Shawn (Xiang) Pan

POLS57

Professor Sharpe

February 9, 2015

Problem Essay 1

“The miracle of Mexican economic growth from 1940 to 1970 depended on a lack of real democracy.” What does this quote mean and is it true?

This statement indicates that the impressive Mexican economic growth from 1940 to 1970 was solely shaped by the interest of certain social sectors and wouldn’t have happened if it were shaped by the interest of all social sectors in Mexican society. It correctly indicates the disproportionate political influences of certain social groups, such as businessmen and agricultural entrepreneurs, in impacting Mexican economic policies, but falsely assumed that the economic boom would be impossible if all social groups combined their interest in shaping the economic policies.

First, different sectors of Mexican society, such as labor and businessmen, possessed distinctively different political influences in forming economic policies and, thus, benefited differently from the economic growth. During the Cardenas administration, he reconstructed the official party and organized Party of the Mexican Revolution (PRI) into four sectors – labor, agrarian, military and popular- and allowed the first-participation of organized labor and peasant leagues in political activities. Consequently, these sectors were expected to play an active role in the naming of the PRI’s candidates for public offices, and the sectors leaders would be in charge of pushing for policies favorable to their respective sector.

However, there turned out to be a significant difference between the theoretical roles and actual roles of these sectors in representing their interests within the ruling party. As all the post-Cardenas administrations began a shift in the focus of the government policy towards growth and development, the actual economic policies overwhelmingly favored business groups, which were not even represented in the official party, and hardly benefited the labor and peasants. For instance, though there had been some redistribution within the wealthiest group, including urban middle sectors, the remaining 80 percent had lost out in relative terms. Moreover, the labor and agrarian sectors seemingly became a tool for PRI to control their constituents through repressive behavior and imposed leadership. For instance, Aleman once deployed army to crush strikes and jailed numerous union leaders. As a result, the political participation and interest that labor unions gathered during Cardenas administration fractured and the Mexican Workers Confederation (CTM), as the largest single labor organization, disintegrated into several independent labor unions, some of which were dominated by the government. Similarly, the peasant leaders were either co-opted into the party through bribery or imprisoned, and the land reform program gradually decreased in scale. Even when the Mexican government was looking at increasing exports of agricultural products, they indeed assisted large-scale landowners with irrigation projects and neglected the large amount of private landowners. For example, according to Hansen “In 1960, 54.3 percent of total agricultural output was attributable to 3.3 percent of Mexican farm units” (Hansen 79). This is to say that the earlier land reform program to distribute land to landless laborers was severely thwarted and there was a lack of opportunities for these laborers to participate in the economic growth. Consequently, despite their designated positions, labor and agrarian sectors had not real influence in shaping the economic policies, and the middle and upper-class benefited tremendously from their political clouts and the Mexican economic growth themselves.

Even though the economic growth between 1940 and 1970 resulted from the interest of certain social groups as discussed above, there is no concrete evidence to suggest that real democracy would prevent the economic growth from happening. During the Cardenas administration when the sectors were more balanced within PRI, the agrarian reform increased the number of recipients of land from 21 percent to 42 percent of the population employed in agriculture (Hansen 91). Also, organized labor gained significant social and economic gains through the unification of unions and rights to strike. Consequently, under Cardenas’ government sponsorship, peasants and labor improved their standard of living and began to share in the distribution of Mexican wealth. If the government maintained the balanced sectors within PRI during 1940 and 1970, the peasants and labor would be likely to benefit from the economic boom through pushing policies favorable to the mass. As two most populated sectors, labor and agrarian groups might be likely to mobilize their constituents and to make the economic growth more equitable rather than concentrated. Through boosting their economic status, peasants and labor might also be able to contribute to the domestic investment and further stimulate the Mexican economy. Even though the upper and middle class might not be able to collect the concentrated wealth as it would without labor and agrarian sectors, they would still profit from their business enterprises and would be likely to prefer gaining some profit than no profit at all. Consequently, through democratic practices in the government, the economic growth would likely benefit every sector of the Mexican society, and the dominant political influences of middle and upper class were not necessary in fostering the economy growth.

As the wealthiest groups possessed tremendous political clouts and created economic policies which produced startling economic growth from 1940 to 1970, they were able to collect the economic gains mainly among themselves. However, from the example of Cardenas’ administration, if other sectors of the society, such as labor and peasant, could also benefit from the economic boom, they would likely also support the economic policies. Consequently, a real democracy would likely still deliver the Mexico economic growth from 1940 to 1970 and also made the distribution of wealth more equitable among different sectors of society.

Works Cited

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