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[i] This paper draws from a dissertation project comparing social interventions in Mexican and Nigerian sites of petroleum extraction. Portions of the Nigerian research may be viewed as Zalik, Anna (2004). The Niger Delta: Petro-Violence and Partnership Development. Review of African Political Economy, 101, 4 and Zalik, Anna (2004) The Peace of the Graveyard: The Voluntary Principles on Security and Human Rights in the Niger Delta in Assassi, van der Pijl and Wigan *Global Regulation: Managing Crises after the Imperial Turn.* London, Palgrave. The author thanks the Social Sciences and Humanities Research Council of Canada and the Einaudi Centre and Latin American Studies Program at Cornell University for financial support to field work carried out from 2002–04 and Philip McMichael, Shelley Feldman, Lourdes Beneria, Jean Spencer, and Estelle Tarica for theoretical and editorial comments on drafts of this work.

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DSFLOKTDLG,KDF,LOK

Contemporary social relations surrounding extractive sites in southeastern Mexico are embedded within the creeping denationalization of the petroleum industry. To contextualize these relations, this paper provides a historical overview of the role of Pemex in social organization in the Gulf region and early campesino claims for ecological compensation. It goes on to discuss structural changes in the petroleum industry, state environmental regulation, and social mobilization in the region in the 1990s. Through this discussion, constitutive elements of re-regulatory processes in the extractive zone are outlined, shaped by the residue of state corporatism characteristic of PRI rule in twentieth century Mexico as well as the neoliberal agenda that has been advanced in earnest since the late 1980s.

To exemplify the mutually constitutive role of both popular and state-led moves to environmental and social re-regulation of the Mexican Gulf, the paper also introduces a case example of a contemporary social movement seeking environmental reparations. The trajectory of the campesino organization Apetac (Ecological Producers Association of Tatexco) in the refinery zone of Coatzacoalcos/Minatitlán in Southern Veracruz suggests the overlap between the classically corporatist style that characterized Pemex–labor union–campesino relations for the latter half of this century and shifting forms of social control that emerged with economic liberalization. Methodologically, the case serves as an expression of social and institutional change in the face of global restructuring of the petroleum industry and denationalization. Embedded in broader civil society mobilization, Apetac's stance regarding denationalization reflects the importance of local resource sovereignty in contemporary debates concerning neoliberal policy in Mexico in particular, and Latin America more broadly (Otero 2004).[1]

Herein I define Mexican corporatism as the penetration of the ruling party (the Institutional Revolutionary Party or PRI) into labor and agrarian organizations and the partial centralization and control over these sectors through state unions with a highly patrimonial structure. In contrast, neoliberalism, seeking economic reform and privatization of state-owned industry, is accompanied by the weakening of these popular institutions and organizations—what Sergio

Zermeno refers to as the "dissolution of the social" and the "loss of the public" (Zermeno 1996). Under neoliberalism, however, the movements that have arisen make demands on institutions external to the traditional limits of the state (whether multilateral organizations or private capital) as per the example of the Zapatistas. In situating national sovereignty external to state institutions, such movements redefine and/or question the legitimacy of the state (Otero 2004; McMichael 2000).

THE MEXICAN GULF AND NEOLIBERAL RESTRUCTURING IN THE 1990s

Mexico is one of the top three suppliers of oil to the US and the fifth largest supplier of oil in the world.[2] Its production is concentrated in the Mexican Southeast, with 80 percent accruing from offshore fields in Campeche Sound and much of the rest from land-based operations in Tabasco and Southern Veracruz states. Popular reclamations for environmental reform of the industry since the 1980s accompanied global pressures for economic liberalization. While the significance of the oil industry to the Mexican state has declined over the past decades, the oil industry still accounts for one-third of Mexican government revenues and Mexico's Gulf region is of crucial significance to American energy security.

Throughout Mexico the1990s saw the dismantling of key institutions of PRI corporatism. These were associated particularly with the reform of Article 27 of the Mexican Constitution that allowed for the privatization of the ejido sector and loosened labor protections and nationalist control over key industrial sectors. In the Mexican Gulf, Andrés Manuel López Obrador—then opposition (Party of the Democratic Revolution or PRD) leader in Tabasco State—led popular protests against these measures and for democratization of the PRI-controlled state, including a number of "exoduses" for democracy to Mexico City. The marchers were primarily campesinos protesting oil industry contamination and former Pemex workers laid-off through neoliberal policies.[3] López Obrador's leadership was extremely threatening to then Tabascan Governor Roberto Madrazo, who committed sweeping electoral irregularities in the 1994 state elections in order to hold onto power. Despite a protest march afterward and calls for an annulment of the elections, however, Madrazo maintained his position.

The defeat of López Obrador spelled the denouement of the Gulf-based movements. This resulted from the leadership gulf created by López Obrador's departure to Mexico City as well as the entry of some key Tabascan activists into the state's PRI government[4]—on the surface both classic examples of opposition incorporation. Also important was Governor Madrazo's creation of the Inter-Institutional Commission on Environment and Sustainable Development (CIMADES) in the late 1990s in response to popular protests, the practices of which have been criticized for providing partisan benefits to PRI supporters. The decline in protest following this period, however, did not reflect a retraction of the organized opposition. Indeed, in the 2003 municipal elections in Tabasco the PRD gained significant ground, winning in eleven out of seventeen municipalities. Somewhat paradoxically the decline in the Gulf-based social movements resulted in the projection of Tabascan political struggles onto the national stage. López Obrador became the triumphant and popular PRD mayor of Mexico City and as competing PRD and PRI Presidential candidates in 2006, he and Roberto Madrazo face off once more.

PEMEX AND THE OIL WORKERS—SOCIAL REGULATION UNDER CORPORATIST PACTS

Historically, the expropriation of the Mexican petroleum industry in 1938 was the first case of a Southern nation taking significant control over sub-soil resources,[5] long before the creation of OPEC. President Lázaro Cárdenas' nationalization of the industry made him a hero; history declares that people of all classes deposited their most prized possessions in Mexico City's central square to finance the costs of expropriation. Cárdenas' later support for the Cuban revolution foreshadowed his son's political career as leader of the left wing of the PRI that became the key opposition party, the PRD, in the 1980s. The major firms expropriated were El Aguila de México, a Royal Dutch Shell subsidiary, and the Huasteca Petroleum Company, the Standard Oil affiliate. The consolidation of the PRI affiliated oil workers union thereafter served as a fundamental pillar of the PRI's corporatist state apparatus for fifty years. Yet the

expropriation demonstrated and widened an opening for popular claims on state institutions. By constituting the subsoil, in both a legal and figurative sense, as the property of "*los mexicanos*" the extractive resources of the nation were made a "public" good whose redistribution, or lack thereof, remains the site of significant popular and legal claims by various fractions of the Mexican public to this day.

When Cárdenas came to power, 98 percent of the Mexican petroleum industry was controlled by foreign companies (sixteen in total), primarily El Aguila and the Huasteca. By 1934 the unions, particularly the independent-democratic ones of the Tampico area, had won wage increases through strikes. After the founding of the STPRM (Federal Petroleum Workers Union) in 1936, workers sought a collective agreement for labor control over operations, a forty-hour workweek, and further increases in wages and benefits (Brown and Knight 1992; Brown 1997). A Mexican government report of this period examined both the labor practices of the companies and sales manipulation: El Aguila sold its gas in Mexico at over three times the prices it charged abroad; fuel prices for Mexican oil in Canada were in fact 40 percent lower than Tampico market prices. These findings fueled popular support for expropriation. The report emphasized that the companies' only contribution to Mexico's development were in meager taxes and workers' wages. It also suggested that the companies may have deliberately pursued an anti-exploration policy in order to sustain a constant threat of departure over the Mexican government (Hamilton 1982, 222).

The exploitative nature of private foreign control contrasts with the narrative of heroic, popular organization on the part of the oil workers. As representatives of the Mexican nation, the workers managed to independently run operations and finance compensation to expelled private companies. A developmental project with long roots (Knight 1994) shaped a historiography in which Mexicans as subjects of the private companies became agents of nationalization. Fueling the domestic market was essential to construction of Cárdenas' revolutionary modernizing project that sought to cut across regional and cultural divisions and defeat reactionary forces

in the countryside. This ideology of national, anti-imperial production continues to resonate in contemporary claims upon Pemex and against denationalization.

The history of Pemex management has been marked by a long-standing division between those who seek further contracting and foreign investment and those who promote the "national" interest.[6] Historically the latter largely dominated the parastatal's administration; this, however, changed with the presidency of Carlos Salinas de Gortari in 1988.[7] Under the Pemex administrations of both the nationalist Antonio Bermúdez (1946–58) and the externally oriented Gutiérrez Roldán (1958–64) there were attempts to incorporate private contractors in joint ventures on high-risk projects, most of which were unsuccessful due to disagreements with the nationalist sector (Meyer and Morales 1990). A notable proposal included one to partner with Dow Chemical, which was ultimately rejected for sovereigntist reasons (Velasco-Ibarra 2001). The few contracts with foreign companies signed under both these administrations were eliminated under the management of Reyes Heroles in the late 1960s and 1970s, a period marked by further nationalization of resources and the creation of OPEC.[8]

Throughout, the STPRM played an important role as a constraint on privatization, given its power over the workforce. The STRPM formed part of the broader PRI labor structure under the CTM (Confederación de Trabajadores Mexicanos; Mexican Labor Federation) that took shape in the 1940s. From the late 1940s onward, sponsored PRI unions violently eliminated independent unions and became the effective base for labor control "in the national interest" for 50 years. The CTM complied with government repression, including the massacre of student protesters at Tlatlelolco in the 1968. Generally the STPRM's power emerged from negotiated control among state managers and the union following the nationalization of 1938, and over time fomented high-level corruption involving leadership in both administrations—Pemex and the STPRM. In turn Pemex's significant contribution to the federal budget, providing over one-third of total fiscal revenue, has made the government dependent on the union's ability to quell discontent and prevent work stoppages.

Corrupt leaders within the Mexican corporatist labor sector are referred to as charros The social relations associated with charrismo include the highly patrimonial structure in community and union operations as well as the physical violence wielded by union bosses and their adherents. This authoritarianism within union ranks, as well as a local material culture so clearly formed through the petroleum enclave, shape the broader social reproduction of the community in the key oil producing and refining areas, including relations of machismo within the home (Moreno Andrade 2003). The power and legitimacy of the STPRM, then, emerged from the control over salaries referred to above and its role in state agencies given its managerial capacity over the leadership of these institutions. Within the workplace, the union's power was reinforced through intimidation and exclusion of opponents among workers and assassination of competing leadership. However the hegemony of the STPRM in the petroleum enclave was buttressed by its ability to offer social security to workers and their families.[9] Not only did the union control who was or was not contracted by the company, it received direct support from Pemex and from workers salaries for its operations and was responsible for considerable social infrastructure including hospitals, shopping centers, and community halls. Similarly, in the delivery of municipal services the STPRM complimented and competed directly with municipal governments. Despite the erosion of STPRM power over the past 10 years, in Southern Veracruz its control remains strong. As a young man from the region described it to me:

> We moved to Nanchital because my father was given a house there through Pemex facilitated by the union which, at that time, had a secretary general "Chico." He was a cacique, he was the owner of Nanchital, nevertheless he was well loved. In my home something unusual occurred in that my father respected him because it was through him that my father was given a house and the (bureaucratic arrangements) were made to give my father *planta* (a permanent position) but my mother hated him because he fired her from the company. My mother worked part-time and on one occasion Chico asked her to go to see the Governor in Xalapa (Veracruz capital) with a group of women. But my mother said no because I was still small and there was no one she could leave me with, and for this they did not give my mother another contract so she had to leave Pemex.
>
> The union is a very important organization in the south of Veracuz; in Nanchital it is the heart of the community; in Coatzacoalcos and the whole South East it forms part of

> the government. In Nanchital it's the union who decides who will be the PRI candidate for Municipal President. Many of us would like to be a union bureaucrat because it means many economic opportunities, chances for advancement and above all power. As unionized workers we feel secure, in contrast to the trabajadores de confianza (literally in confidence, refers to the professional workers) who can be fired at any moment.[10] In our case it's very different; we have a union that is strong in the country, and for that reason it's not that easy to be fired. It's the company that has arranged for the union to have a great deal of power, for instance, any procedure you need to realize—whether for vacations, a loan, educational scholarships, a house, medical services—needs to pass through the union.
>
> It has its cons however. Since the union protects the working class it means there are many comrades who don't obey orders, are not active (in their work), don't try to improve themselves because they feel secure and supported. (Excerpted from correspondence).

The excerpt suggests the direct relationship between union membership, loyalty to leadership, and the provision of social welfare and "security." The workers were to represent themselves first as union members and loyal to the leadership structure. The relationship between this leadership and the nation-state, through symbolic acts like the March 18th celebration of the expropriation, are central to the union's demonstration of power. An attendance sheet is passed around at the March 18th rally to ensure that members of particular locals are present. Workers are also expected to assist in the delivery of municipal public services at the request of union leaders. Without it they risk losing their jobs. Thus, potential worker dissatisfaction with the company is both internalized and repressed within the union's own ranks; security is offered to industry and social development to the community in exchange for the prevention of work stoppages. Most significantly, the union has historically delivered salaries and offered long-term employment security for both workers and their descendants.

The STRPM was formally undermined on January 10, 1989. On this day the long-time national leader of the union Joaquín Hernández Galicia, known as "La Quina," was arrested by federal authorities on weapons charges. The demise of La Quina spelled the end of the STPRM's hegemonic control over the labor pool. The justification for his arrest was the need to punish corruption within union ranks but also conveniently served the interests of neoliberal

restructuring. Some workers celebrated the decline of this structure while thousands were laid off.[11] While the union remains very powerful in the refinery zone of southern Veracruz, the entry of increased numbers of private contractors and of the PANista Federal Government under Vicente Fox has eroded their political monopoly. Over the last decade the PRD and the PAN have won municipal presidencies in various parts of the region in which it would have been previously unthinkable; these include Minatitlán and Coatzacoalcos.

Nevertheless, corruption hardly ceased with the removal of La Quina. In the 2002 Pemexgate scandal the STPRM president Romero Deschamps—whom La Quina formally condemned—and government officials were shown to have diverted millions in union funds toward the PRI presidential campaign of Francisco Labastida in 2000. Yet the union leadership was protected from prosecution by the legal immunity guaranteed to Mexican politicians while they are in office. In practice, the exposure of the Pemexgate scandal served as an opportunity to "buy-off" union leadership, preventing a scheduled national strike of petroleum workers (LaBotz 2002). It also served to encourage Deschamps' complicity with the Contratos de Servicios Multiples or Multiple Service Contracts (CSM) (Martinez 2005), that allow foreign and private operational control over whole oilfields. These have been fervently challenged by the democratic union movement and groups espousing Mexican economic sovereignty. Currently, debates rage over the constitutionality of liquefied natural gas projects in Northern Mexico, particularly those in Baja California directed at the California market.[12] Participation of foreign companies in the upstream sector of the industry is prohibited under the constitution, and the CSMs are seen as a de facto denationalization of the industry.

Thus, from the late 1980s the control of the STPRM over both operations and local politics has weakened. In Campeche, where the great majority of industry activity is now carried out through these CSMs, working conditions reflect the classic "race to the bottom" scenario. Although oil industry wages are high enough to draw young people away from agriculture, contract workers on the platforms receive a fraction of the wages of their unionized Pemex

counterparts and work under far inferior conditions. Despite this weakening, violence has continued to mark struggles for control over union locals throughout the region; in Tabasco these have been particularly evident in the Macuspana district and Ciudad Pemex. There the violent competition for resources is partially internalized within struggles for leadership of the STPRM itself (Galicia 2004; Mendoza 2004) or between rival democratic unions and the STPRM.

INDUSTRIAL RESTRUCTURING, DECENTRALIZATION, AND SOCIAL DEVELOPMENT

The imprisonment of La Quina was followed in 1992 by the decentralization of Pemex. As with the corruption charges on which La Quina's arrest was based, the immediate justification for decentralization was a major explosion in Guadalajara caused by an underground leak that killed 200 people. The decentralization process was largely advised by the US firm McKinsey. It resulted in four separate companies: Pemex Exploration and Production (PEP), Pemex Gas, Pemex Petrochemical, and Pemex Refineries (Shields 2003). Despite the stated intention of greater transparency, restructuring served primarily to facilitate the surreptitious privatization of the company piece by piece, particularly in the areas of processing. Where in the Mexican refinery towns the union functioned as a second government, Pemex's modern Deer Park refinery was built in Houston Texas, in a public-private venture with Shell (Shields 2003).

Pemex's restructuring precisely countered the oil major's pursuit of "vertical" integration of upstream and downstream sectors in the same period. It also bucked the concurrent trend among the Oil Majors toward mergers as a strategy for increased market share and decreased competition. Rather than streamlining operations between refining and distribution, the division into four companies encouraged them to compete among themselves. This, of course, further weakens Pemex and prepares the ground for foreign penetration. Senior managers have criticized the decentralization, at times calling it a colossal error (Shields 2003, 63). Practically, restructuring catalyzed a major cutback in technically trained engineers who were laid off in large numbers in favor of highly paid bureaucrats, the latter with little knowledge of the industry (Shields 2003, 62).[13] Generally foreign contractors replaced Mexican engineers, and some of

those laid-off subsequently found work with these contractors, just as flexibilization would have it. However, industry professional staff working for these contractors point out that rather than decreasing corruption, privatization just increased the number of hands to be greased.[14]

In protest to the covert denationalization promoted by restructuring, two major groups of "dissidents" have arisen among Pemex management and professional staff. One of these, Grupo Constitucion 1917, is made up of retired Pemex engineers and is based in Mexico City. The other, the Union of Professional Workers in the Petroleum Industry (UNTCIP), is based primarily in the Gulf Region. In terms of political and legal action it has taken up the charges made in the writings of the Grupo 1917. UNTCIP formed itself officially as a union in 2004 and embraces the broad objective of Latin American energy sovereignty as manifest in Venezuela's recent endorsement of Petroleo Caribe as well as in Bolivia's popular movement against denationalization (see www.untcip.net). UNTCIP describes current privatization policies as demonstrations of Pemex's "Penelope complex" in which the company weaves throughout the day only to unravel its work at night.

The decentralization of Pemex operations was also accompanied by the decentralization of its social development department. The segmentation of public affairs and social development in 1993 involved moving social development branches to the regions, thereby promoting greater execution and interaction with social services at the sub-state level. This process was initiated in the late 1980s. Pemex's Social Development Department, previously known as Regional Development, had existed since 1983. In 1989 its offices were moved to the states, although the majority of the staff remained at the head offices in Mexico City. However during Pemex's restructuring of the 1990s, community affairs became more present in the localities. Not only was the office of Social Development strengthened regionally, it came to operate alongside the new "Departments of Community Attention" that were established in each of the new subsidiary companies. Of the four companies, PEP (exploration and production) is the largest and most important in the area of community relations, given their direct contact with rural residents.

They are the ones who deal with campesino grievances on a daily basis. As a result of ongoing work stoppages, and the occasional hijacking of staff and installations throughout the 1980s, the following institutional objective was adopted by the department in 1990:

> Create a climate of harmony and mutual collaboration between Pemex and its social context with the intention of contributing to the fulfillment of the substantive programs of the institution, and to favor the development of the communities and regions where Pemex carries out its activities.[15]

Documents pertaining to Pemex's Social Development Department from 1992 pay special attention to the need to attack the *roots* of social conflict between Pemex and the communities.[16] These specifically mention the profits lost due to shutdowns. It is important to note here that Pemex's strategy particularly emphasized creating alternatives to the oil sector, a strategy that could potentially backfire against a private operator seeking a deregulated environment.[17] This highlights a key distinction between the developmental strategy pursued by a parastatal versus a private multinational.[18] Pemex, for instance, emphasizes problems associated with the lack of production options in agriculture as well as the need to develop them to avert popular pressure for paid employment at Pemex. The company seeks to circumvent the urban planning challenges arising from mass migration to petroleum centers. In Ciudad del Carmen, the promotion of tourism also manifests a localist attention to the ecology and culture of the region. The establishment of a protected area on the Isla del Carmen in 1994 was in fact the result of popular mobilization to preserve this ecology.[19]

Nevertheless, this sort of trajectory in the Mexican context is sometimes resolved through the incorporation of opponents into industry ranks. This may include "civil society" organizations as well as left-leaning state bureaucrats. Pemex management includes former participants in rather diverse branches of the Mexican State. The director of Social Development at Pemex, for instance, is Saúl López de la Torre, a member of the 1960 Mexican leftist guerrilla movement. He was imprisoned in the early 1970s for conspiring against the state and later went on to work for major state development programs like the CONASUPO (National Council for

Popular Supplies)[20] in Chiapas, and subsequently the INI (National Indigenous Institute) in Mexico City.

Historically, the process of co-opting local dissent into industrial practice is apparent in the programs of state institutions. Tabascan campesinos took their complaints concerning environmental damages to Pemex and even the President of the Republic as far back as the 1960s. However, Pemex's policy of compensating individuals and the nature of the tabulator used to assess the amount owed for damaged crops, trees, and lands, was not applicable to *collective damages*, for instance the deviation of water-ways in construction processes or air pollution. The ability to claim broad effects, as we will see in the discussion of the Apetac case below, was partially changed in the late 1990s with the addition of the concept "environmental crime" (*delito ambiental)* to federal legislation.

The most prominent of the early campesino mobilizations against Pemex was the Pacto Ribereno. Formed in 1975–76, the Pact brought together approximately 7,000 claimants from Tabasco's coastal region in a common front for reparations and against authoritarian practices.[21] Some of the immediate causes of discontent included the poor construction of a canal from a major lagoon system in the area to the Gulf of Mexico (Carmen-Pajonal-Mechona), as well as petroleum pollution from both spills and flares. A general context of "relative deprivation" was seen as undergirding protests given that the mobilization was particularly strong in areas where relatively few residents were employed by the industry (Allub 1983). Analyses of the immediate causes of the mobilization indicate, unsurprisingly, that the industry's evasion of campesino demands acted as a strong impetus to protest. Legal options for resolving problems worked against local residents due to the bureaucratic procedures involved, the requirement of evidence of proof, and the reality that any irregularity in the tenure status of campesinos or *ejidatarios*, including informal use, could serve as grounds for dismissal.

The state's response to mobilization included a combination of harsh repression and an attempt to buy off particular branches of the movements (Hanson 2002; Solano Palacios 2001;

Beltrán 1998). For the subsequent five years attempts to splinter the movement continued. These, however, diminished somewhat under two new programs directed at the petroleum zone and the relatively progressive governorship of Enrique González Pedrero, from 1982 to 1987.[22] Through Pedrero and Mexican President Miguel de la Madrid an agreement was reached with the movement to establish Prodecot, the Program for the Development of the Tabascan Coast.[23] Additionally in 1984, Codezpet or the Commission for the Development of Petroleum Zones, was created, a federal agency with branches in affected states.

Such state agencies were established with the express purpose of addressing development conflicts in extractive zones. Their existence coincided with Pemex's creation of its social development arm in 1983. Together Prodecot and Codezpet were partially successful in connecting rural areas around petroleum zones to transportation and electrical grids, even during what was considered a "lost decade" at the national level. Successful infrastructural development in this period was clearly related to the historical trajectory of the Mexican state-formation, which had already seen a century of industrial modernization projects prior to the first oil shock and reaped benefits from its boom later than most OPEC members (Karl 1997).[24] That said, Prodecot and Codezpet also promoted the individualization of compensation payments, apparently to ensure that funds were distributed to the deserving and not monopolized by corrupt leaders. When the agreement to establish Prodecot was prepared, leaders who opposed it were delegitimized on the basis that they sought only their personal advancement and not the well-being of the individuals and families affected by industry (Beltrán 1988; Solano Palacios 2001).[25] The introduction of cash payments also contributed to what is viewed derisively as a culture of dependency, in which campesinos are accused of "drinking" the money they receive for damages. Perhaps most significantly, this approach also served to fragment collective mobilization and purchase PRI support.

Nevertheless, in the late 1980s the movement saw resurgence. This was partially a manifestation of the national break in PRI hegemony represented by the 1988 elections. In

that year Cuauhtémoc Cárdenas, Lázaro's son, ran for president under the banner of the Frente Democratico Nacional that grew out of a left splinter group in the PRI. The results were widely believed to have been rigged against Cárdenas and in favor of Carlos Salinas de Gortari. In 1989, in the aftermath of this election, the PRD formed as a distinct party. Concurrently, the emergence of an indigenous rights discourse nationally and internationally made social movements in Mexico's south, where the indigenous population is concentrated, central to popular struggles for democratization. This was crystallized in the 1994 Zapatista uprising. In the Southeast, or Gulf region, the neoliberal and deregulatory policies of Salinas were particularly noted due to the toppling of La Quina, Pemex layoffs, and the restructuring of union–management relations discussed above.

In this context the mobilizations in the Gulf in the mid-1990s brought together both peasants affected by environmental degradation and workers laid off during the Salinas era downsizing. As former president of the PRI at the state level and an important political proponent for democratization of the party under González Pedrero, Andrés Manuel López Obrador effectively led these movements. He worked in the organization of the PRD within the state and at the national level and ran for governor against Salvador Neme Castillo in 1989. It was during his first gubernatorial campaign that he began to consolidate statewide support, particularly in the indigenous Chontal communities of Nacajuca and in his home municipality of Macuspana. The founding of the Ecological Association Santo Tomas in 1989 (officially incorporated in 1995), in which López Obrador also participated, served to strengthen "civil society" support for the opposition. A key agent in the formation of the ecological movement in Tabasco put it this way—"we were the technical arm of the PRD during the 1990s, acting as advocates for rural communities affected by Pemex." During this period, residents of rural communities in Tabasco recount that López Obrador did not discourage them from taking money or building materials from PRI institutions. Rather he would say, "it's your money, you should take it, they (state agencies) cannot buy off the struggle." They could, however, repress it.

The ongoing protests in the Tabascan municipalities of Chontalpa, Paraíso, Centla and among the participants in the Pacto Ribereño were articulated in a general complaint to the CNDH (National Commission for Human Rights) in 1990. Following another disputed state election in 1991, the first "exodus for democracy" took place, in which thousands marched and camped in Mexico City. The prompt attention of the Secretary of State to this protest led López Obrador to write: "Once again it was proven to me that any substantial dialogue toward democracy is that accompanied by citizen mobilization" (López Obrador 1995, 124).

A pan-state ecological movement also gained strength in this period. Tabascan organizations, then led by Santo Tomás, collaborated with the ecological movements in Ciudad del Carmen[26] including protests against the construction of the largest Nitrogen plant in the world on the Atasta Peninsula.[27] The Isla del Carmen mobilization pushed successfully for the formation of the Protected Area of the Laguna de Terminos. Via the networks of activists strengthened in this period, Santo Tomás would become the key Mexican force in the international Oilwatch Network, participating in its first meeting in Ecuador in 1996.[28]

The "exoduses/caravans for democracy," that López Obrador led to Mexico City in 1991, 1994, and 1995 had certain concrete "positive" results. They were held to protest against fraudulent election results, to petition for settlements to laid-off Pemex workers, and to demand compensation for campesinos affected by pollution. Their visibility also managed to create sufficient pressure to increase the provision of damage payments to communities — including cash and replacements on roofing and fencing damaged by acid rain. CIAR 100, for instance, the Inter-Institutional Commission for Attention to Recommendation 100,[29] announced that $3 million (*nuevo*) pesos in damages were owed to about 1,000 producers in the Chontalpa region. Even so, these victories in some ways served to weaken the movement. Accusations of corruption went in various directions; against Pemex workers for pocketing kickbacks and against campesinos for "bribe-seeking" protests, for purposefully "oiling" their fishing nets in

order to receive money to purchase new ones, and for spending their compensation monies in the bars. However, the general dissatisfaction with the system that emerged and the outcry against corruption and dependency by all sides, spelled the end of PRI hegemony. In his memoirs López Obrador said the following of the 1994 exodus:

> We said that for the first time since 1910, the poor and the rich, the ignorant and the educated, peasants and city-dwellers, want an authentic change to bring about a new life for the country. And we affirmed that the current crisis, which covers questions of politics, economics and social welfare cannot be resolved through the same strategy that has failed time and again, bringing new crises (López Obrador 1995).

Given the threats posed to regional PRI control, protests in Tabasco state were met with increasing repression from state and federal security forces—particularly in the form of the BOM, or Base of Mixed Operations, combining police and military control. The use of harsh policing was based on the costs blockades created for the petroleum industry and the fear that the Zapatista movement would spill over from Chiapas to Tabasco. Additionally, the Zedillo government's pledge to increase petroleum production for export as collateral for the 1994 financial bailout required the repression of the Gulf-based movements to guarantee "security." A new state law banning blockades facilitated the arrest of protesters; the imprisoning of Tabascan campesino movement leaders only increased. On various occasions protesters spent six months or more in jail for blockading installations. A standoff in Nacajuca, Tabasco, from which López Obrador emerged bloodied, was viewed on national televisión in 1996; this only increased his popular support. However, following the approval of Madrazo's rigged election win by federal authorities, López Obrador became more centrally implicated in PRD mobilizations in the federal capital. In Tabasco, concurrently, the stick of repression was accompanied by the carrot of more payouts from the newly created CIMADES. Thus following López Obrador's departure to Mexico City in 1995, the imprisoning of Tabasco campesino leaders only increased while widespread mobilizations subsided (Curzio 2002; Hanson 2002).

FROM THE INDUSTRY OF CLAIMS TO THE NEGOTIATION OF LIES

"de la Industria del Reclamo a la Negociación de La Mentira"
—From a PRD documentary on the 1994 Tabasco State Elections

The campesino movement against Pemex in Tabasco was largely disarticulated during Roberto Madrazo's tenure as governor. His sexenio was marked from the outset by the electoral irregularities that brought him to office; its end suggested both the ongoing salience and the shifting power relations of democratization. The creation of CIMADES as a large infrastructural arm under Tabascan state control was his central intervention into the protest. CIMADES is referred to by the PRD as the "PRI's cash box," distributing temporary work programs (e.g. clearing of fire breaks) and small-scale community projects while acting as a "neutral mediator" with Pemex for unresolved compensation claims.

CIMADES, like Codezpet before it, acts as an institution of "second resort," mediating local claims denied by Pemex so as to prevent protest shutdowns by dissatisfied residents. In the first six years of its existence, CIMADES indicated that it made favorable responses to 27,000 out of 64,000 complaints, or about 42 percent of the cases. While in 1995 only 22 percent of claims were judged positive, by 2000 this situation had reversed: only one-quarter of the claims were judged invalid. CIMADES employed this as proof that they had succeeded in controlling the claims industry. As their 2000 publication states, this figure of 25 percent invalid, "indicates that among Tabascans there is no tendency toward making unfounded complaints." Unlike Codezpet, the majority of the funds for damages have been allocated through collective, not individual, settlements. Some campesinos when queried as to why protests have subsidized, indicate that "now you are arrested, or if you complain you are sent to CIMADES which makes no payments and makes you waste time and money running around to state agencies." Of the funds that CIMADES spent since 1995, 70 percent financed infrastructure projects.[30]

The lack of successful damage claims is striking, especially compared to the large number of payments made under CIAR 100 and Codezpet. In the Municipalities of Centla and Macuspana for instance, in 1995 not one of over 8,900 claims for damages was approved.[31] As a senior manager in CIMADES explained to me in 2004, "we have resolved a problem." Pemex staff stated, "the strategy has worked; we are at zero shutdowns." Yet ongoing blockades and press coverage indicate plenty of ongoing dissatisfaction with both Pemex and CIMADES. What CIMADES has apparently achieved, within the broader context of socio-political changes since 2000, is a decline in sustained protests. According to the opposition in 2004, CIMADES also manifested a decline in the transparency of compensation since the period of Codezpet. Whereas an active Santo Tomás had managed to keep track of successful and unsuccessful claims in the 1990s, detailed information on CIMADES programs in 2004 was held close to the agency's chest. Claims and counter-claims flew about that only PRI-supporting communities and municipalities received development projects. In 2003 total spending on social development programs amounted to approximately Mex$57.9 million or about USD$5.8 million.

Within this context popular mobilizing and civil resistance were able to bring about electoral shifts so that the PRD triumphed in eleven out of seventeen municipalities in the 2003 Tabascan municipal elections. Immediately upon swearing in, the eleven new PRD municipal presidents called for a dismantling of CIMADES and, unsurprisingly, the transfer of oil industry compensation funds to the municipal level. Thus emergent regulation in Tabasco manifests both historical continuity and discontinuity: the residue of PRI corporatist practice alongside the opening of institutional structures to previously excluded groups. As discussed below, the case of the campesino organization APETAC in Southern Veracruz indicates how various aspects of neoliberal democratization in conjunction with the historical legacy of state corporatism have provided avenues for alternative development models that seek to re-embed local markets.

APETAC

The Ecological Producers Association of Tatexco (Apetac) is based in southern Veracruz State in a municipality bordering on Latin America's major refinery zone—that of Coatzacoalcos/ Minatitlán, built up in the 1960s. As the "employment mecca" of the south-east in this period, the region saw its population increase from fifteen to twenty times over two decades, primarily through the migration of rural dwellers seeking employment. A cooperative organization with up to 3,000 members, Apetac emerged from local struggles for land rights (both rural—that is ejidal—and semi-urban) among popular classes of the municipalities of Ixhuatlán and Minatitlán. Members are primarily small-farmers and fishermen. Residents of the area include a local campesino-mestizo population with a long history in the region, as well as more recent migrants from indigenous and mestizo communities in the northern part of Veracruz, Oaxaca, and Tabasco, some of whom have a strong memory of struggling for ejido land.

In order to understand how the Apetac case reflects the salience of both questions of status and respect for production, including the historical legacy of Mexican corporatism, I consider first the actual history and actions of Apetac and its key members during the past five years. I then proceed to contextualize certain life experiences of Apetac members within the history of struggles for land in the region, labor corporatism, and evolving agrarian and industry–labor relations under neoliberal policies. Finally I place recent industrial accidents and thus insecurity in the region in the context of the PAN government's privatizing objectives, discussing the role of Apetac and a recently formed Pemex Professional Staff Union (UNTCIP) in blocking further attempts at de-nationalization. The case thus suggests that Mexican "civil society" groups that have gained strength under the liberalization of state corporatism, including urban environmental groups and democratic unions, facilitate the pursuit of developmental alternatives alongside groups emerging from both the "incorporated" left of the political parties and its new variant outside of traditional political representation (e.g. the Zapatistas).

Figure 1: Map 4.1 Southern Veracruz Region (Source: INEGI, Mexico)

HISTORY AND REGIONAL CONTEXT

The municipality of Ixhuatlán del Sureste is located in the southernmost zone of Veracruz State, sandwiched between the municipalities of Coatzacoalcos and Minatitlán and separated from the municipality of Nanchital to which it previously belonged. Among the important landowners in the area are bosses (or former *charros*—corrupt bosses) of the Mexican Petroleum Workers Union, the STPRM. Urban and semi-urban residents of the municipality include various Pemex permanent staff as well as contractors to Pemex. All of the neighboring municipalities are strongly Pemex dominated with a permanent presence of unionized refinery labor in Nanchital and Minatitlán, the latter housing one of the oldest functioning refineries in the country. Nanchital is somewhat infamous as the base of the highly influential STPRM Local 11, formerly

"ruled" by one of the most powerful union leaders of the Southeast (Moreno Andrade 2003). Coatzacoalcos is somewhat wealthier, having a beachfront and housing both Pemex professionals and a merchant class. Surrounding municipalities include Agua Dulce[32] and Cosoleacaque, which have suffered a severe ecological toll from the presence of petrochemical plants. Agricultural communities throughout the zone are dotted with oil fields and installations (some very old). The refineries in the zone constitute the largest petrochemical complex in Latin America, and the Coatzacoalcos River, on which Apetac members fish, has been assessed by various researchers as one of the most polluted in the Americas (Stringer 2001).[33]

The immediate events leading to the formation of Apetac date to August 10, 1998 when community members—ejidatarios, the staff of Greenpeace Mexico, the Mexican Center for Environmental law (CEMDA), the Ministry of the Environment, Natural Resources and Fisheries (Semarnap), and the National Water Comission (CNA)—happened upon a Pemex subcontractor dumping toxic waste in the ejido of Felipe Berriozabal. This incident, part of a widespread and long-term pattern of toxic dumping by the petrochemical industry in communal and ejidal land of the area, led to the first successful prosecution of a case of environmental crime in the country, based on early 1990s legislation. The case, pressed by Apetac with support of Greenpeace Mexico and others, resulted in a guilty verdict against the contractor, Urbis, and Pemex in 2001.

The longer history of Apetac begins at least a decade earlier and encompasses the life stories of its members and key protagonists. The organization is led by two brothers, both former Pemex laborers who emigrated to the region in the 1980s, following their parents and other family members who had migrated from central Veracruz in the 1970s. One of the two brothers, especially, supported his family's struggle to set up an ejido that connected via a feeder canal to the Coatzacoalcos River. By his own account, his reputation as a local activist emerged from an incident during the 1980s in which a resident of the local neighborhood (colonia) was about to have her home expropriated by private landowners, who claimed they had been sold her plot. The support he gave to this struggle was noted by the authorities and led to various attempts by

the police to arrest him. These, however, were opposed by his neighbors who protested in his favor. Periodic visits and harassment from authorities now come in the guise of Pemex police: sometimes uniformed, sometimes not. The other brother, influenced by these struggles, began work with a major national labor and peasant organization (CIOAC) based in Mexico City.

During most of the 1980s three brothers in the family, including the two Apetac leaders, worked for Pemex, and one remains in a full-time permanent, unionized position. His income is often brought to bear to support the families of his brothers. Thus in a sense the Pemex salary supports the local reproduction of a community of activists whose activities are essential to collective action for reform/re-regulation:[34] organizing local ejidos and communities, networking with neighboring groups confronting Pemex, and building relationships with politicians and institutional representatives. The wages from Pemex—temporary or permanent—previously cushioned the reproduction of the broader agrarian population, in a sense providing the monetary support which drew community attention away from the ecological deterioration of the resource base. From the mid-1990s, the work of the younger brother in national agrarian solidarity connected the Ixhuatlán groups with the urban left and activist-educators as well as with established environmental organizations, notably Greenpeace and CEMDA. Throughout the Tabascan and Campeche mobilizations of the 1990s—both during and after López Obrador's era in the region—the group that became Apetac cooperated with the Tabascan Oilwatch Group, Asociación Ecológica Santo Tomás.

EL DELITO AMBIENTAL—ENVIRONMENTAL CRIME

The precipitous nature of the August 10, 1998 dumping incident, unforeseen but occurring when key Mexico City environmental groups as well as representatives of state agencies were present, clearly buttressed the case. The event underlined the general problem of ecological damage and industrial impunity, the effects of which were increasingly noted by local populations in the early 1990s. This was perhaps a result of the broader penetration of environmental discourse through both social movements and Mexican state institutions in the same period. As a comment

from an older ejido member indicates, community members were taking note in this period both of deterioration and of the complicity of state institutions in the lack of environmental compensation:

> Between 1992 and 1993 the cattle and fish were dying. For that there was mobilization and people asked support from Semarnap and people of Mexico [City]. Pemex said there was no contamination. But the orange trees were not giving fruit as before. It used to be that the water was better. People went to bathe in the stream, and the soles of their feet got bad. The water in the stream is now better again, but Pemex has not paid for the orange trees. Pemex should pay for half of the cattle that died. What they give each year is miserable.[35]

Apetac members note, for example, that in one 632 hectare plot which Pemex had expropriated as "national wealth" from an ejido thirty years previously, sixty holes had been filled with toxic waste. Despite such acts the CNA (National Water Board) said that "los peces murieron por la naturaleza " (the fishes were dying naturally), as one Apetac leader put it. However in the case of the 1998 Urbis dumping incident, staff from Semarnap and the CNA could not deny what they had witnessed in the company of other "professionals." Members of the ejido in which the incident occurred detained the waste truck, preventing it from leaving. Following upon this, ejido leaders issued a formal statement to Semarnap Coatzacoalcos and submitted documentation of environmental crime to the Federal Agent of Public Security. However as Lorenzo Bozada Robles, a leading ecologist of the region, documented "instead of detaining those flagrantly responsible for the act the Public Security (police) threatened the members of the affected ejidos, indicating that if they continued detaining the truck they would be committing a grave crime" (Bozada Robles 1998). Under these circumstances eleven ejidos formed themselves collectively as Apetac in order to build a common front.

In the days that followed, Apetac leaders communicated with key civil society organizations and journalists regionally and nationally.[36] By August 14th Veracruzan NGOs had initiated a fax campaign to the Environment Minister, Julia Carabias (Bozada Robles 1998). Although community leaders requested the presence of ecologists (including Bozada Robles) at a meeting

they were to hold with Pemex the subsequent day, Pemex staff refused entry to advisors. This only prompted urban environmentalists, consisting of NGOs and selected government representatives, to organize themselves. As CEMDA was unable to take on the case immediately, Greenpeace Mexico sought funds to support it, and a local politician in Veracruz donated money to have samples of the waste tested by UNAM researchers at a laboratory in Monaco. In the course of the proceedings Greenpeace Mexico commissioned a detailed study on organochloride and heavy metal contamination at the Coatzacoalcos Pajaritos Petrochemical plant (Stringer 2001).

The addition of *delito ambiental* to the Mexican General Law on Ecological Equilibrium and Environmental Protection (LGEEPA) in 1996 formed part of the general process of regulatory reform that accompanied the negotiation of NAFTA. This included the creation of Semarnap in 1994, the year NAFTA was signed (Carmona Lara 2005). Under Mexican environmental legislation, the concept of environmental crime implies a "permanent problem"[37] affecting the broader ecosystem. This may be contrasted, for instance, to the death of a cow for which the state agency CABIN (Commission for Underwriting National Resources) has established a predetermined level of compensation.

With regard to ecological practice, the environmental crime legislation and enforcement of the Apetac/Ixhuatlán case prompted improvements in industrial practice. As put by one informant, "Pemex has advanced a lot due to the introduction of 'environmental crime;' it has hurt them considerably that if they do something illegal, the company will be abandoned [left without government protection]. To a certain extent the law served for Pemex to improve its practices, although it is not sufficient."[38] Concerning the Apetac case, this informant points out that most community-based organizations would not have access to the funds necessary to bring such a case to court, nor be able to locate a capable local lawyer willing to take it on. Indeed, oil industry observers signal that most lawyers are unwilling to take on cases against Pemex because they may end up "unemployable." In this sense, connection to the Mexico City urban

reform/environmental movements—who were also key critics of PRI corporatist practice—was important to Apetac's initial success.

CITIZEN RESISTANCE AND CORPORATIST REPARATIONS

Although the Mexican law of environmental crime contemplates punishment to industry, it does not set forth guidelines for compensation to affected groups. Consequently, following the dismissal of a few scapegoats held responsible for this incident—both Pemex workers and contractors—Apetac members spent the next three years (and into the present) struggling to ensure that they would receive adequate compensation. They did so through marches on the main highway in southern Veracruz in 2001 and 2003 as well as through protest sit-ins at the Veracruzan capital of Xalapa and at the Zócalo and Pemex Tower in Mexico City, tactics common among pressure groups seeking resources from state agencies throughout the PRI era. The marches were spurred by various attempts by Pemex at compensatory "buy-outs" to subsets of the organization.

Apetac leadership, in contrast to standard corporatist relations, promoted an autonomist sustainable agriculture program in order to ensure a longer-term commitment from Pemex and state government to agrarian objectives, and as a means to glue together its membership. These included creating livelihood opportunities that would curtail the out-migration that has profoundly affected the family life of a large portion of its membership. Indeed, approximately 70 percent of the membership has seen at least one immediate family member migrate to the US or the north of Mexico in the past ten years. Thus they sought to reshape traditional dependency-oriented state handouts in a form that would allow fishermen, farmers—among whom some were current or former Pemex laborers—and market women to integrate production and commercialization. The overall goal was to establish collectively-managed agricultural projects that would both increase families' economic security and also strengthen regional and local markets.[39] Some divisions in the movement were unavoidable, however, and certain fishing ejidos agreed to cash compensation, a selection perceived in the region as part of "fisher's culture."[40]

There were others, however, who took an equally hard stand against any compensation. As one of the leaders said:

> Lots of people joined just because they wanted the money. We didn't want that but there wasn't much we could do about it. Some people accused us of taking bribes… which hurt. One of the best people left because he said we should refuse money from Pemex but others said—"Are you crazy? Pemex is willing to give us this money."

In 2001 Apetac members spent two to three weeks camped out in Mexico City's Zócalo demanding delivery of productive projects and meetings with key Pemex executives. They argued with Pemex Social Development Director Saúl López de la Torre[41] in the street and took off their clothes in front of the Torre de Pemex (Pemex Tower) to demand attention. Pemex argued that compensation was not the responsibility of their community affairs branch alone, that their budget was insufficient, and that payments would have to come from the Veracruzan state government. Finally, an agreement was reached for Mex$2 million over three years, which was increased to Mex$3 million after negotiations in 2003. This was allocated through the Veracruz Social Development Department with monitoring from Pemex's Office of Social Development.[42] Seeking out this financing was not a one-time mobilization however, as one of Apetac's objectives is to ensure sufficient financing to establish a regional development plan over the long-term. This squares with the environmental crime conviction which recognized that the oil industry had caused a "permanent problem."

In any case, this was hardly the end of the struggle. Ensuring that funds are allocated and paid by the responsible agencies (Pemex, Veracruz State Department of Social Development) has required considerable, and fairly constant, overhead from members' pockets both for ongoing protest sit-ins and for leaders to travel to negotiations in the state capital of Xalapa and in Mexico City. As per the patrimonial elements of corporatist relations, Apetac leaders who possess the contacts and know-how to leverage funds thus arbitrate transactions with state institutions. The leaders are also aware that Pemex's ongoing attention to their objectives is dependent on their continued action. Accordingly, they continue to seek out collaboration with producers affected

by ecological injustice in neighboring municipalities as well as in the center of Veracruz State, a project that much of the membership does not understand. This broader mission, consequently, and the costs associated with it (travel, financial support to other groups), meets with support of key members only.

While there are many cases of popular claims against the oil industry in the region, Apetac is held up as unique by the local NGO sector, environmental activists, and Pemex itself for prioritizing changes in industrial practice, promoting the regional agrarian economy, and resisting the industria del reclamo that creates a sort of "stake" among community members in ongoing pollution by industry. This latter tendency is referred to as "opportunistic" or when led by a local politician, *politicizado* (politicized). Apetac, on the other hand, in maintaining its "we won't be bought off" position,[43] has experienced its own internal conflicts and has had various confrontations with local politicians and Pemex. As a local ecologist put it, Apetac "fights [with Pemex and the state], they leave, they come back [to the institutions]. They don't break the thread; they have the capacity to negotiate" (Interview Coatzacoalcos, 2004). Leadership also maintains relations with local journalists whose publicity of their protests is essential to gaining the attention of state agencies. This reflects the general form through which Mexican grassroots organization have succeeded at times in reforming state agency programs in their interest, most commonly through campaigning for housing and water projects.

REGIONAL DEVELOPMENT PLAN

It is Apetac's attention to bolstering agrarian development, through its emphasis on local markets and inputs, that makes its program so unique in the region. The organization agreed to a collective schema through which productive projects would be managed by small groups of five to six members, often all pertaining to the same family or extended family, so as to ensure internal accountability. In determining this structure they were supported by an advisor with a long history in the Mexican solidarity-left, who has worked in community development with various Mexican state institutions (including the National Commission for Indigenous

Communities, CNPI formerly the INI). The collaboration of this advisor reflects long-standing tensions within Mexican state institutions—whose structures have at times been subverted by more radical employees. The "cooptive" relationship may go in either direction, as suggested by the case of Saúl López de la Torre and various associates of the Tabascan left, including López Obrador's move to the PRD municipal government in Mexico City.

The productive projects—poultry and fish farming, hog-raising, cattle-raising[44]—were intended to create greater local agrarian autonomy and income as a basis for building up regionally sustainable agricultural markets. Aspects of Pemex's budgeting requirements, however, constrained the organization's ability to control the projects and, of course, there is a learning curve associated with implementing bureaucratic procedures (referred to as "capacity building" in development jargon). To explain, Pemex demands detailed reporting on each project which is both time consuming and demanding and for which Apetac does not have directly responsible paid or trained staff. To the external observer the tasks appear tedious and disproportionate to "institutional capacity" and are indicative of the dilemmas of professionalizing community organizations as replacements for state bureaucracy, a practice central to many devolutionary programs.

Apetac's office, for instance, made up of a computer, a few tables, and stacking chairs for meetings, also contains a number of binders filled with extensive, submitted documentation for the projects which would have been difficult for the organization to complete without both the support of external collaborators from "civil society" and the energy and talent of its members.[45] The newly streamlined corporatist state provides financial resources while "rationalizing" social mobilization. The process for purchasing agricultural inputs, which requires government-sanctioned invoices, limits the type of suppliers they may source and thus constrains options for developmental alternatives. In the case of poultry projects this proved a serious problem given that, despite the knowledge that *criollo* (or "local") chickens were best suited to the semi-free-range conditions available, both the receipting process and state extension agents promoted

the purchase of pure-bred chicken from certain vendors. The majority of these died. The vendors also charged a price considerably higher than local farmers and came complete with a veterinarian who issued vaccinations and medicines that were also costly. The quoted prices led to charges among some associates that the organization's executive had pocketed a kickback.[46] Some Apetac members, largely those who had been successful in their hog-raising projects, compensated unsuccessful projects internally: they were able to provide piglets. But clearly, the promotion of certain kinds of agricultural inputs reinforced agro-industry in a zone peppered with its promotion.[47] The experience with the drawbacks of such inputs, however, and the high maintenance costs associated with project upkeep, reinforced the commitment of key leaders to ecological (i.e. organic) agriculture. Thus, despite the emphasis placed on the purchasing of commercial inputs, bureaucratic requirements did not undermine the broader objective of re-embedding local production socially and ecologically.

(IN)SECURITY, ACTIVISM, AND THE PRIVATIZATION OF PEMEX

Apetac's relationship with the national oil industry is a complicated one, in that its members include campesinos and urban dwellers employed in the industry, many of whom migrated from other parts of the South to work in the sector. One leader pointed out that in the early formation of the organization, some petroleum workers—including close friends—saw the movement as a threat because it seemed to support the governmental trend toward downsizing the industry and thus to Pemex layoffs:

> People said to us, "you're trying to hurt this industry—it's my job; look at its importance to the national economy." We said, "no we agree that it should stay here but not that it should be polluting and causing more damage or that all the communities around it should be living in poverty."

This charge is lessened by recent actions against privatization and the denationalization of the petroleum industry in which Apetac has participated that square with the leaders' clear opposition to neoliberalism.[48] These demonstrate that discursive support for the national

identity of the industry, so central to PRI hegemony, can be employed as a potent force against neoliberalism. First, Apetac's recent support to residents of El Chapo, a community twenty minutes from Ixhuatlán illustrates Apetac's resistance to the negative environmental impact of the petrochemical industry in general and not merely against Pemex as representative of the corporatist state. Some residents of El Chapo sought to organize against Pennwalt, a petrochemical company which established operations in the region in the early 1990s. In the 1980s, Pennwalt was expelled from the Niagara area of northern New York State and in 1991 from Managua, Nicaragua, for mercury and organo-chloride contamination.[49] Although Pennwalt, now a subsidiary of the multinational TotalFinaElf, [50] was not working with the same technologies in Mexico, the respiratory problems felt by residents of El Chapo were comparable to those experienced by Pennwalt workers in Managua. Apetac held a protest in front of the plant with local community members in March 2004 that led to its temporary closure. This employed signs pointing out the irony of the International Standards Organization (ISO) and the Federal Environmental Protection Agency (Profepa) standards announcement posted at the entrance to the plant even as contaminated waste was being dumped into a neighboring stream.[51] The organization issued formal complaints to state regulatory institutions in Coatzacoalcos, Xalapa and Mexico City, and by early 2005 both emissions and dumping into the local stream water had diminished. Media coverage apparently created reputational concerns among Pennwalt administrators and among the state agencies that had approved the plant's activities—including Profepa and the CNA.

More recently the region of Ixhuatlán del Sureste has been plagued by a series of spills. An ammonia spill at Nanchital in April 2005 resulted in the death of six workers, three of whom were Apetac associates. These were new employees of a Pemex subcontractor and were reportedly not wearing protective gear when repairing pipes. Pemex blamed the accident on contractor error, although the poor maintenance of Pemex installations is viewed as a deliberate policy of the Fox government to justify the denationalization of the industry. Part of the response

to these was an alliance between the Pemex Professional Petroleum Workers Union (UNTCIP), Apetac, and environmental groups in Tabasco. The entry of UNTCIP, made up of middle- to upper middle-class Pemex professionals, into the equation indicates a cross-sectoral interest in the preservation of the nationalized industry that in a sense revalorizes the legacy of Cardenismo. A key UNTCIP leader explained to me that his family history makes his involvement in this struggle important: his father was a laborer, he attended a top public university, and now he find himself having to send his son to a private high school due to deterioration of services.

The following is excerpted from the declaration of an Apetac-organized meeting of civil society groups, held at the end of April 2005:

> We will use legal resources, including the courts, to impede and revert the negative impact on our region and people. The Penal Code clearly delineates environmental crimes, including those which occur purposefully or by omission.
>
> We mobilize to demand a political inquiry into those who are giving over our country's strategic resources. We are inspired by the example of our fellows in Venezuela, Bolivia, and Ecuador. We are developing a strategy that combines judicial proceedings, public knowledge through the press, and citizen mobilization.
>
> We are not just interested in receiving compensation for damages. We are committed to advancing proposals for a distinct long-term policy. We will initiate and demand that training and information campaigns are carried out to give safety to communities and families. We will continue to carry out environmental education in the communities and neighborhoods, so that they learn more of accidents and environmental affects. We will continue to promote citizens' monitoring over industrial activity, to ensure that companies carry out remediation… We are standing and will continue to stand together with Pemex workers in defense of their labor rights.[52]

It ends as follows: "We are opposed to any pretension to privatize Pemex on the pretext of its lack of security and inefficiency" (emphasis theirs).

The occurrence of these accidents at roughly the same period in which Bolivian campesinos were bringing down their government demanding nationalization, suggests the clear sense among Latin American popular classes that denationalization is a means of limiting access to resources. Histories of struggles for land in the Latin American context have created a strong linkage

between campesino/indigenous livelihoods and nationalization, with the latter seen as likely to offer broader access to natural resources than partnerships between national elites and foreign interests.

THE CONTRADICTORY SHAPE OF RE-REGULATION

This preceding discussion of Pemex restructuring over the past two decades and the emergent social mobilization that shaped, and was shaped by, this restructuring indicates how both the Mexican state and social movements are integral to industrial re-regulation. In the Gulf, the fact that Pemex in theory pertains to "Mexicanos" or citizens (however distrustful the local public may be) has focused claims on the developmental state. Politicians seeking a popular profile are served by the ability of local residents to shut-down industry through roadblocks as a means for demanding compensation for industry induced displacement. Indeed, as epitomized in the Apetac experience, the common heritage of recent migration from diverse regions and the shared memory of struggle to reclaim ejido land, has served as an impetus to collective protest. Yet while residents of extractive sites may seek to re-embed local markets through forms of sustainable production, such attempts occurs against the deterioration of the broader agrarian economy arising from both ecological damage and the de-population that has resulted from out-migration to the north.

Apetac manifests not only the persistence of popular mobilizing strategies of the corporatist era, but also the buttressing of these strategies through the support of a liberalized Mexican civil society—including the urban environmental movement. Such collective mobilization seeks the protection of campesino groups from the ecologically harmful practices of both parastatal and private industry, while concurrently promoting Mexican energy sovereignty and consumer protection (as seen in Greenpeace Mexico's active opposition to proposed Liquefied Natural Gas projects in Baja California, led by Chevron, Shell, and Sempra). Concurrently, their emphasis on local development reflects the stance popularized by the Zapatista movement: the external orientation of the Mexican economy since the signing of NAFTA makes agrarian communities

increasingly vulnerable to the vagaries of global finance. In the 2006 elections two different forms of opposition will influence the debate on re-regulation: that portion that grew out of the corporatist state, represented by López Obrador, and the emergent movements that question traditional political representation as a source of social justice, that is *la otra campana* of the Zapatistas.

The actions that popular mobilization in the Gulf has taken to reform industry from below, and the use of the more traditional forms of political representation as reflected in the PRD mobilizations in Tabasco in the 1990s, mark an interesting contrast to Pemex's recent announcement that it will join the UN Global Compact. Through the Global Compact, the UN formally promotes the voluntary self-regulation of private industry. Critiqued as a form of socio-environmental green-washing (Elson 2004), the Global Compact reflects private corporate and bilateral moves to re-regulate from above (Zalik 2004b). Pemex is the first petroleum parastatal to sign onto the Compact; other signatories include Exxon Mobil and Shell. Thus Pemex adopts the language of global corporate citizenship characteristic of the transnational companies upon which its operations increasingly depend.

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ENDNOTES

1. Two clear examples drawn from the continent are Hugo Chávez' nationalist and anti-imperialist policies concerning the Venezuelan petroleum sector and regionalist aspirations through the creation of Petro-Caribe as well as developments around the petroleum sector in Bolivia and Evo Morales recent presidential victory.

2. Despite ongoing downward estimates on Mexican oil reserves, it has remained a stable source of energy to the United States in a period when supplies from the Middle East are insecure. On this point see Bichler and Nitzan (2004). Mexico, Canada and Saudia Arabia are currently the top three suppliers of oil to the US.

3. These events also intersected with the Zapatista uprising and international attention to it.

4. The attempt in 2005 to remove López Obrador from power in Mexico City and disqualify him as a presidential candidate oddly echoed the events of ten years ago in Tabasco State.

5. Bolivia, in fact, nationalized Standard Oil's small concessions in 1937, prior to Mexico, but this represented a tiny fraction of global reserves.

6. Some institutionalist economists see the former as a quest for productive autonomy from the state. See Velasco-Ibarra 2001.

7. Salinas' election was marked by irregularities. Cuauhtémoc Cárdenas, the PRD candidate and son of Lázaro Cárdenas, who nationalized the petroleum industry in 1938, likely won the majority of the votes.

8. Under López Portillo Mexico fought for a "just price" for petroleum products and and to avoid becoming a competitor with OPEC. (Meyer and Morales, 205).

9. As a professional researcher who previously worked for the Mexican Petroleum Institute put it to me, "you can't understand Pemex if you don't understand the union."

10. While this job security is significant, the pay scale for the *confianza* employees is much higher, perhaps five times on average for an engineer over a unionized worker.

11. The last ten years has witnessed the rise of democratic union movements among oil workers in Veracruz and Tabasco seeking to overcome the *charrismo* of the previous structure while retaining collective representation. These have historical roots going back to the 1960s as well as to the independent union movement prior to the expropriation.

12. A cross border coalition of civil society organizations are currently organizing against proposed LNG projects in Baja California, arguing that they will ultimately be more expensive to consumers in both economic and ecological terms. From within Mexico, the execution of these projects by foreign firms, notably ChevronTexaco, Shell, and Sempra, has been challenged on the grounds of environmental and resource sovereignty. In California this is led by the RACE coalition, Ratepayers for Affordable Clean Energy. (See http://lngwatch.com/). Fox–Bush negotiations over legalization of Mexican migrants have been tied to the opening of Pemex to foreign investment.

13. While in 1987 Pemex employed approx 179,000 workers, of which 92,000 were permanent, by 1993 there were 106,000 of which 82000 were unionized. Today this has increased to 141,628, with 75 percent unionized. The number of upper level managers increased three times, from 110 to 332 between 1991 and 2001; although production has increased 17 percent, reserves have continued declining. Criticism of the restructuring process may be found on the websites of the pro-sovereigntist Pemex professional union www.untcip.org.mx.

14. Author interviews, Villahermosa, 2004. See Shields 2003.

15. Pemex Social Development documentation 1993.

16. Reference is also paid to the role of the union in meeting social demands.

17. That is, strengthening agriculture and tourism builds socioeconomic interests against ecological deterioration and against the visible presence of installations.

18. This is a key focus of the author's dissertation comparing social welfare strategies employed by the oil industry in Mexico and Nigeria.

19. The Laguna de Terminos Protected Area was the result of collective mobilization on the Island. The Ciudad del Carmen environmental organization Marea Azul was a central figure in its creation.

20. CONASUPO (now DICONSA) distributed basic foodstuffs in rural areas at subsidized prices.

21. There may have been more involved in the protest at its height. Hanson cites a leader reminiscing at having 50,000 supporting the movement Hanson, H. 2002. Oiling the system: How activists and the state shaped the politics of petroleum development in Tabasco, Mexico. *Sociology*, University of California, Davis.

22. Pedrero offered his services as mediator between Pemex and the movement.

23. Solano Palacios indicates that in 2000 the Pact was reorganizing and had over 16,000 members.

24. Karl notes that Mexico's boom came later than most OPEC states, due to discoveries rather than a price hike. See Karl 1997.

25. Solano Palacios, for instance, points out that the government argued that those opposed to Prodecot and individual payments were only those who wished to control the initially demanded figure of Mex$4,123,000 and distribute them in a clientelist/paternalist form (58).

26. These included Marea Azul, as well as various cooperatives of fishermen around Ciudad del Carmen and in the Peninsula de Atasta.

27. The Atasta Nitrogen Plant became operational in 2000. It forms part of the Cantarell project, as the nitrogen is injected into offshore oil fields in order to increase production.

28. Since the late 1990s the Oilwatch network in Mexico has become smaller and more focused domestically and regionally (in Central America and the Carribean). The specifics of the "nationalized" industry created a different set of issues for the Mexican oilwatch members than for other countries. At the international level, there has been closer contact between Ecuador and Nigeria, given the somewhat comparable role of the Oil Majors in both regions. On the latter see both Sawyer, 2003 and Watts, 1999.

29. Recommendation 100 emerged from the National Commission of Human Rights as a response to the general complaint made for ecological damages by Tabascan campesinos. Like Codezpet before it, CIMADES after it, and the goals of the Pemex's Social Development department, CIAR 100 sought the development of the agrarian sector alongside the petroleum industry, as well as the prevention of conflict between their activities.

30. Billboards of Governor Andrade next to CIMADES infrastructural projects were visible throughout the state in 2004. This was apparently equally the case under Madrazo (Hanson 2002).

31. Personal Communication, Federal Agency Employee.

32. Concerning a lengthy history of spills and exposed gas flares, one Pemex staff person said the following with regard to Agua Dulce: "There was terrible contamination, and it shows serious damage. Now there are much stricter regulations on Pemex" (Interview, December 2003).

33. For a recent bibliography on studies of pollution in the zone see Morteo et al; Gobierno del Estado de Veracruz/COEPA, 2005.

34. This would be referred to as "resource mobilization," the mechanics of social movement activity as studied by some social movements scholars.

35. Approximately 40 million pesos in cash is dedicated to Veracruz through the department of Social Development. An additional amount—varying annually from Mex$12 to 88 million is given in kind according

to Pemex Accounts. This would amount to about 700 pesos (or $70 US) in cash per person for the population of the state. This figure is supposed to be based on the number of social claims and population size.

36. They contacted Silvia Whizar of the environmental advocacy NGO Santo Tomás (Oilwatch Mexico), Greenpeace, Veracruz Information Network, senators and local deputies as well as a few key journalists, notably David Shields of El Financiero.

37. This terms were used in an interview by a key biologist/activist in southern Veracruz.

38. Author's translation.

39. This is, of course, the standard goal of many sustainable agricultural projects aimed at producing and sourcing through local markets, thus avoiding outmigration and ensuring attention to the environmental impact of selected technologies.

40. Various Pemex community affairs staff made a strong distinction to me in the productive emphasis of farmers versus fishermen, with the latter portrayed as relatively careless and lazy, minimally concerned for the environmental consequences of their labor (The irony of this critique is notable given that the same or worse would be said of extractive industry.) A fishing ejido previously affiliated with Apetac, sited near the main refinery at Minatitlán, was purchased by Pemex through a million-dollar settlement for irreparable ecological damage. The fishing villages near Minatitlán show striking rural poverty and marginalization only a few minutes away by speedboat from industrialized Minatitlán. Many of the residents of this zone migrated from indigenous communities in inland Veracruz.

41. The director of Social Development at Pemex who was imprisoned in the 1970s for involvement in the guerrilla movement and is the author of memoirs concerning the radical organizations of that era. López de la Torre, S. 2001. *Guerras Secretas: Memorias de un Ex-guerrillero de los setentas que ahora no puede caminar*. Mexico: Arte Facto.

42. "The first agreement with Pemex's social development department was to finance nine productive projects and one income generating project based on a self-conducted baseline in twenty-three rural communities. The proposed budget was for 22 million pesos. After a sit-in of various days in Mexico City an agreement was reached to finance ten productive projects for one million pesos (approx USD$100,000). The Veracruz State Government, as responsible for transferring this money to the municipalities, took various delays. Finally in November–December 2001 the first in-kind resources were provided to each group. In 2003 approximately 500 people representing Apetac participated in a sit-in in Mexico City to demand that the Minatitlán refinery dispose of *tetratilo de plomo*, a toxic substance that gives off gas when exposed to air. Negotiations with Pemex were once again undertaken to carry out the memorandum signed in 2001. An agreement was reached to disburse the second installment of USD$100,000 for six family livestock projects. (Excerpted from Apetac project proposal, 2004).

43. This is most apparent in the difficult living conditions of the leaders and their immediate families , which contrasts markedly from that seen among leaders whose homes reflect the "benefits" of channeling resources.

44. The livestock projects involved the allocation of one animal and then the provision of a rotating stud animal for reproduction.

45. In particular the teenage son and daughter of one of the leaders.

46. Such charges and experiences are common to many cooperative producers' associations and in the NGO sector in many parts of the world. I provide details here only to point out the ways in which state bureaucratic procedures end up reproducing relations of distrust and, thus, reflect how corporatist practices disarticulated Mexican social mobilization under the PRI and into the present.

47. Highway-side billboards advertise pesticides and fertilizers.

48. While leaders attended anti-WTO protests in Cancún, there was not a broad "movement" contingent. The importance of this to broader regional movements is strengthened by the recent Evo Morales win in

Bolivia.

49. See Bruno, Kenny "Olin in Niagara" (see http://multinationalmonitor.org/hyper/issues/1992/01/mm0192_05.html). When I told an American colleague in the environmental justice movement about this case, his response was "Pennwalt's still around!? Terrible corporate criminal recidivism!"

50. Through Atofinachemicals.

51. Barkin indicates that the companies most likely to qualify for the Profepa clean label are larger corporations and subsidiaries of international companies who have institutional capacity to incorporate these innovations. (Barkin in Utting, 2002: 22)

52. Taken from the Declaration on the Impact of the Petroleum Industry on the Life of the People, Coatzacoalcos, Veracruz, April 2003. The declaration continues with a call for scientific analysis of the affects of the spills in each zone.

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