



Capitalism and the Peasantry in Mexico

Author(s): Rodolfo Stavenhagen

Source: *Latin American Perspectives*, Vol. 5, No. 3, Peasants, Capital Accumulation and Rural Underdevelopment (Summer, 1978), pp. 27-37

Published by: Sage Publications, Inc.

Stable URL: <http://www.jstor.org/stable/2633140>

Accessed: 28/04/2009 15:49

Your use of the JSTOR archive indicates your acceptance of JSTOR's Terms and Conditions of Use, available at <http://www.jstor.org/page/info/about/policies/terms.jsp>. JSTOR's Terms and Conditions of Use provides, in part, that unless you have obtained prior permission, you may not download an entire issue of a journal or multiple copies of articles, and you may use content in the JSTOR archive only for your personal, non-commercial use.

Please contact the publisher regarding any further use of this work. Publisher contact information may be obtained at <http://www.jstor.org/action/showPublisher?publisherCode=sage>.

Each copy of any part of a JSTOR transmission must contain the same copyright notice that appears on the screen or printed page of such transmission.

JSTOR is a not-for-profit organization founded in 1995 to build trusted digital archives for scholarship. We work with the scholarly community to preserve their work and the materials they rely upon, and to build a common research platform that promotes the discovery and use of these resources. For more information about JSTOR, please contact support@jstor.org.



Sage Publications, Inc. is collaborating with JSTOR to digitize, preserve and extend access to *Latin American Perspectives*.

<http://www.jstor.org>

CAPITALISM AND THE PEASANTRY IN MEXICO

by
Rodolfo Stavenhagen*

The Mexican countryside has been the object of frequent study. Anthropologists have done community studies, primarily among indigenous populations. Sociologists have examined the process of change in family structure and behavior of rural people, whether involved in officially sponsored programs of social welfare or simply caught up in a more general process of modernization. Agricultural economists have studied the structure of farms and agricultural enterprises and have determined their costs of production, investment, expenditures, and profits.

The traditional anthropological approach¹ to rural communities viewed them as closed units, self-sufficient, relatively isolated from the rest of the national society and composed of different parts which taken together formed a functional whole. Their analysis of the peasant economy consisted primarily of a minute description of various techniques of production supplemented, in the best of cases, with information on family budgets. The commercial exchange of products or wage labor outside the community, mentioned only when they played an important part in the domestic or community economy, were generally seen as *external* factors disturbing communal stability and self-sufficiency. Peasant communities, especially indigenous ones, were seen as part of a traditional pre-urban and pre-industrial world or as a stage preceding a monetary economy. The only change possible for them was increasing incorporation into the modern economy, the adoption of urban values and patterns of behavior. Evidence which did not point in that direction was considered to represent an *obstacle to change*. Obstacles to change — by which were meant obstacles to progress and civilization — were attributed to factors intrinsic to the community itself, to its traditional values, culture, religion, family structure, and so on.

This simplistic vision of the countryside was fundamentally ahistoric, although in a certain sense evolutionist (as rural communities change from traditional to modern). At the same time, it granted very little importance to what are now called structural factors, most importantly land tenure and the social conflict which has surrounded it throughout the recent history of Mexico. Perhaps the most serious weakness of this kind of study has been the superficial and, therefore, equivocal way in which it treated the relations between rural communities and national society. Because the basic perspective of the investigators was limited to the community itself, it was difficult for them to understand the significance of the community within a national socio-economic

*The author is associated with the Colegio de México, Mexico City.

¹See, for example, Redfield (1930 and 1941, which have become classics in anthropological literature), also Avila (1969); Foster (1967 and 1966); Fuente (1949).

structure. The fundamentally culturalist focus of this school often led to a presentation of the relationship between community and nation in terms of inter-ethnic contact between Indians, seen as carriers of local community culture, and *mestizos*, seen as representatives of urban national-capitalist culture. When the peasantry was itself mestizo, it was associated with a *local or regional subculture*, qualitatively different from the so-called national culture. The social and economic development of the nation was perceived as a process of national integration, both economic and cultural, which implied increasing uniformity of social structure, cultural forms, and economic relations. Peasant communities, in their backward or traditional state, were considered to be outside the national economy, external to it. And since they did not form part of the national economy, they supposedly had their own distinct economic logic or rationality which would only be overcome when the national economy extended throughout the country.

A number of studies within this framework argued that the links between rural communities and the national economy were weak. These studies presented the following picture: subsistence farmers produce above all for their own family consumption. If they sell anything at all, it is only because they need money with which to buy a few necessary items which they themselves cannot produce, such as certain farm implements, salt, and so forth. The manufacture of handicrafts, where it exists, or the wage labor of some members of the family on a nearby large farm are considered to provide a complementary income which does not fundamentally alter the structure of peasant domestic economy which, although not totally self-sufficient and autarchic, nevertheless responds in essence to its own internal dynamics and finds in itself its own explanation. The peasant economy tends toward equilibrium and stability, and its essential forms are transmitted from one generation to another without profound modifications. Only an external impulse, originating in the *national economy*, can transform these elements, unbalance the peasant economy, and begin a process of change toward another equilibrium at a "higher" level. Generally, the principal external force recognized by students of rural communities was the *creation of new needs*. It was supposed that traditional peasant economies would change essentially because they would attempt to meet new needs introduced into the community through contact with the outside world, that is to say, with the national society. Many programs of community development, carried out by national and international agencies, even proposed to create new needs for the purpose of *inducing economic change* in rural communities. It was supposed, and no one questioned, that new needs meant progress and development and that the former were therefore desirable and desired by the peasants themselves. Once new needs were accepted, incorporated into the local value system or culture, the communal economy would make the adjustments necessary to ensure their satisfaction and the process of modernization would advance.

With one or another variation, this approach to peasant economy prevailed in community studies until around the beginning of the 1960s. Then in the subsequent fifteen years there was a change in orientation in Mexico, and the question of the peasant economy (above all, that of the system of relations linking peasant economies with the so-called national economy) began to be presented in a different way.

In contrast to the anthropological approach, agricultural economists have not taken the rural community as the focal point of their study of the peasant economy. They have concentrated on the *productive unit* — the farm — analyzing it with the same tools they would use in the study of any industrial or commercial enterprise. They have looked upon the agricultural or livestock

producer as a classic example of *homo economicus* and have determined, mathematically if at all possible, the *production functions* of each holding in order to evaluate its efficiency or profitability.

The economists' studies of farm performance have used classical instruments of economic analysis. Various combinations of the principal factors of production (land, capital, and labor) are determined, resources at the disposition of the producer evaluated, prices of different inputs fixed, and the level of technification of the holding established; then, after an analysis of the crop cycle (or cycles, as the case may be), the destination of produce (whether sale on the market or family consumption) has been studied in order to arrive at quantitative conclusions concerning the profits or benefits obtained by the producer. The degree of efficiency of the holding has been measured in several ways, including the calculation of productivity per unit of land (X kilograms of maize per hectare), per person employed on the holding (X income per agricultural worker), per invested capital (X volume of production per *peso invested*), or through the composition of an index combining all these coefficients. One of the purposes of such an analysis has been to determine the *optimum* combination of production factors encouraging greatest efficiency in the utilization of available resources or assuring the greatest profit for the producer. This has led at times to discussions, which one might be tempted to brand as Byzantine, concerning the so-called *optimum size* of an agricultural enterprise: are large, medium-sized, or small holdings the most efficient?

This discussion of the relative efficiency of various sizes of farms has seldom taken into account the variety of possible goals toward which productive activity in the countryside may be directed; it has simply supposed, as in a market economy, that the goal must be the maximization of profit from the farm, seen as a capitalist enterprise. Nevertheless, the maximization of profit might be only one of the objectives in a rural economy. Others might be the guarantee of family income, the production of foodstuffs for consumption by the domestic group, or the generation and maintenance of sources of employment for the available labor force. The *efficiency* of a farm can vary according to which of these goals is involved. The basic assumption of studies of the rural economy which take the farm as unit of analysis has been that the owner or manager behaves as a perfect entrepreneur, operates rationally in a free factor market and is predictably and invariably oriented by the laws of supply and demand. Therefore if demand increased, and with it the price of certain products in the market, the entrepreneur would stop cultivating less profitable crops in order to dedicate himself to more profitable ones. Or he would buy machinery and eliminate wage labor if the cost of the former were less than that of the latter. Anything which does not fit into this model of entrepreneurial behavior is tossed aside by researchers as *non-rational* and is considered to justify fully the elimination of the less fortunate farmer from the market in the face of more rational and efficient competition.

Studies of agricultural economy in rural Mexico confront several problems. The first of these is the price of land, which in analyses of the type just discussed, plays a very important role. In Mexico, one half of the cultivable land is held in *ejidos*, and thus is legally (although not *de facto*) withheld from the land market. How can the price of a hectare of ejido land be determined when that land can neither be legally sold nor rented? And if a price cannot be determined, what value should be attributed to ejido land which several million peasants (*ejidatarios*) received during the process of agrarian reform? How should this be incorporated into economic calculations concerning the efficiency of the farm?

Another problem for studies of the agricultural economy of Mexico con-

cerns the way in which the labor force should be considered. In peasant economies a considerable part of the agricultural labor is unremunerated, either as family labor or as one of a variety of mutual assistance and reciprocal labor arrangements in force, which are very difficult to quantify. In addition, in Mexico, as in other underdeveloped countries, the population gainfully employed in agriculture is numerous, and the degree of open or disguised unemployment (or underemployment) is great. (In Mexico it is calculated to reach 40 percent.) What price should be attributed to this factor in economic calculations? The kinds of analyses agricultural economists use have been developed in industrial countries where agricultural labor is scarce and therefore more costly than other factors. Yet their application to a situation of unlimited supply of agricultural labor, as that of Mexico, is difficult. In such circumstances, the costs of production are calculated with nothing more than the monetary expenditures for salaried labor on the farm. Or, when an attempt is made to estimate the cost of unpaid family labor, it is frequently concluded that peasant holdings not only do not make a profit, but generate *negative savings*. Another clear example of the irrationality and inefficiency of the peasants, according to the specialists.

A third problem, even more complex than the preceding ones, is that the analysis of farm economics ignores the fact that the fundamental economic unit in the countryside is not the farm as such but the household. The latter is at one and the same time a unit of production and a unit of consumption. One of the characteristics of a peasant economy is that strictly agricultural activities are frequently combined with other economic activities within a single domestic consumption group. Thus, while a part of the work force available within a family is assigned directly to the holding, another part (which might be the same people working the land during other seasons of the year, or other members of the family) may be dedicated to commerce, handicrafts, wage labor or other activities outside the holding. Studies of farms simply relegate the time dedicated to these activities and the income which comes from them to the category of *complementary activities*, but rarely do they analyze the significance of the latter to the operation of the farm itself. The so-called *efficiency* of the farm in many cases cannot be separated from the fact that the family economy functions as an integrated whole, and the decisions that a peasant head of family can make concerning his farm are frequently a function of decisions made at other levels. In other words, to talk of the efficiency of the farm without reference to the *efficiency of the household* as an economic unit leads to false conclusions concerning the peasant economy. Because activity on the farm is frequently nothing more than a complement to wages or income generated through other means, it is inadequate to consider the farm alone, as if it were equivalent in its functioning to any capitalist enterprise.

These considerations confirm the necessity to treat the peasant economy with theoretical and analytical tools adequate to the peculiarities of the case. Neither the traditional anthropological vision of the peasant community as a closed entity nor the approach of agricultural economics to peasant farms as if they were the same as capitalist enterprises meets the requirements of such an endeavor.

The problem of how to treat the peasant economy is not unrelated to theoretical discussions which have taken place for years among specialists in economic anthropology. Indeed, two principal currents can be distinguished in these discussions.² Without entering into a sterile argument over what is meant in the last instance by *economy* or *the economic* in social life, one school of

²The arguments between the substantivist and formalist schools in economic anthropology are presented in Le Clair and Schneider (1958).

thought considers that primitive or traditional economies (including peasant economies) can be analyzed utilizing the classic tools of the conventional economics of western societies. In this case one can use concepts like capital, savings, investment, profit, rent, interest, price, and so on. All behavior which cannot be described through reference to these concepts is then attributed to the *non-economic* factors of economic life. For example, the ceremonial or prestige economy, so thoroughly described for a number of indigenous groups, is attributed to *non-economic* (non-rational) criteria in economic behavior. Behind this current of thought is the idea that if a peasant does not behave as the perfect *homo economicus*, it is because he is influenced by the dead weight of certain cultural traditions.

The opposite school considers that none of the concepts of conventional economics is applicable to traditional societies because the latter function within the framework of a unique logic in which specific social and economic factors — apparently maintained separately in modern societies — are intertwined. Thus the rationality of the prestige economy in some indigenous peasant communities should not be seen simply in economic terms but within the framework of the social structure as a whole.

A good part of the theoretical debate between these two schools of thought has been made unnecessary during the past few years by new studies and new approaches. With particular reference to the question of the peasant economy, neither of the two extreme positions is adequate, but elements of both must be taken into account. It has been noted above that classical concepts of capitalist economics are not easily applied to the peasant mode of production. On the other hand, neither is it possible to say today that non-capitalist forms of production, which exist above all in the agricultural sector of underdeveloped countries, can be understood without reference to the parameters of the dominant capitalist economy. In fact, both modern and traditional economies, both capitalist and non-capitalist forms of production, are found to be integrated everywhere into one single structure in which it is precisely the capitalist mode of production which predominates. By capitalism should be understood the production of commodities for exchange, based on the private ownership of the means of production and the use of wage labor.

The peasant economy can be defined quite simply as that form of farm production (and associated activities) in which the producer and his family till the land themselves, generally utilizing their own means of production (tools and instruments), with the object of directly satisfying their basic needs, although for a number of reasons they may find themselves required to sell a part of their produce on the market in order to obtain goods which they do not produce. The peasant economy occurs on small production units, non-wage labor predominates, possibilities for accumulation are limited or absent, and the principal purpose of economic activity is not to obtain or maximize profits but to guarantee a subsistence.

Peasant economies have existed from time immemorial and have coexisted with the most diverse modes of production and land ownership systems, from classical European antiquity, passing through feudalism and industrial capitalism, and including some contemporary socialist societies (such as Poland). They are widely distributed throughout the Third World: in Africa, Asia and Latin America. The classic model of the peasant economy is no doubt that of the small agricultural property which is almost entirely self-sufficient and in which external mercantile relations are only complementary to family production. But this classic model is only that, a model. At the present time peasant economies in their many manifestations are integrated to varying degrees into the dominant economy (national and international) and maintain multiple rela-

tions with the latter. One of the tasks of current research is to understand the dynamics of such relationships.

Indeed, one of the essential characteristics of peasant economies in the contemporary world is that peasant production is invariably found to be subordinated to the dominant economy. In the majority of cases, this is a capitalist economy. Subordination is manifested in various ways, but the principal result is the same: the peasant economy transfers net value to the capitalist sector; in other words it is exploited by the latter.

The mechanisms of transfer and exploitation of the peasantry are numerous and vary according to particular historical circumstances, the characteristics of the political system and the social structure, and the degree of development of the capitalist economy itself. Regional or national differences aside, the following operative mechanisms can generally be noted:

- 1) The peasant has to pay a rent (in money or in kind) to the owner of the land he works; or if the peasant owns his own land, he must frequently pay interest, taxes, or other charges (very often including a mortgage).

- 2) The poorest peasant, who works marginal lands of bad quality, pays a *differential rent* to the rest of the agricultural sector as a result of the lesser productivity of his holding.

- 3) Under circumstances of land monopoly or oligopoly, when the land is in the hands of a rural landholding oligarchy (a very common situation in regions of peasant economy), the price of land (as well as the rent fixed for its use) is higher for the peasant than for the capitalist agricultural entrepreneur.

- 4) Credit, a strategic factor in agricultural development, is generally obtained by the peasant only at usurious rates, placing him at a disadvantage in relation to the capitalist entrepreneur.

- 5) The peasant is increasingly likely to acquire modern technology and inputs (high-yielding seeds, chemical fertilizers, insecticides) on a small scale. Because of the commercial structure and the proliferation of intermediaries in rural areas, however, the price of these inputs is higher for small peasants than for agricultural entrepreneurs.

- 6) The rent of draft animals or machinery (where it exists) also involves a proportionately heavier financial burden for the small peasant.

- 7) With a simple technology and few economic resources, the peasant generally obtains mediocre yields and produces crops of low quality. As a consequence, the productivity of his labor is low. In the market his produce is acquired at low prices.

- 8) The peasant generally does not have access to adequate means of storage, and he therefore sustains high crop losses. In addition, his chronic lack of money often forces him to sell even that part of his crop which should be destined for family consumption. As a consequence, he enters the market immediately following the harvest, when prices are low, without having the opportunity to withhold his produce until prices become more favorable. Then, in order to assure his own consumption, he must buy back the grains and cereals he needs at prices much higher than those he received for his own crops.

- 9) The small peasant confronts difficulties in transporting his products to market, and the cost per unit transported is higher for him than for the large farmer.

- 10) Because the small scale of peasant production and the frequent existence of intermediaries or businessmen in positions of monopoly control within the community make it impossible for an individual peasant to influence prices, the latter generally sells his crops for less than the prevailing market price. This means that the selling price of the product is at times less than its value (that is, than its cost of production plus real or imputed remuneration for

the work of the producer).

11) The only factor at the disposal of the peasant which is not scarce is the labor force represented by the family. Within the typical peasant holding characterized by limited resources, little land and a primitive technology, this labor force does not find full employment in agricultural activities alone. To the extent that it does not have other occupational alternatives in a free labor market, the economic return to agricultural labor (whatever the form of measuring this may be) is inferior to that which prevails within other sectors of the economy.

12) The peasant producer and the members of his family frequently work outside their holding in order to obtain the complementary income necessary for their survival. Given a labor market in which the supply of labor is generally greater than the demand for it, levels of remuneration are extremely low, at times lower than the minimum established by law.

The elements mentioned above constitute, when seen as a whole, the mechanism through which the peasant economy is integrated, dominated and exploited by the capitalist sector and through which the peasantry transfers to the latter not only its economic surplus but, with some regularity, a part of its income needed for survival. Thus the peasant economy not only fails to embark upon a process of capital accumulation, but is generally to be found involved in a process of progressive decapitalization.

In a completely capitalist economy with full mobility of all factors of production (land, capital, labor), the limited economic viability of the peasant sector should imply its rapid disappearance. Yet this has not occurred, fundamentally because of the rigidity of existing social structures and the limitations imposed upon the mobilization of those factors of production. On the other hand, the development of capitalism itself, when seen in historical perspective, is based upon accumulation derived from the extraction of a surplus from non-capitalist modes of production, among them the peasant economy. The transfer of wealth out of the peasant sector has been directed (through the mechanisms mentioned earlier) primarily toward the modern or capitalist sector of agriculture, the banking sector, and to a lesser extent toward the industrial sector. The exploitation of the peasant sector particularly strengthens commercial capital.

In Mexico, capitalist relations of production are rapidly penetrating the peasant sector of agriculture. But the development of capitalism throughout the world has various different features which can in fact coexist. We mention two: (1) that which takes place within the modern sector, in which agricultural entrepreneurs use wage labor, increasing capital investment, and the application of modern technology to produce exclusively for the national or international market at high levels of productivity; and (2) that which occurs within the peasant sector under conditions of subordination to the capitalist system of the kind already mentioned above.

The peasant sector of Mexican agriculture is large. Recent studies show that 84 percent of all farm units in the country are classified as *infrasubsistence* or *sub-family* holdings, that is to say, they are so small that they do not generate sufficient employment or income to satisfy the basic needs of an average peasant family. These holdings are to be found in both the *ejido* (land reform) and the private sectors. A part of the agricultural produce of these strata is consumed by the family itself, but a variable proportion of it is also destined for the market. In addition, peasant families in these strata have to seek work outside the farm in order to survive. Both mechanisms (production for the market and off-farm work) contribute to the subordination of the peasant economy to the requirements of capitalist accumulation (see Osorio, Stavenhagen et al., 1974).

The dynamics of market relations as well as wage labor off the farm occur

in a variety of forms according to regional circumstances and the particular characteristics of the local social and economic structure. In general terms, however, this process can be characterized as one of disintegration of the peasantry and partial proletarianization.

Indeed, the development of rural capitalism implies the progressive disintegration of the peasant economy, but only to a certain point. The development of capitalism requires labor for non-agricultural sectors as well as a growing volume of farm products for those same sectors (foodstuffs, raw materials for industry, export products). At the same time it requires the growth of the internal market or, in other words, a growing number of consumers of manufactured goods. This double process occurs through the continuous extension of the market and of wage labor. Salaried workers, unlike the peasant who only produces for his own consumption, earn a monetary income which progressively transforms them into consumers of industrial products. In this way capitalism ensures its own reproduction and growth (see Stavenhagen, 1975).

If this process were to go forward unencumbered, peasant economies would tend to disappear quite rapidly. Soon there would be nothing left in the countryside but large agricultural enterprises producing for the market and a mass of rural proletarians who had not been absorbed by non-agricultural sectors. In fact this has happened in a number of countries in which capitalism has destroyed previous modes of production, most especially in western Europe and the United States.

In Mexico, however, as in other countries of the Third World, the process has not been so straightforward; and this is precisely what makes the analysis of the position of the peasantry so complex. It is true that over the years the countryside has expelled large numbers of people (as the flow of rural-urban migration shows) and that the number of landless agricultural laborers has also grown. Nevertheless, the peasant economy has not yet disappeared, nor does it seem likely to disappear in the near future. This is the result of the following structural and historical factors:

- 1) The Mexican agrarian reform, which in the course of time has distributed more than 70 million hectares of land to 3 million peasants, has, in fact, interfered with the process of disintegration of the peasantry and has given new impetus to peasant economy and society by creating a multitude of small private and *ejido* holdings.

- 2) The structural incapacity of the process of industrialization in Mexico has made it impossible to absorb with sufficient rapidity the labor force coming from the countryside — a direct consequence of the dependent capitalist development of the country.

- 3) The high rate of demographic growth (above all in rural areas) has put constant pressure on the limited real resources of the countryside (understanding by "real resources" those which the peasant population can count upon within the existing legal and economic framework, and not the potential resources they might have if the economic structure were different).

We can conclude from the preceding that the development of capitalist production and relations in the Mexican countryside (independent of the expansion of capitalist agriculture itself) has a double and contradictory effect upon the peasant economy. On the one hand, it contributes to the disintegration of the peasant economy according to the classical model; and on the other, it prevents the same disintegration and incorporates peasant production as such into the process of capital accumulation.

We will even go a step further and put forth the hypothesis that the current dynamics of dependent capitalism in Mexico requires the constant re-creation of the peasant economy. There is no other way to understand the persistence

of a redistributive land reform and of a number of programs supposedly supporting and strengthening small peasants (above all within the ejido sector).

It could be argued that the reinforcement of the peasant economy and society constitutes a brake on the full development of capitalist relations of production in the country; that the distribution of small plots of land to millions of smallholders, the cooperative organization, and the recent support given to the creation of collective ejido enterprises are not an alternative to capitalism but an obstacle to its full realization. Nevertheless what we hypothesize here is that capitalism in its present stage in Mexico is incapable of absorbing the peasant economy entirely (disintegrating it and overcoming it), and that, on the contrary, the maintenance and even the constant re-creation of the peasant economy is functional for the capitalist system, even when it may generate contradictions which are difficult to overcome. This is so for several reasons.

First, the incapacity of the process of dependent capitalist industrialization to integrate *productively* the entire pool of labor produced by the disintegration of the peasant economy generates social pressures (urban unemployment, demand for social services, demand for goods for popular consumption at a low, and generally subsidized, price, and so forth) which make it convenient for the political stability of the nation that a design for retaining population in the countryside be developed. A policy of support for the peasantry has that effect.

Secondly, the existence of a peasant economy to which one can return in case of need provides security for the labor force marginal to the productive process in the modern sector of the economy, and particularly for migratory labor. It can be a last opportunity for survival in a labor market which is every day more uncertain and unstable.

Thirdly, the peasant economy reproduces the labor force for the capitalist system at a low cost. The young worker who enters the urban labor market and who has grown up and been nurtured within the peasant economy represents almost no cost to the capitalist economy, or at least he represents a much lower cost than he would if he had been reproduced within a framework of capitalist relations of production. This in turn permits the bourgeoisie to keep wages low within the capitalist sector of production, or in other words, to increase the rate of exploitation of the work force. It also permits the state to limit the growth of social expenditures within the public budget, simultaneously allowing a proportional increase in productive public investment and a decline in pressure for an authentic tax reform and other measures that would redistribute national income.

Fourthly, the maintenance of the peasant economy provides a permanent reserve of cheap labor with which to meet the needs of capitalist expansion. Nevertheless, to the extent that this labor force is not productively incorporated into industry, it flows increasingly into the services sector. In this way it contributes to maintaining the low cost of these services for the middle class and the bourgeoisie, permitting the latter to enjoy relatively high levels of living in comparison with counterparts in countries where there is no peasant economy of this nature.

But on the other hand the dynamics of the system do not permit the peasant economy to develop sufficiently to extricate itself from subordination to the capitalist market. In other words, in order to maintain the system it is necessary that the peasant economy continue to generate a surplus labor force which cannot be absorbed within the framework of its own structural characteristics, but which is at the same time marginal with respect to the occupational structure of the capitalist sector of the economy. This generates the constant pendular movement of the labor force between the peasant and the strict-

ly capitalist economies, the result of which is exploitation of the former by the latter.

This system generates its own contradictions. Capitalist accumulation benefits in this stage of its development from the existence of the peasant economy because, as noted above, it does not require the complete proletarianization of the rural labor force. But, on the other hand, the existence of the peasant economy represents a brake on the growth of the internal market. To the extent that millions of people continue to be tied to the peasant economy, they are withdrawn from the market for manufactured consumers goods, or they are integrated into it in only a weak and occasional way. One could say, then, that from the point of view of capitalist production, the peasant economy does not represent at this historical stage an obstacle to its development; the obstacle grows more immediately out of the fact that Mexico is a dependent country. But from the point of view of capitalist consumption (that is to say the circulation of goods), the peasant economy does indeed represent an obstacle to its development. This contradiction of course affects in different ways the interests of the various sectors of the Mexican bourgeoisie and is expressed through conflict among its various factions.

In conclusion, the present historical moment in Mexico confronts the classical model, which posits the inevitable disappearance of the peasant economy before the onslaught of capitalism, with that of the maintenance and even the reinforcement of the peasantry. The dialectic between capitalism and the peasantry appears in multiple forms and in varied circumstances. This is a field of investigation which is just beginning to be explored in Mexico, and a much larger number of empirical studies will be necessary before any more generalizations can be made on the subject.³

REFERENCES

- Avila, Manuel
1969 *Tradition and Growth, a Study of Four Mexican Villages*, Chicago: University of Chicago Press
- Bartra, Roger
1974 *Estructura agraria y clases sociales en México*, Mexico City: Editorial Era
- Foster, George M.
1966 *A Primitive Mexican Economy*, Seattle: University of Washington Press
1967 *Tzintzuntzan, Mexican Peasants in a Changing World*, Boston: Little Brown and Company
- Fuente, Julio de la
1949 *Yalalag, una villa zapoteca serrana*, Mexico City: Museo Nacional de Antropología
- Gutelman, Michel
1974 *Capitalismo y reforma agraria en México*, Mexico City: Editorial Era
- Le Clair, Edward E., Jr., and Harold K. Schneider (eds.)
1968 *Economic Anthropology, Readings in Theory and Analysis*, New York: Holt, Rinehart and Winston
- Martínez Ríos, Jorge
1972 "Los campesinos mexicanos; perspectivas en el proceso de marginalización," in *Perfil de México en 1980*, Vol. III, Mexico City: Siglo XXI

³For a recent bibliography on the topic, aside from the works already cited, one can consult Bartra (1974); Gutelman (1974); Martínez Ríos (1974); Stavenhagen (1972); and Warman (1972).

Redfield, Robert

1930 *Tepoztlán, a Mexican Village*, Chicago: University of Chicago Press

1941 *The Folk Culture of Yucatan*, Chicago: University of Chicago Press

Reyes Osorio, Sergio; Rodolfo Stavenhagen *et al.*

1974 *Estructura agraria y desarrollo agrícola en México*, Mexico City: Fondo de Cultura Económica

Stavenhagen, Rodolfo

1972 *Sociología y subdesarrollo*, Mexico City: Editorial Nuestro Tiempo

1975 *Social Classes in Agrarian Societies*, New York: Anchor Books

Warman, Arturo

1972 *Los campesinos, hijos predilectos del regimen*, Mexico City: Editorial Nuestro Tiempo