks, or else with the use of private capital and the cooperation of the *ejidatarios* in the rural communities and villages. Should it not be possible to satisfy the needs of the villages by means of these procedures, a declaration is made of deficit of endowment units and procedures are established to settle the *campesinos* "with safe agrarian rights", that is, those who have the right of receiving lands in other places, in the nearest *ejidos* having available land. If no possibilities are available in the latter, they proceed then to the creation of new *ejidal* population centres in places other than those where the *campesinos* who requested the lands resided. This process implies a system of colonization of previously-cultivated lands, or the opening of new lands to tilling, in places very far from the respective rural communities and villages.

There are three *ejidal* authorities: the General Assembly of the *ejidatarios*, the principal function of which includes formulation and approval of the internal operations of the *ejido*, such as the programmes for organization of work and promotion of community development. The other *ejidal* authorities are elected by the Assembly and are the *Ejidal Commissariat* and the Vigilance Council. The *Ejidal Commissariat* consists of a President, a Secretary, a Treasurer, Owners and Substitutes, who represent the *ejido* and are responsible for carrying out the agreements of the general assemblies and for seeing that the utilization of the lands complies with the requirements of the established laws. The Vigilance Council, as its name indicates, has the power and the obligation to see that the *Commissariat* acts in conformity with the law, with regard to organization, administration and use of *ejidal* properties. The Department of Agrarian Affairs and Colonization, an agency of the Federal Executive, is responsible for applying the agrarian laws.

The granting of lands was continued in 1951 (9 million hectares among 296 thousand *campesinos*, between 1951 and 1959), and increased in the decade of the 60's with 26.4 million hectares among 584 thousand *campesinos* being allocated between 1960 and 1969. Because of the decrease in the availability of properties having tillable land, the *campesinos* have been given, during the last few years, pasture and forest lands, to form livestock and forest *ejidos*.

The minimum size of a unit in the livestock *ejido* is given by the area required to keep 50 head of large cattle or their equivalent, and this is determined by the forage capacity of the land and the water supplies. In the *ejidos* established in the forests, the size of the individual unit is determined by the quality and value of the forest resources.

The livestock *ejidos* as well as the forest *ejidos* are exploited collectively, except where it is shown to be more convenient from an economic stand point, to have another exploitation system.

The Effects of the Agrarian Reform

The first fifty years of the agrarian reform process in Mexico have resulted in significant changes not only in the structure of land tenure, but in the distribution of income productivity of the agricultural sector; and in general, have had a decisive influence in the social, economic and political life of the country.

Socially the agrarian reform destroyed the class system which derived from the existence of the *latifundio*, and in which the possibilities for individual progress of the *campesino* were practically non-existent; the Mexican agrarian reform and the economic development of the country coincide with the progress of national integration.

One of the positive effects of the agrarian reform was the granting of mobility to manual labour through the liberation of the *peones* in the *haciendas*, which had previously prevented population movements. Improved means of communication and the construction of irrigation works also influenced the mobility of manual labour, giving rise to important population migrations, principally to the new agricultural zones in the northwest and northern part of the country, in response to the strengthening of export demand for those crops during the decade of the forties.

Politically, the agrarian reform ended the power of the land-owning aristocracy. A new political group

came to power and in order to retain its position took the sharing of land as its pennant, supporting it later with the development of communications, irrigation and education. Credit and technical assistance were developed to a lesser degree, due to the shortage of funds.

The mechanism used in the agrarian reform process and the political urgency to pacify the country, resulted in having "men distributed among the land, and not the land distributed among the men". Between 1915 to 1971, 84.6 million hectares or 42.5 per cent of the whole area of Mexico was given to 2.9 million *campesinos*.

The distribution of land also had a redistributive effect upon income. With the *campesinos* becoming *ejidatarios*, their incomes increased to be equal to the average product of their work, since the total product of the land was left at the disposal of the *ejidatario*.

It should be indicated that the redistribution effect of the agrarian reform was moderate for during the period of fastest distribution (1936-1940), Mexico's economy was not primarily agricultural and the amount of the redistribution was conditioned by the share of the agricultural sector in the national product. In 1939, the agricultural sector contributed only 23.8 per cent of the Gross Domestic Product (G.D.P.). This redistribution caused a change in the pattern of expenditure in the agricultural sector. The consumption of food and beverages increased along with an increase in subsistence type consumption. At the same time, small food surpluses were sold to the rest of the economy due to increasing prices. From 1939 to 1945 the price of food at the producer level increased much more quickly than the general price index.

It has been frequently argued that the agrarian reform in Mexico cause a decrease in agricultural production. The statistics of that period demonstrate that even in the period when the application of the agrarian reform achieved its highest point, there was no real fall in agricultural production. The decreases in some crops were compensated by increase in others.¹

Characteristics of the Agricultural Development

The basic factors of the agricultural development of Mexico have been the opening of new tillable lands, the irrigation policy and the increase of crops. In addition the expansion of the agricultural frontier, has been fundamental in the increase of agricultural production.

Between 1949 to 1959 there was an increase of 4.5 million hectares in the tilled surface, an average of 450 thousand hectares opened to cultivation each year. In 1959 the cultivated area was over 12 million hectares. In 1971, 16 million hectares were cultivated, an increase of 4 million when compared to 1959.

In the same manner, the governmental investments in irrigation have meant annual increases in the area under irrigation. Between 1941 to 1970 more than 2.5 million hectares were irrigated. The irrigation districts covering only 15 per cent of the harvested area, produce 30 per cent of agricultural output.

Beginning in 1950 there has been a tendency toward a constant increase in the average yields of the majority of the crops. This change was due to factors such as use of irrigation, improved inputs (fertilisers, improved seed varieties, parasiticides, etc.) and to the quality of land, among other items.

The characteristics of the development process of Mexican agriculture have accentuated its dual character: on the one hand, commercial and modern agriculture constituted by farms with good quality and adequate supply of resources largely located in the irrigated districts which can absorb the technological changes and make use of inputs which increase yields; on the other hand a subsistence sector made up by a great number of small farms with few and poor land, and other resources, and facing greater demographic pressure.

¹ Whetten, Nathan L. "Rural Mexico," *Agricultural and Industrial Problem of Mexico*. Vol.5, No.2, Mexico, 1953.

This dual character of the agricultural sector has increased the unequal distribution of income, which had only partially been corrected by the land distribution.

It is estimated that presently 1.5 million *ejidal* lots have *minifundista* characteristics which prevent rapid economic development. With regard to quality of the resources, approximately 20 per cent of the total of the *ejidal* lots are irrigated and among them the majority of these (248,141) are found in the irrigation districts constructed by the Federal Government. In approximately 32 per cent of the *ejidal* plots here is adequate rainfall which may be considered as effective for agricultural exploitation; the remaining 48 per cent of the plots are unirrigated and suffer from uneven rainfall and climatic conditions.

In the agrarian structure of the country, close to 55 per cent of the tillable lands is found on private property, 67 per cent of this is constituted by *minifundista* private property and 33 per cent are private properties larger than 5 hectares. The two types of tenure co-exist in all the regions of the country, but their importance varies from region to region.

The Demographic Problem

The decrease in mortality and the growth in rural population (1.5 per cent annually) have led to a sharp increase in the agricultural labour force. One of the present problems in Mexico is that of the population "explosion". The population doubled between 1930 and 1960; the rural population increased during those years from 11 million to 17.2 million persons, and even though the economically-active population in agriculture had decreased in relative numbers (70 per cent in 1930, 54 per cent in 1960 and 48 per cent in 1970), its increase in absolute numbers is quite considerable: from 3.8 million in 1940 to 6.1 million in 1960. A further increase of 1.4 million is estimated for the period 1960-1970.

It should be noted that during the period when the agrarian reform was initiated, the rate of population growth was not yet high and there was great belief in the abundance of fertile land. However, topographical and climatic conditions make a large part of Mexico unsuitable for Agriculture. It is estimated that the cultivable area is approximately 30 million hectares, approximately 16 million hectares, were cultivated, of which only 4 million were irrigated.

The high population density in certain parts of the country (principally in the central region), the limited availability of cultivable land, especially irrigated land, the random character of the rainfall distribution, as well as the exiguous *ejidal* and private plots, are principal factors which must be taken into account in the planning of the agrarian development.

A major consequence of the increasing population pressure is the problem of unemployment which it creates. Thirty or forty per cent of the *campesinos* work an average of four to five months a year; part of the time is dedicated to handcrafts and collection of wood and other materials. To supplement their income they incur in periodic internal migrations and work as labourers during the time of greater demand for hand labour, or else temporarily emigrate to the cities in search of jobs.

When in 1965 doors to the U.S. were closed to temporary Mexican agricultural workers, (*braceros*) what then constituted an "escape valve" for the demographic pressure, ended, thus further decreasing the level of salaries in the field. The majority of the *braceros* were from the more populated regions in the high plateau, but all the regions contributed to this temporary exodus.

In the last years, the situation of the *campesinos* have worsened in the regions of traditional agriculture due to natural population growth, as well as the inability of industry and the tertiary sector to absorb, at the necessary rate, the surplus rural population. In the economic development of other countries, this transference has followed a historical pattern. But even though industrial production in Mexico is rapidly increasing its absorption of manual unskilled labour, employment for this category of workers is increasing at a slower pace since capital intensive techniques are being adopted in a country with an abundance of labour and a shortage of capital. It is also noted that within the cities there is a great deal of unemployment both open and disguised, and it is very possible that the maintenance costs of the necessary infra-structure works (especially in the Federal District) are so high that it would be best to search for

means which would at the same time stop the exodus to the cities and increase the standard of living of the *campesinos*.

In the more populated zones, there does not appear to be any effective relief for the population pressure through rural migration, at least over a 10-15 year period, because at present both the most dynamic urban nucleus, and the more highly developed agricultural zones have sources of supplies of hand labour within their own spheres of influence, either by means of a natural population evolution or else as a consequence of the flux of rural migrants who come from its surroundings.

Some Additional Factors Which Affect The Present Production

One of the major factors which worsened the unequal distribution of income in the agricultural sector in Mexico is the marketing of agricultural products. Since 1938 the State has intervened in the market of the basic agricultural products - corn, beans, wheat, rice and sorghum - in order that the *campesinos* may obtain prices which are considered reasonable for their crops, based on a minimum guaranteed price. Close to 70 per cent of the total area harvested is planted in corn and beans, which are cultivated throughout the country and are the predominant crops in the non-irrigated lands.

The state intervention in the market assures the purchase of the previously mentioned products when the free market cannot provide the minimum guaranteed prices. Actually those who benefit most from this intervention are the producers with more resources who are able to hedge against losses. The *campesinos* with low resources are obliged to sell their crops quickly receiving lower prices for their products from the merchants so obtaining lower incomes.

Ordinarily the *campesinos* who cannot obtain the guaranteed prices do not receive either Government or private bank credits, and in order to cover their expenditures they are forced to request loans at usurious rates. And though governmental agricultural credit was created to give support to the small producers, actually the limitation of resources has forced the channelling of the greater part of the credits to the modern sector to increase production. In addition to this, the dispersion of the great number of *minifundios* and the low quality of their resources, do not constitute an attractive clientele of the private bank.

From the beginning of the agrarian reform the need for cooperative organization of the *campesinos* to carry out together, works of mutual benefit, was emphasized and institutionalised. According to the different agricultural credit laws, local credit societies should be formed. Since in practice these have not been efficiently run, the State has kept a rigid and absolute control on the direction and operation of these societies, discouraging and even substituting the initiative and faculties of the cooperative. Actually the formation of local credit societies has been a condition for obtaining credit, but these organisations never operated to try to solve the problems facing the small isolated farmers. Although the need for a cooperative organisation for the development of Mexican agriculture has never been denied, very little has been done to expand it and obtain satisfactory results.

Present Panorama of the Agrarian Structure

The present panorama of land tenure in Mexico is characterized by the co-existence of the *ejido* and private property.

Within the limits fixed by the existing agrarian legislation, the possibilities for granting the *campesinos* cultivable lands have been practically exhausted, and as was indicated before, during the last few years, the distribution has consisted primarily of pastures and forests. The *ejidos* formed within these pastures and forests not only need large inputs of capital and indispensable technical assistance for their operation, but also do not absorb much hand labour.

It has been estimated that in the near future, the continued formation of livestock and forest *ejidos* would affect less than 150,000 *campesinos*. With 4 million workers without land, this land distribution

would not go far towards solving their problems. On the other hand, it is practically impossible to give lands to all the *campesinos* and to do it with even a significant part of them, would lead to the fragmentation of the farmers with negative results on the agricultural economy and to all the national economy.

A series of present measures tend to attenuate the effects of overpopulation in the field, the channelling of greater resources in the agricultural sector, the massive use of hand labour in the construction of infrastructure works, a greater availability of lands for the formation of *ejidos* in the new irrigation districts constructed by the state and certain dispositions to improve to some degree, the less fortunate classes in the field.

The Agrarian Reform Law of 1971 which repeals the Agrarian Code of 1942, gives special emphasis to the organisation of *campesinos* and to the promotion of agricultural enterprises. Several legal powers are granted to the Department for Agrarian Affairs and Colonization, with regard to *ejidal* economic organization and planning, to promote and intensify the incorporation of the *ejidos* in program of development, initiated and guarded with greater responsibility by the State Organization itself, with the collaboration of the interested *campesinos*.

The need for the "agrarian rehabilitation" plans of the *ejidos* by zones is also indicated. According to law "... the agrarian rehabilitation plans will include, within the chosen zones, the means for promoting its development by establishing means to give each *campesino* sufficient land to satisfy his needs, as well as the economic, educational, and cultural aspects to the greatest degree possible."

Undoubtedly, the agrarian distribution under the present conditions has lost its value as a solution to the problems of the agricultural sector.

Conclusions

We have briefly outlined the political, social and economic results of the Mexican agrarian reform, which are frequently used as arguments for or against the changes in land tenure in other countries. In the Mexican experience we should always keep in mind that the agrarian reform was the result of the Revolution, of a long, costly and bloody civil war, and that it should have satisfied the anxieties of the miserable and illiterate *campesino* population.

Frequently, the outlines of the agrarian reform elude the political aspect of the process even though it is predominant and decisive. The political and social situation which prevails in the field did not allow the postponement of the agrarian reform which was carried out with the very few available resources, reducing to the minimum degree the indemnization to landowners. It was urgent to destroy the *latifundio*, a source of social *malaise*, to distribute its lands and give them to the greatest possible number of *campesinos* demanding them. The "pacifying" effect of the distribution of lands is not ponderable, but it has undoubtedly been a decisive factor in the development of the country.

The change in the structure of the land tenure was carried out over a long period of time under strong internal and external pressures; and in addition there were no previous requirements of a technological or economic nature, of which the theorists on agrarian reform speak so much, when they prepare the plans to carry it out.

In addition there were not sufficient means to carry out the ecological, agrological, social and economic studies foreseen in the outline of the agrarian reform.

The *campesino* was given the land, and in the majority of the cases he had only his work power to make it produce. Little by little, and given the resources limitations, promotions and works were carried out with only internal financing since only in the last 25 years have we received external assistance.

Such a complex process as that of the Mexican agrarian reform cannot be evaluated in a work of this dimension. We have only tried to briefly enumerate the results which have been obtained.

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