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INTRODUCTION

Is Mexico's National Solidarity Program really a "new way of doing things?" The government claims that it is abandoning its past populist paternalism, making antipoverty policy more targeted and accountable by promoting pluralistic grassroots mobilization. Program decisions are now supposed to be demand-driven, based on "co-responsibility" between policymakers and low-income communities rather than partisan clientelism. Solidarity's innovative public discourse is the linchpin of President Salinas's new ideology of "social liberalism," which commits the state to buffering the social costs of economic liberalization and structural adjustment. More broadly, Solidarity promises a profound change in state-society relations, renovating the social foundations of Mexico's long-standing political stability.

In practice, generalizing about Solidarity is complicated by the diversity of programs carried out under the same label. Implementation styles vary greatly by program and by region, as Solidarity's more

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sophisticated advocates recognize.¹ Elements of the program certainly are innovative, but it is not difficult to find implementation experiences that also contradict program goals. Indeed, coexisting within the Solidarity "apparatus" are both genuine reformists and others more concerned with using social policy to maintain ruling party control. For researchers concerned with understanding the prospects for more effective and pluralistic antipoverty programs, the challenge is to determine the relative weights of Solidarity's diverse implementation experiences, ranging from "more of the same" clientelism to those that actually respect poor people's associational autonomy, with many shades of grey in between.

The range of possible Solidarity policy implementation scenarios can be cast along a continuum with three distinct categories.² At one extreme are those social policies that are "captured" by traditional political elites. Their style is associated with clientelism, corporatism, and corruption. At the other extreme are Solidarity's most innovative elements, associated with the official discourse of equity, "transparency," pluralism, and power sharing with civil society. In between are those Solidarity activities whose targeting and policy style are most ambiguous. They are not traditional, in the sense that they do not condition access to benefits with crude partisan electoral manipulation. Nor are they completely pluralistic, in the sense of respecting the political diversity of civil society, since beneficiaries are obliged to organize through certain official channels, to petition within predetermined constraints, and, most notably, to avoid public criticism of the government's broader policies. In this intermediate scenario, all politics is required to remain local; to gain access to social programs, citizens are discouraged from exercising their right to political dissent. Grassroots participation in the program varies, but it is limited to *implementation of projects*, while Solidarity policy decisions are made at the discretion of the executive branch of government.

This study will explain varying degrees of pluralism in practice by analyzing the achievements and limits of one of the Solidarity programs

¹For example, as one government journalist put it, "Not everything, of course, corresponds to this [official, reformist] orientation. In the state governments, in the municipalities, and even in some levels of the federal government in charge of implementing the program (such as the state delegations of the Ministry of Social Development), there are still important relics of the old political culture of patrimonialism and control . . . there are still corporatist practices that try to make the committees into transmission belts for a PRÍsmo which still has not managed to reform itself. But this is not, *as far as we know*, the main tendency in Solidarity (Hirales 1992: 7-8, emphasis added).

²See Fox 1994 for theoretical elaboration. This approach frames Solidarity as a case of the difficult transition from clientelism to citizenship. In contrast to explanations of democratization that are limited to "high politics" and electoral competition, this process is posed as inherently uneven, involving three distinct patterns of state-society relations within the same nation-state: redoubts of persistent authoritarian clientelism can coexist with new enclaves of pluralist tolerance, as well as large grey areas of "semi-clientelism" in between.

that was *most* likely to promote qualitative reform—the only one that actually tried to transfer *resource allocation decision making* to representative organizations of civil society. Remarkably, this ambitious policy opening was undertaken on behalf of Mexico's indigenous peoples—precisely the social groups that are the most systematically victimized by state-sanctioned authoritarian abuse. With political and economic support from the Solidarity program, the federal government's National Indigenous Institute (INI) created the Regional Solidarity Funds. Their goal was to turn local development investment decision making over to autonomous regional councils of representative indigenous social and economic organizations. In contrast to most Solidarity programs, where the state creates its own interlocutors, the Regional Funds attempt to bolster *existing* representative organizations.

This chapter begins by situating Solidarity in the context of the last two decades of changing patterns of bargaining between the state and poor people's movements. After a brief overview of Solidarity, the analysis of the INI Regional Funds program combines a national overview with a more systematic survey of experiences in the state of Oaxaca.

SOLIDARITY AND THE ROOTS OF *CONCERTACIÓN SOCIAL*

Solidarity's political and ideological roots reach back to the 1968 student movement, when the president's use of massive repression provoked a legitimacy crisis.³ Mexican reformist policymakers have been concerned with the renegotiation of the state's relationship with society ever since, leaving a long heritage of efforts to carry out both partial electoral reforms and more flexible social programs. The result has been recurrent cycles of conflict over the terms of state-society bargaining relations. From below, organizations of civil society have pressured the state to respect their associational autonomy. From above, reformists within the federal government have sought to displace more authoritarian politicians by creating alternative bargaining channels that bypassed parties—both official and opposition.

In Mexico, machine-style political brokers have long played the key role in mediating state-society relations, both inside and outside the scope of the corporatist apparatus. The classic political bargain required official incorporation of social groups under state tutelage in exchange for access to social programs. Mass protest was sometimes tolerated, as long as it was strictly "social," but if it was perceived as "political" (i.e., questioning ruling party hegemony) the usual mix of partial concessions with repression shifted toward the latter. Movements were more likely to

³Most of Solidarity's key architects and cadres were affected, since they were students themselves in the late 1960s and early 1970s.

be labeled as "political" if they expressed their autonomy by publicly rejecting official subordination.⁴

The pyramid of brokers managed challenges to stability for decades, but as they became increasingly ossified and provoked growing resentment, social groups sought greater autonomy. By the 1980s, ascendent technocrats who viewed the old-fashioned brokers as both expensive and politically ineffective moved social policy away from reliance on traditional patronage and generalized subsidies toward measures ostensibly more targeted directly to the poor. This targeting process deliberately favored a mix of official and nonpartisan social movements. In contrast to the government's past rejection of autonomous movement leaders, this new bargaining style recognized them as legitimate interlocutors as long as they steered clear of overt political opposition.⁵

These new targeted channels shifted the mix of clientelistic carrots and sticks faced by social movements. Where state managers replaced their traditional crude insistence on ruling party control with more subtle forms of conditioning access to the system, one can speak of emerging "semi-clientelist" relations. Such relationships do not depend on the threat of coercion, as with classic authoritarian clientelism, but nor are they pluralistic, in that they still strongly discourage criticism of the government's broader socioeconomic policies and its controversial electoral practices.⁶

During the post-1982 economic crisis, social policymakers tried to manage a transition away from traditional patronage and generalized subsidies while strengthening the more targeted social programs that held up what was left of Mexico's social safety net. A new bargaining relationship between federal reformists and social movements began to

⁴This "official vs. independent" social movement dichotomy was especially pronounced in the 1970s and 1980s, as collective resistance to the state grew. By the 1990s, social movements increasingly stressed autonomy from political parties in general, since contestational "independence" had often involved subordination to opposition parties. See Fox and Gordillo 1989; Foweraker and Craig 1990; Hellman 1992.

⁵It is important to point out that Mexico's ruling political class has a long tradition of mobilizing contending social groups to settle its own internal conflicts, most notably during the radical populist phase in the 1930s. What began to change in the 1970s and 1980s was that social movements increased their capacity to retain some degree of autonomy in the course of bargaining with the state. These small increases in tolerance for autonomy left movements a crucial political resource which, if conserved in the troughs between waves of mobilization, could permit them to take advantage of the next political opportunity.

⁶While the transition from clientelism to semi-clientelism may appear to be a step in the direction of responsive government, the erosion of strict controls on voter compliance may also increase the incentives for some state managers to rely on electoral fraud to minimize uncertainty. Distributing patronage widely through semi-clientelistic means (i.e., nonenforceable deals) can also make fraudulent electoral outcomes more politically plausible to much of the electorate, since many people will think that others sold their votes even if many of those who accepted the incentives actually vote their conscience. This uncertainty among voters in turn undermines the potential for collective action in defense of clean elections (see Fox 1994).

emerge, known by the mid-1980s as *concertación social*, a new bargaining relationship between "mature" interlocutors in state and society.⁷ The first national experience with the creation of more pluralistic institutional channels for state-society bargaining over antipoverty policy was the rural village store program which began in 1979, run by CONASUPO's distribution arm (National Subsidized Staple Products Company) which began in late 1979. This highly innovative program encouraged accountable policy implementation by creating citizens' oversight mechanisms in Mexico's poorest, largely indigenous rural regions.⁸

By the mid-1980s, under unprecedented pressure in the electoral arena, some federal reformists ceded new space in the nonelectoral sphere. The most important new *concertación* experience during this period was the largely positive-sum bargaining between the state and Mexico City's post-earthquake housing movements.⁹ State managers began to demonstrate a limited but still unprecedented willingness to cede legitimacy to autonomous citizens' groups by establishing both formal and informal *concertación social* agreements. While traditional corporatist pact making was also brought under the rubric of *concertación*, the more open and pluralistic variant also made inroads in agricultural production policy, urban social services, and public-sector labor relations.¹⁰

The reformist advocates of this potentially pluralistic style of interest group politics worked within a ruling coalition dominated by conservative economists and the "dinosaurs" who continued to handle the electoral system. The more pro-pluralism reform officials did not challenge the dominant economic or electoral strategies; instead they tried to buffer their political impact by experimenting with new bargaining

⁷An official food policy publication used the term "mature" in this way as early as 1985 (Ramos 1985).

⁸This pro-accountability impulse came from COPLAMAR (1979-82), which in turn had roots in a previous cycle of rural development reform, PIDER. Like Solidarity, these programs tried to reach the rural poor by reorienting the actions of regular line agencies. They tried to change what conventional functionaries did by both bypassing them and competing with them. By offering these agencies fresh resources from above while deploying their own community organizers from below, they combined carrots and sticks. Within both PIDER and COPLAMAR, reformist policymakers who were influential but not dominant pursued deliberate "sandwich strategies" designed to activate poor people's movements which could reinforce their efforts to reform the state apparatus from above (Fox 1993). As a result, each program recruited operational and outreach staff largely from outside the conventional state and party apparatus. More specifically, each of these programs recruited significant numbers of community organizers from the ranks of the "social left," the post-1968 generation of student movement veterans who rejected traditional political parties and emphasized independent poor people's organizations as the path to social change in Mexico (see Moguel, this volume).

⁹The government's low-income housing agency was quite akin to the village food store program in its reformist orientation. The post-earthquake housing negotiations came to be led by one of the most important architects of *concertación*, then-secretary of urban development and ecology Manuel Camacho (later appointed mayor of Mexico City).

¹⁰On *concertación* policy in agriculture, see Harvey 1993; Moguel and Aranda 1992.

relationships. In the late 1980s, reformists ceded small but significant political space to some representative social organizations, while at other times attempting to limit their growth or recover lost political ground. At the same time, however, more traditional policymakers used the new rhetoric and funding of *concertación social* in an effort to inject new life into the ossified official political apparatus.

After Mexico's electoral earthquake of 1988, the new president had to deal with the accumulated political costs of the post-1982 economic crisis. President Salinas claimed the mantle of reform, vowing to "modernize" Mexico's economic and political system. He sought to revive citizen confidence by bypassing both the political opposition and the traditional corporatist political apparatus. To carry this out, however, he needed to buffer the social and economic crisis that had helped to drive the 1988 political opposition. But the budgetary constraints imposed by economic adjustment priorities meant that it was "inefficient" for the state to distribute social spending through traditional channels; the intermediate layers consumed huge amounts of revenue before services actually reached those poor people who managed to gain access.

Under Solidarity's umbrella, the president significantly increased social spending, but to improve the likelihood that high-profile basic infrastructure services would actually be delivered, Solidarity either bypassed or reoriented many traditional government agencies to maximize the number of beneficiaries.¹¹ They got results; by 1991 the president and Solidarity both received very high opinion poll ratings—much higher than the official party itself.¹²

SOLIDARITY IN PRACTICE

Solidarity's target groups are poor peasants, indigenous people, and the urban poor. Programs focus on potable water and sewerage, electrification, health clinic construction, school repair, distribution, street paving, road building, housing, and specific supports for rainfed peasant producers, women, and indigenous groups. Solidarity's rapid accom-

¹¹As Rojas put it, Solidarity's "new dynamic . . . breaks with bureaucratic atavism and administrative rigidity. Public servants increasingly share a vocation for dialogue, agreement, *concertación* and direct, co-responsible work with the citizenry, which also assumes an increasingly active and leading role in the actions intended to improve their standard of living" (C. Rojas 1991: 23).

¹²See Dresser 1991, 1992c. According to one poll, by late 1991 83 percent of Mexicans thought that Salinas was doing a good job, even though only 36 percent said they were better off than when he took office. More than half of those who said they supported Salinas mentioned Solidarity as one of the reasons. One-third of those interviewed said they or a family member had benefited personally from a Solidarity project. Those who called themselves PRIistas also increased, from one in three in 1989 to almost one in two (*Los Angeles Times*, October 22, 1991). On Solidarity's massive public relations campaign preceding the August 1991 national legislative elections, see Gómez Leyva 1991. For journalistic accounts of direct electoral use of Solidarity funding, see, among others, Beltrán del Río 1990a, 1990b; Correa 1990.

plishments in the construction of physical infrastructure have been quite notable, delivering electricity, piped water, and paved streets to literally thousands of communities (see Appendix). To understand how state-society relations change, however, the focus is on how institutions operate.

From a national point of view, the geography of Solidarity resource allocation indicates some degree of electoral motivation (see the statistical analysis in Molinar and Weldon, this volume).¹³ The issue of which groups and regions are favored by Solidarity funding is distinct, however, from the question of to what degree the *process* of policy implementation changed. Electoral targeting from above does not necessarily mean, from the point of view of low-income citizens, that access to the program's benefits involved systematic clientelism or vote buying in the traditional sense. Even where government officials did attempt to recover electoral support with Solidarity projects, they may have lacked the control mechanisms needed to effectively condition citizen access.¹⁴ To get at the question of how the politics of *access* actually changed, one must disentangle the precise mix of clientelistic controls and pluralistic openings through detailed study of Solidarity's implementation mechanisms.

Most Solidarity funding is distributed through federal block grants to state and municipal governments (see Bailey, this volume).¹⁵ Officially, "in this way, Solidarity has articulated with traditional social policy, but adding an important modification in the attitude, the way of acting and thinking of the institutions" (González Tiburcio 1991: 9). The actual degree of responsiveness, accountability, and targeting of the

¹³The program's official regional development priorities, for example, appeared to channel disproportionate resources to "recover" areas contested with the center-left opposition, such as La Laguna, eastern Michoacán, Oaxaca's Isthmus of Tehuantepec and coast, the southern state of México, and Tierra Caliente of Guerrero. Solidarity spending in Michoacán in 1992, the year of a major governor's race, was perhaps the most extreme case, reportedly accounting for 12 percent of Solidarity spending nationally that year (Golden 1992b). This spending was in addition to the almost U.S. \$80 per official vote spent in campaign expenses defined more narrowly (Chávez 1992).

¹⁴Many Solidarity projects involve public goods, for example, which would complicate distinctions between official and opposition voters within a locality. Much more research is needed on the mechanisms that do effectively condition access. For example, how is the widespread lack of ballot secrecy related to the distribution of Solidarity benefits, which programs are most likely to be electorally linked, and where? For one of the few discussions of this issue in print, see J. Cantú 1992. Even in this news report, the title's claim that Solidarity "coerced" electoral support for the government is not supported by the information actually reported, which indicates instead a more subtle process of *attempted* conditioning of access.

¹⁵This component, called "Solidarity for Social Welfare," falls under the budgetary category of "Regional Development," allocated by the Ministry of Budget and Planning (later merged into the Ministry of Social Development). Solidarity and Regional Development represented 60 percent of total federal investment in 1990, up from an annual range of 18–28 percent during the de la Madrid administration. For background on budgetary flows between different levels of government, see Rodríguez n.d.

spending carried out through state and municipal governments depended at least in part, however, on the nature of those subnational governments. Some states and municipalities are more democratic and accountable than others, but virtually all face trade-offs between the more influential urban areas and the poorer outlying rural areas. Even in democratically elected municipalities, there is no guarantee that Solidarity funding will be clearly targeted to the poorest of the poor. Bridges, town squares, road paving, and other traditional public works projects all promise electoral benefits but do not necessarily favor the poor. Much more systematic empirical research is needed, but at this point it is sufficient to note that the complex bargaining process between (and within) federal, state, and municipal governments that determines how resources are actually allocated in practice does not guarantee targeting to Mexico's poorest citizens.¹⁶

One of Solidarity's most notable characteristics, and one of the features which differs most from past antipoverty reforms, is its explicit emphasis on strengthening the municipality, in an effort to decentralize responsibility for service delivery. Where municipal governments are democratically elected, Solidarity funding may well have such an impact. Municipal governments play especially important roles in several Solidarity programs, including the school renovation program, the children's scholarships, the peasant production loans, and the Municipal Funds, which permit communities to choose from a wide range of small-scale local public works.¹⁷

Where opposition political parties manage to both win over the majority of voters and succeed in defending their municipal ballot victories, federal Solidarity funders do not discriminate in obvious ways.

¹⁶According to one top policymaker, of PRONASOL's 1991 budget of M \$5.2 billion, no more than \$2 billion should really be counted as targeted antipoverty spending. The rest consisted of untargeted public works (i.e., relabeled "regional development" revenue sharing).

¹⁷While most Solidarity funding consists of tied block grants for various public works and services, some smaller programs focus on employment creation. Solidarity funding targeted to crop loans for poor peasants is channeled to individuals as "on your word" crop loans, but they were only \$100 per hectare, essentially partial consumption support until harvest time. Reaching 600,000 producers in 1991, the loans were an important symbolic substitute after the withdrawal of most other federal rural development agencies from the peasant economy (see Fox n.d.). In contrast to the official discourse of community participation, however, these loans were distributed discretely by mayors, and often by local PRI officials who used them as electoral patronage. The delivery process often bypassed existing autonomous producer organizations. One top Solidarity official estimated that 40 percent of the Production Funds "operated well," 20 percent were "so-so," and 40 percent worked badly. In the state of Yucatán, for example, an internal government survey of the program opened up "a Pandora's box." As they convened village-to-village assemblies to verify who really existed, they found in many cases that mayors had signed up children and dead people as producers. By mid-1993, internal evaluations within the Ministry of Social Development led to a proposal to change the production loan policy, to put the loan allocation process in the hands of community assemblies rather than the mayors.

According to Solidarity coordinator Carlos Rojas, Solidarity worked with 171 of 173 opposition municipalities (*El Universal*, September 5, 1991). But spending federal money in municipalities does not necessarily mean that the local authorities are actually ceded the power to decide how to allocate those funds. Many opposition mayors in Michoacán charged, for example, that monies came to them already allocated to particular individuals or for specific projects not of their choosing. In this scenario, Solidarity funding undermined rather than strengthened local government. Not all opposition municipalities faced this problem, however—Oaxaca had fewer such problems than Michoacán, for example.¹⁸ Some state governments were more hard-line than others, and almost all federal Solidarity funds go through state budget planning commissions before they get allocated to municipalities. This process poses a dilemma for those Solidarity policymakers who are genuinely *municipalista*, since it is difficult to strengthen municipalities by funding them through the states when there has often been a conflictive relationship between the two levels of government.

At the receiving end, Solidarity usually requires that beneficiaries form local Solidarity Committees, which in turn choose from a set menu of possible public works projects (i.e., electrification, paved roads, school repair, etc.). As of mid-1993, high-level Solidarity officials reported that over 120,000 local committees had been formed. The officials confided that as many as 60 percent of the committees were short-lived, formed only to distribute funding, but that 40 percent had gained real presence, developing some capacity to demand accountability from below.¹⁹

Organizing grassroots participation in Solidarity projects is more complex in areas where poor people have already created their own organizations. Solidarity had a mixed record with the more consolidated autonomous social organizations, bargaining with some while bypassing others in the name of working "directly with the base" (for example, see Hernández and Celis, this volume). In some cases, Solidarity agreements with the federal government have permitted independent poor people's organizations to bypass hostile governors (see Haber, this volume). In cases where governors managed to deny access to autonomous community development organizations, as in Guerrero, the most authoritarian elements in the ruling party used Solidarity programs to promote competing welfare projects.

In most of the country, the Solidarity Committees were controversial within the ruling party. The first years of the program provoked serious behind-the-scenes conflicts between Salinistas at the federal level and

¹⁸Juchitán had a much more positive experience than Morelia, for example (see Fox and Moguel n.d.).

¹⁹This diversity is confirmed by Contreras and Bennett's findings (this volume).

more traditional PRÚista state authorities, especially those inherited from the previous presidency and not beholden to President Salinas.²⁰ Solidarity became one of several key issues that refracted these deeper tensions within the political system. Especially during the first half of his term, Salinas appeared to use Solidarity groups as a deliberate counterweight to the official party structure, encouraging their scaling up to statewide and possibly national organizations with what he called the "new mass politics of the Mexican state."²¹

THE NATIONAL INDIGENOUS INSTITUTE

The National Indigenous Institute (INI) carries out some of Solidarity's most innovative projects. Mexico's indigenous population is the largest in the hemisphere, variously estimated at between 9 and 15 percent of the population. Officially, the census reports that over seven million Mexicans actively speak an indigenous language, accounting for 9 percent of the national population and one in six rural people.²² INI estimated that almost one-third of the fourteen million Mexicans officially considered to be in "extreme poverty" are indigenous people (INI 1990). Confidential government surveys found that the percentage of rural indigenous people considered malnourished rose from 66 percent in 1979 to 71 percent in 1989 (Consejo Consultivo del Programa Nacional de Solidaridad/API Consultores 1992).

In an effort to make up for years of neglect of Mexico's poorest citizens, INI's budget increased *eighteen-fold* during the first three years of the Salinas government.²³ One of INI's most important initiatives was the creation of revolving credit funds, to be managed

²⁰According to one credible report, a top PRONASOL official confided that in October 1991, just before the president defined PRONASOL as the "political base" of his government, twenty governors "did not accept PRONASOL and differed with its strategies and principles." The commentator observed that "we are speaking of two-thirds of the country's governors, most toward the end of their terms, who owe their careers and their posts to the old political system and the party that sustained it" (Fernández 1991; see also Dresser 1991, 1992c).

²¹In this context, as the president once told a long-time friend, a historic radical leader of the urban popular movement: "You were my teacher. [I learned from you that]: everywhere I go I leave a base of support." At a meeting of 500 representatives of 5000 urban Solidarity Committees, the president called for the creation of the Coordinadora Nacional de Colonias Populares, appearing to ignore the PRI's own efforts to modernize the official "popular" sector. See Lomas (1991a, 1991b), who also reported that the *colonos* chanted "Salinas, otra vez." This gathering was an extreme example of Salinismo in action, as distinct from PRIÍsmo.

²²The census definition is biased, excluding Mexicans under five years of age from the possibility of being counted as indigenous.

²³According to INI's annual report, its 1991 (fiscal year) budget was M\$419,477,686,000 (approximately U.S. \$140 million).

by regional councils of socioeconomic community-based indigenous groups.²⁴

INI's other main strategic initiatives during the Salinas administration included a new human rights program,²⁵ support for the large indigenous population of Mexico City, increased emphasis on research in indigenous languages and bilingual training, and a continuation of its ongoing health and education efforts. INI also played a key role in supporting the president's constitutional amendment of Article 4, which officially recognized Mexico as a multicultural society for the first time.²⁶ In addition, after the coffee crisis broke in 1989, INI also tried to buffer the combined effects of a severe frost, a collapse in the international price, and the abrupt withdrawal of the government regulatory agency from the market (see Hernández and Celis, this volume).²⁷

With Solidarity funding, INI transformed itself from a service provider into an economic development agency.²⁸ INI had previously spent most of its budget on maintaining staff and educational programs (e.g., rural boarding schools), and its few economic programs

²⁴Indigenous organizations that defined themselves in exclusively ethnic or political-ideological terms were not invited to join. See Ruiz 1993 for a critique. After many years of corporatist control through the government-sponsored *consejos supremos* created for each ethnic group since the early 1970s, several different efforts to form independent pan-ethnic indigenous networks and movements have emerged in recent years. See Sarmiento 1985, 1991a; see also Consejo Mexicano 500 Años 1991.

²⁵INI's human rights program facilitated the release of over 4,120 indigenous prisoners during its first three years, though over 5,000 remained (Llanos Samaniego 1992). On INI's efforts to reform the judicial system, see R. Rojas 1991a, 1991b. According to Warman, between 1984 and 1989 INI had assisted in the release of over 3000 prisoners (Rico 1989), but this earlier effort apparently had little effect on the causes of unjust imprisonment. See also America's Watch 1990, 1991; Amnesty International 1986; Concha 1988. There is a strong consensus among human rights advocates that anti-indigenous bias greatly aggravates entrenched state-sanctioned violence and impunity.

²⁶The Senate delayed approval of the amendment until the end of 1991. Strong resistance to this presidential initiative from all across the political spectrum provoked the formation of an unusual *de facto* alliance between Salinistas and indigenous rights advocates within the left opposition. The best coverage was in the journal *México Indígena*, later known as *Ojarasca*. As of mid-1993, however, the enabling legislation needed to actually put the reform into effect was tabled indefinitely.

²⁷Two-thirds of coffee producers are indigenous smallholders, accounting for 30 percent of national production and one-third of coffee lands (INI 1990: 17).

²⁸PRONASOL funding accounted for 64 percent of INI's 1991 budget. President Salinas began his emphasis on INI by naming one of Mexico's most distinguished anthropologists, Dr. Arturo Warman, as its director. In addition to his university career, Warman had also worked closely with PIDER development project evaluation in the mid-1970s. See his discussion of INI's limitations in Rico 1989.

had little development impact.²⁹ In terms of Solidarity's reorientation of existing line agencies, the INI experience appears to be one of the most successful. This could occur, however, only because of the long-standing presence within INI of a policy current that supported autonomous self-organization of indigenous peoples.³⁰ The agency was also more insulated from the electoral arena than other Solidarity implementation channels. INI's room for pluralistic maneuver may have also been facilitated by the ruling party's perception that its electoral base in indigenous regions was not seriously at risk, since opposition parties have yet to become viable alternatives in most of these areas.³¹

The history of the postrevolutionary Mexican state's relationship with indigenous peoples is one of conflict between factions that consider themselves allies of indigenous people, versus opponents of indigenous self-determination. The INI's history since its founding in 1948 can be understood in terms of a shifting internal balance of forces between the faction primarily identified with the PRI and often with local elites, those currents that oppose local elite domination of indigenous peoples

²⁹See González, Valdivia, and Rees 1987. They found that INI's economic development projects were chosen in communities based on proximity, and occasionally to head off opposition. For an example of an indigenous leader's critique of INI's traditional development projects, known as "ethnodevelopment" during the mid-1980s (regarding the state of México): "The INI technicians think they are owners of the programs. They think they are the bosses and treat the indigenous population worse than peons, like beggars. The public works are poorly built. In summary, the programs designed for indigenous people are turned over to the mestizos and caciques in the region, because they [the technicians] will have sure results and there won't be any failures. For the indigenous people, who need these programs the most, the INI technicians don't take them into account; they see that they might fail. So the policy of the state government and INI is to make the rich richer and the poor poorer. That is why the *mexiquense* Indians see the INI director as just as much an inept cacique as the rest of the technical staff that works there" (Flores 1991).

³⁰This process has yet to receive systematic research attention. The Mexican government created its first agency for dealing with indigenous peoples in 1934, with the Autonomous Department of Indigenous Affairs. Until the 1970s, official "*indigenista*" policy saw indigenous problems in terms of the lack of education and cultural assimilation rather than discrimination. For related discussions of "*indigenista*" policy, see, for example, Barre 1983; Bataillon 1988; Bonfil 1990; Collin and Báez Jorge 1979; Drucker-Brown 1985; Hewitt de Alcántara 1984; INI 1978; Limón 1988; Mejía Pineros and Sarmiento 1987; Nachmad n.d.; Ruiz 1993; Stavenhagen and Nolasco 1988; Warman et al. 1970.

³¹The vast majority of votes in indigenous areas are reportedly cast for the ruling party, even in 1988. Guillermo Bonfil, who was one of Mexico's most prominent indigenous self-determination advocates, supported Warman's interpretation, which is that they vote "*en corto*." That is, "based on short-term considerations which have nothing to do with political programs that propose alternative models for the society of the future. The vote is seen more as a resource for here and now, exercised toward the promise of finishing a road, building a school or a drinking water system, moving forward a land titling process, and other small benefits which help to resolve ancestral problems which shape their daily lives" (Bonfil 1990: iii; see also Rico 1989). It may also be true that indigenous voters do not so much lack national political preferences as they lack reasons for sacrificing short-term benefits in favor of what often appear to be unviable longer-term alternatives. In other words, no opposition political party has made organizing around specifically indigenous concerns a major national priority.

but do not support independent demand making, and a third group that supports autonomous self-organization for indigenous rights. All three policy currents have been embedded within the INI since its founding.³²

According to Jesús Rubiell, a former top development official at INI, the agency could become one of Solidarity's most targeted instruments for four main reasons.³³ First, INI is the only agency that specializes in dealing with one of Solidarity's target populations. For example, in the case of poor peasants, there are many agricultural agencies, and most do not specialize in reaching the poor. In the case of the urban poor, the government's low-cost housing work is highly targeted but it does not influence the many other policies that relate to urban poverty. INI, in contrast, has an experienced, specialized staff with an overview of the population's problems.

Second, there is little competition with other existing agencies working in indigenous territories. In contrast to those working with peasants or the urban poor, the INI does not have to share indigenous political and policy space with other government agencies. Less inter-agency competition, Rubiell suggested, "leads to greater capacity to implement Solidarity programs according to their principles, with transparency."

Third, INI is different because its staff are "usually not in any political party. It's very unusual that INI personnel are in the PRI or CNC—but they aren't in the PRD either [the opposition Party of the Democratic Revolution]. They aren't people who are going to manipulate or condition [access]." Working in such remote, culturally distinct areas, "they will work with existing organizations—they can't invent others."

Fourth, INI is able to carry out Solidarity principles of participation, respect, pluralism, and transparency "with orthodoxy" because most of its development funds are distributed directly, not through municipal or state governments. The Regional Funds, Rubiell stressed, have the greatest transparency because development funds are actually turned over to the indigenous organizations. Along these lines, he continued, most of the organizations INI supports are actually preexisting groups, with roots, and INI does not oblige them to change their structure (although INI encourages them to call themselves local Solidarity Committees).

The general principle officially guiding INI's development work is that indigenous peoples should be the subjects, rather than the objects,

³²While indigenous rights advocates have accounted for a minority of INI outreach staff since the beginning, they gained input into INI policy-making only during the Echeverría presidency, the first six months of the de la Madrid presidency, and under Salinas. On policy currents, see Fox 1993.

³³Author interview, October 1991. For an interview with Warman along similar lines, see Rico 1989.

of development policy (INI 1978; Limón 1988). INI has officially encouraged "participation" since 1977, but the current approach has become much more precise and pluralistic, committing INI to promoting:

The participation of the indigenous peoples and communities, through their representative organizations, in the planning and execution of all the actions in [INI's] program. The forms of participation will be varied and flexible, adjusted to the organizational diversity that exists among indigenous peoples, but all will be concerted and will contribute to the *strengthening of indigenous organization, increasing their autonomy and their capacity for representation and [project] management [gestión]*. . . . All the representative and legally constituted organizations can be subjects of these *concertación* processes, without any political or religious discrimination. Without forcing the process, support will be given to the self-managed formation of higher-level representative and democratic organizations [i.e., regional and statewide], with greater development management capacity. *Public institutions will abstain from intervening in the internal decisions of the organizations with which INI has concerted actions* (INI 1990: 41–42, emphasis added).

It should be noted that major indigenous organizations have been calling for greater involvement in INI decision making since at least the mid-1970s.³⁴ INI director Arturo Warman clarified the role envisioned for indigenous organizations. When asked whether he saw an increased role for them in INI policy-making, he said:

I think not. Our proposal is that the indigenous organizations should receive support of public institutions in their area of influence. They need to increase their management capacity. . . . Our Regional Development Funds [however] are indigenous entities where the decision making, the repayments, the oversight, the operation is done by the indigenous people, and INI only provides technical advice (*La Jornada* 1991b).

INI's declared goal of transferring certain agency functions to indigenous groups does not, therefore, mean turning *policy* decisions over to indigenous organizations. Indeed, pro-indigenous-organization

³⁴For example, this became an issue when the INI-promoted National Council of Indigenous Peoples tried to become autonomous of government at a key 1979 conference. See Mejía Pinerós and Sarmiento 1987; Sarmiento 1985.

INI policymakers were purged when they tried this in 1983, convincing many of the political inviability of this strategy.³⁵

How did INI put its explicitly pluralistic policy guidelines into practice? This question is best answered by analyzing INI's two main economic development programs, the coffee program and the Regional Solidarity Funds. INI's credit supports for small-scale coffee producers combine some funding via pluralistic channels to existing, autonomous producer organizations with semi-clientelist relations with much more funding via INI-sponsored local Solidarity Committees (see Hernández and Celis, this volume). The coffee program's relative pluralism evolved through a very ad hoc process of sectoral economic collapse, grassroots protest, and policy response. The Regional Funds program, in contrast, involved a deliberate institutional reform strategy from the beginning. INI framed this process in explicitly political terms. As stated in the first Regional Fund operations manual:

The funds are an innovative process to increase the participatory role of civil society in decision making and in the definition of policy, which reflects a change in state-society relations. The relationship of co-responsibility established between the government and the indigenous population implies a change [*giro*] in the role of [government] institutions to avoid reproducing paternalistic and vertical attitudes which interfere with indigenous peoples' development (INI 1991: 2).³⁶

The main challenge was to carry out this transfer of control over development projects with as much pluralism as possible, and to build up the managerial capacity of the organizations without compromising their autonomy. In principle, the Regional Funds program goes further than most Solidarity programs in developing a pluralistic relationship between the state and organized citizens, as table 10.1 indicates. First, the state devolves *regional* development decision making to civil society, rather than overseeing each project and imposing forms of local organization. Second, the interlocutors are supposed to be autonomous coun-

³⁵This was actually tried at the beginning of the de la Madrid administration, when INI's incoming director, Salomón Nachmad, took the new president's pro-indigenous campaign promises to heart and began turning over regional INI centers to the more consolidated indigenous organizations. He also promoted the planning of a national conference of indigenous organizations outside the corporatist control channels of the National Peasants' Confederation (CNC). This pluralist initiative was perceived as a threat by both the secretary of Gobernación (internal affairs) and the CNC, leading to Nachmad's imprisonment on trumped-up charges of corruption—later dropped after international protests (see Nachmad n.d.).

³⁶This paragraph changed when the manual went from internal photocopy form to publication for mass distribution (INI 1993).

cils made up of representative organizations, in contrast to the ad hoc and discretionary relationships with autonomous groups which characterize other Solidarity programs. Ostensibly, elected officials are not involved, and the corporatist organizations participate in the Regional Funds just like any other producer group. INI also encouraged the Regional Funds to go beyond economic support for production projects and become advocates for indigenous communities in the public investment allocation process more generally. Specifically, INI tried to help the leadership councils of the funds gain access to the Planning Committees for State Development, known as COPLADES, as recognized interlocutors and de facto counterweights to traditionally privileged interests, though largely without success.³⁷

REGIONAL SOLIDARITY FUND OPERATIONS

During their first three years of operation, the Regional Funds received M \$280,000 million (U.S. \$93 million), starting with M \$500 million each during the first year (R. Rojas 1992a). Second-year funding varied for each Regional Fund, from a floor of M \$500 million to a ceiling of M \$1,700–2,000 million in most cases, depending on INI's evaluation of their degree of consolidation. After a brief description of Regional Fund operations, the rest of the study will focus on how implementation unfolded in the state of Oaxaca. Oaxaca is one of Mexico's poorest states and accounted for one-fifth of the total number of Regional Funds nationally as of 1991.³⁸

The funds were launched by INI's main outreach apparatus, the Indigenista Coordinating Centers. Starting in 1990, the almost 100 centers were charged with convening general assemblies of the socio-economic indigenous organizations in their respective "areas of influence." This meant that organizations of the social sector (e.g., unions of ejidos and agrarian communities) were invited, as well as local community subgroups formed through past INI outreach efforts (e.g., CO-COPLAS), while strictly political actors, such as municipal authorities or

³⁷The idea that autonomous social organizations should manage development projects has been on the Mexican antipoverty policy agenda at least since the community food councils, beginning in 1979 (Fox 1993). The main difference was that the community food councils oversaw policy implementation rather than managing project selection. Nevertheless, the most consolidated councils began proposing that the government transfer the direct operation of the regional warehouses to them as early as 1982. The first full transfer to community management was in Alcochoa, Guerrero, in 1988 (Cobo and Paz Paredes 1992). Beginning in 1993, the government began proposing the transfer of rural food supply programs to the regional councils, but most were probably not sufficiently consolidated to successfully manage such large-scale logistical and administrative responsibilities.

³⁸According to the 1980 census, 44 percent of the state's population speaks one of the state's seventeen indigenous languages (Blanco Rivera 1991; see also Barabás and Bar-tolomé 1986).

TABLE 10.1
OFFICIAL GOALS OF THE REGIONAL SOLIDARITY FUNDS
FOR INDIGENOUS PEOPLES' DEVELOPMENT

- To strengthen the autonomy of the indigenous organizations and communities so that they can manage, directly and independently, their resources.
- To encourage the indigenous organizations and communities to participate actively in the planning, programming, execution, oversight, and evaluation of all the projects oriented toward their development.
- To promote [*desatar*] organizing processes in the weakest communities and strengthen them where required, to avoid the concentration of resources in the most organized communities, which often already have access to diverse funding sources.
- To establish profitable, self-sustaining productive projects, based on true co-responsibility with indigenous communities.
- To encourage productive diversification and to increase the productivity of indigenous communities through the delivery of resources and the training of their members.
- To encourage the formal recognition of the associational figures that the communities choose, so that they can have access to other existing funding sources.
- To support the tendency for the benefits of the productive actions to capitalize the indigenous organizations and communities.
- To generate more employment in the communities, to improve the standard of living of the indigenous population.

Note: The name of the program in Spanish refers to "*pueblos indígenas*," and is translated in the title above as "indigenous peoples." In Mexico, however, the term *pueblos* refers primarily to village communities rather than ethnic groups. To reflect actual official usage more accurately, the term is therefore also translated above as "indigenous communities." Source: INI, "Manual de Operación de los Fondos Regionales de Solidaridad para el Desarrollo de los Pueblos Indígenas," 1991, p. 5.

political parties, were excluded. This general assembly was charged with electing a leadership council (*consejo directivo*).

The leadership council was to actually operate the fund, allocating loans based on its evaluation of project proposals submitted by the organizations of the region. Loan periods could range from one crop cycle to several years, depending on the nature of the projects. INI technical staff were to provide support in the evaluation process, as well as in project elaboration, but were not to intervene in the actual decision-making process. Nevertheless, the Regional Fund financial procedures require that the INI center director co-sign the project loan checks. This gave each INI director potential veto power over leadership council decisions, provoking serious debate where representative organizations felt constrained by INI directors who did not "understand" the goals of the program (as INI's internal program evaluators put it).

There were few official constraints on the types of projects eligible for funding, though in principle preference was given to those that had the greatest potential for multiplier effects and job creation within the region (table 10.1). One of INI's criteria for determining the degree of Regional Fund consolidation, and therefore the amount of annual renewal funding, was precisely its evaluation of the potential regional impact of the projects chosen. Table 10.2 shows the range of types of projects supported in the state of Oaxaca. At one extreme, in terms of social impact, were some of the *mezcal* (liquor) producers which were reportedly small family businesses where the employees were signed up as project beneficiaries. At the other extreme were some of the trucks, which played a crucial role in the development of peasant-managed coffee marketing, perhaps the single most important cash crop for Oaxaca smallholders.

Defining regional project impact is not always straightforward. It could involve ethnic and institution-building, as well as economic, criteria, as in the case of the Oaxaca Regional Fund based in Jamiltepec and managed by the Organizaciones Unidas de la Costa (OUC) leadership council. INI evaluators differed over how to rate its progress because most of the funding was divided up between a large number of relatively small projects. In this case, however, participants knew that a past effort to form a regionwide organization had foundered because it concentrated all its efforts on a small number of large projects. The region is simply too diverse—ethnically, politically, and agroclimatically—to unify many communities around just a few projects. The OUC decided instead to provide immediate benefits for as many participants as possible, to build trust and pluralism as a prerequisite for institutional consolidation.³⁹

³⁹The bulletin jointly published by INI and OUC is one of the most impressive efforts to democratize access to information about Regional Fund activities. Each of the thirty-two projects is explained in detail, including remarkably frank discussions of their problems.

TABLE 10.2
REGIONAL FUND INVESTMENT PROJECTS: OAXACA, 1991

Subsector	Type of Project	Amount (M \$ Mil- lions)	Number of Projects
Agriculture	Vegetables	550,000	12
	Fruit	280,000	7
	Coffee	2,742,000	39
	Basic grains	4,033,000	39
	Fertilizer	1,383,000	16
	Infrastructure	1,531,000	20
	Marketing	2,945,000	34
Livestock	Cattle	2,462,000	45
	Poultry	79,000	4
	Bee-keeping	431,000	5
Fishing	Infrastructure	865,000	15
	Marketing	183,000	5
Crafts	Textiles	65,000	3
	Palm	64,000	2
Forestry	Project design	462,000	4
	Infrastructure	356,000	2
Food Supply	Community store	113,000	4
Small Industry	Carpentry	67,000	3
	Mezcal	279,000	5
	Tortillería	187,000	4
	Sewing	101,000	2
	Brick-making	11,300	1
	Salt-works	195,000	5
	Sandal-making	29,000	2
Infrastructure	Parts supply	141,000	1
	Trucks	1,717,000	13
	Gas station	90,000	1
Mining	Exploration	26,000	1
Regional Funds	Operations	53,204	
Totals		21,443,000	294

Source: INI, Coordinadora Estatal Oaxaca, "Análisis de la Información sobre los Fondos Regionales de Solidaridad," Subcoordinación de Organización y Capacitación, July 1991.

The national distribution of Regional Funds is shown in table 10.3. The number of INI centers in each state is broadly reflective of the relative weight of their indigenous populations. While all were funded equally in 1990, varying average 1991 budgets for each Regional Fund reflected the results of INI's evaluation of relative degrees of consolidation, including such factors as institutional development of indigenous organizations in each region, breadth of inclusion and representation in the leadership council, and project quality and scope.

In 1992, INI's preliminary internal evaluation of the Regional Funds indicated that, in very approximate terms, between one-fourth and one-third of the Regional Funds were consolidating, a comparable share were failing, and a plurality were still operating as funding arms of the local INI center directors. Most of the Regional Funds that INI considered to be doing well were located in Veracruz, Chiapas, and Oaxaca, while those in the Huasteca, Chihuahua, and the Peninsula were doing quite poorly. Tabasco was especially disastrous; the governor vetoed any development aid that could reach potential opposition sympathizers.⁴⁰ The mixed performance is due to a variety of factors to be discussed further below, including outright political exclusion and conflict, continuing INI paternalism, and "low" levels of indigenous organizational development in some regions.

LEADERSHIP COUNCILS: SIZE AND SCOPE

The breadth of the social base of the organizations represented in the leadership councils varied widely. Table 10.4 shows the official INI leadership council membership figures for Oaxaca as of 1991. One must treat the categories of "number of organizations" and "number of members" with caution. The "number of organizations" is a difficult category to deal with because it includes organizations of so many different sizes, some with many constituent subgroups. This list gives as much weight to one large network of multiple communities as to each small community subgroup of six or eight families. For example, Cuicatlán's apparently lone member was the Unión de Ejidos y Comunidades de Cuicatlán, which credibly claimed to represent sixty-four communities in its region. Both INI and independent observers agreed that it was quite appropriate for this network to control the leadership council, since they were the only broad, representative group in the

⁴⁰In response to the Tabasco governor's effort to impose a corrupt local politician as INI director, the Chontales occupied the INI center in protest in 1990. Perhaps not coincidentally, the state PRD leader, Manuel López Obrador, had won a broad following among Tabasco's indigenous peoples during his tenure as local INI director in the early 1980s. The situation remained stalemated until grassroots civic protest reversed fraudulent municipal election results and led to the governor's resignation. After a new, more flexible governor was appointed, a Regional Fund began operating in the state in 1993.

TABLE 10.3
REGIONAL SOLIDARITY FUNDS: BUDGET DISTRIBUTION BY STATE, 1991

State	INI Centers ¹	State Budget ² (millions)	Average/ Regional Fund
Pacific/South			
Chiapas	11 (16)	20,000	1,250
Guerrero	5	7,150	1,430
Morelos	1	1,000	1,000
Oaxaca	20	23,170	1,160
North/Center			
Baja California	1	650	650
Chihuahua	4	3,400	850
Durango	1	1,510	1,510
Nayarit/Jalisco	5	8,200	1,640
Sonora/Sinaloa	4	3,500	870
Querétaro/Guanajuato	3	3,100	1,030
Michoacán	3	2,700	900
México	1	5,100	5,100
Gulf/Peninsula			
Hidalgo	4	4,200	1,050
San Luis Potosí	3	2,270	760
Veracruz	7	12,510	1,790
Tabasco	1	30	30
Campeche	4	5,580	1,320
Yucatán/Q. Roo	8	9,600	1,200
Puebla	8	9,670	1,200
Total	99	126,850	1,280

¹A few INI centers did not create Regional Funds, while some INI outposts did ("modules" and "residences"). The count here reflects those Regional Funds that INI budget data show were funded in 1991. In the Chiapas case, one fund divided into five to improve coverage and representation. The state of México seems to be an outlier. Tabasco was frozen because of political conflict.

²The budget figures are rounded, and are based on funds transferred through October, plus increases already approved for the rest of the year.

Source: INI Development Office.

TABLE 10.4

OAXACA REGIONAL FUND LEADERSHIP COUNCILS: SIZE AND SCOPE
(IN DESCENDING ORDER OF MEMBERSHIP, ACCORDING TO INI ESTIMATES)

Leadership Council	Groups ¹	Members
Guichicovi	12	20,000
Miahuatlán	28	18,500
San Mateo	15	17,800
Tlacolula	27	15,500
Guelatao	14	15,300
Jamúltepec	33	14,400
Cuicatlán	1	11,700
Lombardo	23	10,800
Tlaxiaco	8	9,000
Huautla	13	8,800
Ecatepec	12	8,500
Ayutla	8	8,100
Tuxtepec	30	7,800
Nochixtlan	7	5,100
Huamelula	24	4,700
Juquila	6	3,700
Temascal	35	3,200
Laollaga	7	2,700
Copala	3	900
Silacayoapan	2	900
Totals	305	187,500

¹The organizations range in size from small, kinship-based groups to small INI-promoted work groups, community-wide organizations, and larger, multi-community networks, such as ejido unions. Most are small and informal.

Source: INI, Coordinadora Estatal Oaxaca, "Análisis de la Información sobre los Fondos Regionales de Solidaridad," Subcoordinación de Organización y Capacitación, July 1991.

area.⁴¹ In Lombardo, in contrast, one network that reportedly united eight entire communities had a vote equal to any of twenty-odd tiny community subgroups. This imbalance reportedly facilitated INI domination of the leadership council there.

The leadership councils gave one vote to each group regardless of size, but larger groups sometimes carried corresponding "moral authority." In some cases, the mix of large and small groups was the intended result of INI efforts, both to make sure that some local-level interests

⁴¹The union was dominated by autonomous community groups but included the official CNC as well. This was also one of the few cases in Oaxaca where municipal and agrarian authorities worked well together regionally. The movement began as a community food council in the early 1980s, spilling over to form a broad municipal democratization coalition between 1984 and 1987, when the president was assassinated. After a period of demobilization, the movement reemerged in the regional political space created by the Regional Fund leadership council (author interview with Eliseo Cruz Arellanes of the Cuicatlán leadership council and former president of the community food council, 1984-86, December 1991).

were represented as well as to have counterweights to the larger and more powerful leadership council members. The official data summarized in table 10.4 appear to underestimate the base membership of some of the larger autonomous organizations, at least in the two regions studied most intensively. The largest member of the Miahuatlán leadership council, for example, the Unión de Comunidades Indígenas "Cien Años de Soledad," was listed as having a mere 679 members, when experienced INI officials themselves estimated privately that it has between 1,600 and 2,000 members and the Unión's own membership claims were much higher (Vera 1990). In the Mazateca highlands, the membership of the five smallholder coffee-grower associations that dominated the leadership council was systematically undercounted on INI's lists, compared to their own quite detailed membership figures. These associations were members of CEPCO, a statewide network which pushed for greater leadership council autonomy from INI.⁴² At least in this particular case, INI seemed to bolster smaller groups as a counterweight to the autonomous grower associations.

LEADERSHIP COUNCIL CONSOLIDATION

INI itself used evaluation categories that corresponded to the traditional clientelist, semi-clientelist, and pluralistic scenarios proposed at the outset. The agency's training department used the following three general categories to rate the Regional Funds in Oaxaca:

- Regional Funds that gained autonomy from the INI coordinating center that convened them, where the leadership councils actually used the fund to consolidate their organizing process and pursue regional development strategies. These regions were usually characterized by a relatively high degree of prior development of autonomous organizations.
- Regional Funds that were used as a complementary funding source by the INI coordinating center. They may or may not have leadership councils that reflect the diversity of representative indigenous economic organizations.
- Regional Funds whose development was constrained by conflicts between organizations or the intervention of political parties, or was taken over by local economic or political elites.

According to the Oaxaca office of INI's training department, toward the end of their first year, the twenty Regional Funds' performance emerged as follows: five were consolidating, ten were still INI-con-

⁴²See Moguel and Aranda 1992. CEPCO is a key member of CNOC, one of the major actors discussed in the Hernández and Celis chapter in this volume.

trolled, and five were lagging behind, taken over by caciques or political parties. In principle, it is not controversial to propose that three such categories exist (although quite unusual for a government agency). In practice, however, such distinctions are quite difficult for outsiders to determine conclusively, whether they be INI evaluators or independent researchers. Contrasting evaluations from different independent sources can help to clarify some of the subtleties. First, differences among INI's own evaluators will be discussed, followed by a comparison of INI's results with an independent study of leadership council development in Oaxaca.

The differences between INI's Mexico City and Oaxaca offices were notable. After INI's mid-1991 national evaluation of the Regional Funds, for example, these two offices differed in their evaluation of the Oaxaca Regional Funds in thirteen of the twenty cases. There was no clearly consistent pattern to these differences, since they went in both directions (i.e., INI-Oaxaca rated different Regional Fund performances both higher and lower than did INI-Mexico City).

The debate between INI's Mexico City and Oaxaca offices over how to evaluate—and therefore how to fund—was especially revealing in the case of the Regional Fund of Huautla, in Oaxaca's Mazateca highlands region. It was notable because virtually all independent observers and many INI personnel agreed that Huautla's leadership council was among the most representative, consolidated, and autonomous. This was implied, for example, by INI-Mexico City's proposal that Huautla's 1991 funding be increased by M \$1,400 million. INI-Oaxaca disagreed, and managed to bring it down to \$800 million in the internal INI negotiations. Since the 1991 Regional Fund increases for Oaxaca ranged from \$500 to \$1,700 million, this pushed Huautla closer to the "floor" than the "ceiling" of the implicit ranking (see table 10.5).

INI's evaluation had rated the Huautla leadership council performance as "fair." The main complaints were: poor coordination between the leadership council and INI personnel (except for the INI center director); bilingual teachers rather than INI personnel led the organizing of the leadership council;⁴³ certain official documents were not prepared; some of the original organizations left; and only two of the three subcommittees were functioning. Finally, INI evaluators asserted that "the leadership council is controlled by a few indigenous professionals who have managed to support their own coffee-producer organizations (which are the largest) with Regional Funds resources, leaving the smaller groups without funding." The evaluation acknowledged that four coffee-marketing projects did achieve regional impact. The thrust of the criticisms stemmed from local INI staff feeling bypassed by an

⁴³Note the presumption by government officials that bilingual teachers were inherently unrepresentative of their communities.

TABLE 10.5
OAXACA REGIONAL FUND LEADERSHIP COUNCILS:
DEGREES OF CONSOLIDATION

Leadership Council	INI 1991 Budget (M \$ million) (implicit ranking)	Independent Confirmation of INI Ranking ¹	Pluralistic ²
Jamúltepec	1,700	Yes	Yes*
Miahuatlán	1,700	Yes	Yes*
Guichicovi	1,350	Yes	Yes*
San Mateo	1,300	No (too high)	0
Cuicatlán	1,250	Yes	Yes
Tlacolula	1,250	Yes	Yes*
Guelatao	1,200	Yes	Yes*
Juquila	1,200	No (too high)	0
Nochixtlan	1,200	No (too high)	0
Huaméhula	1,100	No (too high)	0
Tuxtepec	1,000	Yes	No*
Huautla	800	No (very low)	Yes*
Laollaga	800	No (too low)	Yes*
Copala	700	Yes	No*
Catepec	700	No (too high)	No
Silacayoapan	650	Yes	?
Temascal	600	Yes	Yes*
Lombardo	600	Yes	Yes*
Ayutla	500	Yes	Yes*
Tlaxiaco	500	Yes	Yes*

¹Independent confirmation means that there was a "good fit" between INI's implicit leadership council ranking and the results of a survey of twelve Oaxaca-based grassroots development experts (as of March 1992).

²"Yes" means that the representative, autonomous organizations in the region had some access to the leadership council. "No" means that significant groups were excluded or seriously underrepresented. "0" means that there were virtually no strong representative producer organizations reported in the region, and the fund was INI-run. Asterisks (*) indicate the presence in the region of groups in the autonomous Coordinadora Estatal de Productores de Café de Oaxaca (CEPCO) network.

empowered leadership council. Moreover, there was no qualitative distinction in the evaluation between the leadership council's lack of interest in relying on INI's bureaucratic procedures and actual development work. Several factors converged to explain this "underrating" of the Huautla leadership council:

- *Internal bureaucratic resistance.* The INI center director in Huautla initially sided with the autonomous organizations that dominated the leadership council. Because of the paternalism associated with the regular INI "technical" staff, this made a great deal of sense if he wanted to actually carry out the goals of the Regional Funds program,

but in the process both he and the leadership council alienated the regular staff, who in turn influenced the evaluators.⁴⁴

- *Competition from the state government and its corporatist allies.* Oaxaca state government authorities felt threatened by the Regional Funds program. The governor resented being bypassed by the direct federal funding channel to the grassroots, especially since autonomous organizations were among the beneficiaries. Complaints from the official National Peasants' Confederation (CNC) in the region added to state government pressure on INI's Oaxaca office to reduce support for the Huautla Regional Fund. CNC affiliates had received significant project funding during the first year, but independent members of the leadership council charged that these projects were not actually carried out.⁴⁵ They further alleged that the local CNC continued to receive INI funding from Mexico City and Solidarity funding from the state and municipal governments. According to INI officials, the CNC pushed for the removal of the INI director. In response, he encouraged both sides to have the CNC return, leading leadership council members to wonder about his reliability as an ally.

The main independent organizations in the Huautla leadership council were members of the Oaxaca State Coffee Producers' Network (CEPCO), whose success at providing an alternative to the corporatist producer groups was perceived as a threat by both the CNC and the state government. By 1992, CEPCO represented about one-third of small coffee producers in Oaxaca, and both the state government and the CNC have had to recognize their capacity for "interlocution" in other arenas, including the official Oaxaca State Coffee Council and a joint coffee-processing venture between the CNC and CEPCO.

- *INI-Oaxaca rejects full leadership council autonomy.* The Huautla leadership council was one of the most autonomous in the state. Unlike the groups in the Miahuatlán region mentioned above, it did not have a high-level back channel to Mexico City INI and Solidarity officials. Unlike the Jamiltepec region, its key leaders were CEPCO members and bargained hard with INI on the coffee policy front. Moreover, one of the leaders of the Huautla leadership council, Professor Lucio García, a bilingual teacher, developed a great deal of credibility among other Regional Fund leaders throughout the state. They regularly elected him their spokesperson, and he encouraged them to form a

⁴⁴One possible alternative, if the local staff were not respected by the most representative organizations, would have been to involve more state- or federal-level INI staff in the outreach process, but INI assigned few resources to organizing and training.

⁴⁵For example, there is a large honey warehouse along the road from Teotitlán to Huautla, co-financed for the CNC by the state government and the Regional Funds, which is a white elephant.

statewide network of Regional Funds. They began to challenge INI on the issue of financial procedures, asking why INI center directors were required to co-sign Regional Funds checks for development projects when the leadership councils were supposed to be empowered to allocate the resources.

REPRESENTATIVE LEADERSHIP

These three mutually reinforcing explanations for INI's underrating the development accomplishments of the Huautla leadership council do not directly address the possibility that the leaders of the leadership council are indeed unrepresentative, as some INI officials claim. In principle, independent leaders could well be autonomous of INI and other authorities but clientelistic in relation to their rank and file. The Regional Fund operations manual draws attention to this issue:

It is important to stress that dialogue and *concertación* with the indigenous communities should be two basic instruments in the relations they establish with the organs of government. This implies serious review of the quality of interlocution, paying special attention to the authenticity of the leaders, the truthfulness of their pronouncements, and the transparency of their relations with those they represent (INI 1991: 3).

Nevertheless, it is not clear whose job it is to make sure that indigenous leaders are representative, especially given INI's long history of creating or recognizing its own preferred interlocutors, sometimes at the expense of more representative leaders (Ruiz Hernández 1993).

Much more extensive field research would be required to come to strong conclusions about representation *within* leadership council member organizations in any given region. For this study, the Mazateca leadership was observed in action at the village level, in the regional town center, in the state capital, and in Mexico City. The most notable occasion was an annual "profit-sharing" assembly of the Local Agricultural Association (AAL) of the remote municipality of Santa María Chilchotla, which brought together about three hundred delegates and rank and file from almost sixty communities, representing more than one thousand families. Insofar as one could tell from unconstrained observation (with disinterested translation from Mazateco to Spanish), the all-day meeting involved considerable heated criticism of the leadership. The majority of those present spoke up at one time or another. Members were extremely frustrated that the price of coffee was so low, and the leadership struggled to explain why

it was due to factors beyond their control and why the members should not give up on the idea of cooperative marketing and processing now that the government had pulled out of the market. Elders recalled the days before the government company came in to regulate monopolistic private buyers. It is certainly possible that this observer was unable to perceive some hidden manipulation, in spite of apparently broad and open debate, especially given the language barrier. But the views expressed and the issues raised certainly indicated that the interaction between members and leaders was quite balanced. Tellingly, leaders confessed afterward that they felt they had barely survived a serious challenge.

In terms of the development impact of the funds—perhaps the most “objective” criterion for inclusion—four of the Huautla leadership council coffee-producing organizations used Regional Fund loans to buy trucks which have had widespread spillover effects through setting a price floor for coffee—the region’s principal crop.⁴⁶ More recently, the Huautla leadership council became a key arena for negotiating the transition to new leadership in the INI center.⁴⁷ In other words, in spite of the INI evaluators’ qualms, the Huautla leadership council was putting the Regional Fund policy into practice, transforming the regional economy while developing into a new, representative interlocutor to bargain more broadly in defense of the interests of the people of the Mazateca highlands.

LEADERSHIP COUNCIL CONSOLIDATION: ARE ADVERSARIES INCLUDED?

The general three-scenario pattern of INI’s own internal evaluation was confirmed by the author’s direct field checks of leadership councils, together with a survey of independent indigenous leaders and non-

⁴⁶This does not mean that loan recipients necessarily paid them back to the Regional Fund. On the contrary, grassroots skepticism about the government’s commitment to the future support for the Regional Funds greatly undermined the incentive to pay back loans, at least in the short term.

⁴⁷The council successfully vetoed INI’s first candidate for director, but INI also vetoed the leadership council’s first candidate. This spillover effect, whereby the leadership council becomes an effective body for negotiated “co-responsibility” between indigenous groups and INI officials beyond the scope of the Regional Funds themselves, went even further in the Sierra de Juárez region. Here, in Oaxaca’s northern mountains, the INI director became a key ally of autonomous groups. When the assassination of a key regional Zapotec leader (allegedly on orders of a top state government official) provoked the first regionwide grassroots human rights campaign, the INI director allowed the movement to use his offices to paint protest banners. This gave the state government the pretext to have him removed. In the process, not only did the leadership council lead the mobilization to protest the murder of one of its own members, it also became the forum for negotiating with INI over who would become the new outreach center director. The eventual consensus candidate was a veteran indigenous grassroots leader from the region, representing a face-saving step in the direction of INI’s proposed “transfer” of its functions to indigenous organization themselves.

governmental development experts from throughout the state. Table 10.5 shows where the independent observers concurred or differed with INI’s implicit ranking of leadership councils.⁴⁸ This survey also found a consensus that after the first two years of Regional Fund operations, at least six leadership councils had reached “consolidation,” meaning that autonomous groups played a leading role in resource allocation decisions (table 10.6).⁴⁹ Only three of the twenty Oaxaca leadership councils were found to have directly excluded representative indigenous organizations.

In terms of pluralism, it was notable that relatively few Oaxaca leadership councils exclude important representative indigenous organizations, as table 10.7 indicates. The cases reported are in especially conflictive areas. The Triqui and Tuxtepec regions are among the most violent and polarized in the country. The cooperatives in Yautepec were embattled with the Subdelegada de Gobierno, the representative of the state government who had purged the group from the region’s community food council in 1989.⁵⁰

Perhaps the single most powerful indicator of pluralism was the consistent presence of CEPSCO affiliates in the leadership councils. CEPSCO was the most consolidated, autonomous grassroots economic network in Oaxaca; its member groups represented approximately 20,000 families statewide. The CEPSCO network was fervently nonpartisan; most member groups operated within the PRI or were not involved in party politics, although a few affiliates sympathized with the center-left opposition Party of the Democratic Revolution (PRD).⁵¹ Several CEPSCO affiliates claimed to be underrepresented, as in Lombardo, but in only two Regional Funds out of thirteen were they actually excluded. In most cases they shared power (and therefore funds) with both other autonomous organizations and CNC affiliates.

To put the Regional Funds in context, they constituted a small fraction of overall Solidarity funding, even in largely indigenous rural areas. Overall, they were only one of many entry points for autonomous

⁴⁸The broad array of “participant observers” disagreed over how to rate particular leadership councils less often than one might have expected. As table 10.5 shows, the seven cases where they disagree tend to be the more ambiguous “intermediate” leadership councils.

⁴⁹“Consolidation” means that autonomous groups played a leading role in making resource allocation decisions. It does *not* imply that all or even most leadership council members came from broad-based grassroots groups. Even in regions where the groups that led a leadership council were solid, most of the rest of the leadership council members could well still be fragile, overnight creations (e.g., Jamiltepec).

⁵⁰Author interview with the former president of the food council.

⁵¹CEPSCO’s main activity was buying, processing, and selling coffee, both setting a floor price after the state withdrew from the market and increasing the value added retained by peasant producers. In 1991, CEPSCO estimated that it bought 8 percent of the coffee produced in the state.

TABLE 10.6
REGIONAL FUND LEADERSHIP COUNCILS:
CONFIRMED CASES OF RELATIVE CONSOLIDATION IN OAXACA

Leadership Council
Jamiltepec*
Miahuatlán*
Huautla*
Tlacolula
Guelatao*
Cuicatlán*

Note: Consolidation is defined in INI's own terms, but the list is based on independent cross-checking of those criteria. There are wide-ranging differences within INI over how to evaluate consolidation. This table shows the least ambiguous cases, based on a survey of twelve Oaxaca-based independent rural development experts, as well as INI officials and indigenous leaders. Asterisks indicate cases where the evaluation was based on direct interviews with leadership council members.

TABLE 10.7
REGIONAL FUND LEADERSHIP COUNCILS:
CASES OF APPARENT EXCLUSION IN OAXACA

Leadership Council	Groups excluded
Tuxtepec	UGOCP ¹ , CORECHIMAC ² , CCC, ³ MN-400, ⁴ and CEPCO affiliates
Copala	MULT ⁵
Ecatepec	Unión de Comunidades de la Región de Yautepec ⁶

Note: As of March 1992.

¹The Unión General Obrera, Campesina y Popular has a significant base in the region. Led by a former Trotskyist, UGOCP is a land rights group which combines militant tactics against local elites with alliances with national government officials.

²Consejo Regional Chinanteco, Mazateco y Cuicateco (an affiliate of the Frente Independiente de Pueblos Indios, FIPI). Ruiz, a national FIPI founder, noted that the Tuxtepec council twice denied or tried to condition CORECHIMAC access (1993: 35).

³The Central Campesina Cardenista is a semi-official peasant organization.

⁴The Movimiento de los 400 Pueblos is a semi-official organization centered on a charismatic populist leader.

⁵Movimiento de Unificación y Lucha Triqui, affiliated with both the Coordinadora Nacional "Plan de Ayaia" (CNPA) and CEPCO.

⁶Promoted by a liberation theology-oriented priest.

social organizations to gain access to Solidarity funding, depending on the particular program and group involved. Autonomous social organizations could bargain for access to other Solidarity programs, but the terms were completely ad hoc, depending on past bargaining relations, personal ties, and the intensity of traditional corporatist opposition.

PROPORTIONAL REPRESENTATION

Compared to most government rural development programs, relatively few of the Regional Solidarity Funds in Oaxaca clearly excluded representative organizations. A more robust notion of pluralism would involve not simply inclusion but measures that would encourage some degree of proportional representation. Again, the Huautla leadership council experience offered instructive lessons. By late 1991, the official peasant federation complained loudly to the state government and to INI that it lacked sufficient voice in the Mazateca highlands leadership council. Several CNC representatives had left, leaving vacancies which put the restructuring of the leadership council on the agenda.⁵² The leadership council first launched its own "renovation" process in late 1991, and several of the more independent veteran leaders remained on the council. INI had the power to reject the new council, with its control over the fund checkbook, and called its own restructuring process in March 1992—just before President Salinas was due to inaugurate local public works projects and focus media attention on the Mazateca highlands. This new process marked the first time that the general assembly used a proportional representation formula to elect a leadership council. Each local community-based group would get one delegate, but each organization that encompassed many villages would have one representative for each three hundred members, elected by local assemblies. If carried out fairly, this new electoral process would be a real test of the "representativeness" of CEPCO affiliates in the region. They accepted the challenge.

Out of the eight regional organizations present, six were CEPCO affiliates. Of the eighty-two delegates chosen, forty-five were from CEPCO groups or their local allies. This general assembly voted in a twelve-member leadership council with six CEPCO members, two likely CEPCO allies, two from the CNC, and one likely ally. The most articulate CEPCO leaders were reelected, in spite of strong opposition from the CNC and the INI. As one put it, however,

They really treated me something awful, they really didn't want me on the council. But the producers had

⁵²The small local affiliate of one independent national peasant organization also lacked representation (UNCAFAECSA).

named me, and they had to respect the producers' decision. The official groups just came with the idea of dividing up the money, but we also want to carry out a regional development plan—not just projects, but something for the region as a whole. But our intention is to overcome our differences.⁵³

He expressed support for INI's proposal that the leadership council become a broader regional development advocate, defending indigenous peoples' interests to other government agencies as well as the INI. After all, "if the organizations don't say what the communities need, then the government agencies will do whatever they want."

INI's first experiment in proportional representation turned out quite well from the point of view of those very leaders who seemed to be targeted for exclusion. The representation of the autonomous leadership survived the government's test. As of mid-1993, however, there were no signs that this experiment in proportional representation would be replicated elsewhere. On the contrary, the government's support for the program as a whole began to weaken.

THE "WAR OF POSITION" FOR PLURALIST INCLUSION

Within this "most likely" case for inclusion, both state and societal actors willing to share power were distributed unevenly throughout the country, and possibilities for respect for associational autonomy were greatest where they overlapped. Where consolidated, representative organizations already existed and INI directors were willing to devolve effective power over Regional Fund resource allocation, "virtuous circles" of pluralistic policy implementation emerged. These nascent processes nevertheless faced two major obstacles at higher levels in the political system. The first was resistance from more authoritarian political elites, often entrenched in state governments, and the second was INI's own semi-clientelistic tendencies.

The potential distribution of pluralistic leadership councils depended, fundamentally, on the varying "thickness" of Mexico's organized indigenous civil society—in some regions richly textured, in others quite thin or still heavily structured by clientelism. Some regions had experienced two decades of ebb and flow of protest and mobilization, often beginning with land rights and then focusing on ethnic identity and human rights issues.⁵⁴ Most of the movements that man-

⁵³Author interview with Professor Lucio García, Asociación Agrícola Local-Huautla, member of both the original and new Mazateca Regional Fund leadership council, April 12, 1992.

⁵⁴Indigenous mobilizations have been strongest in Chiapas, Oaxaca, Hidalgo, Veracruz, and Guerrero. See Mejía Pineros and Sarmiento 1987; Nagengast and Kearney 1990; Sarmiento 1991a; and the journals *Ojarasca* (formerly *México Indígena*) and *Etnias*.

aged to offset entrenched regional political and economic elites had previously received some kind of support, or at least tolerance, from past rural development reform programs like PIDER or CONASUPO-COPLAMAR; each brief and partial opening of political space for new levels of regionwide collective action left the movements better able to take advantage of future cracks in the system. This "accumulation of forces" was very uneven, however, and many regions still lacked autonomous groups with the bargaining power and organizational capacity needed to handle development projects. In these regions, INI officials continued to control the Regional Funds, according to both nongovernment development organizations and INI's own internal evaluations.

If the map of representative societal groups was uneven, so was INI's commitment to the program's pluralist principles. Many INI officials encouraged groups to form overnight (*"al vapor"*), whether to facilitate their "unloading" of resources or to generate a local clientele. It was not always because of INI paternalism or political polarization that leadership councils or member groups failed to "take off," however. There may simply have been few representative societal partners with effective "absorptive capacity." In these regions, INI is in the position of either allocating less money or investing it less effectively.⁵⁵

For INI's part of the bargain, the agency was characterized by a mix of personnel. The directors of each of the almost one hundred outreach centers were among the most strategic actors, since they were the ones most responsible for convening their corresponding leadership councils, and they retained the power to co-sign the development project checks. Both indigenous leaders and INI officials agreed that INI director attitudes were crucial. Those INI staff who support leadership council autonomy referred to INI directors in terms of whether they "understood" the goals of the program. The fundamental question was whether they were willing to see their budgets increase while giving up their traditional discretionary authority. According to high-level INI staff, less than half of INI directors "understood" the Regional Funds program.⁵⁶

Lower-level INI staff were also a major obstacle. Often paternalistic or corrupt, many were frustrated at seeing Indians seem to get more money than they did. Even the honest officials were often unwilling to work beyond the conventional urban 9 a.m. to 3 p.m. weekday schedule. This meant that most INI staff almost never went to outlying communities, and certainly not on days when assemblies were held. Evaluators repeatedly referred to a "shocking inertia." Relative to the scope of the Regional Funds

⁵⁵Even within relatively consolidated leadership councils, some observers thought that the more fragile groups and those created *"al vapor"* got more than their share of project lending (e.g., Jamiltepec). See also Ruiz 1993.

⁵⁶For example, eight of the twenty INI directors in Oaxaca were reported to "understand" the Regional Funds program. For the Gulf-Peninsula region as a whole, the proportion was similar (40 percent).

program, INI devoted relatively little attention to outreach and reorganization of staff to encourage a truly pluralistic policy style.⁵⁷

Governors are strategic authoritarian elements within the regime, in part because they can resist reform efforts in the name of federalism.⁵⁸ In states where indigenous citizens joined the electoral opposition, authoritarian elites usually managed to block the Regional Funds program (e.g., Tabasco, Michoacán, Guerrero). INI may have had more room for maneuver in Oaxaca in part because there was no threat of a statewide electoral challenge. Yet the most authoritarian response to the program was in a state with virtually no electoral competition at all—Chiapas. Governors of Chiapas, one of Mexico's most socially polarized states, are among Mexico's most repressive and patrimonial. Indigenous organizations in Chiapas were nevertheless highly developed in as many as half the state's regions. Remarkably, this view was shared both by INI's own internal evaluators and by one of INI's sharpest critics, Margarito Ruiz.⁵⁹ As he put it:

The situation in Chiapas is exceptional, since the majority of the so-called "independent" and "political" organizations are in the Regional Funds. This has been achieved because of the maturity of the Chiapas indigenous movement, and a certain separation between INI's political clientele and the governor's clientele, which have set up parallel *indigenismos*. As a result, the independent indigenous organizations have an important presence in the Regional Funds, while the other organizations work with the municipalities and the state government's indigenous offices, so they do not compete for the same spaces. At this moment the organizations and 123 communities which are members of the Frente Independiente de Pueblos Indios in Chiapas are incorporated in the Regional Funds. . . . When indigenous organizations are able to effectively take the Regional Funds into their own hands, they really can become an important space for participation and decision making, and *can facilitate the*

⁵⁷Several veteran Oaxaca-based community organizers contrasted the rather staid process of organizing the Regional Funds with the idealistic enthusiasm and esprit de corps of the village food supply networks back in the early 1980s, which involved a major commitment of institutional resources and recruited several hundred committed grassroots organizers (Fox 1993).

⁵⁸The rate at which presidents remove governors is an excellent indicator of the degree of intra-state conflict in Mexico. During the first three years of the Salinas administration, nine of thirty-one governors resigned because of political problems. See also Fernández 1991.

⁵⁹Ruiz, a Tojolobal leader from Chiapas, was a founder of the national Frente Independiente de Pueblos Indios. He was also elected as an opposition representative to Congress in 1988, on the PRD ticket, where he played a key role in the Article 4 reform.

creation of a phase of "transition" —not transfer— from indigenismo to "postindigenismo" (Ruiz Hernández 1993: 35, emphasis in original).

Indeed, INI and indigenous producer organizations in Chiapas were so successful at building pluralistic relationships that the governor jailed three top INI officials in the state on trumped-up charges of fraud. Not only was this clear evidence of state government hostility to federal reform activities, but it also provoked a large protest march by indigenous organizations in the defense of the INI officials and their efforts. As leaders of one grassroots delegation put it:

Their only crime was to work with everyone, whether or not they are sympathizers of the government. We indigenous people are disturbed by their detention; it's clear that there was no fraud or sin. We demand that they respect us, now that we're learning [to carry out development projects], that they don't block our work. . . . This is a political problem, they blame the INI for everything that happens in Chiapas, but we want to make it very clear that these are our decisions.⁶⁰

Only the governors of Nayarit and Veracruz supported the Regional Funds program, and the leadership councils were relatively consolidated in both states. The Oaxaca and Chiapas cases point in opposite directions. In both cases governors opposed the Regional Funds and in both cases they managed to blunt their reform thrust, but the Oaxaca state government's strategy was more subtle than that of the Chiapas hard-liners. The former waited until INI was politically weakened by a change in national leadership in late 1992 to move to reduce INI's autonomy in the state.

Another risk to the consolidation of a pluralistic relationship with the leadership councils lay within INI but outside the Regional Funds program. INI's national agenda involves policy debates about human rights, culture, education, and constitutional amendments—including the controversy over Article 27 of the Constitution, which deals with land tenure. A major internal INI study was leaked to the press at the height of the brief public debate about changing the land tenure system—the only major official voice to highlight the possible negative social impact of ejido privatization.⁶¹ It is very unlikely that INI's director approved of this leak, but when the primarily pro-privatization proposal emerged Warman appeared to have "lost" the internal

⁶⁰R. Rojas 1992b. Six INI officials were arrested at first, but three were released quickly.

⁶¹See, for example, Pérez 1991, as well as the October 20, 1991, lead editorial in *La Jornada*.

policy debate. He quickly moved to announce his strong public support for the reform. In his zeal to demonstrate the depth of his support for the ejido reform during the peak of the national debate, Warman called an urgent, last-minute meeting of five hundred Regional Fund leaders from all over the country. INI officials first proposed the gathering as an "interview" with the president, but after gauging the depth of skepticism among leadership council members regarding the constitutional amendment, the event was quickly repackaged as "informational." On several days' notice, the INI convened meetings throughout the country to pick state delegations to bus to Los Pinos (the Mexican "White House").

In a meeting of all twenty Oaxaca leadership councils, the first reaction was to reject the "invitation." The leaders felt that since their membership had yet to have an opportunity to learn about and discuss the proposed reform, they were in no position to go to a national meeting of de facto acclamation. Some even expressed concern for their physical safety in their home communities if they were perceived as having supported the reform. After much discussion, an extended open debate led to a 14-6 vote in favor of going to Los Pinos. A desperate appeal from INI's Oaxaca state director made the difference. He clearly risked his job if he proved unable to "deliver his base" in a major INI effort to show its loyalty to the presidential project. Most of Oaxaca's leadership councils had seen the state director as an ally, at least until this strong pressure to go to Los Pinos, and they were concerned that if he were removed, his replacement could well be worse. In the spirit of unity, the losing side went with the majority to the capital. Regardless of their vote, most felt betrayed. They had trusted INI's promise of treating them like citizens.

The INI's "roundup" of its leadership councils for the November 29, 1991, presidential meeting seemed to resonate with traditional election-time clientelism and obligatory "mobilization," but it was actually more semi-clientelist in content. The threat was the withdrawal of carrots, not the use of the stick. This process of state structuring of representation had nothing whatsoever to do with the official political party or elections. Instead, reformists were indirectly conditioning access to their most innovative antipoverty program, imposing "consent" to its land tenure policy change.⁶²

As of mid-1993, a new threat overshadowed both the hostility of the governors and INI's own limitations. Most of the 1992 Regional Fund budget allocations had still not been released by the federal Ministry of Social Development (SEDESOL). SEDESOL officials complained about lagging repayment rates and the program's lack of fit

⁶²With the government majority in Congress, there was no question as to the proposal's legislative prospects, so the presidential speech to the leadership councils seems to have been political overkill.

with official project funding procedures. Repayment problems were not surprising, given the critical problems of profitability throughout the countryside; but since the federal government was very flexible with much larger debts from other agricultural borrowers, such as large coffee plantation owners or the buyers of privatized sugar mills, slow repayment rates alone were not a credible explanation for freezing program funding.

On SEDESOL's second point, the Regional Funds are indeed vulnerable to the charge that they violate official disbursement procedures. In practice, this complicated "*normatividad*" requires that all Solidarity-funded projects be approved by the central Ministry of Social Development (PRONASOL 1993). Community organizations are free to propose, implement, and supervise projects, but the key decision about *whether to fund them* remains in the hands of the government. The whole point of the Regional Funds program, in contrast, was to *transfer* this decision-making power to the leadership councils. If SEDESOL's main concern were fiscal accountability, then INI's check co-signing powers would presumably have been sufficient, but that was not enough for SEDESOL officials. Meanwhile, INI had been politically weakened by the transfer of its influential director to fill the newly created post of agrarian attorney general. This left INI's Regional Funds vulnerable to opposition from powerful antipluralist elements within the Ministry of Social Development itself.⁶³

CONCLUSIONS

Since the early 1970s, successive waves of rural development reform opened small but significant cracks in the system, permitting greater space for more pluralistic development policy in some of Mexico's poorest regions. The openings were small because they were limited to those few regions and policy areas where reformists effectively intervened in the implementation of rural development policy. The openings were significant because they offered political and economic resources which helped the consolidation of representative and au-

⁶³A combination of bureaucratic and political motives may help to explain why SEDESOL undermined the Regional Funds program. First, central bureaucracies generally tend to oppose co-responsibility between state and society. Indeed, at one internal meeting with INI officials, SEDESOL's representative wondered, "why should indigenous people get special treatment?" (i.e., be allowed to control Solidarity resource allocation when they hold all the other purse strings). For many SEDESOL officials, community participation should be limited to a narrow set of local choices from a set menu, and then providing manual labor. While this explanation may be sufficient, it is compounded by the complexities of presidential succession politics. The secretary of social development, a former president of the ruling party, was a leading candidate for the official presidential nomination. It was therefore not in his interest to promote Solidarity programs that irritated state governors, who play important roles in the behind-the-scenes jockeying that determines the nomination.

onomous social organizations. Through waves of mobilization and partial reforms, representatives of society's most oppressed groups—rural indigenous movements—increased their capacity to bargain with the state while retaining important degrees of autonomy. Some chose to abstain from overt electoral challenges, mainly to avoid losing semi-clientelistic access to significant resources. But if representative leadership remained in place, then they could choose to engage in open opposition politics if and when the political opportunity structure should change in the future. In a gradual “war of position,” social movements and state reformists pushed back the boundaries of the politically possible.⁶⁴

With the National Solidarity Program, political action from both above and below further eroded classic clientelism, in urban as well as rural areas. Semi-clientelism largely took its place, along with enclaves of pluralist bargaining. The National Indigenous Institute carried out one of Solidarity's most pluralistic development programs. The geographic distribution of reformist INI officials and consolidated community-based organizations was quite uneven throughout Mexico. Possibilities for respect for associational autonomy and Regional Fund success were greatest where they overlapped. Where consolidated and representative organizations already existed and INI directors were willing to devolve effective power over Regional Fund resource allocation, “virtuous circles” of pluralistic development policy implementation emerged. This process also led to the creation of unique instances of power sharing among indigenous organizations themselves, within and across ethnic groups. Nevertheless, the Regional Funds lagged behind in much of the country because of continued paternalism entrenched in the INI apparatus, opposition from traditional authoritarian elites and their federal government allies, and uneven degrees of consolidation among autonomous indigenous movements themselves.

⁶⁴Distributive reform thus became political reform, as Przeworski defines it: “a modification of the organization of conflicts that alters the prior probabilities of realizing group interests given their resources” (1986).

11

Solidarity and the New Campesino Movements: The Case of Coffee Production

Luis Hernández Navarro and Fernando Célis Callejas

A NEW REGULATORY FRAMEWORK

Between 1973 and 1989, the production model governing coffee cultivation in Mexico was regulated by extensive state intervention. The 1989 collapse of the quota system of the International Coffee Organization (ICO), in combination with Mexico's economic stabilization policy, hit the Mexican coffee sector particularly hard. In response, the old form of state intervention disappeared, replaced by a new framework for the relationship between the state, producers, and the market. However, this new framework arose in the coffee sector more as a result of a series of chaotic and disarticulated policies than of clear and mutually compatible rules to govern the relationship between the various actors in the sector. Those principally affected by this transition were the 194,000 small producers who jointly produce in excess of 100,000 tons annually.

The National Solidarity Program has been a fundamental part of this new regulatory model. This chapter seeks to describe how Solidarity has operated in the coffee sector, and how it both resembles and departs from the old forms of state intervention.

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*Transforming
State-Society Relations
in Mexico*

The National Solidarity Strategy

Edited by
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