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**Miracle to crisis in Mexico: Creating and controlling the
industrial labor force**

Keren, Donna J., Ph.D.

City University of New York, 1987

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MIRACLE TO CRISIS IN MEXICO:
Creating and Controlling the Industrial Labor Force

by

DONNA J. KEREN

A dissertation submitted to the Graduate
Faculty in Anthropology in partial
fulfillment of the requirements for the
degree of Doctor of Philosophy, The City
University of New York.

1987

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This manuscript has been read and accepted for the Graduate Faculty in Anthropology in satisfaction of the dissertation requirement for the degree of Doctor of Philosophy.

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September 1987

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Chapter 1: From Miracle to Crisis: Contradictions in the
Industrialization Process of Querétaro, 1976 to 1982.

This anthropological case study of manufacturing and the labor force in Querétaro describes the experience of an industrial growth pole in a semi-industrialized country, Mexico. The focus is on the expansion and contraction of the labor force and the relationship between this changing population of workers and the interests of the companies which employ them. The focus of this study will be: What factors in a fluctuating economy condition actual recruitment to and participation in the different sectors of the local labor force, especially as perceived, manipulated and controlled by the companies?

When I planned my fieldwork for Mexico, especially Querétaro, it was with the idea of studying the expansion of the labor force, the new opportunities and rapid changes taking place in a boom economy. The Mexican Miracle as it had been called was a development wonder: sustained average annual growth rates over 8%, oil wealth, an industrial and urban infrastructure and a readily available labor force. I did not go to Mexico to study a contracting economy; that was what I was leaving behind in the declining manufacturing sector in the U.S. The new international division

of labor and the shift in patterns of investment worldwide had already left a devastated industrial landscape across a wide belt of the developed world. As it turned out, the field research was conducted during a period of extremely severe economic downturn and social dislocation, referred to in Mexico as La Crisis, the Crisis. The economic decline of the 1980s, and in some cases especially the government nationalization, has meant limitations on, shifts in and obstacles to the planned expansion of industry and the labor force in the Querétaro region and the entire country.

Now when I am asked the usual question, "What is your dissertation about?", I have had to answer--plant closings. What was originally conceived as a study of "hiring", has become instead an analysis of "firing". The revised research problem specifically considered the twin project of exploring labor recruitment (both hiring and layoffs) and labor process (the system of controlling work), and how these managerial options led to the creation and control of the Querétaro labor force. In response to the new economic conditions, the new research questions focused on 1) Who is an ideal industrial worker and how is industrial labor made tractable, predictable and sustainable in Querétaro? and 2) How did labor recruitment respond to the changing economic, social and political conditions?

It has become common place to suggest that Mexico is a country of contrasts; but cliché or not, the reality is

that industrial investments in Mexico favor capital (not labor) intensive industry; foreign (not domestic) technology, as well as foreign markets and capital products; big firms and international capital over small and medium-sized local investments. The development schemes of a half century of modernization have brought Mexico polarized development and polarized solutions.

In every Mexican city and in the countryside, the contrasts are ever present. Alongside the most modern and sophisticated commercial farms, often producing luxury products for export, are the tiny overexploited plots of the Mexican peasant; coexisting with the luxury and wealth of absentee owners' life styles is the precarious subsistence on beans and tortillas. Alongside modern factories with state-of-the-art technologies, imported of course, are tiny agricultural ejidos dependent on rainfall and so limited technologically that digging sticks are still used; the few remaining artisans cater to a tourist aesthetic, and struggling job shops compete with each other for the subcontracting "crumbs" thrown off by the big international firms. In front of the big department stores and small city merchants are the itinerant vendors and street sellers of every conceivable commodity--necessary and absurd.

Rolando Cordera and Carlos Tello (1981), Mexican economists and politicians both (the radical wing of the PRI),

wrote in the months before the Crisis that there was a dispute over the terms of the economic and social development agenda for Mexico. Although they supported a national mixed economic model, and opposed what they called the "neo-liberal" free market approach (of Milton Friedman and the Chicago school); there was little disagreement about the contradictions that will necessarily condition the future development of Mexico, regardless of the economic model chosen. The contradictions as they saw them included:

- 1) the sustained growth of the economy during several decades has been accompanied by the inequitable distribution of wealth by economic sectors and geographic regions,
- 2) the increase in real per capita income has yet to provide basic needs (housing, health, education, nutrition),
- 3) the high levels of capital formation co-exist with extremely high levels of unemployment and under-employment,
- 4) the relatively diversified and growing domestic industrial sector struggles to exist alongside the penetration of foreign capital and the oligopolistic concentration of the ownership of the means of production,
- and 5) one portion of the society is catered to with modern consumer items, while the majority of the population relies on an antiquated and inefficient productive base (1981:44, my translation). The Crisis has in many cases aggravated the inequalities and weaknesses.

Just as I sat down to write this introduction, I received the following report in a letter, dated August 1987, from Don Lorenzo, one of my informants in Querétaro.

The political situation is bad. This year the new president will be picked and the two most likely candidates are...both economists from the same "Chicago School" which has shown few positive results in Latin America.

Economically, inflation is already 72%, although the Bank of Mexico reports only 60%. I'll give you an example: all fuel prices rise 30% every three months, average rents are 75,000 pesos, a house is 125,000 pesos [per month]¹.

The only pesos in the banks are the legal reserves, but banks are paying investors up to 98% annually.... The dollar costs more everyday. Today it is worth 1460 [pesos].

Don Lorenzo concludes with a quintessential Queretano evaluation of the options,

Nevertheless, one can do without almost anything, except food, sleep and sex. (Pero a todo se acostumbra uno, menos no comer, no dormir y no coger).

Don Lorenzo's letter reflects the conditions outlined by the government in reports of the economic indicators. During the summer of 1987, the minimum wage was 3750, 4165, and 4500 pesos a week. Querétaro's workers, scaled for the lowest regional wage, received the

lowest rate. First-half inflation was reported to be 54.6%, although the annual rate was expected to pass 125%. June, 1987, price increases in basic items included: 24.8% on rice, to 488 pesos/kilo; 6.2% on meat, to 3,400 pesos/kilo; 27.9% on eggs, to 985 pesos/kilo; and 29.6% on pasteurized milk, to 324 pesos/liter (Comercio Exterior 37(7):533-34). A kilo of meat cost almost a full week's wages in Querétaro. The temporary miracle has turned into a permanent state of crisis.

At this point it is fair to ask what is an anthropologist doing among the capitalists, trespassing on the territory of economists? Anthropologists can make an essential contribution to the political-economic debate on development and crisis. In practice, anthropology focuses on people, economics relates only to numbers. In real life people do not always behave as the economic models predict, and in fluctuating economic conditions the fiction of a labor market often does not stand close scrutiny. For example, a decline in real wages signals to an economist that labor will be withdrawn from the market (upwardly sloping supply curve of labor). In Querétaro, as I discuss later, the opposite happened: people were working harder to stay on the jobs they had, as well as taking on additional work, often in the informal sector (see Anderson and Frantz 1984). The participant-observer field research methodology and the qualitative analysis which are the distinctive aspects of our discipline reveal the specificity in terms of

lost in the generalizations from statistical representation in the field of economics. Ethnographic description unmasks the ideological representation projected in politics and policy rhetoric.

For decades the passion for studying "development" included a romance with modernization which began with stone tools, then steel axes, ox-drawn plows then mechanized tractors. We looked at what happened to tribal peoples, peasants and to small groups. But anthropological studies have had to move beyond this bounded world of the villages accepting or rejecting progress.

What anthropology now addresses is what happens to the society in the world system. Often we no longer have a single village, urban neighborhood, social group or even an easily defined or delimited geographical locus. The "village" of traditional fieldwork and ethnological practice may loom large in our new work, but it has become necessary to find an integrative or critical analysis to justify our efforts. The contradictions and processes of economic growth are, on the one hand, an abstract problem. However, the policies of transnational corporations and international capital were the concrete forces determining the labor market for men and women in Querétaro. In the final analysis, we do need to look at this changing world economic system.

Studying development has brought out the best and the worst in anthropology. The problems, conditions and experience of uneven development occur in terms, first of all, of rural land tenure and rural welfare, urban slums and unemployment, and the extremes of poverty and wealth. With our disciplinary focus on the community and the less than powerful, ethnography was one of the best ways to study people's lives. However, we frequently left off before explaining "origins in the broader political economy" (de Janvry 1981:7).

To our credit, nevertheless, anthropologists did distinguish between economic backwardness as a result of the world system, and any notion of cultural deficiency, native inadequacy or retrograde development. The struggle between the "new" industrial Mexico and the traditional nation is not at base one of contrasting cultures or abilities, except as any group is willing to abandon their social fabric and replace it with tattered myths. Poverty, unemployment and underdevelopment are not isolated, free-standing phenomena nor the characteristics of certain people, and as such they require more than cultural explanations. Yet it is still that cultural focus which ultimately elevates anthropological answers to explanations. The complexities of our modern capitalist world require explanations which can deal with political-economy and culture simultaneously. In the end, however, these are much more than petty squabbles of

competing academics. How we see these conditions is how we deal with the people who live them. There are real and contrasting policy and political implications.

Review of the Literature:

The context of this research on the labor force in Querétaro is the economic crisis that has engulfed the world in the 1980s: the never-well publicized recession in the early 1980s and the over-well publicized recovery that has not yet been (UE 1987b). The world crisis is characterized by the regional and international relocation of production centers; "tertiarization" of the first world economy and social wage--declining rates of pay and standards of living; the almost complete internationalization of the division of labor; an international debt crisis which is severely affecting and limiting the potential for future development of not only the world's underdeveloped countries, but its developed ones as well; the increasing indebtedness of the U.S. in world markets; and the shifting positions in the trade balance between former trade partners (especially the rise of the Asian basin countries). These conditions have their roots in the world capitalist system and, in spite of the crises, the system, now characterized by major political-economic shifts, still has its supporters.

Anthropology has taken up several general approaches to economic development and each one has been advocated as the

appropriate model of Latin American or Mexican industrialization. I came to the study of Latin America in the late 1960s. To my generation the debates over modernization or dependency should have been over long ago. But as I will show in the later sections, our assumption of theoretical house-cleaning may have led us to miss what in fact was still an essential operating principle: The world view that has changed little in its essence in spite of the addition of "global reach"--multinational and transnational corporations, new international divisions of labor and corporate hegemony to our models. One of the basic issues in the process of development in Mexico, and one that anthropology does contribute to understanding, is analysis of the viability of the system (capitalism) itself.

In the post-World War II period and throughout the 1960s development was conceptualized as "modernization". Each country's advance was laid out on a path toward a modern, international economy with a well-developed work ethic among the members of society. This replication of foreign models was fuelled by foreign investment. The dislocations, inequalities and deviations were the expected growing pains that accompanied the move towards capitalist development.

The orthodox view of modernization was promoted by the developers and accepted by the analysts. This first approach is associated with Rostow (1959) and claims that

all economies pass through similar stages of economic development. Even though a region may have begun its process of industrial development late, the model predicts that the region should eventually catch up and become a fully industrialized economy. Oxaal et al. (1975:1) suggest that economically naive sociologists (and by extension, anthropologists and development specialists) were "sitting ducks" for the cold war evolutionary paradigm of progressive stages epitomized by Rostow in The Stages of Economic Growth. (See also, Hoselitz 1953, Moore 1951, Tannenbaum 1960, Vernon 1963 for examples of the modernization approach.)

As I explore modernization concepts in more detail in Chapter 3, on the ideology of corporate managers and companies in Querétaro, I will postpone further discussion of the underlying assumptions of these ideas. However, within anthropology there are two major trends in the literature influenced by these neo-classical economic ideas. The first is that influenced by the work of Redfield (1941, for example) on the folk and modern dichotomy. The second is the formal economic analysis which played out in economic anthropology well into the 1970s. The modernizationist influenced ethnographic literature on rural life and custom has provided us with some of the best available data on the lives of most of the world's people. But detail is no longer enough.

At the heart of anthropological work in Mexico has been the study of the rural areas and the traditional agricultural occupations. As industrialization became a fact of life for many regions, states, and peasants, these rurally-based studies have begun to shift focus. Modernization, therefore, was followed by a critical refinement in the work of the dependency and world-system theorists.

The actual development failures and the obvious problems of increasing inequality spurred the formation of new paradigms. The Latin American economists associated with ECLA/CEPAL (The Economic Commission for Latin America) and Raúl Prebisch were among the first to criticize "conservative economists who believed that the present division of labor in the world market was inevitable" (Cardoso and Faletto 1979:viii). Prebisch (1962) and his colleagues did call for industrialization to supplant the export economies based on primary sector "competitive advantage", laying the groundwork for the Import Substitution Industrialization strategies of the 1960s. Cardoso and Faletto also point out that "In spite of their critical nature, ECLA economic theories and critiques were not based upon an analysis of social process, did not call attention to imperialist relationships among countries, and did not take in account the asymmetric relations between classes" (1979:viii).

The later approaches associated with Andre Gunder Frank (1967) and Immanuel Wallerstein (1974) attempted to accommodate the missing elements used in the critique of the ECLA approach. Frank argued that underdevelopment was developed; that is, development was actively inhibited by the contact between the advanced industrial countries and the Latin American countries. Tied to the problem of underdevelopment was that the process of contact rendered one economy dependent, not allowed to develop based on an internal agenda but only as a function of external relations. Frank has continued developing his ideas over the past 20 years, but he has not been alone. Harsh criticism as well as more or less gentle revision have come, nevertheless, to accept "underdevelopment" and "dependency" as key problems in the future of Latin America (see Evans 1979, 1985).

The economic history of Latin America, since the conquest, is one of changing and imposed modes of production, outstandingly the incorporation into capitalism as it grew. The manufacturing history of the "developing" countries, that is those countries that began seemingly independent industrialization after shaking off the yokes of colonialism and neo-colonialism (Stein and Stein 1970), was from the beginning a history of external forces still at work (Stavenhagen 1968).

Wallerstein set off another paradigmatic struggle. The world-system perspective was an outgrowth of dependency

theory, but the broad historical task Wallerstein undertook literally forced him to his conclusions: that there had been only one "modern world" since the emergence of capitalism as the dominant mode of production in the sixteenth century, and that the present capitalist world--system is a process of unequal relations and development (core-periphery) that continually reproduces a hierarchical world based on a hierarchical division of labor.

This model of dominant/subordinate core-periphery relations, like Frank's metropolis-satellite, assumed that some regions are destined to become permanently underdeveloped economies. In this paradigm, the less developed economies are forced to "fit" into the world capitalist system as primary producers for the more advanced industrial powers. Here underdevelopment is not just a stage in the growth process, but, rather, a permanent condition that is exacerbated over time through the operation of unequal exchange (s.a. Amin 1976, Emmanuel 1972). Others attempted to analyze these hierarchical relations and dependencies in terms of structural blockages and problematic linkages between rural and urban, developed and underdeveloped, manufacturing and labor markets (see Quijano 1974; Castells 1973, 1977; Portes and Walton 1981, de Janvry 1981, Smith 1984), or by looking directly at the new international division of labor (Froebel, Heinrichs, Kreye 1978).

The dependency models have been criticized as too static, too simplistic to explain the complex and varied relations between Indians, peasants, governments and companies, too general for the specific cases. Nevertheless, the important contribution has been to challenge the view of stages, especially the optimistic and progressive advances implicit in the neo-classical economic models. In both Spanish and English, the work on development in Latin America over the past twenty years has begun to reinstate the history of underdevelopment, a history that not only was forgotten, but denied in the supposed timeless advance of capitalism across the globe. The fundamental lesson of the world-system approach is that "social scientists can no longer study macro-level social change without taking into account world-system process" (Timberlake 1985:3). Anthropology has made it clear that micro-level, local-level social change also requires recognition of the larger context of the world-system.²

Although Marxist formulations influenced some of this dependency and unequal exchange approaches, there were many problems and questions left unanswered. Primarily, it was a problem of focus. From modernization to views of unequal exchange, and in some ways even emphasis on cheap labor in the international division of labor, each of these approaches put their main emphasis on exchange, rather than the social relations of production.³ Implicitly the

answer was sought in products/markets and aggregate statistics, rather than human labor and social relations. Most recently a variety of tendencies and threads have begun to come together, leading toward a careful analysis of the "labor process" and the "reserve army of labor". Both of these concepts, by starting and ending with labor, have enlightened our consideration of the processes and contradictions of industrialization.⁴

The concentration on exchange as a purely (free) market phenomenon and on productive decisions as purely economic and determined by quantitative measures such as cost tends to remove anthropology from the the usual social sciences looking at capital accumulation. But we should not be left out, and in fact anthropological concerns and approaches have something to contribute to explanations of what occurs to real people when "factor mobility" becomes a reality for them.

Studying Work:

Does anthropology have a contribution to make to the analysis of the labor process and the reserve army of labor in industrial development? In fact anthropology has a long history of studying work in various contexts and cultures. I would argue that the anthropological study of work in complex societies must be the study of the relationship between capital and labor (Alonso et al. 1980). In spite of

the sometimes extremely broad conceptualizations and "theoretical underdevelopment" of the anthropology of work approaches (Hakken 1987), the focus on work as a general activity of all human societies--Gamst's "purposeful exertion of physical and mental abilities" (1984:58)--reminds us that work is the human essence. From there it is a shorter step to agree with Marx that productive activity is "the life of the species" and it is common to all peoples in all societies (Ollman 1975:101, cited in Hakken 1987:67).

One of the most important contributions of the anthropology of work, in spite of muddled and inadequately specified terms such as work, labor or production (Ruyle 1987, Hakken 1987), is that these studies have been able to bring to light very real and important differences between work in non-market and precapitalist societies and work in capitalist industrial societies (see Chapter 3). The culturalist, often semiotic or representational, approach which can limit the usefulness of the anthropology of work (Ruyle 1987, s.a. Leacock 1985), also re-emphasizes that there are differences in the attitudes about work in the different industrial and non-industrial cultures.

One of the most fruitful approaches in the anthropology of work examines why each group and historical transformation to capitalism has differed within the world capitalist system. For example, Alice Ingerson suggested,

based on her anthropological study of working-class culture in the Portuguese textile industry, that while most analyses aim to explain "why and when working people reject or accept, resist or pursue," a transition to capitalist social relations; the problem is misstated. "The transition to capitalism is not an option presented to each society or working-class in turn, but a single global process" (1984:217).

Littlefield's analyses of henequen production in the Yucatan provide another important route for studies of work in the capitalist world. She shows that even when various economic relations (including merchant control over peasant and artisan production) have the appearance of exchange relations, they are actually "production relations in the sense that merchants control both the means needed by peasants or artisans to undertake production and the conditions for the reproduction of production" (1978:503, s.a. Novelo 1976, Garc.a 1982, Cook 1984, 1986). This is not a semantic or even a semiotic analysis of the terms. The social relations of production behind the economic concept of "factor mobility" obscure the reality of men and women's working conditions (see Leacock 1972:56-7 and 1975:602, Burawoy 1985, Sassen-Koob 1983:199 n.5). Littlefield makes the point, following from Leacock and pre-figuring Burawoy, that the approach she is taking "assumes that under capitalist relations of production, exploitation is more real

than apparent. As labor becomes a commodity, relations between workers and capitalists appear as exchange relations and the source of the surplus is obscured" (1978:506, emphasis added).

The reconsiderations of development and dependency have brought to light the role of the multinationals (Barnet and Muller 1974), the concept of "transculturation" (Nash 1983:28), the historical context for labor in the world system (Bergquist 1986, Sanderson 1981, Semo 1973, Wolf 1982), the dialectical process of competing interests and clashing cultures (Basañez 1981, de la Peña 1981, Evans 1979, Nash 1979). The revival of a marxist perspective in the study of work has challenged the exchange bias in the analyses and reinstated the basic importance of the social relations of production and the cultural context. These critiques make it clear that certain theories or models hide more than they explain, while others strive to transcend ideological justifications in search of working explanations.

Field Methodology for Research on Managers:

Conducting an anthropological research project on the managers and companies of international business brings into question some of the received knowledge of the anthropology graduate student. For example, my first problem was actually the research problem--it was changed mid-project.

In collaboration with the Centro de Investigaciones Sociológicas - UAQ (Sociological Research Center - University of Querétaro) and its director, Dr. Gilberto Silva Ruiz, I rewrote my original proposal to 1) respond to the changing economic situation in Querétaro and Mexico (the Crisis) and 2) align my study with the on-going research interests of local investigators (Keren 1982).

As a result, the managerial research focus and interviewing priorities were consciously decided upon and reflected the coincidence of unlikely circumstances: my interest in how the new workers in Queretaro were being chosen and incorporated into the labor force as the region industrialized; and the surprising willingness of a variety of managers and companies to talk openly with me about how they were and had been handling labor and how they were going to cope with and survive the Crisis.

With a newly defined research design I faced a second challenge to my training. Who is an informant? How do you meet and select (or accept) informants? Given my original project, I had chosen to live in a working-class downtown neighborhood, renting a room from a woman whose livelihood derived from many informal sector activities. However, my new research questions meant that I would be studying a portion of the city's elite--corporate managers and government functionaries. I phoned few people cold. (Few homes in Querétaro had telephones, and the offices at the

factories generally relied on only one or two incoming lines.) The support of the then executive director of the business association, Canacindra, Lic. Blanca Paullada, opened the avenues of contact to many of the corporate managers I needed to contact. A silver Mercedes 450SL with New York license plates was the key to another line of informants, while the taquerías (taco vendors) and cantinas of Querétaro stood in for the hospitality of someone's home.

It was still participant-observation, not because I was a manager or because I worked at a company, but because I lived in the same city and through the same crisis developments as every Queretano. So that at the same time, although I focus most closely upon the participation and response of the managerial bureaucracy, I did interview, live with and experience the Crisis from the perspective of the working class in Querétaro. The sections on life and work in the Crisis, especially, are based upon these observations. In designing the actual day to day implementation of my project, I relied on the entire arsenal of customary anthropological research methods, such as archival and documentary data collection, case studies (of the different factories), detailed and successive interviews of a few informants (37 managers and workers), surveys (See Appendix A), and participant observation at the levels of factory (plant tours), household and community (daily life). I

took heart in the words of one of the best anthropological studies of Mexican industrialization: "At the last count, anthropology--like artisanal work and unlike industrial work--can rescue and conserve that which impelled the original advancement of social science as a branch of knowledge: the link between life and popular wisdom" (Novelo and Urteaga 1979:29).

Most of the information presented in the dissertation was gathered over the duration of the fieldwork in Querétaro (December, 1981 to February, 1983, and in October, 1983 and October, 1985), and of course has been supplemented by conversations with friends and informants as well as by review of volumes of published sources (Mexican and other, academic and journalistic) in the time since I returned to New York.⁵

On one hand, I suspect that my fieldwork experiences do prove the discipline's almost axiomatic view that the last six months are always the busiest, most involved, overwhelming and productive. I have wondered was it that my months of groundwork and effort finally began to pay off in September, 1982. Or was it just that the series of events that marked the stages of the Crisis were responsible for the willingness and cooperation I began to encounter after the remarkable nationalization of the banking industry on September 1, 1982?

The interviews, quotes, examples and information that comprise the heart of this research project were provided

les that guided the meetings with these managers are included in Appendix B.)

At the beginning of my second year in the field (January, 1983), I visited small rural factories (maquilas) and a cooperative tree farm and truck garden. On several of these trips I was part of a contingent (comisión) of Mexicans. Returning from a day-long trip into four rural municipios (Ezequiel Montes, Caderyta, Tolman and Colón) and as many maquilas, my Queretano host asked me what was the most impressive that guided the meetings with these managers are included in Appendix B.)

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The inequality and vulnerability that are an inescapable part of the functioning of capital accumulation were no longer abstract ideas, but visible daily occurrences. There was a total power black-out at Kimberly Clark. It started fires that were soon brought under control, but the damage to the imported computer programming chips and boards was irreparable. Even minor power surges can blow sensitive electronic equipment. The problem in 1983 was this software, like so much else, had become unobtainable.

Dependency is so tangible in industry that it tends to overwhelm note taking and even confuse thinking in the field. There was literally no company or industry which was not dependent on foreign inputs or markets at some level. The problem, simply, is that "dependency" and even "world-system" are not the language of the system, even if theoretically we argue that in fact they are the system. The emphasis in this study, based upon interviews with the managers had to be on their world view: the implementation on a daily basis of the decisions of capital accumulation. The analysis had to be in their terms: control of labor.

The rest of this dissertation is divided into four chapters which will look at capital accumulation in Querétaro, the managers and the transformation of labor, and

then creating and controlling the new industrial labor force. Chapter 2, Querétaro Labor and the Economy, is a review of the state's economic history with an emphasis on the post-war industrialization process and the role of local and extra-local interests. Over 30 years industry had been working its way into the economic and social life of Querétaro. The latest designation as a decentralized "growth pole" took advantage of the fact that Querétaro was not only near the capital, but it had been a model participant in the flows of the reserve army of labor for the rest of the country. By 1982, structural (economic) changes in Querétaro had taken a provincial city with a few shining moments in national history and pushed it irreversibly into the mainstream of capitalist development.

Chapter 3, A World After Its Own Image, introduces the notion of control. In this theoretical chapter I try to separate myth from reality in the theories used to sustain capitalist relations of production and in the practice of the managers who are the main policy implementers. The reexamination of modernization theory looks at how it functions as both a mythical force and at the same time the driving rationale for capital penetration in Latin America. My review of the social and historical literature on making the labor force in Queretaro and the "rules of the game" in managing labor focuses on the reserve army of labor and the process of control as necessary to capital

accumulation. This analytic approach assumes that the study of capitalist control over production processes and workers (labor) is vital to understanding the key issues for economic development in the late twentieth century. Finally, the hegemonic drive to create a world in its own image is enacted by the men and women whose position and power in the capital-labor relationship sustain the system, the managers.

The historical comparison which outlines the changing definition of work and worker in capitalism, sets the stage for the discussion in Chapter 4 of the creation of the new industrial labor force in modern Querétaro. The dynamic and contradictory process of making the labor force during Querétaro's boom years (the late 1970s to 1982) is broken into an analysis of the actual steps of recruitment, selection, orientation and training. The perspective is principally that of the managers. Following from that, the paradox of a perceived labor shortage for industry is analyzed in terms of the rationalizations and ideologies attached to hiring men and women for different jobs. Between the lines of every explanation and hiring policy was another managerial attempt to control the labor force.

The economic crisis of the 1980s has been a major factor in the process labor recruiting, shifting the advantage in the labor market from the workers to the employers. The Crisis sent shock waves throughout the

entire industrial structure and the social fabric of the community, but it was the workers who were asked to sacrifice most and who, in their own words, "got screwed". In practice and in statements about what they did, the managers reclaimed their prerogative of control adding new strategies and tactics to the traditional tools of management control: lay-offs, wage compression, anti-union activities and the threat of plant closings (Chapter 5, Management Takes Control). The local response was "you gotta work". People were working harder, looking for more work and changing their long-held views about working in the factories. I conclude this last section with a brief review of worker resistance, as a reminder that this is by no means a passive, one-sided process.

Notes to Chapter 1:

- 1 For a point of comparison: My 1983 rent for a room in a private house was 5,500 pesos, with kitchen privileges. Small apartments or houses were about 14,000 to 18,000. The peso:dollar exchange rate at that time was approximately 150:1.
- 2 For example, the symposium: Life and Work in the Debt Crisis at the XIIIth International Latin American Studies Association Congress, Boston, October 23-25, 1986, was organized around interdisciplinary presentations to address the issue of local level responses to world crisis.
- 3 The difficulty may reside in the fact that labor is a commodity like no other. The discipline of economics, however, does not distinguish between labor and other commodities. Anthropology does make that distinction (Leacock 1972, 1975, 1982, 1985).

- 4 It is generally argued that barriers to agricultural productivity on the small-scale have been effective in pushing labor off the land and often out of the region (de Janvry 1981, de la Peña 1975, Warman 1983, Barkin and Suarez 1983). These barriers created a huge latent proletarian population throughout Mexico and Latin America, the marginal and immiserated populations (see Nun 1969, Quijano 1974, Cockcroft 1983), and the informal urban sector (Souza and Tokman 1976, Portes and Walton 1981, Arizpe 1975).

- 5 One of the most useful was a post-fieldwork interview with Lawrence Rout which took place in New York City. His term as Mexico City Bureau Chief for the Wall Street Journal coincided almost perfectly with the period of my fieldwork. Our discussion covered his reporting and perspective, a comparison of his "informants'" views and mine, as well as some acknowledgement of our different views on the same world events, the Mexican Crisis and the daily life in Mexico.

Chapter 2: Querétaro Labor and the Economy

Introduction:

Reconstructing the history of Querétaro's economy would be a challenge for even an economic historian. While I have not picked up that gauntlet, in the brief overview that follows I place emphasis on a few key processes that will help to explain what was happening to the community and to labor in Querétaro during the period of my fieldwork in the early 1980s. The lack of information specific to Querétaro is a major drawback in the research.¹ In general, Querétaro either was considered too small, too undeveloped, too unimportant, to achieve individual analytic consideration by outsiders, whether public officials or scholars. Insiders generally focused all their interest on the past and the resurrection of the City's history. Even in the 1980s when federal agencies included Querétaro in their studies, it was always the first state to be left off when time and money was exhausted. The industrial boom, however, was attracting attention to Querétaro and the last five years have produced new studies and journalistic reports that make analysis of the state's economy somewhat easier.

Nevertheless, manufacturing and industrial labor had long been present in Querétaro's history and had achieved a place in the history of capital penetration and development in Mexico. For the purposes of this study of the current crisis, it is possible to begin our history with the post-war period, to lay out the events chronologically beginning in the 1950s and 1960s and leading up to the dependent development and crisis years of the 1980s. What happened during those decades set the conditions for the development of the labor process in Querétaro. I will focus on three issues:

1. The sectoral economic shift from agriculture to industry brought about a qualitative change in Querétaro's relation to the outside world. Drawn along on the wheels of ISI (Import Substitution Industrialization) and later development schemes, such as stabilizing development or export diversification, the local economy continued to lose autonomy and independence as it became increasingly industrialized, capitalized and internationalized.
2. The locus of decision-making for encouraging and facilitating this investment moved out of the community. Querétaro experienced a shift from "spontaneous decentralization" to "planned", locally-designed and fostered initiatives gave way to centrally planned, that is externally controlled, design. This process was both a result and a reflection of the kind of sectoral shift above.

3. The incorporation of labor into the Querétaro's industry was neither a consistent one way street, not a simple, uncontested flow of workers off the land, nor always a top-down, employer-controlled event based solely on demand for labor. Rather, as industry has experienced both periods of expansion and contraction, of too rapid growth and periods of catch-up, the labor force has responded to fluctuations in demand with militancy and organization.

The creation of Querétaro's labor force did not conform perfectly to any orthodox school of thought in economic development. The concrete reality was far removed from arid, rational or abstract decision-making situated in the medium of autonomous market forces as prescribed by neo-classical economic theory. The local maneuvering over development was a social, human struggle. The poverty and inequality fostered by the Querétaro's part in the "Mexican Miracle" was a human tragedy.

The Early Years:

The industrial tradition in the State of Querétaro, especially around the capital city, Querétaro, begins with textile and tobacco "obrajes" (works) during the colonial period (see Super 1976, also Lea 1890, Wolf 1955), but came into its own during the nineteenth century. Querétaro City attracted people during Colonial and Republican times to a

growing commercial and administrative center. Manufacturing was introduced early, creating an urban working class, while an ever-growing tertiary and informal sector of street vendors, domestic workers, and so on has always been a draw, albeit weak, for the surrounding rural population. As early as the 1820s, wool manufacture flourished. Then in 1846, during a period of expanding Mexican capitalism, the Hercules textile factory, an outstanding representative of the period's textile industry, opened its doors on the outskirts of the city. Founded by the Cayetano Rubio family, nineteenth century financiers and industrialists, it is still in operation today (see Tenenbaum 1986).

Industrial growth locally and nationally stalled during the Porfirian dictatorship. The fact that important train lines traversed the state and President Porfirio Díaz himself came to dedicate the new Querétaro central station in December, 1903, did little to rekindle the economic fire. As a result, during the second half of the nineteenth century and into the 1930s, Querétaro was rurally oriented with over 80 percent of the state population living and working in the rural areas. The local economy was based on mining (mercury and marble), on cereals (corn and wheat) and dairy livestock, as well as some montane fruit orchards. The commercial interests which tied the state to the Bajío region and reinforced colonial economic patterns placed Querétaro at the heart of a major distribution network (Brading 1971, 1979; Wolf 1955). As a result,

Querétaro was one of the few states that met its federal tax burdens during the financially and politically tumultuous nineteenth century (Tenenbaum 1986).

Until the 1960s, in fact, 70 percent of all imports into Mexico, whether from the northern border or from the ports (with the exception of Acapulco and Veracruz), passed through Querétaro on the way to Mexico City for redistribution or sale (A.D. Little 1970:9). The dominant classes were landed gentry--an oligarchy in the old mold. After the Revolution, the old families, sometimes without much land, began to compete and make alliances with the new post-revolutionary elite, as long as bourgeois interests supported agriculture, or at least were not antithetical to the old economic patterns (Whiteford 1960:18-9, s.a. Martínez 1982).

The decline of Querétaro's importance economically, politically and socially, as well as industrially, had as much to do with what happened elsewhere as with events in the national and international arenas as it did with internal forces. Although the state of Querétaro sits right in the middle of the country, astride the major road and rail lines, until very recently it was actually one of the least developed states. Until the mid-twentieth century Querétaro was overshadowed by the Mexico City-Federal District metropolis. Sheer proximity and access to the Federal District (D.F.) were manifested as major disadvantages. It was too close for there to be much real,

autonomous industrial and commercial development; it was too isolated, agrarian and peripheral for cosmopolitan life to reach and change it.

In the dynamic relationship between investment in industry and in infrastructure, Querétaro evolved an incipient modern industrial sector beginning in the 1940s. The process was generally slow-moving and sporadic as infrastructural development struggled to keep pace with industrial and community growth. At times manufacturing was encouraged, at other times politicians and businessmen resisted investment as well as incorporation into industrial social relations. Each round of new plants not only meant more jobs, more inhabitants, new roads, new businesses; but also demands for more housing, new schools, additional health care facilities, and adequate public services and utilities. Each decade wrought changes which altered Querétaro and life in it. Ultimately the region's geographic location and agricultural traditions went from liabilities to strategic assets as a kind of "spontaneous decentralization" of industry, fuelled by local initiative and channeled along the new Pan-American Highway, began to change the face of Querétaro's economy and community (A.D. Little 1970:9).

The first industrial zone in Querétaro city took shape in 1947, occupying lands on either side of the north-south highway (Mexico 57) connecting D.F. and the border. In those days it was relatively isolated from urban life and

although it offered little more than a gas pipeline and railroad trunk lines, the location appealed to industrial investors. Whiteford (1960:11) captured the feeling of the time,

...about 1950 the national government began plans for the new international highway which would begin at the border and pass through Saltillo, San Luis Potosi, and Querétaro en route to Mexico City. A new energy infused the city, partially generated by newcomers and foreigners. New hotels were built along the road, automobile agencies and service stations appeared, and new factories and processing plants were constructed... [making] an impressive and industrial appearance at the edge of the city.... Enormous trucks and buses began to roar over the roads in a constant flow and the entire tempo of Querétaro become one of optimistic, energetic progress.

The first firms, La Concordia (textile), Carnation of Mexico (milk processing), Kellogg of Mexico (cereals), Molino 'El Fénix' (granary and mill), Singer of Mexico (sewing machines), were firmly established by the time Whiteford undertook his ethnographic account of social life in Querétaro in 1958. The first phase in the modern industrialization process began with a combination of foreign and national capitals fueling investment and development in Querétaro. Subsidiaries and branches of foreign-owned firms were the front runners, but all of these new factories grew. They were supported by a national political-economy based on import substitution industrialization (ISI), development geared to produce consumer goods for an internal market and improve the standard of living for the largest number of Mexicans.

In 1953, Mexican capitalists were working their way through the plans and prospects of their industrial development. Their tools included the two-year old National Manufacturing Congress, part of the "Camara Nacional de la Industria de Transformación" (CNIT),² as well as the power of their own rhetoric. Much of this was laid out in the proceedings, Memoria_y_Documentos.³ The CNIT document (1953:66) proposed two long-term goals for Mexico's development:

1. achieve industrialization accompanied by the expansion of the internal market, supported by increased purchasing power for the majority and the highest levels of social welfare for the widest possible range of the population, and
2. obtain maximum economic independence and autonomy, the ability and freedom to make economic decisions nationally, from a position of interdependence, not dependence.

In the 1950s, the Mexican government and the private sector alike had concluded that "economic development in Mexico meant industrial growth would have the key role" (CNIT 1953:375). The agricultural sector was not supposed to be ignored but it was not the answer either. The penetration of industrial capital in Querétaro was spurred by the principles of ISI

This Mexican development program was bound to fail. The contradictory mandates encompassed in import substitution industrialization were too much for the fragile post-war economy. ISI set out to free the Mexican economy from foreign dependence by producing consumer goods nationally. However, this policy merely shifted dependency from one sector to another, as the new "national" consumer goods sector became dependent upon foreign machinery and materials.

At the same time, the fact that rising productivity is the foundation of a rising standard of living meant that ISI policies attempted to "liberate" the peasantry from subsistence farming and guide them into the newly created, highly mechanized industries in the cities. Yet the definition of rising productivity is producing more output with less input, especially less labor input. Proletarianization under ISI generally created unemployment, not a higher standard of living or a mass internal market.

Industries arriving in Querétaro were confronted with a challenging search for labor. Querétaro's rural to urban population ration was well above the national average of 60% and the state's agricultural character posed a barrier to industrial development. In 1950 over 75% of the population were agrarian. The urban residents lived in a few large towns and the two major cities, Querétaro and San Juan del Río. In addition, Querétaro was a net loser in the migratory flows sending available labor to major

industrial zones and the U.S. There was no readily available surplus industrial labor force at any skill level.

The labor force absorbed into the first factories came predominantly from Querétaro's urban groups. For the skilled jobs they hired people whose traditional economic activities were in trade and services or in government. The few with industrial experience had probably worked for the state-owned oil company, PEMEX, or the national rail system. The rest, drawn from the adjacent rural areas, began the first slow phases of urban migration and new settlement.

In the view of the Queretanos (eg. Miranda 1983), the local "middle sectors" played the main role in industrial development during the 1950s and 1960s. They were important actors in the industrialization process because they served as intermediaries between capital and labor in Querétaro's capitalist development. Local researchers argue that besides constituting the skilled labor force for the direct production process their extremely diverse social and economic roles as public functionaries, business managers, personnel managers, company supervisors, lawyers, professionals, or union leaders, all contributed, then as today, to the development of the city and its industrial structure. (I will discuss this point in more detail in Chapter 3.)

Acknowledgment and understanding of the contribution of the poor and urban working class proved more difficult. Members of the urban working class were usually employed in small workshops or family businesses involved in artesanal or commercial occupations. The visible poor in Querétaro, according to Whiteford, had a rural character. "Patches, huaraches, braids, large hats and aprons were the diagnostic features of the dress of the lower class..." (1960:19). He did not see them entering industrial work and at least in the 1950s he may have been correct. When rural to urban migration occurred, only a few went to work in the factories. Most found jobs in service or informal jobs or as unskilled labor in construction and domestic service. Throughout this period, however, Querétaro state was a net exporter of its native population. More people left the state to work in Mexico City or across the border as braceros than entered looking for work or moved from rural areas to the cities. The urban population grew only very slowly and the state population grew more slowly than the country as a whole, with the population in Querétaro increasing by only 1 1/2 times, while the national rate was over two times.

The provincial isolation that even the Porfirian railways could not break through was being challenged by industrial development. Querétaro was more than just a new location for new industries or another new market. As twentieth century modernization reached it, Querétaro was

being pulled deeper and deeper into the flow of a development process it certainly did not control, and in fact, to which it had little input. If Querétaro's diminished role in Mexican history was in part due to outside forces, its new role in industrial development was equally if not more the result of predominantly non-autochthonous forces. Unlike the Monterrey Group (Nuncio 1983) the industrial and financial bourgeoisie were not local families, but outsiders, both foreign and Mexican, who selected Querétaro and permanently changed the way of life.

Regional development helped to raise the level of income, if it did not necessarily succeed in raising the real wages and purchasing power of the workers. For some time, though, cost of living increases were less than the nominal wage gains in industry. Nevertheless, when the factories first began to purchase land and build, there was a marked advantage favoring Querétaro over the Mexico City zone. The cost of labor and overhead was definitely less. More importantly, industrialization was altering the distribution of Queretanos throughout the sectors of the economically active population (EAP). For if the internal market at the state level were to expand, it was necessary to attract and incorporate the "self-sufficient groups", i.e. the peasantry, to pull in ever more people from the margins of development. Querétaro could only generate an internal market if enough people earned enough to create demand for consumer goods (CNIT 1953:236,387).

Querétaro workers also began to experience some of the social welfare benefits that accompany expanding investment. At this time national social security policies were formulated. The Mexican Social Security Institute (IMSS - Instituto Mexicano de Seguro Social) began to construct regional facilities, there was a branch of the National Institute for Housing and the National Institute for Child Protection.⁴ Local initiative created one of the first vocational and trade schools, La Escuela de Artes y Oficios. Opened in 1956 in order to train semi-skilled labor for the city's factories, the school was operational for over 20 years before it was closed. (I deal with the operation and importance of these schools in Chapter 3.)

During these early years what unions there had been and the new ones that formed began to affiliate with the established central labor organizations, helping such organizations as the CTM (Confederación de Trabajadores de México - Confederation of Mexican Workers) consolidate its power nationwide. The process of incorporation into the labor federations placed Querétaro workers within reach of national labor policy and national political economy. The image of Querétaro's labor force as passive and controllable did not quite conform to reality. Between 1955 and 1960 labor-management conflicts shut down several small industries and firms causing a small drop-off in the size of the industrial sector. The large firms kept growing however (Secretaría de Fomento Industrial 1979).

The 1960s:

The patterns of development set in the 1950s--the highway, industrial zones, new schools, expanded urban services, together with the shifts in the state's productive apparatus--were the determinant factors in the industrial growth of the 1960s. Urban productive activities were growing at the expense of the rural, even though the majority of the Querétaro population (71.9%) was still rurally based and made its living in agriculture. The state's economically active population (EAP) reflected the rural-urban residence bias with almost 70 percent employed in primary sector activities, but the economic contribution and socio-political importance of manufacturing and urban employment was increasing overall (SAHOP 1978:6-7). Trade and services had been the important activities in the traditional city economy. During this decade, however, manufacturing industry would implant a new economic order and surpass all other sectors as the principal activity not only in the urban economy, but also based on total contribution to state income.

In 1960 industrial production statewide represented a little more than 275 million pesos, followed by other urban activities, commerce, 168.8 million pesos and services only 65 million. Five years later (1965-1966) industry was the largest contributor to the state's economy, if not yet the largest employer. Industrial production soared to 974.3 million pesos, while commerce and services increased more

slowly. The cumulative contribution of the primary sector activities registered only 337.4 million pesos.

When the Bank of Commerce (formerly Banco de Comercio, now Bancomer) surveyed the Querétaro economy in 1967, they designated two areas of economic concentration--dairy and stock raising and manufacturing. The old days when Querétaro's limited contribution to the national economy was based on agricultural production of corn and wheat aided by its important role in mercury production were past. A major mining center in the 1940s, Bancomer reported only decline in the 1960s. Even subsistence production was beginning to suffer. Only in urban activities, manufacturing, trade, tourism and services, the bank concluded, were there any hopeful signs (1967:30). More than 20 years ago the nation's bankers had seen the writing on the wall, Querétaro was going industrial. The rest of the country should have taken note. "The industrial prospects for the region are shining," they reported. "We doubt that the industrial development on line in Querétaro could be interrupted in the future, and in fact, everything seems to indicate that it will continue, perhaps more rapidly" (Bancomer 1967:36).

The Querétaro state government was involved actively in promoting industrial growth, offering the new industries generous incentives: granting partial tax exemption for up to 10 years and total exemptions for fewer years, as well as working with the companies to promote, advise and

collaborate in the establishment of new firms, providing needed state-controlled public services and assuring access to communications and markets. By 1962, A.D. Little consulting firm (ADL) concluded that Querétaro was a favorable location for industry, especially those that were positioned to take advantage of "the outstanding benefits/incentives offered by the state" (cited in ADL 1970:2). Between 1960 and 1970, as a result of the government's support for manufacturing, 691 new industrial establishments were opened. Many of them subcontracted collateral processes and provided services to the city's larger firms.

According to Bancomer's 1967 evaluation, both the local government and the private sector have "demonstrated a salutary and positive desire to advance economic activities." The creation of the industrial parks, they argued, was undoubtedly one of the most valuable contributions they could have made. "The Queretanos, it seems, have shown themselves quite ready to welcome capital investment whether it comes from other parts of Mexico or from other countries, and even to form partnerships with them." For Bancomer, this attitude contributed "without a doubt, to the fact that the outlook for Querétaro's future gets brighter everyday" (1967:45).

Local industrialists agreed. The mid-1960s was a time for optimism. Land availability was especially encouraging, there was a place for all industry that wanted to

move there. One businessman interviewed by Bancomer said that, "in the city's three industrial parks there are still abundant available lots for our own industries and for new construction. The size of the lots is flexible and can meet each company's needs." Another added that the industrial parks were helping the Querétaro economy to flourish. And even "if on the lands that the government had expropriated there were few services available, it was still cheaper to buy there. With effort everything could be obtained," he added that if a company wanted better services, then there was Parques Industriales de Querétaro (Bancomer 1967:32).

With the government-sponsored industrial zone established, the city's second industrial park was a private investment. Parques Industriales covered more than 6 million square meters, and opened in 1964 with about one-third of its projected area (225 hectares) available for use. The area was well conceived. It was considered relatively well equipped and the deals were flexible in order to sell lots. There was a residential section (297 hectares) and space had been left for the development of shopping centers, more housing and other social facilities, although much of that never came about. The builders even left wooded areas that, fortunately, were still standing in 1982. Large industrial plants here, although situated in the middle of the urban area, are still very isolated. Factories built in this area were concentrated in the new

heavy industries and included Industria de Hierro (IH), Compacto, Link Belt, Speeder Mexicana and A.

The third industrial area to the northwest of the city, Carrillo Puerto, which later expanded into the Benito Juarez Industrial Park (Parques Industriales Benito Juarez), was built on ejidal lands expropriated by the state government. As yet underdeveloped, it was massive--then more than 3 million square meters of cheap land. The selling price was only four to ten pesos a square meter (less than \$1.00 U.S.).

With the press for development and investment, the future local authorities and banks painted was without limits. Querétaro City was an ideal location for certain industries. In their judgement,

It is worth pointing out that environmental conditions and in general the location of industry within the city, make Querétaro an optimal location. We are dealing with an extremely well connected center, with sufficient water, electricity and natural gas and oil for industrial activity. In fact, the state is a first class site for industrial development. And in addition to all this, the praiseworthy efforts of the local authorities and private sectors.... (Bancomer 1967:44).

In the 1960s the city's labor outlook was good, energy was available at the going rate, and many plants had been able to rely on local power service and not build their own plants. The potential markets were nearby, the principal market in Mexico city was only 210 kilometers away.

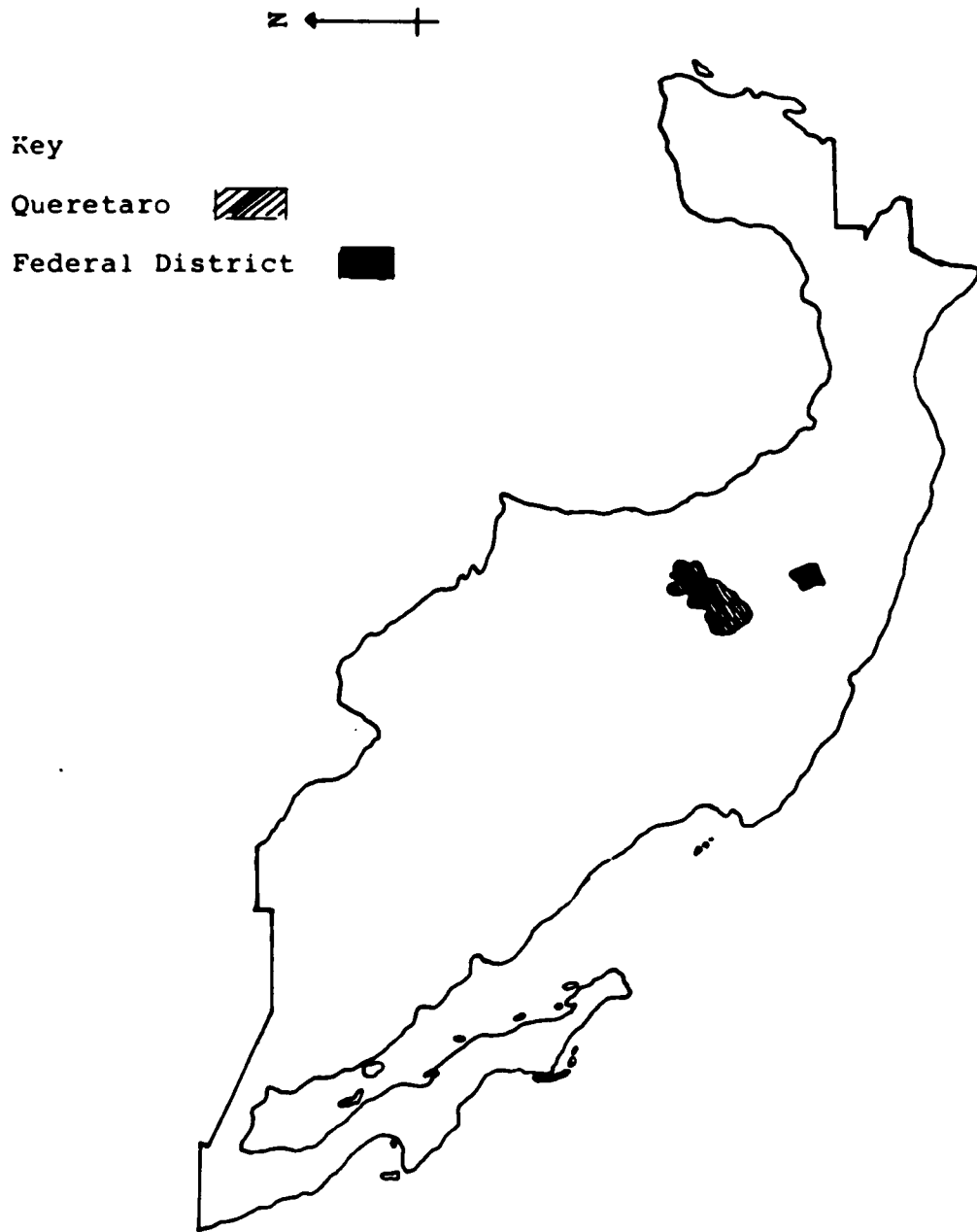
Although at this time there was no effective prohibition against drilling new wells, the Agriculture and Water Resources Ministry (SARH) was supposed to superintend

subterranean water levels by issuing permits. In light of limited regulations the industrialists themselves reported they were having no problems getting water for their operations. Not that there was adequate water, Querétaro is considered semi-arid, however, if a company needed water it could get it. The problems with securing and maintaining adequate water supplies would not become acute until the overdevelopment of the 1980s.

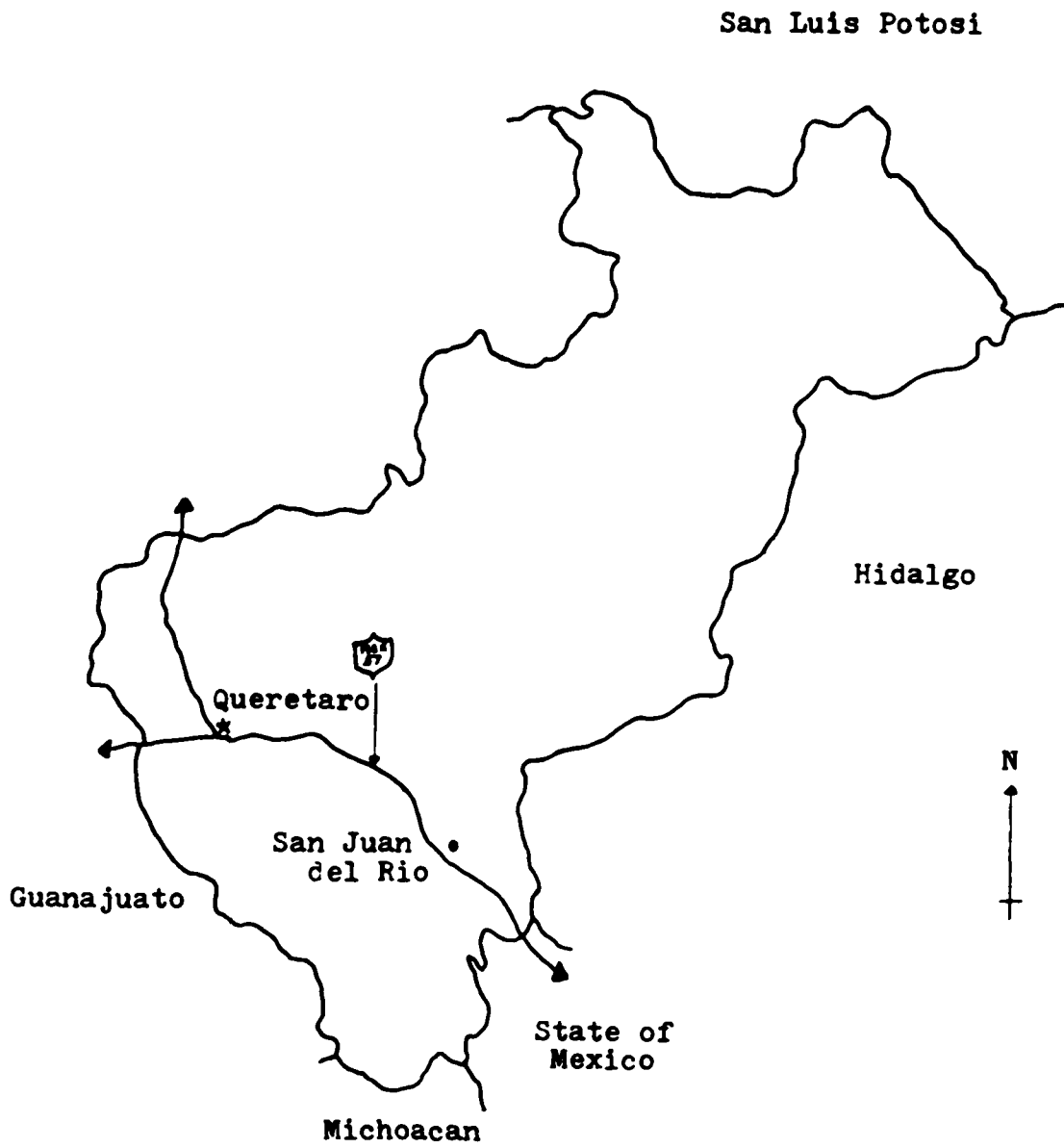
It was also during the 1960s that projects, investments and plans started to link the entire southern half of the state from San Juan del Rio (in the southeast) to Querétaro (in the southwest) into an industrial corridor laid out along the route of the Pan-American Highway. (The relationship between these areas can be seen in the state maps on the following pages.) The industrial zone in San Juan del Rio was in some ways an even more desirable location. Although that city was much smaller than the capital, the San Juan del Rio industrial zone had access to urbanized land (i.e., utilities and urban services), housing developments, nearby energy sources and particularly plentiful water resources. San Juan was also 50 kilometers closer to D.F. than was Querétaro.

Looked at more in detail, however, Querétaro's situation in the 1960s paralleled some of the problems encountered in earlier decades by the previously developed regions. For example, Bancomer pointed out that the internal demand for locally and nationally manufactured

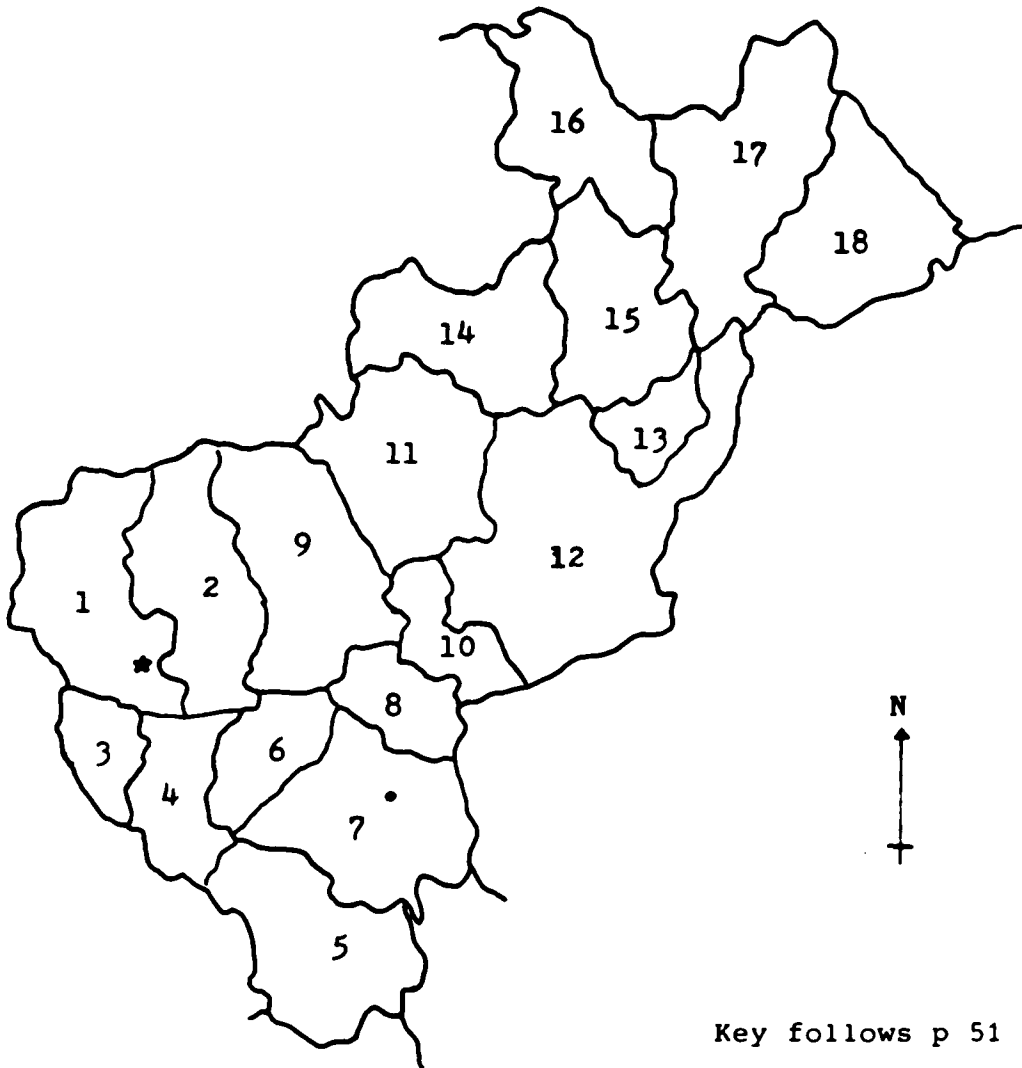
Map 1 Mexico
Queretaro in Relation to the Federal District



Map 2 State of Queretaro
Showing Major Cities, Main Highways and
Neighboring States



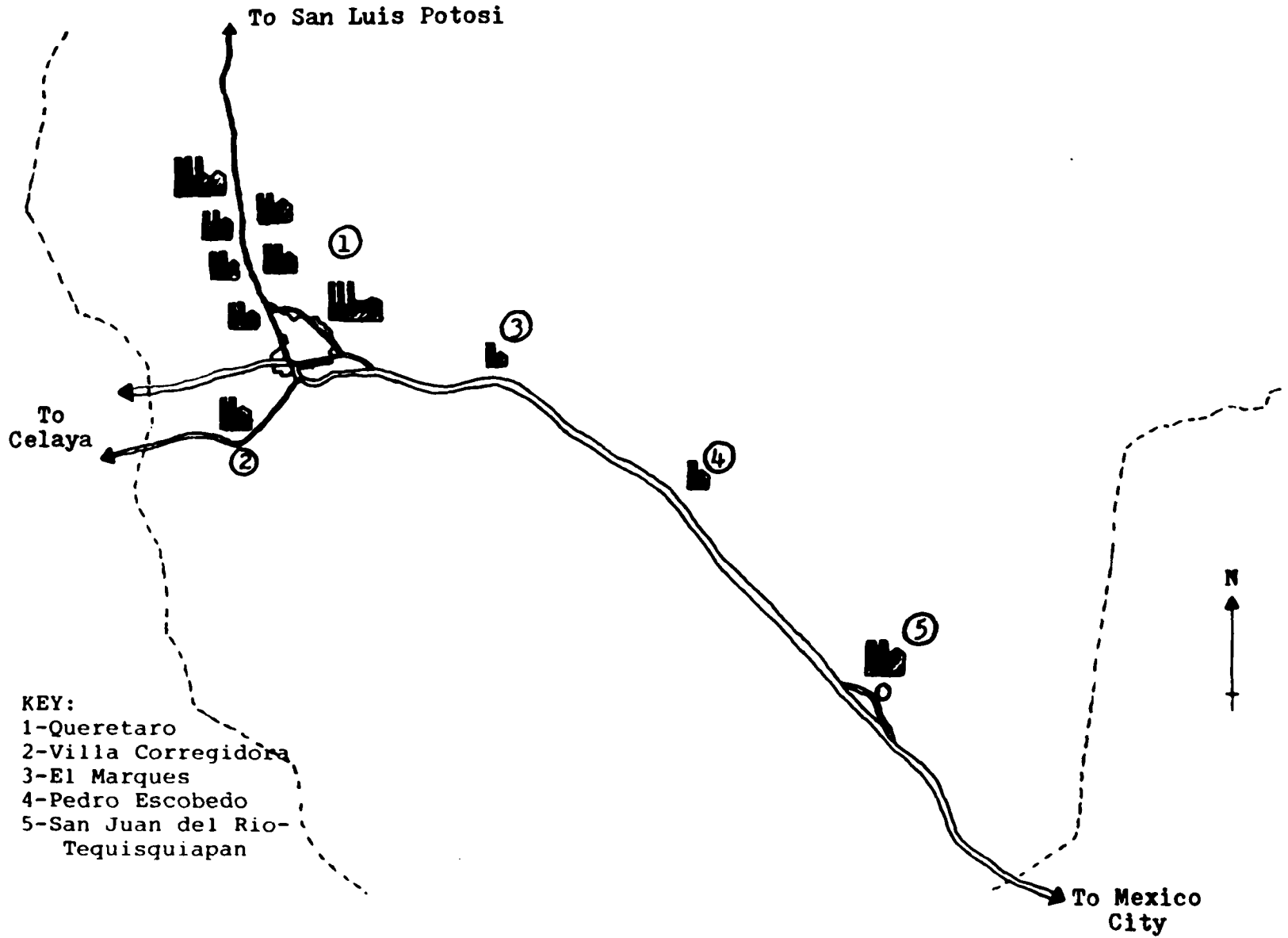
Map 3 State of Queretaro
Showing Municipio (Country) Divisions



Key to Map 3: State of Querétaro
Showing Municipio (County) Divisions

- 1 Querétaro
- 2 El Marqués
- 3 Villa Corregidora (El Pueblito)
- 4 Huimilpan
- 5 Amealco
- 6 Pedro Escobedo
- 7 San Juan del Río
- 8 Tequisquilapan
- 9 Colón
- 10 Ezequiel Montes
- 11 Toliman
- 12 Cadereyta
- 13 San Joaquín
- 14 Peñamillar
- 15 Pinal de Amoles
- 16 Arroyo Seco
- 17 Jalpan de Sierra
- 18 Landa de Matamoros

Map 4 Schematic Map of Industrial Placement, Queretaro



KEY:
1-Queretaro
2-Villa Corregidora
3-El Marques
4-Pedro Escobedo
5-San Juan del Rio-
Tequisquiapan

products was still limited. Although Querétaro was a net supplier to the Federal District because of its location, a manufacturer of heavy construction equipment cried that "our major difficulty is that the national market isn't big enough to buy what we can produce" (Bancomer 1967:32). Textiles, tractors, tools and machinery manufacturers were all in similar situations. Querétaro was not yet its own market and most of what was produced there had to be sold elsewhere. For example, the marble quarries, one of the few indigenous industries, were dying. There was no way for locally-based industries to take advantage of economies of scale, nor arrive at a position to buy the locally made machinery.

So while the future for industrial Querétaro looked bright indeed, dark shadows were collecting. As ISI, and later, Desarrollo Estabilizador ("Development with Stability" program), kept running into walls created by the limited internal demand, the solutions increasingly seemed to be import dependency, foreign capitalization, and technology transfer. As the experiences of the Crisis were to prove each of these caused worse problems than it solved.

If the internal demand was not yet great enough to absorb Querétaro's capacity, wasn't the location ideal in terms of raw materials? That too turned out to be something of a contradiction. When and if available, the manufacturers often claimed the prices for locally available inputs were too high. For example, Bancomer

(1967) reported that a major milk processor, probably Carnation, refused to pay the price for locally pasteurized milk and went further away to Guanajuato and Zacatecas states to buy raw milk at lower prices. The finished product (canned evaporated milk) was price controlled by the state and the plant claimed they were not getting an increase equal to other dairy processors. (Querétaro had a very powerful dairy industry. The conflict between agricultural and industrial interests was manifest in this relationship.) Each time the company requested and did not get an increase it had to go further away from Querétaro to obtain raw milk supplies in more competitive markets. Today, 20 years later, Carnation is still in Querétaro, still the country's major producer of canned milk, still making a profit, and still 100 percent foreign owned. It is also an importer of foreign milk and even of metals for the cans in which it is sold.

The pattern of imported raw materials and then losses due to production back-ups was set in the character of the 1960s ISI development. Getting a permit or license to import machinery, even replacement parts, not made in Mexico, was a problem in the 1960s, it was extremely difficult during the 1970s, and became almost impossible in the early 1980s.⁵ In the many cases, and it appeared as true in 1982 as in 1967, when permission was denied it was because a Mexican firm was supposed to manufacture the item. In almost as many cases, either the firm no longer

existed, it had ceased production of the item for lack of demand, or was producing an inferior or inadequate product (see Bancomer 1967:34).

Once permits were obtained, however, tariffs and taxes came into play. And so too the anti-tariff arguments. Bancomer's analysis claimed that these were so high, even or especially on technically advanced machinery that could not yet (if ever) be made in Mexico, that they worked against promoting local industry even as local authorities campaigned for industrial development (1967:34). The report concluded that high import duties were counter-productive and it was not possible to control development through fiscal regulation.⁶ The essentially protected, nationally made goods too often end up being more expensive, inefficient and of poor quality. This vicious cycle decreases the prospects for exporting the locally manufactured goods. By contrast, local developers in Querétaro had tried to redirect this trend. Industry there sought to have on line the most modern equipment and flexible production systems in order to compete on world markets. Companies such as TREMEC (automotive parts) and Massey-Ferguson, now AGROMAK, (farm tractors), the first for export, the second for the domestic market, were singled out as succeeding where other companies in Mexico had failed in producing quality merchandise at reasonable prices. Querétaro industrialists it was said, led the crusade for quality control and efficiency (Bancomer 1967).

Meanwhile, growth in the trade and service sectors did not keep pace with industry, yet did benefit from the trickle down effects of manufacturing expansion. Most of this new investment was centered in Querétaro and San Juan del Río. In the case of Querétaro it was growth in addition to the city's role as distribution center for the rest of the state and the region. In San Juan it was less total growth than slow recuperation. New businesses were making up for income lost when the Pan-American Highway by-passed downtown and auto traffic diminished on the city streets.

Querétaro's proximity to the Federal District remained a mixed blessing. Local merchants were still in competition with those operating in Mexico City, only two hours away by car for the families with middle and high incomes.⁷ The old downtown area acquired new department stores--Sears, F.W. Woolworth, and Salinas y Rocha. Traditional merchants--Spanish run furniture and appliance stores, yard goods, pharmacies, shoes and clothing, stationers, sweet shops, liquor stores, jewelers, records and books, the traditional abarrotes or general store, as well as cafes and restaurants, saloons and the ubiquitous Querétaro taco stands also proliferated. For the working Queretano a meal at the counter restaurant in Woolworth's was a special occasion. Only the low income families and rural Queretanos shopped within the state, if they shopped at all. Consumption in the rural areas was seasonal.

During the planting season, purchases dropped off sharply only to rise precipitously during and right after the harvest. Nevertheless, Bancomer noted a rise in purchasing power due to the escalating rates of industrial salaries as new and more industries arrived in Querétaro (1967:37). To some degree the internal market was expanding.

Bank penetration and expansion chart the availability of capital and serve as an excellent indicator of growth. By the 1960s Querétaro had 11 bank offices in its two major cities, Querétaro and San Juan del Río, and in the tourist center, Tequisquiapan, seven, three and one respectively. They represented seven different institutions--five private and two official (Banco Nacional de Crédito Agrícola S.A. and Banco Nacional de Crédito Ejidal S.A. de C.V. later merged to form Banrural.) From the banks' point of view, Querétaro offered great prospects for development, not only in investment, but in consumer business as well. There was certainly room for expansion. In 1967, one in 92 Querétanos had a checking account, compared to one in 51 nationally; one in 13 had a savings account while one in 6.7 did nationally (Bancomer 1967:38). Jumping ahead 15 years, the crowds outside the reopening nationalized banks indicated that banking had become a part of daily life by 1982.

Bancomer, Banamex and the other banking institutions all acknowledged the infrastructural advantages of Querétaro and the local support for further building. But

all was not ideal. In spite of the publicity efforts of the groups promoting industry in the area, Querétaro state and Querétaro City, in particular, posed disadvantages as well as advantages to old and new investors. In the late 1950s when the first factories began to purchase land and build in Querétaro, there was a marked price advantage between Querétaro and D.F. Over the years land speculation and housing demand, plus growing industry and inflation have caused prices to rise. The industrial building boom of the 1950s became a housing building boom in the 1960s. One builder told Bancomer:

the population increase in the Querétaro area has brought on speculation in housing and constant increase in the cost of rental units, which have reached dangerously high levels. The same is true of construction and land costs (Bancomer 1967:35)

Compared to the rest of the state, Querétaro City was better connected, had better communications, was better equipped politically, socially, educationally, and commercially, than even San Juan del Rio. Compared to other states in Mexico, however, it must still have seemed a poor second. For 20 years of rapid industrialization, government and private sector promoters praised the city's exceptional features, its strategic location, the railways and highways. At the same time, such necessary services as telephone lines never caught up to demand.

It bears repeating, although it should already be apparent, that during the 1960s state resources were channeled into the kind of economic and industrial

development required by the so called Desarrollo Estabilizador project. As an economic proposal it required producing goods for the internal market as a first priority: assuming that this would generate further growth while it helped elevate living standards for all Mexicans.⁸ In addition to the established manufacturing base in textiles and food processing, support was geared towards heavy industry, manufacturing capital goods companies that were supposed to drive the motor of first ISI and the later phase of "Development with Stability." This change was important, as Querétaro became one of the few states outside the Federal District-Mexico State Metropolitan zone that manufactured capital goods. In food processing new arrivals such as Gerber and Clemente-Jacques (1970) had come on line. Large scale metal-engineering firms along with chemical and machine manufacture also set up new factories in Querétaro, including TREMEC, Laboratorios Vineland, FIMSA, Industrias Farwell, and Bombas Alemanas. Multinational firms, affiliates and subsidiaries were the important shapers of Querétaro's industrial profile. But during the decade we find the major business groups and holding companies or conglomerates that dot Mexico's business landscape began investing in Querétaro. The first large group was ICA (Ingenieros Constructores Asociados, S.A.), whose connections reached upward to Ex-president Miguel Aleman and whose local affiliates at the time included IH and Compacto (see Parrish 1976).

Others eventually followed making independent investments or acquiring existing firms, including several of the Monterrey families including Grupo VISA, Grupo Vitro and of course the ill-fated ALFA.⁹ Another factor in the growth of the region were greenfield expansions and plant relocations by established operations. One of the interesting effects of the growth of heavy industry, as with the presence of national and multinational groups, was that above all, these corporations were the links between the national political economic agenda, as influenced by the major business trade groups and international policy, and the local Querétaro economy.

As the 1960s progressed, Querétaro manufacturing industry could be categorized as having two basic orientations. The first were those traditional industries which converted agricultural inputs into industrialized products to supply local and national markets. Food, wine making, dairies, fowl and poultry, livestock and related industries tended to be labor intensive, although many firms were investing more and more in equipment. The other and growing aspect of Querétaro's industrial scene were the manufacturers of capital goods, consumer and industrial durables--everything from sewing machines and refrigerators to earth movers, oil rigs and sugar mills. Almost without exception, these were capital intensive factories.

As a rationale for this development, government planners argued in their efforts to adopt "modern" policies that capital intensive firms would generate a large number of new jobs. Within the industrial sector of the EAP they did. At the same time, in part because in the traditional food processing and textile industries the transition to capital intensivity was not yet complete and in part because many of the mid- and small-sized firms combined capital and labor intensive strategies, the industrial labor market in Querétaro continued to grow (Secretaria de Fomento Industrial 1979:21). But they did not grow fast enough for the increasing supplies of labor.

The growing presence of manufacturing in Querétaro's two major cities had still not created a draw in the rural areas. In the course of domestic and international migratory flows, Querétaro in 1960 was a still net exporter of population. As many as 94,492 mostly rural inhabitants, almost 40 percent, left the state in search of work elsewhere. Queretanos joined the masses seeking work in the labor markets of the industrial metropolitan area, and until 1965, many of these continued to move north to work as braceros in the U.S. During these years the Querétaro counties which increased in population at the fastest rate, were not necessarily urban or industrial but rather were rural counties with high birth rates (Bancomer 1967:Appendix).

The growing urban middle sectors continued to be major players during the 1960s. Not only in the industrialization process but especially in real estate/land use, social and economic organization and as mentioned the bureaucrats, civil servants and professionals were often third parties in the capital-labor relation. They established clubs, business and trade organizations; opened schools and professional associations; and made an even larger place for themselves in civil society. At the same time they were building housing developments and redefining and reshaping the urban landscape. New colonias (neighborhood developments) were the order of the decade: Cimatario, Alamos, Club Campestre, Del Valle, Lomas de Querétaro, Las Rosas, Colonia Popular housed the affluent or comfortable; while in Lomas de Casa Blanca squatters began to claim lands (Hoops and Whiteford 1983, Chant 1985). Although these new developments differed from the old residential neighborhoods in the city; new and old, legal and squatter, they all reflected the social changes that accompanied industrialization citywide (a new working class, new levels of poverty and wealth, urban infrastructural problems).

The 1970s:

The urban center that confronted an observer in 1970 was, in spite of profuse legends and rich history, no longer the colonial city that had fostered uprising against Spain, nor the provincial capital that offered shelter to

the forgers of a new federal constitution. For more than 20 years industry had been working its way into the economic and social life of Querétaro. Not only in the economy, but in all aspects of life, the 1970s mark a watershed in the life of the city; while the processes set in motion were spreading ever quicker to the smaller cities and rural areas of the state. The shift from an agricultural and merchant society to an industrial one was accompanied by all the benefits and problems that accrue to a society that looks to industrialization to lead it out of underdevelopment.

The recent rise to prominence of urban-industrial activities meant, of course, the subordination of primary sector, rural, activities. New state budgets favored urban infrastructure; government policies ignored or aggravated migration and put emphasis on commercial agroindustry rather than subsistence production. In 1970, based on the amount of capital invested as well as the value of production, urban-industrial activities had become the biggest contributors to the state's economy. Second place went to agriculture and mining. Urban industrial activity (excluding banks) totalled 3,728 million pesos (20 times what it had been just 10 years earlier). Compared to the shrinking agricultural sector, valued at 258.1 million pesos, the new direction of the economy of was laid down. This reoriented sectoral balance characterized the next ten

years, so that by the end of the decade industrial production and investment had climbed to 37.4 billion pesos. A survey by the state development agency documents the direction and rate of growth (Table 2.1). Investment was increasing so fast during the mid-1970s that Querétaro was growing faster than any other region in Mexico (Calzada 1976).

Table 2.1

The Growth of Industry in Querétaro, 1950-1979

Year	Value of Gross Production (million pesos)	Capital Invested (million pesos)	Labor Force
1950	100	82	6,443
1955	178	169	9,493
1960	nd	nd	nd
1965	970	899	10,366
1970	2,076	1,652	14,853
1975	6,258	5,450	22,027
1978	14,701	10,750	37,747
1979	19,205	18,200	45,414

Source: Secretaría de Fomento Industrial 1979.

Demographically the state was still predominantly rural (64.7 percent of the 485,532 people registered in the 1970 Census); however, urban jobs had become the most important source of employment for the economically active population. As we see in Table 2.2, with only 35.6 percent of the population, Querétaro's urban industrial areas

accounted for over half of the jobs. The combination of the urban activities in the industry and service sectors had shifted the balance of population and jobs definitely cityward. Table 2.3 shows the population movement within the state.

Table 2.2

**Economically Active Population by Sector - Querétaro
1960 to 1980**

Year	Population total	EAP	Agriculture&Mining		Industry		Services&Commerce	
			n=	%	n=	%	n=	%
1960	353,045	111,989	77,272	49.0	13,775	12.3	17,918	16.0
1970	485,523	128,032	64,016	50.0	37,257	29.1	38,409	30.0
1980(e)	726,051	225,383	86,547	38.4	79,786	35.4	59,050	26.2

Sources:

1960 - Bancomer 1967

1970 - SANOP p.92

1980 - PRI 1982:62, these are preliminary figures, however they are likely to be more accurate than the questionable figures in the X General Census

Table 2.3

Rural - Urban Population Movement - Querétaro, 1950-1980

Year	Total	Urban n=	%	Rural n=	%
1950	286,386	69,305	24.2	217,081	75.8
1960	355,045	99,894	28.1	255,151	71.9
1970	483,523	172,800	35.6	312,723	64.7 ⁺
1980*	739,605	370,542	50.1	369,063	49.4

Notes:

+ Percents do not sum to 100 due to rounding

* Preliminary data from 1980 census (PRI 1982:62)

Observers of the Querétaro economy predicted a rosy future. The 1970 A.D. Little consulting report began with the idea that "today Querétaro is an even better location for industry than it was in 1962." In less than ten years investment had soared from some 200 million pesos to 1,800 million, the number of important firms had gone from 28 to 60 (1970:2). According to ADL there was further cause to rejoice: of the 32 firms to start up, 13, or 40% were subsidiaries or affiliates of foreign companies. The optimism which had characterized the original 1962 study was reinforced by their 1970 finding. What was lacking or inadequate before was, they concluded, on the road to improvement or correction.

The majority of the deficiencies we identified such as scarcity of supervisory personnel or lack of public

services have been reduced or eliminated. Supervisory personnel and skilled workers are emerging from the local training centers and vocational schools; transportation, street lighting, water and sewage throughout the city have improved; a small airport was built nearby and the school system has grown and even now includes an "American" school with classes in English for the children of executives. Even its least desirable feature, in some ways, its proximity to the capital, has been mitigated by the improvement of local services inside Querétaro and the increasing congestion in D.F. (ADL 1970:3).

In the 1970s Querétaro was becoming a magnet for industrial activity. Locating or relocating a factory in the state was done by conscious choice (Nacional Financiera 1971). A.D. Little reported that any big plant to install there did so only after several alternative sites had been carefully considered. This comparative selection process would hold true from then on (Garza 1980). Labor costs were "reasonable", as much as 15 to 33 percent lower than in D.F., and the workers were deemed cooperative. Land and construction could cost one-third less. Geographic position in relation to major national markets was excellent and "both local government and the private sector were actively involved in attracting new industry to their region" (ADL 1970:2,9). Given the reasonable public services, good standard of living and "agreeable social life", at least for the executives who, after all, made the placement decisions, who would not want to open a new plant in Querétaro?

Odd though it may seem, Querétaro really entered into the industrial arena just when the Mexican Miracle of the

1950s and 1960s had run its course and the agrarian economy countrywide was in serious trouble (Warman 1983, Barkin and Suarez 1985); at the same time that economic stagnation characterized the country's primary industrial centers and the future of stabilizing development wavered. At least for a time one solution to Mexico's economic woes lay in developing the regions and the regional economies.

Throughout the decade the pressure to decentralize, to move industry out of and away from the over-saturated industrial zone surrounding metropolitan D.F., increased.¹⁰ The creation of new "growth poles", as they came to be known, was taking advantage of the fact that for decades Querétaro and cities like it had been "regions of an industrial reserve within the capitalist logic" (Miranda 1983), and already had a recognizable, albeit small, labor force relatively well prepared to participate in an international industrial division of labor.

Once again Querétaro's proximity and ready access to D.F. came into play. Improved transportation linking the two centers and the hyperurbanization of the metropolitan zone were annulling the advantages of investment in D.F., while Querétaro's industrial tradition and lower investment costs contributed to that region's appeal. Merchant competition between the two cities was still acute but manufacturing investment was attracted. During the decade of rapid growth, 1970-1980, Querétaro's economic and industrial growth rates surpassed the national average.

A major shift in the composition of support for industrialization and development, however, emerged towards the end of the decade as the national government became increasingly involved in promoting the industrial future of Querétaro. Until then the "drummers" for Querétaro had been either native promoters or the few banks and local capitalists. Federal government involvement predominated only after 1979 with the promulgation of national urban and industrial decentralization plans. Still, working together to create a solid infrastructural foundation in Querétaro, the push for industrialization now was favored by a combination of groups on the state and local as well as national levels.

Once the economic crises of the early 1970s seemed to have stabilized, the Mexican government put special emphasis on development in the automotive, iron and steel and chemical industries. ISI and stable development were beginning to give way to export diversification, the next wave in development schemes. As we saw, by 1960, the traditional starter industries, food processing and textiles, were predominant in Querétaro. They stayed in the lead into the 1970s. Since then, however, the prime movers in the local economy have been new industries in the production of capital goods and heavy equipment (manufacturing, assembly and repair of metal products, machinery and transportation equipment). These increased 197.4, 463.3 and 275.9 million pesos respectively from 1970

to 1980 (Garza 1980:77). With the complete reversal of the industrial profile by 1980, shifting the productive base from the mainstays of ISI even further toward the modern industrial sectors in metals, engineering and machinery, Querétaro took its place in the national economy, another state dependent on producing manufactured goods, especially capital goods for small demand local markets and highly competitive foreign ones.¹¹

The big push came in new capital intensive industries --chemical, rubber, glass and other high-tech firms. During these years, the new firms on the Querétaro scene included: Cardanes, Autoforjas, Electroforjadas (all members of the Spicer Group), Compacto (formed by the merger of LinkBelt and Speeder), Fundidores Sigma (a steel mill), Artefactos de Precisión, Engranés Cónicos and others in the metal-engineering area; as well as Compañía Mexicana de Radiografía CGR and Celanese Mexicana and UNIROYAL (French and U.S. investments respectively); plus private and public Mexican capital such as Industrias Astral and Fertilizantes Mexicanos (the one large state-owned operation). Several old timers even went back into operation including La Concordia, Harinera Queretana (Molino El Fénix) and Ganaderos Queretanos.

In 1971 work began on the Carrillo Puerto industrial zone expansion. Shortly afterward construction started on the newest and biggest of the industrial parks, Benito Juárez (Garza 1980:55). Metropolitan Querétaro was

becoming an important center for major manufacturing firms and they needed more space and more services. The city's third industrial zone was built much further away from the old downtown on about 370 hectares of expropriated ejidal lands in the northwest corner of the municipio (county). In 1972 it was incorporated as Benito Juarez Industrial Parks (Parques Industriales Benito Juarez), and a Commission (Fideicomiso) was set up to run it. Not until 1980, however, was Federal government participation replaced by the State government. Meanwhile private promoters worked to set up the first sections of Satellite City (Ciudad Satélite), a residential zone just behind it and eight kilometers from the Centro (downtown). In addition, the San Juan del Rio industrial zone (Zona Dorada) was also created.

In 1979, industrial development was acknowledged and supported in the adjacent and merging counties. Balvanera Agro-Industrial complex in Villa Corregidora came into being (covering 96 hectares), as did the Noria agro-industry zone in Villa Marques. Meanwhile, Polyducto and TSP joined Farwell in the middle ground of Pedro Escobedo. Querétaro now had its own industrial corridor, stretching across the southern half of the state and drawing labor away from the primary sector (see maps, above).

These infrastructural investments were joint efforts of both private capital and state and national funds. Miranda (1983:95) described this phase of industrialization as an

"alliance" between entrepreneurial capital and the state. The government became an important intermediary in manipulating the traditional price structure for goods and services needed by the private sectors, essentially lowering the prices of machinery and parts, commercialization, and of labor. Querétaro's new status as an industrial state brought it more under the influence of federal policy and programs than at any time in its history.

The 1970s marked two presidential six-year terms (sexenios), the administrations of Luis Echeverría Alvarez (1970-76) and José López Portillo (1976-82). During the same period, however, the state was ruled by three governors: Juventino Castro Sanchez (1968 to 1973), Antonio Calzada Urquiza (1973 to 1979) and Rafael Camacho Guzman (1979 to 1985). Each administration affected the Querétaro community differently as different policies and favored constituencies came into play. But equally important, as Querétaro climbed deeper into the economic life of the country, each new national policy, new political-social agenda, new economic priority or changing national ideology found greater resonance in the local scene. It now mattered what went on nationally and increasingly internationally. In 1978 and 1979, when for example, the state's gubernatorial candidate on the PRI slate was Camacho Guzman, external influences were undeniable. Although a native son, Camacho the son of a domestic worker, was

not the choice of the local bureaucratic elite. Rather, as a labor leader he had been chosen by outside forces, particularly the CTM--the largest, strongest union confederation within the PRI organization. The priorities of the new global development plans, the intention to decentralize economically and politically, required incorporating relatively untouched zones in to the control of the central government. Querétaro's secret life as provincia was coming to an abrupt end.

The other aspects which characterized the decade of the 1970s were the major modifications in the population and the occupational structure in Querétaro. These important changes were not simply quantitative trends reflecting high annual birth rates, population increase in urban areas, or the doubling of the economically active population. Rather striking qualitative changes took place in Querétaro based on the substantial redistribution of the labor force between rural and urban locations as well as within the different industrial sectors. With each passing year, more and more peasants were becoming industrial workers or waiting proletarians (Keren 1987), especially in the "new" industries which were the most likely to hire relatively unskilled labor. The cumulative effect of a combination of processes--demographic increase, rural abandonment and urban investment--was setting free the indigenous potential labor force. What Marx called the latent fraction of the reserve army of labor was a reality in Querétaro.

We can trace these structural changes back to several social forces:

Economic development trends in Querétaro favored urban industrial activities over rural-agricultural ones and were ultimately expressed in the terrible conditions of rural life. Many of Querétaro's economically active population, urban as well as rural, were working for wages well below the minimum standard, while much of the population was able to consume very little milk or meat.¹² Illiteracy rates were remarkably high, especially for an essentially monolingual Spanish speaking people. Infant mortality rates ran to among the highest in the country. Housing was without piped in water, sewage or electricity. It is not surprising that before the 1970s boom the peasant labor force generally migrated out of state in search of better conditions and work (see Weaver and Downing 1976).

The high rates of financial support flowing to the industrial sector, at the expense of the agricultural, had already created abundant surplus labor throughout the state. Compared nationally, COPLAMAR (Coordinación General de Plan Nacional de Zonas Deprimidas y Grupos Marginados, the government agency charged with overseeing programs for marginalized groups) found that Querétaro demonstrated one of the highest indices of "marginalization" (see Tables 4.1 and 4.2). With the exception of the three key urban municipios (Querétaro, San Juan del Río, Tequisquiapan) the other 15 counties were way above average (Nieto 1983, 1984).

The growth of the cities and the urban-industrial base did little to advance the state's rural areas; rather the net effects of urban growth actually prejudiced their development. Simultaneously Querétaro's peasant population was being pushed to turn what arable or useful rural land there was away from subsistence farming and into cash producing ventures (fruit and vegetable growing, livestock).

Many years of failure to adequately promote and support agricultural production and animal raising affected all rural forms, private, large and small, ejidal and communal. Nevertheless and not surprisingly capital interests and large landholders worked towards concentrating wealth in the livestock sector (especially dairy cattle). At the same time the agrarian reform was dismantled as a mechanism of legal change in the countryside. The historic concord between the national government and the rural areas was undone by López Portillo's new agricultural policies (Sanderson 1983). On top of these historical circumstances, nature added an additional burden. According to the National Commission on Arid Zones of SARH (cited in Miranda 1983:96), in 1974 over 65% of Querétaro's land was classified as arid, semi-desert. Over the next few years, even that existence on that land would be made more precarious. For six years from 1977 to 1982, Querétaro hardly survived a devastating drought.

By the 1970s then we can clearly see the formation of a complete reserve army of labor, with the latent rural population tied to their ejidal lands and eking subsistence out of small plots that competed for water, fertilizer and financial resources with commercial growers; a floating proletarian population of complex character working when it could in industry and returning to agriculture or tertiary activities when industrial work was not available; and finally an active supply of semi- and un-skilled workers circulating among Querétaro's factories, Mexico's industrial cities and even al otro lado, the U.S.¹³

The peasants, of course, migrated to the city to survive. This search for work and perhaps better conditions of life was most often frustrated. Even prior to the economic collapse in 1982-83, migration was a contradictory solution often times only transferring marginality to the urban areas: to squalid shacks, irregular housing settlements (or unsettlements), the belts of misery and poverty which have taken over the hillsides all around Querétaro.

Contemporaneous with my fieldwork, Chant, a social geographer, was looking at the growth of these irregular settlements (1985). She documented the desparate living conditions (limited access to land, inadequate services--water, sewage, sanitation, electrification, transportation, health, even food distribution), poverty (many living here do not earn even the minimum wage), and

the survival strategies of the urban poor in Querétaro's slums. Her research extended through 1983 and testifies to the worsening conditions under the de la Madrid IMF austerity which attacks those already at the margins of society. Local researchers, including Larios (1983, 1984) and Silva (1983a, 1984) were studying the spread of this urban-industrial phenomenon to adjacent municipios. The problems associated with rural lands put up for sale, converted into housing and industrial developments, and the social and economic pressures of the boom were spreading (s.a. Miranda 1983:97, Chant 1984, Hoops and Whiteford 1983).

Displaced peasant labor--not only from Querétaro state but also from other places throughout Mexico, especially the adjacent states to the capital city region and then after around 1975 to the San Juan del Rio region, represented a growing supply of labor which was beginning to depress wages in these labor markets at the expense of the long and already in place urban industrial proletariat. Most hurt were the urban young people, newly entering the job market who now found themselves in competition with the influx of campesino labor. The clear winner in these struggles is always capital, especially the new firms that are just setting up (Miranda 1983:97).

The urban proletariat which had come into being years earlier out of the urban middle sectors, began to feel along with service workers, bureaucrats and even salaried

workers in general, the effects of industrialization. With the population growth the costs of basic goods and services began to rise sharply and even surpassed the national inflation rates and costs of living in other industrial cities. The cost of reproducing the labor force (housing, food and services) was soaring. Nevertheless out of these same middle sectors (Whiteford 1960) came some of the impetus for the local bourgeoisie to advance the process of industrialization. The local Querétaro elites, bureaucrats and professionals were beginning to invest in collateral businesses--opening the small and medium sized firms and factories which supported the large industrial manufacturing sites. Those with money had only to find what to make; those who took a skill or product knowledge out of their factory experience left and set up as subcontractors; while politicians parried political favors into opportunities. A quick look at local construction companies, real estate developers, and power brokers turns up the names of the old families of Querétaro, former plant managers and/or government bureaucrats in another new disguise.

I would argue that during the 1970s there was an alliance of political power and economic power with each one respecting the other's sphere of action. The end result was that local political forces pushed forward and protected the interests of private investment, while the latter did not try to meddle in or influence the decisions

or affairs of local government. Obviously the groups who garnered the most economic benefit from the industrial decentralization plans and federal support for building infrastructure were the same local groups who had taken charge of the industrialization process. By the time the federal government actually designated Querétaro as one of its high priority zones for decentralization, the National Industrial Development Plan (PNDI 1979), and researchers such as Garza proclaimed Querétaro one of the top sites for promotion, the fact was that in Querétaro, especially in the capital city region, large scale, albeit disorganized, industrial growth had already taken root (Garza 1980, Calzada 1976-1979).

Local political forces, when they did support state economic and productive development, generally did so with the local bourgeoisie in mind (if not actually in office) and with farming and livestock ventures nearest and dearest. The local gentry got a lot of support for the milk industry as well as irrigation of rich valley land for commercial growing. At the same time land speculation and urban development were booming.

Meanwhile alongside and behind each of these modern new housing developments would grow up a new colonia popular, a squatter settlement, based on dubious tenure and even worse services and accommodations (Chant 1984, 1985). Among these: Peñuelas, Santa Barbara, Lomas de Casa Blanca, Menchaca, and others. As Miranda said, they came into

"being according to the laws of demand, not the laws of planning" (1983:98).

Politics, still pretty much in the hands of the old guard, ran in terms of "harmony" and "collaboration." The tripartite accord seemed to be working in Querétaro (Silva 1983b).

The atmosphere of harmony and collaboration among the government and labor and the companies has been a determining factor in the achievement of such high levels and is a sign of positive and effective coordination. (Centro de Estudios Políticos, Económicos y Sociales de PRI/Comité Directivo Estatal: Querétaro Tomo 1, Informe General de actividades desarrolladas durante el periodo del mes de junio de 1976 a agosto de 1978, cited in Miranda 1983:98, my translation)

The 1980s:

Although few Mexicans or observers knew it in 1981 when my fieldwork began, the decade of the 1980s would turn out to be the Crisis Years. Locally in Querétaro two processes framed the development of industry and manufacturing and the creation of the labor force. Both were primarily "external" forces. The first was the series of national programs and plans for decentralizing investment and development into new areas of Mexico. The second event, or rather catastrophe, was the debt crisis when the

accumulation of foreign debt by both the public and private sectors was cut short by the inability to repay the already outstanding loans.

Those politicians and planners who pushed and planned for industrial decentralization within Mexico started from the premise that it was urgent to put a stop to the concentration of economic resources and demographic growth in only a few regions (principally the industrial metropoli in the Federal District, Guadalajara and the North). The idealist and the pragmatist alike had to admit that decentralization was necessary to counteract the increasingly problematic distortions of concentration. According to Garza (1980:101), by leaving conditions the way they had developed, the disadvantages far surpassed the advantages. He argued in his book on industrialization and decentralization that concentration 1) provokes a high degree of wasted natural resources and inefficient use of labor resources, 2) that it produces large regional inequalities which can fuel political and social conflicts, 3) that it implies investments with high opportunity costs in the concentrated urban zones, 4) that it adds to the already high social costs and 5) that it has a multiplier effect on all kinds of urban and social problems.

The first effort at planning was the Plan Nacional de Desarrollo Urbano 1978, the National Urban Development Plan. Its goals were to rationalize the distribution of

economic activities throughout the country, ease the pressures on the Federal District-Mexico City-Metropolitan zones, and promote regional investment and development. These three aims would appear in most subsequent plans and projects (Blair 1981). The Garza study (1980) was undertaken as part of a kind of base-line analysis to compare ten "regional-urban subsystems" with the Metropolitan zone. The federal district offered all the requisite advantages, but his evaluation suggested that with appropriate fiscal and political incentives, other locations could provide adequate homes for new building and investment in industry. Among the three sites in different parts of Mexico to get Garza's top recommendations, Querétaro was the most important.

Querétaro and León [Guanajuato], among the most dynamic industrial cities, offer notable differences in their specialized structures. In Querétaro the outstanding firms are still in the traditional industries: food and textiles. Nevertheless, the recent arrival of important growth firms in the manufacture of capital goods and durables (metal production, tooling and engineering, machinery and transportation equipment) makes Querétaro stand out.... The high level of integration among [the Bajío regional] cities adds to the region's appeal as a priority center. Based on this we want to propose Querétaro as the centrally located site for stimulating consumer nondurables and intermediate goods production (Garza 1980:107-108, my translation).

Planners and investors seemed to take Garza's prognosis and advice to heart. Querétaro was designated a priority zone (I-B), second only to the oil ports/refineries. Incentives included fiscal and credit supports from government banks and agencies, preferential fuel and energy prices and lower utility rates.

In response to planning and development agendas issued by the López Portillo administration and emanating from the Ministry of Planning and Budget (SPP) and Industrial Promotion (Fomento Industrial): local authorities worked out plans for Querétaro's own development. As they saw it, the government's role was still to provide a supportive environment for capital investment, but under the new governor (Camacho Guzman) it might even go further.

It is the state's responsibility to orient the different individual decisions and actions toward the social good. The function of government incentives and stimuli is to take advantage of market forces to influence capital investment behavior (Secretaría de Fomento Industrial 1980, my translation).

The state plan, therefore, provided for investment incentives with an eye towards generating well-paid jobs, especially in priority activities such as capital goods and agro-industries. (Table 2.4 shows the extent of investment and employment in the 144 largest industrial firms.) In political terms it was expected to counter the unemployment trend at a reasonable rate, conciliate small business interests, make better use of installed capacity and promote a more balanced and integrated regional development.

The Plan Global de Desarrollo (PGD, Global Development Plan) was announced by López Portillo's Minister of Planning (and the next president), Miguel de la Madrid, in April 1980, with much fanfare. It was López Portillo's economic plan for the second half of his presidency and it

laid out in more detail the government's decentralization initiatives (Estados Unidos Mexicanos 1980). The PGD was announced just two days after I met with the Querétaro state Director of Industrial Promotion. In retrospect, he seemed more aware of its impending announcement than might have been expected for a local functionary. His own political stature in the PRI and the importance of Querétaro in these plans, however, suggest that the state development plan he was in the midst of completing already reflected national priorities. Our conversation (during my preliminary 1980 field trip) was a model of many that I would have during the fieldwork: a catalog of optimistic prognoses for Querétaro's future, socially and economically.

Life in a Growth Pole:

Economic conditions were a major factor in what happened to the workers in Querétaro, before and during the Crisis, and conditioned the process of worker consciousness and response. Looking at changes in the workforce in Querétaro, we see that the newest crisis conditions locally--labor firing instead of hiring--threatened the operation of the precarious Querétaro economy and made the attacks on the workers even more severe.

Table 2.4
 Employment and Investment in the
 144 Major Industrial Establishments in Queretaro, 1979

	(a)	(b)	(c)	(d)	(e)	(d/c)	(e/a)	(d/e)
Industrial Sector	Workers (blue collar)	Employees (white collar)	Total	Capitalization (000 pesos)	Estimated Annual Production (000 pesos)	Investment/ Worker (000 pesos)	Worker Productivity (000 pesos)	Productivity of Capital (000 pesos)
Metal-Mechanical	14,794	4,530	19,324	4,809,297	11,243,306	248.88	759.99	0.43
Agro-Industry	1,289	194	1,483	320,121	375,106	215.86	291.01	1.17
Food Processing	2,980	1,117	4,097	259,610	652,590	63.37	218.99	2.51
Garment	570	39	609	33,890	188	55.65	0.33	0.01
Construction	493	186	679	24,866	320,071	36.62	649.23	12.87
Electrical	1,199	285	1,464	124,096	654,492	84.77	545.86	5.27
Chemical	68	409	477	904,455	503,477	1,896.13	7,404.07	0.56
Plastics	429	120	549	43,220	120,786	78.72	281.55	2.79
Textile	1,680	339	2,019	212,768	776,100	105.38	461.96	3.65
Glass/Ceramic	1,116	478	1,594	491,200	1,655,800	308.16	1,483.69	3.37
Extractive	34	6	40	6,000	15,122	150.00	444.76	2.52
Paper	310	120	430	4,000	60,000	9.30	193.33	15.00
Rubber	300	123	423	511,046	814,000	1,208.15	2,713.33	1.59
TOTAL	25,262	7,946	33,188	7,744,569	17,191,038	233.35	680.51	2.22

Source: Canacindra, cited in COPLADEQ 1980

Although manufacturing and capital investment had a long history in Querétaro, dating back to colonial times, and rapid industrial growth was a feature of the 1970s, it was the designation as a growth pole (polo de desarrollo) in the 1979 Plan Nacional de Desarrollo Industrial (National Industrial Development Plan, PNDI) and the later expansion and specification of this category and its benefits in the 1980 PGD that signalled economic take-off in Querétaro. Tax breaks, subsidies and other external incentives have in fact attracted substantial investment to the state's industrial belt, anchored at the southeast end by San Juan del Río-Tequisquiapan and at the northwest by Querétaro-Villa Corregidora (Silva 1983a, 1984; Larios 1983, 1984).

In the Querétaro boom years there may have been as many as 4,000 industrial jobs created each year, according to the State Secretary of Labor (PRI 1982:78). The pre-crisis estimates in state and private sector publications was at least 46 new factories, creating at least 10,000 direct jobs could be expected between 1980 and 1982 (Table 2.5).

Table 2.5

Growth of the Industrial Sector -Querétaro, 1975-1983

Year	Number of Firms	Size of EAP
1975	1400+	22,027
1978		37,747
1979		45,414
1980	1500+	65,414
1982	1300	75 to 80,000
Peak Employment:		
1983		55,000

At first the number of businesses and the number of workers increased, but as concentration in the larger factories progressed, the working population increased but the number of plants declined (Canacintra 1976, 1979, 1982; COPLADEQ 1981). Metal manufacturing and converting industry (including chemical, plastic, paper and glass) accounts for over 70 percent of total capital invested, followed by food production and textiles (See Table 2.4, above). Investment is highly concentrated and capital intensive; less than ten percent of the firms account for over 80 percent of the capital invested. The companies increasingly represented large national groups and transnational interests, including representatives of the powerful VISA holding group of Monterrey: Clemente-Jacques; the former Banamex group: Celanese; and transnationals: General Electric now Black & Decker, or Purina, or the Japanese investment in POLYNOVA.

Meanwhile, technological dependency was and is a fact of life in Querétaro's industrial development. By 1980, almost 85% of the productive plant and equipment was relied upon technology transfer for raw materials and know-how. From the largest urban factories to the smallest rural sweat shops, Querétaro's manufacturing could not function without foreign goods. The glass works, so proud of its 100% Mexican technology, imported potash from the U.S. and sent its managers to U.S. companies for training. The Steel Industries plant relied upon licensing arrangements with European and North American companies in order to fulfill its large equipment orders. For example, the bogies for the Metro were French, the sugar mills were a U.S. company design (Farrell), and the recent contract for turbines and compressors relies on a licensing arrangement with a Pennsylvania company. Small tools and giant cranes as well as the knowledge to use them were imported. In petroleum rich Mexico, oil was exported and returned as imported polyethylene and other petrochemicals so that plastic bags and sacks could be made in Querétaro. Carnation imported milk to process as well as the metals for the can tops. Garment workers in all size factories did their sewing on imported Brother, Necchi and Singer industrial machines. Even in Querétaro, the home of Singer of Mexico, no industrial-grade sewing machines were manufactured. Kimberly Clark of Mexico imported wood pulp

to add to local bagasse and recycled materials to make paper and board in San Juan del Rio, with the assistance of foreign consultants. The corn in Kellogg's cornflakes may have been Mexican, but the vitamins to make them worth eating were not. The shop floor at GE looked like an international equipment show, German licensed tooling machines manufactured in Brazil, Portuguese made molds for American and Japanese plastic molding machines, Toshiba equipment in the foundry, computer designed, precision ground marble work tables from Japan and giant multi-purpose Cincinnati machining tools, as well as metals and plastics to make the irons.

One of the strongest selling points for the region, then as now, was the characteristics of local labor (Bancomer 1967:32, Canacintra 1976, 1979; COPLADEQ 1981). Querétaro businessmen registered contentment with the prevailing wage situation. The Bancomer study concluded that "we cannot deny that a large percent of Querétaro's industrial development was due to the ability of its workers and very possibly to the economic incentives or compensations offered them by the employers themselves" (1967:35). More recently Citibank economists (cited in the newspaper Unomásuno January 22, 1982) reiterated their view of the importance of low wages. In the new industrial countries, Mexico, Brazil, Taiwan,

labor receives rates of pay much lower than those existing in the industrialized nations, and disproportionately low for its level of productivity.

which has created a competitive advantage in terms of labor costs per unit of production... (my translations, emphasis added).

The labor force was painted as able and responsible with turnover and absenteeism rates below those found in other industrialized parts of the country. There was some admission that recruiting for supervisory and administrative jobs continued to be a problem within the locality, although few employers were daunted by the task of finding the more mobile white collar employees. At the worker level the labor force continued to be abundant. As had been the practice for almost 20 years, most of them were drawn from the agricultural sector. When asked if a peasant who has never before seen a piece of machinery can be made into a good worker, the immediate answer was yes. Management continued to believe that the Mexican worker was extremely able and possessed a high degree of manual ability which could easily be improved through training. Even more, they added that they prefer to hire local, rural workers rather than contract workers from other cities. Urban workers "already have gotten set in their ways and have on-the-job vices." Preferring not to deal with that in their own plants, they found it easier to train a peasant worker from the beginning.

The Querétaro industrial labor force had become a classic participant in the industrial reserve army of labor. The Government Industrial Promotion Office (Secretaría de Fomento Industrial 1979:4) reported that,

it is worth noting that in 1975, 50% of the industrial workforce had a peasant origin, and had never before worked in manufacturing or lived in a city. Another 25% were peasants who previously moved to the city and started out in tertiary sector activities. Only 25% actually had any previous industrial experience. Of these, 60 percent were local Queretanos and 40% came from other states (my translation).

Business and private consultants are often astonishingly blunt in their evaluations. They saw the urbanization process as positive and directly tied to the availability of industrial labor. The ADL view that Querétaro would not face a scarcity of labor for many years was not unfounded, their language had been to the point.

The vast rural population constitutes an abundant labor reserve. The increasing productivity of the land combined with declining incomes in the agricultural sector constitute an incentive moving workers from rural to urban, industrial labor markets. Skilled labor is still hard to find; but the experiences of the already established firms has demonstrated that even recently arrived peasants can adapt rapidly to industrial work (ADL 1970:21, my translation).

If we compare the earlier Bancomer study with the later diagnoses by government agencies, and with the realities of the job-labor market in the 1980s we note that there was a brief period in which labor found itself in a seller's market (see chapter 3). Until then, however, the abundant potential labor force constituted one of the principle

attractions bringing manufacturing to the state. Just the brief consideration of the rural conditions in Querétaro that I can provide here may help explain the relationship between the rural conditions and the pull of urban employment.

Over 85 percent of the agricultural land is rainfall dependent and only a small proportion of the subsistence farming on this land is mechanized, fertilized or capable of using genetically enriched seed (Banrural 1980). The yields are quite low and in drought years crops planted in rainfall dependent fields were never harvested. The irrigated lands, in spite of several new dam projects, were used primarily for forage crops and/or other commercial agriculture. An increasing amount of land is withdrawn each year from production either unused or dedicated to non-agricultural or non-subsistence commercial purposes. The highest concentration of good agricultural lands is located in the same zone as the densest urbanization and industrialization (Larios 1983, 1984). Ejidal land holders and peasants in the countryside are pressured by the local livestock and dairy industries either to turn over land to cattle grazing or to produce alfalfa, sorghum and other feed crops. Between 1950 and 1979 basic crop production declined from 94 percent of total output to only 63%, while forage crops increased from only one percent to 19% (Banrural 1980:134,135-7). In the urban areas, subsistence agricultural land is forced to compete with the expanding

industrial parks and booming cities with their planned suburban developments (Silva 1983a, 1984), as well as the uncontrolled growth of irregular settlements (Chant 1984, 1985; Hoops and Whiteford 1983; Larios 1983, 1984).

The introduction of SAM programs (Sistema Alimentario Mexicano, The Mexican Food System) in the 1980s was an attempt to recover lost levels of subsistence production by consolidating and commercializing small holdings. In Querétaro 3,000 ejido farmers were incorporated into new "collective" and commercial ejidos. Subsistence production did recover to a small degree, but SAM unfortunately coincided with a long period of drought and early freezes. In 1982 the State Governor, Rafael Camacho Guzman, declared a state of emergency in the agricultural sector. Querétaro had not been self sufficient in basic food production for many years and had lost more than one-half its corn crop that year. In the driest regions of the Sierra most peasants and growers did not even plant (Camacho 1982).

Rural unemployment and underemployment during the early 1980s in Querétaro were over 60 percent according to local development agencies. Agricultural and cattle technical and stock improvement programs, as well as the development of credit bank programs, relied heavily on international funding and favored larger capitalized, commercial growers not subsistence farmers. They were all affected by the monetary aspects of the Crisis (Keren 1985a). Nevertheless even with this support commercial agriculture and stock

raising did not offer any large scale alternative for development and employment in the state (PRI 1982, Banrural 1980). On another front, Government sponsored rural industrial projects, especially in the garment maquiladora industry, unsuccessful at creating local jobs in the rural area, may have succeeded in creating a new labor force, the rurally based reserve of semi-skilled workers waiting for new jobs (Keren 1985a, 1987b).

Management did not consider unions to be a major problem in Querétaro. Early on Bancomer had lauded that situation and wanted it to become a model for other sites. The key, they said, was simple. There were no problems with the unions because the existing firms offered good benefits and wage packages, usually above the legal minimums, and they kept up good labor relations. When in one case the workers in a food manufacturing plant tried to form an independent union, the organizing drive was undercut by the higher premiums offered by the Company, with benefits that had 10 years earlier surpassed the levels achieved by the union in other contracts. Without tangible gains in sight, the workers abandoned their drive (Bancomer 1967:35). In this case I cannot identify adequately the company cited, but wonder how much violence and repression were involved. How many people suddenly found themselves without work as happened in so many other union-management disputes throughout the years?

Salaries in Querétaro had been on the rise since the early 1960s due to the dynamism of the industrial sector. The patterns established in response to "urgent" needs for labor created what "looked like a salary competition in order to attract qualified people from other industries." Wages and salaries would eventually stabilize, but well above the starting point (Bancomer 1967:35). Even after almost three decades of industrialization, however, Querétaro labor was still cheaper than the other industrial zones. Today 83.4% of the state's economically active population still receives less than the minimum wage, and 67.1% of the working people have yet to reach even half the minimum wage (Nieto 1983:44).

In 1979, 1980 and 1981, what we might call the best of times, industrial jobs were relatively plentiful yet the competition for them was still tough. Many Querétaro factories preferred to employ a floating working population called eventuales or provisionals while keeping their permanent and unionized labor forces as small as possible. Since 1982 with no improvement in 1983, permanent workers as well as eventuales were let go. Many were never rehired. In the fall of 1983 industry representatives reported that hiring had not picked up to any great extent. In October, 1985, and again in October, 1986, the reports on labor force size and job prospects were still pessimistic. Interviews in 1985 again revealed a greatly reduced labor force throughout the state's industrial sector.

The catastrophic social and economic impacts of what I call the "debt-versus-growth-crisis" (Keren 1986) were inescapable in Mexico in 1982. This term seems more accurate than either "the debt crisis", meaning "we", the developed countries and major banks, lent the developing countries too much money and "they" did not know how to use it properly; or what some call "the growth crisis", that is, they grew too quickly and recklessly borrowed too much money in the process. The latter position is evident in Wyman et al. (1983), Enders and Mattione (1984), Hakim (1985), Philip (1985). By calling it the debt-versus-growth-crisis I mean that the crisis is not just a result of the internal and external conditions which combined to bring down the Mexican and Latin American economies. More concretely it represents a struggle between two opposed approaches to policy and development and different views of the future position of Latin America in the linked world economy. A realistic appraisal of most proposals for Mexico's development or Latin America's future do not include real growth. As solutions they are more concerned with securing the stability of the banks which lent the money (Pastor 1986).

Mexican governments have made many mistakes in steering and developing their industry and economy, but trying to improve the lives of the people cannot be considered an error. As an anthropologist my focus is on the human cost of the debt versus growth crisis, of the impact on human

lives and social relations. My questions for the rest of this study are:

How did the Crisis co-opt local development schemes, closed down through neglect, fiscal strangulation or direct elimination?

How have the deteriorating economic conditions throughout Mexico, limiting both the revenues of the state and the profits of the private sector, together with austerity programs imposed from the outside and adopted by the government, changed the environment in which people lived and worked by shifting the terms of entry into the labor force and the choices within it?

How did the Crisis contribute to the consolidation of capitalist control over labor and labor process turning the struggle to survive, to earn an adequate living, into the loss of control over one's own work and life?

The labor force throughout Mexico, and especially in newly industrialized zones like Querétaro, was exposed to the pressures of capitalist accumulation on a world scale. The balance of power in the local capital-state-labor alliance and the logic of local self-sufficiency gave way to the twin demands of capitalist control and profitability. The crisis was being used to consolidate the process of capital accumulation, and with it the exercise of control in the political and labor spheres. The beneficiaries of the growth versus crisis dynamic have not

been the workers whose short term gains were too quickly eroded. The real goals have been the stability and legitimacy of the state and the viability of the state owned enterprises and especially of the private sector, once the shake out of this cyclical contraction was complete (Keren 1985b).

The Crisis certainly required adjustments on the part of the corporations and had serious to devastating impacts on the people in Querétaro as in the rest of Mexico. I will deal with these changes in Chapter 4. For example, however, the increasing concentration of large factories in Querétaro was squeezing out the smaller locally based firms. By the 1980s less than 10% of industry occupied at least 73% of the EAP and monopolized over 80% of the capital.

An examination of job creation in these new industrial areas in Querétaro shows just how costly it could be. The average cost of creating a new job before the Crisis was 233.3 thousand pesos (at 25:1 dollar U.S.), according to a 1979 socio-economic study (Estudio Socio-Económico del Estado de Querétaro, por consultores Internacionales SC with the Departamento de Estudios Económicos del Banco Nacional de México, S.A., 1981:69) which evaluated Querétaro's position (cited in Miranda 1983:95). Still the range was much broader, with garment a low of 55 thousand pesos and chemical a high of almost two million, see Tables 2.6.1. and 2.6.2.

Table 2.6.1:
Cost of Creating New Jobs by Industry - Querétaro 1979
 (000s pesos)

Chemical industry	1,896.1
Rubber	1,208.1
Glass & Ceramic	308 .
Metal-Engineering	248.8
Garment	55

Table 2.6.2:
Cost of Job Creation by Industry Segment
 - Querétaro, 1979-1980, 1982, 1985
 (000s pesos)

Querétaro ¹ 1979-1980	National ² 1982	Querétaro ³ 1985
Industry		Industry
Maquila 30	no data	Micro 800
Agro-Industry 600	no data	Small 1500
Manufacturing 1500	1700	Medium 2700
		Large 4200

 Notes:

1 1^o Informe, Gov. Camacho, 1980:19.

2 Jesus Silva Herzog, Sec. SCHP, radio.

3 6^o Informe, Gov. Camacho, 1985:27-28.

These costs kept climbing. Even foreign investors faced serious drawbacks. A multinational firm, for example, that designed a new \$30 million (U.S.) - 900 worker, Querétaro facility to go on line in 1982 would find itself with plans to invest 800 thousand pesos (or 33.3 thousand dollars) for each new job created. Day to day

reality, cost overruns, unexpected obstacles, and construction delays might raise the initial investment to \$50 million (U.S.) and bring job creation up to about 1.5 million pesos (55.5 thousand dollars). Both these figures fall within the range of investment for U.S.-built plants. Oddly, the costs actually rose as a result of the crisis. The impact of the world-wide recession, which limited the export market for the company's products, together with the initial adjustment period and production bottlenecks partly caused by import restrictions, probably kept the labor force down to only 450 employees, rather than the projected 900. This would double the cost of each job created. The investment in "cheap labor" abroad ended up costing almost as much as domestic investment. Nevertheless, national and international corporations continue the quest to relocate and decentralize industry.

The failure of the Mexican government development model, a model its critics rightly point out, put all the emphasis and hence support on industrial growth. The basic policy took several forms under different political-economic contexts: Import Substitution Industrialization (ISI), Development with Stability, and Export Diversification. Each of these left the non-commercial agricultural sector to its own limited resources or to the predatory accumulation of multi-national exploitation (Feder 1977, de Janvry 1982, Arizpe and Aranda 1986, Barkin and Suarez 1985). The

devastation of the country's ability to feed itself must be seen as one of the major failures of the development model that Mexico bought from the green revolution brokers and snake oil salesmen at the World Bank, USAID, even the IMF.

The contradictions of capital intensive development, high-technology dependent industries (85% of the technology used in Querétaro was of foreign origin, PRI 1982:40), together with the higher unemployment and underemployment rates that have become the hallmarks of the reserve army of labor in transnational capitalism, make it abundantly clear that Mexican industrialization and proletarianization processes were not in the Mexican interest.

Notes to Chapter 2

- 1 This discussion is based on several primary sources and second-hand reports as indicated in the bibliography. It borrows liberally from the contribution of Lic. Miranda Correa (1983) and the real work of the research teams at the UAQ-CIS and UAQ-CEA, who undertook, in spite of austerity programs which decimated their research budgets, the difficult task of coordinating research on Querétaro's contemporary development. An area much ignored by the chroniclers of the city's glorious past I have benefitted from these Herculean efforts. Although obviously to be taken with a hefty grain of salt, the private sector analyses I cite here are surprisingly candid--less public relations pieces than an invitation to the dance, to invest where the profitmaking was good.
- 2 Mexican law requires most companies to join trade associations (delli Sante 1979).
- 3 CNIT later becomes CANACINTRA, which is strongly identified with support for ISI policies.
- 4 These social welfare and family support agencies are frequently restructured with the changing presidential

- administrations. During my fieldwork, these activities were incorporated under the DIF (Department of Family Integration) which had a large facility in Querétaro. These agencies are often considered the bailiwicks of the first ladies, especially Sras. Echeverría and López Portillo. DIF has been reconstituted under de la Madrid.
- 5 Meeting IMF conditions, entry into GATT and other world capitalist defined measures may temporarily solve the input-import problem, but they undermine the long-term strength of national development. See the section on the 1980s, also Chapter 5; s.a. Debt Crisis Network 1985 and Pastor 1986.
 - 6 deleted.
 - 7 At that time the trip was quicker. It has been lengthened by the traffic congestion in D.F., the trip on improved highway takes at least 3 hours today.
 - 8 Desarrollo Estabilizador ("Development with Stability") was the driving force behind many of the government's plans and certainly much of its rhetoric for many years. Its death was bemoaned if not mourned under Echeverría and López Portillo. Export diversification replaced it in the list of hijos predilectos.
 - 9 The disastrous fate of the ALFA group and its break up by its creditors is discussed by Nuncio (1982) and Restrepo (1983), and in major periodicals such as Unomasuno, Wall Street Journal, and Nexos.
 - 10 Compare the cases of Las Truchas (Bizberg 1982), CIVAC (Arias and Bazan 1980), Cd. Sahagun (Novelo and Urteaga 1979) as industrial cities, not necessarily the development of ports or oil areas which are special cases. In the 1970s the decentralization movement was aimed at manufacturing primarily. In the 1980s that was expanded to services and even government, especially after the 1985 earthquake.
 - 11 In fact when we examine the processes of diversification of concentration in the economy, Querétaro stands out among industrial centers across Mexico as one of only a few where in fact diversification of industrial sector concentration occurred at such a high level. Other industrial centers in the same region, Irapuato and León, or even Toluca and Puebla, showed an actual trend toward concentration in fewer sectors. In the former, non-durable consumer goods, in the latter a more skewed push towards heavy equipment (Garza 1980:53-55 provides comprehensive charts in his analysis).

- 12 In discussions with anthropological researcher, Mstro. Jaime Nieto of the UAQ Anthropology Research Center, he reiterated a frustrated attempt to compare 1970 and 1980 census data on this.
- 13 Susan Gabbard, currently doing extensive research on Mexican migrant labor in California, reported a concentration of Queretanos in the area round Santa Cruz, CA during 1982-1983.
- 14 Job creation refers only to new positions, not to net jobs increased in the economy. Capital intensive investment results in the net loss, usually, of total jobs as well as a deterioration of job skill, status and pay. Not only as small firms and independent agricultural and manufacturing workers are pushed out, but as larger, more skilled labor forces are replaced by machines and fewer less skilled workers.

Chapter 3: A World After its Own Image

[Capitalism] compels all nations, on pain of extinction, to adopt the bourgeois mode of production; it compels them to introduce what it calls civilization into their midst, i.e., to become bourgeois themselves. In one word, it creates a world after its own image.

(Marx and Engels, The Communist Manifesto)

Modernization as Mythology:

Anthropologists attempting to analyze the industrial labor force in a semi-industrialized country such as Mexico, first must decide what in the classical descriptions of capitalism is necessary to the analysis and what is, at best, irrelevant or even wrong. The initial research question becomes: are the successes and failures of development to be sought in the abilities of these newly industrialized countries to perform appropriately in the capitalist world system, or in the application of inappropriate development models? As discussed in Chapter 1, the long debate on development, dependency, the capitalist world system and unequal exchange suggests that the problems and obstacles faced by industrializing nations are inherent in the orthodox economic model and in compliance with its rules and prescribed stages of development. Nevertheless, the assumptions persist.

Modernization theories, the orthodox model in development discussions, is an almost mythological creation. As a generic concept for the practices and ideologies of development, modernization demands entrance into and success in the capitalist world system. The underlying assumptions of this belief in the power of modern capitalism are also emically present in the consciousness and language of the men and women who as managers, workers, politicians or scholars accept the basic program of breaking with tradition and pursuing progressive development.

In the studies of development, however, appearance frequently became reality, and we the victims of our own infinite metaphor of progress. To paraphrase Stephen Jay Gould's always cogent analyses of our evolutionary fantasies, substituting the development of capitalism for the development of H. Sapiens: Modern capitalism is not an evolutionary tendency. It has a definite point of recent origin and a history of later spread...it is not the terminus of a general evolutionary advance (Gould 1987:19). Historian Charles Tilly (1979) suggested that the patterns and rules supposedly set down in the 200 years of western capitalist development and industrialization are, themselves, idealized inventions and homogenizing accounts of heterogeneous social change. He added that they are probably incorrect. As an alternative Tilly suggested,

that most of the time ordinary people have an idea, more or less clear, of their short-run interests, but vary enormously in their capacity and opportunity to act on those interests. If that is the case...the proper substitute for the study of "modernization" is

likely to be the study of the ways in which large social changes alter the interests, capacities and opportunities of ordinary people (1979:20).

Anthropology is immensely comfortable with the idea of studying ordinary people. This dissertation is primarily about what ordinary managers of Mexican and international corporations did to create and control the labor force in Querétaro. And as I will show, their consciousness and responses to capitalist development, business cycles and economic crisis are framed by the strategies and rhetoric of capitalism. The academic community may have come to terms with modernization theory, but the business community puts it into practice every day. Mythic beliefs have remarkable staying power. Corporate hegemony, the pervasive influence of western economic thought, has real power in the the real world.

In the 1940s and 1950s our development stories were those explicitly classed as modernization theory: the prescription and achievement of a catalog of traits on the progressive climb up the ladder of success. Our modern society was supposed to be urban, democratic, industrial, bureaucratic, rationalized, large-scale, formal, secular and technological. Each of these signs of progress could be measured on a fixed scale of undeveloped to developed. Statistical inventories abounded to count the millions of people moving from the rural areas to the urban zones, the changing birthrates and improved health indicators, the new

miles of roads and railroads and communications lines, the circulation rates of periodicals, the percent of literate and schooled people, the number of political parties, the Gross National Product (GNP), the balance of trade and other economic indicators.

Within the framework and terminology of modernization theory the paired dimensions of urbanization and industrialization were taken as givens, presented as both desirable and inevitable. In anthropology we were more at ease discussing urbanization and urbanism and we opposed urban to rural, development to underdevelopment, modern to traditional, Great Tradition to Little Tradition. As a rule we studied down, looking at the peasantry, the poor, the migrant, the marginalized. Rarely did we examine or question industry and capital. Meanwhile in these analyses, failure was individual, personal, irrational and due to deviance--a failure to behave as expected. The unsuccessful in the capitalist world adhered to an "image of limited good", lived in a "culture of poverty." They were in some way unfit for the modern world; a position demonstrated in John Walton's discussion of third world elites. "At bottom, the obstacles to development are in the minds of men, and thus capable of eradication through education and the diffusion of new ideas" (Walton 1977:99).

Modernization as practice was introduced and maintained with a missionary zeal. Even allowing for Tilly's caveat

that modernization at its most benign only lists "recognizable features of the twentieth century condition" (1979); can we force this idealized description of capitalism and neo-classical economic remedies onto the favelas, ghettos, ciudades perdidas, onto the petty commodity producers, maquilas, runaway shops, or even capital intensive transnational corporations (TNCs) in the third world?

Modernization and even the later development schemes translated into ethnocentrism in practice: the undifferentiated application of one set of cultural values to another culture in another place and time. One of the grossest errors of the modernization approach was to see the people only as a brake on capital accumulation, a somehow unnatural counterforce trying to resist the onrush of capitalist development. For decades peasants in Latin America were held responsible for development failures, accused of traditionalism and resistance to change.¹ When the capitalist industrial system enters a new arena, it is the intrusive, unnatural force. I.C. Greaves, a British economist, believed in bringing industrial enlightenment to backward peoples, but she saw no reason for them to want to give up the systems they already had. Too often, however, economists, and even anthropologists, have forgotten that "these places have already an integrated economy in which all the factors of production are represented" (Greaves 1935:59). This lapse of memory is

all the sadder, for only as long as analysts can identify their own ideology--the effects of capitalist hegemony on their own thinking--can they perceive the real effects of capitalist modernization on the people they study. Fifty years after Greaves wrote, however, we are still faced with monumental ethnocentrism--the corporate culture of advanced capitalism throughout the world. The corporate managers and entrepreneurs believe in modernization. They do not study capitalism, they run capitalist enterprises. In the process they hire and fire workers, make production and marketing decisions and compete in a capitalist world system.

The old language of modernization theory has a much tarnished reputation, but the old strategies reappear in new guises: import substitution industrialization, stabilizing development, border industrialization programs, export diversification strategies or IMF conditionality and economic liberalization. The basic exchange-oriented assumptions of development and relative position in the world economy are reborn in these many ideologically distinct forms which are, under the surface, only more of the same. In fact the currency of the liberal IMF model, is a reminder that obsolete ideas do not die, or even fade away; but resurface making new demands for Third World compliance with goals not at all in their own interest offering only hackneyed rationalizations for subordinated participation in the world capitalist system (Keren 1985, 1986; Pastor 1986:33).

Even recent national development agendas persist in extending pre-set values to a situation where imposed colonial and neo-colonial hierarchy and dependency have precluded their success. The production and labor contradictions embedded in export diversification strategies make the necessary entry into foreign markets difficult and the expected benefits illusive. The only advantage in the neo-classical notion of comparative advantage in foreign trade has been the monopolization of world trade by the biggest traders. None of the advanced industrial countries grew through free trade. Great Britain, the United States, Japan and most recently Korea have depended upon a combination of restrictive trade policies and governmental support to promote industry. For example, the post-war Japanese rise to industrial prominence was a concerted effort of banking, planning and industrial policy makers (Yamamura 1986). Running in this competition of giants in the "linked economies" of the twentieth century (Pastor 1986) has denied Mexico and other industrializing countries the opportunity to achieve a comparative advantage in trade, made them dependent on direct foreign investment in industry which suits the multinational corporation and not the country, and created a debt crisis which has redirected or crippled almost all new development schemes.

As I demonstrated in the previous chapter, the development that took place in Mexico and Querétaro at varying and often dizzying rates of growth, at least until 1982-3, was not autochthonous development, but always conditioned by the needs of advanced capitalism (Baird and McCaughan 1979; Cockcroft 1983; de la Peña 1975; de la Peña 1983; Semo 1977, 1978). The underdevelopment of Mexico and of different regions within the country, was not only a condition of levels of income or industrialization, but more importantly a question of relationships, of how the country was connected to the world economy. Countries labelled third world, developing, or even semi-industrial, "lack...autonomy in their own development" (Gonzalez 1981:9). The development process in Mexico, based as it is on our reliance upon their labor, has meant that Mexico is a part of our development process and does not necessarily serve their own national interests. As an employee at a Mexican-based, transnational company (TNC) told me, "Yes, in Mexico there are a lot of factories, but we are the labor force for the U.S." His term was mano de obra, literally working hands.

The lessons of third world industrialization uphold the view that, however mythologized, ideologized or criticized modernization may be; the conditions which it tried to explain and the remedies which it proposed have not

disappeared. In Mexico in the 1980s, it was becoming increasingly difficult for both peasant and urban workers to maintain subsistence levels in autonomous productive activities. An enormous reserve of laborers was selling its labor under the most unfavorable circumstances. Gonzalez Salazar's continuing work on the Mexican labor force is one of many studies documenting that not enough jobs have been created to absorb the population whose subsistence base (agriculture) is being destroyed by the same forces that do not then employ them (see Gonzalez Salazar 1981:20, Gonzalez Casanova and Aguilar 1985, Alonso 1980, 1982).

Warman (1982:71-79) asks Modernizarse. Para Que? Why modernize? His answer clearly illustrates the shortcomings in the development paradigm in Mexico. According to Warman the migration of millions of people from the countryside to the few industrial centers has not only saturated the demand for labor, it has surpassed it.

Permanent underemployment, the growth of the misnamed informal sector, prolonged open unemployment, urban margination, hyperurbanization, lack of services, irregular settlements, unstoppable land speculation, the erosion of living conditions... are all symptoms of poverty, the chronic manifestations of this migratory flow... Nevertheless, the relationship between industrial sector growth, measured by production value, and increase in employment is not proportional. And the gap grows wider every day... (1982:73, emphasis added, my translation).

Warman goes further and rejects the notion that these are the problems of crisis or stagnation. They flowered in a

time of sustained and spectacular growth. They have gotten worse as the Crisis evolves. "Each new industry is more costly and capital intensive and generates fewer jobs for each peso invested. The trend is general, world-wide... and it will intensify" (Warman 1982:73). But everyday Mexico needs more jobs for its growing population and more workers for the jobs it has. At the same time the investors and companies seek more control over and ever higher profits from the labor force as a whole.

Making the Labor Force:

Making, because it is a study in an active process, which owes as much to agency as to conditioning. (E.P. Thompson 1966:9)

We need to turn our attention away from measures of modernization and development. Revision of the classical descriptions of capital penetration leads to analysis of the labor process and the labor force in the capitalist defined world economy. This dual focus on production and "the relations set up among people" in producing (Leacock 1980:8) returns historical specificity to both the particular groups and the process of development; with history it should foster a dialectical understanding of how things change and of the consciousness and ideologies of these changes. This attempt to understand the capitalist development in semi-industrialized Mexico may benefit from a comparison of the late twentieth century industrial

revolutions with the original social and technological revolutions which defined industrial capitalism. Without assuming simple replication, we must examine the patterns of accumulation, the formation of the industrial reserve army of labor, and extraction of surplus value in a kind of "natural history" of capitalism. At the same time, we have to refocus our anthropological lens on the wider frames of power in capitalist economic transformations, and consider industry and capital as subjects not just contexts in our analyses.²

Historically the motor of the capitalist development process has been the effort to move people off the land, out of subsistence production, and into wage labor: agro-industry, manufacturing or services. The outcome of this real process of transformation varies with concrete historical and cultural circumstances, creating the different classes--social relations "grown of experience and consciousness" (Thompson 1966:9). It is not that the events of the late nineteenth century are mechanically repeating in a fixed pattern in the late twentieth century. To the contrary; still capitalism is undeniably an historical phenomenon and the reactions to the present are also continuities from the past. A sense of history and process in our analyses of contemporary industrialization and capital accumulation is the necessary key to the dialectical discontinuities and repetitions in the

expansion of capitalist relations. There is a dialectical relationship of penetration and resistance, of the processes by which economic, social, political and cultural forms and groups change and are changed by capitalist social relations. The historical continuity and persistence of the capitalist system, suggested a slightly non-traditional cross-cultural "cross-historical" perspective, comparing early industrial United States and Europe with contemporary Mexico.

A word on behalf of history. Anthropology and other social sciences, in their explanatory dependence on neo-classical economic ideologies and inspired models, lost sight of history and of historical conditioning and as such, of process. The rejection of history flourished in the forward-looking euphoria of the economic expansionism of the 1950s and 1960s. In that best of all possible worlds development was a universal possibility. If we did not account for history then we need not account for the carry-over of past inequality. As Maurice Bloch says in discussing the past and the present in the present, "inequality becomes legitimized...when nature is mystified." Without historical consciousness, everyday relationships are "divorced from everyday experience" and "inequality takes on the appearance of an inevitable part of an ordered system" (Bloch 1977:289).

Anthropology is redeveloping the discipline's sense of history at the same time vocalizing the "long dialogue with

the ghost of Marx" (Wolf 1982:20). For Wolf, history can be "an analytic account of the development of material relations, moving simultaneously on the level of the encompassing [world] system and on the micro-level" (1982:23). Some in the field of anthropology, therefore, have gone beyond teasing us with history, to providing models and direction for future research, and ethnological analyses. Starting with real relations among real people as they produce and moving toward an "analysis that rejects static, ahistorical views of culture, and transforms the concept into a tool for examining the role of ideology and consciousness in social process" (Leacock 1982:267). Nash's revival of the concept of "transculturation" in the meeting between multinationals and third world labor takes on the active exchanges in culture contact, but also "the dialectical transformations in social relations within both countries that occur in the process" (1983a:28). The analysis that follows attempts to draw on the sense of history I have inherited from these teachers and apply a marxist analysis of capital accumulation and the reserve army of labor to explain the creation and control of industrial labor in modern Querétaro.

Mexico is a semi-industrialized country in which Querétaro represents one of the most recent targets for modern industry. Much of this growth in Querétaro has come about as the result of direct and indirect investment of

foreign capital, another large percentage through the relocation and decentralization of industry within the Mexican economy and geography. As I expressed in my original field proposal, I was interested in what effect(s) the movement of manufacturing industry and service businesses from the developed countries to the developing, from the primary regions such as Mexico City-D.F. to the provincial areas, would have on local labor and the community. The research project I designed asked these questions: 1) What social, political, economic and cultural factors condition actual recruitment to and participation in the different sectors of the labor force? 2) How do the policies of multi-national corporations and international capital determine the labor market in other places? and, 3) What is the effect in Querétaro of the changing world economic system, specifically, the movement of manufacturing industry from the developed to the developing countries?

My original research questions assumed a set of successful economic and investment conditions, amounting to "good times", for exploring the process of defining and creating Querétaro's labor force. But as I undertook the fieldwork the Mexican economy collapsed, the perceptions of good times faltered and, ultimately, the field research responded with new questions designed to deal with the realities of the crisis. Rapid economic growth helps obscure the process of extraction of surplus value as the

increase in available wealth for distribution obscures the relative class interests (see Bergquist 1986). Economic crisis, however, exposes the parameters of this two-sided fight: continued capital accumulation means squeezing more from each worker especially in times of crisis (UE 1987).

The revised research problem specifically considered the twin project of exploring labor recruitment (both hiring and firing) and labor process and how these managerial options led to the creation and control of the Querétaro labor force. In response to new conditions, the new research questions focused on 1) Who is an ideal industrial worker and how is industrial labor made tractable, predictable and sustainable? and 2) How did labor recruitment respond to the changing economic, social and political conditions?

Capital Accumulation and the Control of the Labor Force:

We can explain the creation of the new industrial labor force in Querétaro by examining the dynamic of the drive to accumulate capital. For Marx, the capitalist had one motivation: "Accumulate. This is Moses and the Prophets!" (cited in Storey 1983:66). At the simplest level, the method of capital accumulation is the extraction of surplus value, the appropriation of that part of the worker's labor power not recompensed by wages. To accumulate more, to produce greater surplus value, means producing more work per worker as well as creating a larger pool of workers to

exploit. In this analysis of the process, the formation of this reserve army of labor is a result of the constant accumulation and concentration of capital, as well as a lever for further accumulation.

Capital accumulation is the engine which drives the capitalist machinery, neither capitalist nor Marxist has any doubt about that. Equally there is little argument about the way it occurs. Capital, through investors and owners, buys machines and raw materials, hires workers, pays the workers, then sells the product and keeps the difference between the price and the cost to produce it as profit. The basic operating principle is the competition of autonomous market forces. The principle outcome is an unequal division of labor and benefits between mental and manual labor, between owners and workers, between high profits and low wages.

Capital accumulation makes for antagonistic relations, as owners or management seek as much control over labor as possible.³ All forms of organization, hierarchy and control within the capitalist system are, in the end, designed to secure surplus value. Employers can reduce wage costs by deskilling workers, or by movement to less developed regions, or depeasantization, but they must also have access to a large, disciplined work force which will labor under the conditions needed to maintain high surplus values and low wages. Employers need a labor force that can

be controlled and kept stable, one where ideology has been coopted and worker resistance to work discipline has been undermined. "Control is in the last analysis a means toward the attainment of surplus value" (Storey 1983:10).

Studying capital accumulation leads us along two paths: the first, to the predominantly quantitative analysis of the extraction of surplus value as measured in monetary terms and calculated in terms of additive growth. In general this area is left to the economists. The second path is an analysis of how that value is created, looking "beneath the surface phenomena of money and commodities to the underlying relations between people and classes" (Sweezy 1968:129). The anthropological essence of this second question is the twin assumption that the labor of human beings is at the heart of our analysis and that work is the heart of our humanness.

Men can be distinguished from animals by consciousness, by religion or anything else you like. They themselves begin to distinguish themselves from animals as soon as they begin to produce their means of subsistence... (Marx and Engels 1970:42).

Contemporary political economic conditions, where ownership and inequality are hallmarks of capitalist society, slightly modifies the meaning of work. It is not just something that a society organizes to meet social needs, or people carry out in order to survive. "[Work] is a framework within which those who own and control economic resources seek to ensure the appropriation of the surplus"

to themselves (Thompson 1983:4). The working arrangements, social relations, and cultural values in a community are strongly conditioned by who ultimately appropriates the surplus and how it is extracted.

Marx's analysis of the creation of the industrial reserve army of labor in the process of capital accumulation established the nature of the antagonistic relationship between capital and labor and focused specifically on the mechanisms of control: "the increasing concentration of the means of production and the [increasing] command over labor" (Marx 1967:625, emphasis added). Capital accumulation, however, is not simply command over more and cheaper labor. To make a profit in a competitive environment, capital accumulation also requires more command, that is, more real control of labor power, as well as the continuous reassertion of that exercise of power.

Ultimately, labor recruitment and remuneration, the conditions and kind of work, as well as the worker must all come under capitalist control. By understanding that control is "all means for the development of production [which] transform themselves into means of domination over and exploitation of the producers" (Marx 1967: 645), we can avoid reductionist arguments espousing one cause for all conditions. The exchange oriented arguments about technology transfer and capital intensive production, direct foreign investment and loans, plant internationalization

and relocation, and even the various "cheap labor" arguments (sexual and international divisions of labor), tend to ignore the best key anthropology can offer for understanding the process of capital accumulation: "how cultural forms work to mediate social relationships" (Wolf 1982:19).

In development studies the tendency has been to focus on the combined search for cheap labor and the emergence of a free wage labor force in low income countries. The emphasis has been stronger on the effects of the sheer numbers and availability of more workers, the reserve army of labor, than upon the complex set of processes and solutions that tailor the labor supply to the particular circumstances of each society. There is no question that as industry advances in a country or region, masses of peasants move off the land and seek urban, industrial work. Nor is there a doubt that the increasing size of the reserve army of labor exerts a downward pressure on wages and leads to increased exploitation. Nevertheless, if the equation--more reserve army members equals more cheap labor and greater pressure on wages--were all we took away from this discussion, our analysis would be confined to quantitative arguments about how many people make up "an inexhaustible reservoir of disposable labor power" (Marx 1967:643). Or how much surplus value must be extracted to make labor cheap? We still must explain the process: how capital extracts actual labor from the workers in these

factories; under what social, political and economic circumstances does Capital exercise what Zimbalist calls all "the levers of capitalist control in the workplace" (1979:xvi).

At the same time this focus on the reserve army of labor need not steer us into calculations of degrees of complete or partial proletarianization. Rather we are looking at a global system, one in which, in spite of its own mythology, relations are always unequal. Whether or not a factory worker owns a piece of land, he is still a factory worker, whether or not a peasant family only works the land, they are embedded in the cash economy and still vulnerable to the recruiting efforts of wage labor. By analyzing the reserve army of labor, latent, floating and stagnant, we escape such gradations and categories as "semi-proletariat", "worker peasant," or "agroproletariat" and at the same time the echoes of the dichotomous analyses and models of modernization.

The industrial reserve army of labor, however, is not just any group of people on the land or in the cities. What Marx (1967:632) called that "mass of human material always ready for exploitation" is a labor force defined in an historical process which constantly changes its conditions. Before a population can be incorporated fully by capital it must first be created as a labor force with both active and reserve labor segments. This labor force is then constantly transformed, through greater or lesser

absorption of labor into capitalist production, into either a relative surplus population or into an active proletariat.

In the developing countries where industrial growth rates were high, the creation of a labor reserve is often an extremely rapid process of transformation. The rural maquilas in Querétaro where I observed a group of peasant women quickly, if temporarily, transformed into industrial workers serves as a case in point (Keren 1987a). Within only months, these women were hired to work in rural factories, paid below minimum wages, and then suddenly returned to their precarious peasant existence. In Querétaro's Sierra villages, as in many of the large factories I studied, this hiring and firing resulted in the formation of a waiting proletariat. By this, I mean, the making of an available labor force vulnerable to the market in terms of wages, job opportunities and work conditions; a surplus population waiting for future capital investment to add to the never adequate number of industrial jobs, or to bring jobs into the industrial corridor that connects Querétaro with Mexico City.⁴ The category "waiting proletariat" incorporates the "marginal peasantry" in rural wage labor, the "homeworker" or outworker in urban sectors, and lets stand the Marxist concept of industrial reserve army of labor.

Each new or advancing situation of capital penetration, even with the cyclical crises and periods of consolidation, reminds us is that the transformation of labor into the proletariat is never complete. In Mexico City,

The destruction of non-capitalist modes of production has freed up labor that cannot be absorbed in the industrialized zones. This produces permanent and continually expanding structural unemployment.

The distortions of this atrophied capitalism are demonstrated in industrialization, migration, employment levels, self-employment, increases in lumpenization, survival networks, urbanization, education and literacy, health levels and political responses.... The deformed productive structure has concentrated wealth and made it incapable of creating employment. (Alonso et al. 1980:20,38; my translation)

During the current cycle of Mexican crises, the consolidation of accumulation, that is the shaking off of the "weaker" firms, has led to increased monopolization and concentration: fewer companies each more dependent on capital, while the size of the proletariat and the potential working class continued to increase (Keren 1985c). For accumulation to occur it is always necessary to have more people NOT working in industry than holding industrial jobs. This "latent" population can be found in country and city, at all skill levels and with the internationalization of capital, is interconnected regionally and internationally.

My analysis of Querétaro industry suggests that the study of capitalist control over production process and the workers themselves is vital to the understanding of the formation and conditions of the reserve army and active

labor forces in industrial and semi-industrial economies. Although most explanations of the industrial transformation process point out that workers driven off the land provide cheap labor in the cities by depressing wages; that is, the mass of people leaving the land exceeds the number of available industrial jobs, thereby increasing the supply of laborers and decreasing the wages paid to them; this analysis will try to go beyond that limited view. Capital's control over the work process and industrial discipline are the tools used to extract actual labor from the "cheap" labor power that flows from the countryside.

At the same time, to focus on the capital accumulation and the reserve army of labor (RAL) is not to assume a passive mass of people bowing to capitalist ascendancy. These repressive structures of job control and discipline are social products, and must be compared cross-culturally, at the same time that the social relations, at the point of production must be understood with reference not just to the organization or even the society, but to the global capitalist mode of production.⁵ To understand the labor force we must see global processes, not just questions of wages.

Job control must be placed in the context of the economic system, the role of the state, the deployment of science and technology, the ideological network and other facets of the cultural, political and economic totality (Storey 1983:9).

These conditions can be explored using the concept of labor process. Since 1974, following the publication of Braverman's Labor and Monopoly Capital, labor process analysis

has become increasingly important but it has not generally been applied cross-culturally. Its strongest, most vocal supporters and critics operate primarily within the spheres of U.S. and British sociology, industrial sociology, political economy and organizational studies in the developed countries. Ethnography and anthropology have been slower in entering the field, with only a few exceptions (Glick 1987, Alonso et al. 1980, Cook 1986, Arias and Bazan 1980, Burawoy 1979).

Control is not some inanimate, unmoving fence on the landscape of work; rather it is "contested terrain" (Edwards 1979). This "manufactured consent" (Burawoy 1978, 1979, 1985), is not a thing but a set of social relationships constantly in the process of making and remaking themselves. Our search in history documents that workers experienced a progressive loss of control over the means of production as precapitalist manufacturing passed into capitalist industry; over the production process itself as "productivity"--time, speed and output--acquired increasing weight in the calculations of work; and over the old social relations of production in and out of the workplace as the purchasers of labor power appropriated the decisions and undermined the autonomy of the work process (see Scott 1974). But this same historical investigation reveals that the struggle is not over. Proof is found in the vast literature on European and U.S. efforts to overcome the constant, overt and covert resistance to

capitalist work discipline (Gutman 1972, Hobsbawm 1964, Thompson 1963, 1967; Burawoy 1979, 1985). Cheap labor power is not useful unless all workers, whether first generation immigrants, rural migrants straight off the farm or even established industrial workers, can be made to give up their notions of self-directed work and conform to factory domination.

In the sections that follow I will explore how the Mexican Crisis led to increased exploitation of the workers. As economic conditions deteriorated throughout Mexico, both the revenues of the state and the profits of capital declined. Austerity on the part of the government and cut backs by capital were changing the environment in which people worked and lived and shifting the terms of the transition from peasant to proletarian. In the 1980s Mexico faces an urban and a rural crisis, an industrial as well as an agricultural crisis. The old fall-back positions--a return to agriculture (subsistence or market production), a return to agricultural wage labor, or entry into casual labor or competitive sector entrepreneurship all have been severely diminished.⁶ The combination of government supported investment programs together with a second wave of proletarianization, a proletarianization of consciousness after the first wave of changing social relations of production, was aggravating the impact of industrialization and economic development on all the people of the country, but especially those who could least afford to be squeezed. In Querétaro today as in Europe 150

years ago, "the whole form of the movement of modern industry depends, therefore, upon the constant transformation of a part of the laboring population into unemployed or half-employed hands (Marx 1967:633).

The Rules of the Game:

Perhaps, Applebaum's introductory text (1984:1) on the anthropology of work, precisely for its elemental simplicity, said it best,

In non-market societies work is directed mainly to meet subsistence needs. Work performed for other than subsistence is usually channeled into religious or political relationships. Work relations are based on kinship, and exchanges of work or goods are based on reciprocity. The tools needed for work are owned by individuals or the kinship group. People generally work for themselves or their kinship group and the time allocation and work rhythms are based on the needs of those who participate directly in the performance of work.

When the market first appears it is only a convenient physical place for exchanging goods, not, as it will become under capitalism, a "dominant institution where all goods and labor must be exchanged for people to exist" (1984:1)

Rather, Applebaum continued,

work in non-market societies is embedded in the total cultural fabric, the communal aspects of work and work incentives are the predominant force emphasizing subsistence sharing, reciprocal exchange, and interdependence, and work tends to be task oriented (1984:2-3)

At complete odds with this interdependence are social relations in capitalist market societies. There work and life are separate spheres. With the advancing penetration of commodity production the nature of work itself is

constantly transformed. With more and more people required to sell their labor power in order to survive, while accumulation proceeds only for the few owners. Leacock has consistently documented this process in her ethnohistorical and anthropological writings.

The transformation of people's work from procuring and manufacturing objects they themselves use or share, or directly bestow, barter, or give up, to producing goods for others to exchange and profit from, totally transforms the relation of their work to all other social relations, and therefore transforms the nature of work itself (Leacock 1985:81).

Urban Mexico in the 1980s is a long way from the historical collision between rural and urban life that first produced commodity relations, transforming relations within the social group "from direct, personal, and basically cooperative to impersonal and highly competitive, ruled by 'mysterious forces' that eluded understanding and control" (Leacock 1972:56). Mexico is in no way a stranger to the experience of full commodity production conducted for profit. Capital penetration has characterized the growth of the economy and the transformation of social relations since the mid-nineteenth century (Semo 1973, 1978; de la Peña 1975, CEHSMO 1975, Cockcroft 1983, Martínez 1982, Super 1976).

The initial labor problem for all capitalists historically was finding the ideal industrial worker. Then he restructured his work habits. This perfect machine in human form might be described as a controllable worker whose willingness to be supervised, timed and consistent on

the job is matched by a passive acceptance of the methods and amounts of payment for his work, the conditions of his employment and working, and even intrusions into his leisure (i.e., non-work) time. Quickly enough management realized that its perfect worker was illusory. The active and potential labor force that comprises the actual recruitment pool for their efforts, remains quite human and in spite of transnational capital's prophecies and wishes to the contrary, quite embedded in cultures whose values leave little room for machine-like comportment. Rather, the struggle for the workers has become how little can they act like machines and still have capital accept them as workers?

Time and again people have had to be convinced somehow to work not for themselves or their kin group, but to sell their labor to benefit someone else. It is not a fair bargain and it is not accepted lightly by most folk. People are not naturally suited to industrial work. To the contrary, they have always had to be forced into it, molded into appropriate and suitable workers. In the 1930s, for example, researchers regularly commented that it was virtually impossible to "induce" some people to work as they could satisfy their wants without entering the industrial and wage labor system (cited in Moore 1951:23n, s.a. Hussey 1958). The despair voiced by Marvin Bernstein (cited in Thompson 1967:91) over the Mexican miners "lack of initiative, inability to save, absence while celebrating

too many holidays, willingness to work only three to four days a week if that paid for necessities" and other supposed character and cultural flaws continues as a common complaint among contemporary employers. It almost seemed at times as if some of the managers I spoke with were quoting him.

The absorption of new labor was hardly a monolithic process (see Roseberry, nd.). Moore noted that where plantations or factories had been introduced they encountered varying degrees of acceptance. "[The] workers may show a lack of appreciation for the canons of industrial efficiency and discipline. Their 'cooperation' in production may be reluctant and transitory; their enthusiasm for an urban way of life may be substantial or virtually non-existent... (Moore 1951:4). Again the managers in Querétaro voiced many of the same feelings,

There is no skill, no experience, a poor attitude and an inability to follow specific, explicit directions.

The ideal industrial worker is a controllable worker. His time is not his own. He responds to bells, clocks and quotas on the job. He is told when to work, when not. Even his free time is predetermined. Nor is his work his own--not involved in decisions about what he makes, how much he is paid nor even where he works, nor in hiring, firing and promotions, training, job assignments or scheduling. In Europe, Great Britain, the U.S., the transition from agriculture to industry, from rural to

urban, from peasant to proletarian took generations, even centuries. Scott's discussion of the French glassmakers documents that they were able to maintain the "artisanal standards and traditions of their trade within a system of capitalist manufacture" (1974:19).

Although they worked for wages in the shops of employers who owned the means of production, glass blowers nonetheless controlled most aspects of their trade. They alone managed the hiring and training of apprentices and thereby regulated the labor supply. They also set standards for the quality of their production and the conditions of their work... (1974:20).

They held onto their relative independence for most of the 19th century. Only after almost a century of struggle, the formation of a union, strikes, police aggression in response, plant closings, new plants in competition, and the imposition of new technology, did "the power to change the situation lay outside the glass worker's control. The skill he possessed no [longer] gave him a bargaining advantage with his employer" (Scott 1974:82).

E.P. Thompson's (1967) brilliant dialectical analysis of time and the technology for measuring time and its use documented just how long the process could take, as the labor force was only "partially and temporarily committed to an industrial way of life" (1967:93), as workers resisted the demands and attacks on their time, activities and values (see Salz 1984). Henry Ford and others saw that this was not only a condition of a single generation, each

succeeding generation of factory worker offered new problems, and even industrial veterans could present a challenge to authority.

Perhaps no one has more eloquently expressed the ethos involved in the Mexican sense of time than Carlos Fuentes (1980:10). He says,

...Among us, however, there is not one time: all times exist, all our pasts are in the present. Our time appears to us in adulterated form, weighted with recurrent agonies. All time must be kept alive. Why? Because no Mexican time has yet been realized... (1980:10, my translation)

Little wonder the 48-hour factory week makes no sense to the Mexicans. In Alan Riding's ethnocentric reading of Fuentes and the Mexicans, we see how easily we lose sight of the unnatural side of the imposition of time controls.

Even the Western sense of time has been resisted by Mexicans...the past is not dead.... Conversely, the future is viewed with fatalism, and as a result, the idea of planning seems unnatural.... Mexicans see little reason to discipline themselves to a routine.... Time itself involves rules that must be defied... (Riding 1985:6-7)

Mexican time left journalist Riding waiting for his appointments more often than his western sensibilities could tolerate.

Nevertheless Mexicans are being subsumed in a process that demands recognition of western time concepts and adherence to a capitalist and repetitive social clock. As Thompson said, "we are concerned simultaneously with time sense in its technological conditioning and with time-measurement as a means of labor exploitation" (1967:80). The "employer must use the time of his labour

and see it is not wasted" (1967:61). At the point that 'time becomes money' and more importantly the employer's money, capitalist control moves onto another plane, from production process to labor process.

By the late 20th century, in our post-Taylor age of scientific management and technological overachievement, the issue of control of the labor process might seem a fait accompli. The worker's control over production is presumed a shadow from the past. And certainly the labor process literature seems to assume that the process is complete, that it's all over except the shouting (bourgeois analysis) or the revolution (marxist analysis). In reality, neither is capitalist control over labor process complete nor are we on the brink of proletarian revolution. Still the struggle for control does continue. Perhaps it takes a crisis to uncover the workings and assumptions of management-labor control activity. "Crises of accumulation oblige management to take the initiative in forcing control issues to the forefront" (Storey 1983:170). As I demonstrate in the following chapters of this dissertation, the Crisis in Mexico in the 1980s did in fact make control more imperative at the same time as the strategies for achieving that control become more open and often more severe. Recent management initiatives --tighter in-plant discipline, layoffs, speed ups and other process rationalization measures--bring the long-term managerial strategy of control into the light of examination.

The dialectical give and take of making the labor force, the complex process of creating specific kinds of industrial workers--skilled/unskilled, male/female, full-time and unionized or part time and without benefits-- is in fact threatened by the Crisis. The training programs and consequent promotions, soccer leagues, gifts, subsidized cafeterias, paternalistic treatment and such which were traded for low pay and progressive loss of worker control over work conditions, all cost money and begin to disappear soon into the crisis. The result is a less accommodating and less mystified structure of labor-capital relations.

Fundamentally, however, the labor problem for the capitalist employer in Mexico in the 1980s was, as it had been for his western predecessors, the problem of work discipline and the adaptation of new workers to the conditions of factory life. The ideal industrial worker had to acquire a new culture, a new set of attitudes, values and habits for his very survival and existence inside the factory as well as in the industrial society forming outside (Meyer 1981:50). The values of the "good worker", however, are not natural, inherent characteristics of any race or national group, gender or class. They were created, conceived and marketed much like the products the workers were to produce.

Capital accumulation wants stability, consistency, efficiency, high levels of quality output, conformity,

punctuality and promptness, probity, responsibility, passivity, acceptance, reliability, and perserverance in its workers. In Moore's early study of Mexican labor he notes (1951:20), citing an ILO report, that industrialization

is hampered by a shortage of the kind of labour required for modern industry. The capacities required differ greatly from those commonly found among workers in agriculture and household industries in these [developing] countries. The industrial worker has to be literate...he has to understand the need for industrial discipline. The countries in question are all short of workers with these qualifications.

However, the fact of the matter is that capital penetration in these countries was bringing about a transformation in both work and human relations throughout the culture. At GE-Querétaro, for example, management ultimately wanted 900 workers who could meet their basic criteria for line workers: single, not pregnant, young women between 18 and 25, with a primary school education. Selecting among these resulted in GE's ideal workforce according to one personnel manager:

The girls are very flexible, they have to be able to withstand the pressures of the work. They have a docile character at the same time as they have to have a little initiative.

Industrial manufacturing can make very specific and often contradictory demands on its workers--GE's demand for docility with initiative.

Factory life, it also turns out, not only includes what happens to the workers on the factory floor--adaptation to the labor process, but also accomodation to

proletarianization--accepting their position in a society increasingly dominated by capitalist socio-economic relations and ideology. With only minor exceptions in specific detail: geography, industry or culture, and accounting for the past century of working on "the rules of the game", the industrial workers in Querétaro, Mexico acted and were treated very much like the workers in Henry Ford's Detroit.

In 1913 Henry Ford and his managers faced an immigrant workforce "unfamiliar with the values and habits of urban industrial life", working alongside the "sometimes undisciplined and unruly" American worker (Meyer 1981:93). "Fordism," Ford's novel response to his plants' labor relations problems, was first of all a plan to promote capitalist control and maintain overall production efficiency by establishing work discipline and creating a distinct industrial worker. The Mexican Plant Manager at GE said of his workforce,

When they get here they are confused about how to orient their activity, they work as little as possible, but it changes.

Secondly, it was a social program, a plan for instilling the values which would cajole workers into following the owner's rules and regulations of work discipline (Gramsci 1971:277-320, Meyer 1981). The Ford sociological department remains one of the clearest indications of this process of creating industrial

workers. According to Meyer (1981:96), it "attempted to manipulate and mold working class social and cultural forms to suit the requirements of mechanized production. Henry Ford attempted and to a large degree succeeded with his 'ingenious system' to internalize "within the worker the self discipline required for industrial efficiency in the mechanized plant" (Meyer 1981:102). As I will show, GE-Querétaro and other companies followed Ford's lead.

The ideal urban industrial worker long ago passed from being the autonomous, skilled craftsman to the "immigrant worker unfamiliar with the values and habits needed for the industrial experience" (Meyer 1981:93). The labor problems and conditions (turnover, absenteeism, attitudes about work and life, resistance on the job) attributed to the Ford factory workers in the early 1900s are not unlike those found in Querétaro today.

Compare a Mexican worker with an American, he doesn't have a car, he doesn't have a house, he doesn't have food on his table. He has no future. For this reason he gets drunk on Sundays.

The "immigrants" in Querétaro come from neighboring rural areas, but whether we refer to European immigrant or rural migrant, capital attacked the problem of work discipline on the shop floor as well as in the home.

There is nothing natural about a 40-hour work week, or more likely in Latin America, 48 or 56 hours. There is equally nothing natural about actually working 80 or more

hours at any low paying jobs in order to put beans and tortillas on the table. E.P. Thompson pointed out that throughout industrialization "alternate bouts of intense labor and idleness" characterized working men in control of their own lives (1967:73).⁸ Gutman (1977) reminded us that most Americans did not simply nor easily accept the so-called "Protestant work ethic." In fact it has never been as deeply ingrained in the social fabric as many of the re-writers of our labor history would like to have us and the industrializing nations believe. As a mythical belief, however, the full scale capitalist ideology has been deployed/employed against the workers in the developing and developed countries. The Querétaro managers and owners constantly put more emphasis on orientation or worker adaptation, the idea of learning what it meant to work according to a Mexicanized view of the Protestant ethic, than on the actual job training.

Ford's "Five Dollar Day" may not be as far from the Mexican reality as it might seem. Large factories in Querétaro conducted their own sociological (family and community) investigation and psychological tests. The state-mandated annual year-end profit sharing (reparto de utilidades) only institutionalized what Ford so daringly attempted. Paternalism was certainly nothing new to the Mexican and was often the difference between a successfully run company and one with problems. One of Querétaro's oldest facilities was still family owned and run.

Management demanded and got loyalty from its 800 employees, mostly women. Workers with twenty years seniority would rather quit, losing all their severance benefits, when they were to marry than betray the patrón who did not allow married women to work.

Industry has always been interested in reshaping the work habits of their workers as well as others around them. Sheer force of will or even wage pressures and incentives, however, generally have little effect on the worker, or take a long time to bring about an effect. Querétaro's workers, for example, generally resisted offers of overtime.

It's not going to change his life, it's not going to make him any richer or any poorer, it's not going to buy him his house. Earning a little more is not going to change his situation, so why give up Sundays?

Under the economic constraints managers even found this logical.

"The wage structure of a developed capitalist economy was not formed in a void. It began as a modification or distortion of the preindustrial wage hierarchy and only gradually came to approximate to the new pattern" (Hobsbawm 1964:347). The importance of non-economic criteria such as security, family, comfort at work, social relations on the job and leisure would hold on for a long time, especially during the developmental stages of capitalism which have been marked by cyclical periods of labor surplus. The

nineteenth century Carmaux glassworkers analyzed by Scott (1974) experienced loss of pride in craft and product, loss of power over skill, production and labor and ultimately loss of wages before they struck. Historically wages alone have proved an insufficient incentive to major resistance.

In nineteenth century industrializing England, Hobsbawm indicates, it took time for employers and workers to recognize the rules of the capitalist "game" they played. Changes in the attitude of both workers and employers coincided with turning points in the economy (1964:356). In the early phases of capitalist transformation "workers learned to regard [their own] labor as a commodity to be sold in the historically peculiar conditions of a free capitalist economy (1964: 356); nevertheless, the traditional beliefs and values about work and life actually limited their vulnerability to mere wage incentives for increasing their input and the capitalists' output. The change occurred more quickly in areas of acute labor shortage or glut, in economies dominated by sharp business fluctuations and certainly quickest in those economies which could destroy or disorganize the self-defense organizations of small producers (Hobsbawm 1964:347).

And as I will explore in more depth below, the Crisis in Mexico created situations to parallel the earlier European and New England transformations. Not just on the artisan producing villages (Novelo 1976, Garcia 1982), but

in the new industrial towns (Arias and Bazan 1980, Bizberg 1982, Novelo and Urteaga 1979) and urban slums (Alonso et al. 1980); but also in the industrial cities (Vellinga 1979). The responses of management, government and even the unions to the Crisis manipulated and molded working class social values to suit the requirements of highly industrialized and capitalized society. The combination of forces employed against the worker in the alliance of capital, state and even the unions brought about the lay offs, tight wages, and concessions; limited job opportunities; introduced production line adjustments and changes in production; closed production lines; instituted speed ups; reduced or shifted workers; required acceptance of the IMF imposed austerity program, out of balance wage-price controls and removal of price subsidies; and union acceptance and participation in the political maneuverings for state power and legitimacy (see Silva 1983b, Bergquist 1986).

When the working-class finally "learns" the rules of the game, employers too are operating in a new environment -- changing rate structures (piece work vs. time rates, subcontracting vs. in-plant operations, provisionals vs. permanent workers) and management strategies (scientific management, automation, deskilling). Perhaps one of the most striking differences between the first industrial revolution, nineteenth century England and the U.S., and the late twentieth century industrial revolutions in the

developing world is that management no longer has to learn and relearn the rules of the game. Although they are frequently forced to readapt to local circumstance, it is a situation managers work hard to neutralize. On the other hand, the urban industrial proletarianization process in these new revolutions requires that the new workers adapt quickly to capitalism. Today the private sector is aware of its power to exploit the worker and has the political power and backing of the state to do so (see Bergquist 1986)¹⁰.

Querétaro's Managers:

Mexico's corporate managers are an interesting group for study and, in fact, studies of them and their work have been done including Parrish's (n.d.) discussion of brokerage and others on women managers in Querétaro (Selby 1979). My work is not, however, a study of management formation, that is, their roots and development--SES (socio-economic status), family background, education, outlook, experience, attitudes, values, beliefs or stresses; although I regularly asked questions about those areas at the beginning of an interview in order to adequately interpret their responses.

My interest in Querétaro's managers is what might be termed structural. It was their position and power in the capital-labor relationship that intrigued me. As keepers and dispensers of information, as bosses and employees, as

policy makers and policy implementers or simply as participants in the daily rounds of struggle to stay in business or survive personally, managers had answers to questions I wanted answered. In general these managerial informants fell into two categories, personnel managers and technical managers, and I approached each group with a slightly different set of questions emphasizing their respective specialties but repeating the core set of questions about labor recruitment and labor process. The personnel managerial group was further divided by training and in a sense gender. The men studied Industrial Relations (IR) as part of Business Administration degrees, the women tended to study Human Relations (HR) with a foundation in Psychology programs.

I want to point out that I do not use the term managerial class, for they are not. Nor do I feel comfortable with the ill-defined term "Mexican middle class".¹¹ The corporate exercise of hegemony makes every effort to absorb and re-educate the minds of the men and women it selects as managers, regardless of natal or parental class position (see Nash 1986, 1987). The varied backgrounds and experiences of the men and women I interviewed attest to the success of that process of homogenization in Querétaro. The formal education and in-house training of managers, regardless of specialty, is built upon the tenets of neo-classical, free-market economic theories. Although some managerial specialities

and schools may take a more or less humanistic tack, in general the managerial segment in industry is less concerned with theory and assumption, than with strategies and tactics for making a profit, and in the process keeping their own jobs.

Querétaro had a small native bourgeoisie and a mixed merchant class, but the regional elites were, like many landed elites to be found throughout Mexico, not avidly interested in the corporate industrial sector (See Walton 1977, Lomnitz & Pérez Lizaur 1984). What the Mexican referred to as iniciativa privada (IP), the private sector or private enterprise), was a very small group nationally and often family based (Nuncio on the Monterrey Group, also Lomnitz & Pérez Lizaur). As one of the city's most influential industrial managers commented,

Only 30% of the Mexican rich who have money to invest, do. The other 70% do not. Their wealth is the product of the public sector. They become millionaires during the sexenio of one administration and they don't invest it. Industry doesn't interest them. They don't know how to invest. They keep their money in their houses, in paintings, in huge estates.

The lack of a national or a local bourgeoisie to invest in and lead industry in cities like Querétaro was both a source of pride (like that of the English aristocrats) and of frustration. It may also have been as much myth as it was reality, a way of talking about themselves and in fact

of eluding some of the blame. With the rapidity of changes and capital incursions, many of the "old" families were putting sons and even daughters into the business world. Their preference was for entrepreneurial ventures; although the acceptable advancement route continued to be the civil service or government appointments.

Sounding very much like the class of international capitalists he worked for, however, this manager added when I asked him whether he thought that it mattered that many of Querétaro's factories were transnational corporations and investments,

No, even if they were Mexican, it would be the same. Capital is Capital, it has no borders. The problem is that the mixture of capitals in Mexican industry is so strange with so many different "groups", the presta-nombres, etc. that it is often difficult to sort out who absorbs the risk.

A native of the more industrialized Mexican north, he may have had a more clearly articulated understanding of the capitalist system, but his two statements identify the contradiction in Querétaro. Whether or not they were a native class, industrial managers were needed to run the factories. Marglin's classic essay "What do bosses do?" (1978) points out that technical efficiency proceeds without them, but that the control and hierarchy they represent is essential for capital accumulation. In order to do that well they had to conform to, accept, the value and belief system of capitalism.

Mexican managers, incorporating their own version of Mexico's Revolutionary Ideology with a kind of world system corporate cosmology, became the key social actors, "not only because of their strategies but also because of their reading and interpretation of other forces which to a large extent shape the control system" (Storey 1983:10). They are faced constantly with the problem of being or not succeeding at being a national bourgeoisie, at the same time as they are responsible for the development and implementation of policies to extract surplus value. The role of managers as mediators in Querétaro, as Whiteford (1960) seemed to predict and Miranda (1983) supposed, helped set up one side of the polygon of hegemony to provide the maintenance of a stable, workable national political economy (Keren 1985b, Basañez 1981).

There were 10 women and 27 men among the managers and professionals I interviewed. Eight men and one woman worked for various government offices around Querétaro city. The other 28 people worked in the private sector, 25 as corporate executives or employees at various levels and in varied departments. Only three (all men) were entrepreneurs. Entrepreneurial activity, however, was an expressed goal of almost every male manager in my study. As the Gómez family in the Lomnitz and Pérez Lizaur study say, "Every man should be his own boss" (1982:29). The overall underrepresentation of women should not be

surprising, although women were becoming more of a presence in certain fields, principally personnel (Human Resources or Human Relations, salary and benefits administration, training) and quality control.

Based upon the biographical sections of my interviews I have been able to compile a general picture of the men and women who daily were shaping Querétaro's work life. As I said, Querétaro's corporate managers did not comprise a middle class nor were they members of a traditional elite. Excluding the nine (9) in government service (and accounting for the seven (7) for whom I had no information in this area), 95% of the managers I interviewed were first generation corporate management. Only one man was the son of a factory owner, and he was now running the Querétaro operation. Most of the parents had been small farmers, industrial workers, petty craftsmen or merchants. Only a few hailed from landed or merchant families. In the entire sample, one came from a military household and in a few cases the father had been the civil service (often as engineers). The same was true for the four (4) foreign-born managers who spoke with me. They were the first generation to hold even white-collar jobs, leap-frogging from engineering to administration by perseverance and chance. Being originally from Querétaro or from elsewhere in Mexico made little difference in the corporate arena (almost 46% of the Queretanos in business were first generation managers, while at least 54% of the

other Mexicans were). The difference in their career choices was marked by their entry into the public sector--54% of the Queretanos in my sample were in government, while only 1.4% of the non-Queretanos held government appointments locally.

As for the shortage of administrative level employees, managers, that was a specific regional problem that was documented in the 1960s by Bancomer (1967:34-35). In my interviews, of a total of 28 corporate managers, only 13 were native Queretanos. Most of them (9) had attended college in Querétaro, and still had family ties there. The rest, 60%, had only recently arrived, drawn to the city by the opening of new factories and the growing prestige of the local university and technical institutes. Engineers, however, were recruited mainly from other areas. Seventy percent of the engineers in this sample had received their education outside Querétaro, while about 70% of the business administration majors were locally educated.

Table 3.1.
Managerial Activity

	N=33		
	<u>number</u>	<u>percent</u>	<u>area</u>
Querétaro native born	7	53.8	Government jobs
	2	15.4	Own business
	4	30.8	Corporate management
Non-Querétaro Mexican born	0	.	Government jobs
	1	5.0	Own business
	19	95.0	Corporate positions

Fieldwork Interviews - Managers and Government Workers
Queretaro 1982 to 1983

Person Number	Employer	Corp/ Gov't	Job Title/ Category	State of Origin	Male/ Female	Age
1	PEPSI	C	Adain.	Jalisco	M	23
2	VA	C	Plant Eng.	Jalisco	M	33
3	COCA	C	HR Mgr.	Guanajuato	F	30
4	CREA	G	Cult. Attache	Federal Distr.	F	50
5	GE	C	Tech Eng.	US	M	38
6	FAC	C	Owner	Queretaro	M	45
7	FARMELL	C	Owner	Federal Distr.	M	52
8	IH	C	Tech. Designer	Veracruz	M	50
9	NEUNOBISO	C	Adain.	non-Queretaro	F	29
10	GE	C	Dir. HR	non-Queretaro	M	43
11	CIC	G	Gov't	Queretaro	M	29
12	STPS	G	Gov't	Queretaro	M	29
13	GE	C	Plant Mgr.	non-Queretaro	M	52
14	BIOB	C	Dir. HR	Chihuahua/DF	M	28
15	STPS	G	Gov't	Queretaro	M	25
16	FOM IND	G	Gov't	Queretaro	M	50
17	GE	C	HR Mgr.	Queretaro	F	29
18	IH	C	HR Mgr.	Queretaro	F	30
19	KELLOGG	C	HR Mgr.	n.d.	F	28
20	Eng	C	Owner	Queretaro	M	29
21	GE	C	Eng.	Zacatecas	M	26
22	CJ	C	HR Mgr.	Queretaro	F	26
23	CANACINTRA	C	Adain.	Chihuahua	F	30
24	VA	C	Plant Mgr.	Nuevo Leon	M	45
25	KCM	C	Plant Eng.	Oaxaca	M	45
26	KELLOGG	C	Chemist	Chihuahua	M	30
27	FOM IND	G	Gov't	Queretaro	M	26
28	BRANDAL	G	HR	Federal Distr.	F	28
29	SABH	G	Gov't	Queretaro	M	29
30	GE	C	Plant Eng.	US	M	49
31	GE	C	HR	non-Queretaro	F	27
32	ASTRAL	C	Dir. HR	non-Queretaro	M	35
33	TSP	C	HR	Queretaro	M	32
34	IH	C	HR	Federal Distr.	M	30
35	SSP	G	Gov't	Queretaro	M	22
36	GE	C	Plant Mgr.	US	M	55
37	KCM	C	Consultant	Portugal/US	M	52

KEY:

Corp or Govt: C= Corporate (private sector), G= Government (public sector)

Male/Female: M= Male, F=Female

Marital Status: M= Married, S=Single

Education Levels:

0= apprenticeship, 1= technical college or vocational school

2= bachelor's degree or some college, 3= master's degree

Person Number	Employer	Marital Status	1st Gen't'n Management	Educ. Level	Degree/ Subject	College/ School
1	PEPSI	S	Y	1	Eng.	Guad Tech
2	VO	S	Y	1	Eng.	Guad Tech
3	COCA	S		2	HR	UAB
4	CREA	S		2	Lib.Arts	UNFM
5	GE	S	Y	0	T&O	---
6	FIRAC	S	Y	1	T&O	Regl Tech
7	FARMELL	S	Y	n.d.	n.d.	n.d.
8	IH	S	Y	0	T&O	---
9	NEUMOBISO	S	Y	2	Lib.Arts	n.d.
10	GE	S		2	HR	UNFM
11	CIC	S		2	Bus.Admin.	UAB
12	STPS	S		2	Bus.Admin.	UAB
13	GE	S	Y	2	Eng.	UNFM
14	BIOB	S	Y	2	Bus.Admin.	Ibero
15	STPS	S		2	Bus.Admin.	UAB
16	FOM IND	S		2	Eng.	UNFM
17	GE	S	Y	2	HR	UAB
18	IH	S	Y	2	HR	Anahuac
19	KELLOGG	S	Y	2	HR	UAB
20	Eng	S	Y	2	Eng.	n.d.
21	GE	S	Y	2	Eng.	UAB
22	CJ	S	Y	2	HR	UAB
23	CANACINTRA	S	Y	2	Chem./HR	UAB
24	VO	S	Y	2	Eng./Bus.	Tec.Mont/NI
25	KCH	S	Y	2	Eng.	UPN
26	KELLOGG	S	Y	2	Chem.	UAB
27	FOM IND	S		2	Bus.Admin.	UAB
28	BANAUAL	S	Y	2	Psych.	UAB
29	SABH	S		2	Eng.	UAB
30	GE	S	Y	2	Eng.	n.d.
31	GE	S		2	HR	n.d.
32	ASTRAL	S	Y	2	Bus.Admin.	n.d.
33	TSP	S	Y	2	Bus.Admin.	UAB
34	IH	S		2	n.d.	n.d.
35	SSP	S	Y	2	Bus.Admin.	UAB
36	GE	S	Y	2	Eng.	n.d.
37	KCH	S	Y	2	Eng.	n.d.

Foreign managers often looked critically on the local managerial talent and the native workers. In a conversation with a Portuguese-born, North American-aculturated, engineering consultant, I heard a litany of negative comments about the Mexicans he worked with. I sifted his comments through the filter of ethnocentrism, especially after a remark about his "five years in Angola working with the savages;" nevertheless, it was the local managers, not the workers, who were the targets of his harshest criticism. Other North Americans were equally explicit,

It is difficult to understand why the Mexican does what he does, certainly very difficult to direct him. You can tell him, show him, reason with him, but nothing happens.

Querétaro in the early 1980s, however, may have been unusual in the developing world. There were very few U.S. and foreign managers in the area, and in the companies I studied, hardly any. Some of the older firms had been in the hands of North American managers for years, men (and their families) who had become landmarks in the closed landscape of Querétaro social life, but for the most part the managers were likely to be Mexican. At least in the 1980s the foreign employees who came to Querétaro generally came in the capacity of technical advisor, there for specific and usually short time periods.

At General Electric-Querétaro (a company with an organizationally defined foreign service employee's program and status [FSE]) between 1979 and 1982 there were three U.S. general managers (the last one designated as interim), one full-time U.S. engineering plant manager, then a series of consultants on short-term contract, one or two technical advisors from Japan, the U.S. and elsewhere on site at any one time, as well as several long-term FSEs who were native to other Latin American countries. The mix of native and foreign, local Queretano and Mexican among the GE employees was similar to situations in other companies. Kellogg was locally run by Mexican and Latin American management, although TREMEC had several North American managers.

Mexican managers, however, tended to emulate their overseas counterparts, often applying modes and solutions that did not match the local circumstances. The emphasis on capital intensive, high technology dependent investment in a country with lots of people and little capital is just the most obvious and extreme example of the mismatch. A young engineer told me,

On the world level GE is a good company, but here in Querétaro it's very bad. They are only interested in production--beginning at the top with the administration. We are not getting out the production levels that they want, but NOT because the machinery is broken or because the workers don't want to, but because of the management.

In reality he was probably correct. Production slowdowns and even interruptions were not uncommon, and he was not alone in his evaluation. In the short run, local managerial talent might make a difference in improved labor relations and some slight gains in efficiency; however, the pressures of world competition will take precedence over nationalistic ideology. Mexican managers and Mexican companies faced with making decisions in a world capitalist system also chose to curtail production, cut back numbers of workers, and short circuit union activities (see Chapter 5).

The ability, or rather inability, of foreign managers to run a factory in Querétaro, however, seemed to be one of the few areas of agreement, regardless of nationality or level. North Americans agreed with the idea that workers got along better with Mexican managers. Foreigners should only be hired as consultants, one said, and they would have fared even better if they had no administrative responsibilities at all. After his own failures to control productivity, "a local manager could probably do it better anyway", he concluded. A Mexican counterpart in the same plant said,

There are things that the North Americans on staff cannot handle: especially the positions that deal with people, for example take the Pilgrimage and social things like scheduling vacations. This is not going to change...but being a Mexican manager of Mexicans, I have a way of understanding the culture.

An employee in the same company concurred, telling his former boss about the arrival of the first Mexican general manager.

We understood what you and the others were saying in English; we understood what you were saying when you spoke in Spanish; but we FEEL what he is saying.

When I met with him in 1983, after a few months on the job, the Mexican manager seemed to be having more success than his North American predecessors. His ability to read and participate in the culture strengthened his effectiveness in the day-to-day process of controlling the labor and production in his plant, increasing productivity and extracting high rates of surplus value. When the U.S. parent sold the division, he was kept on by the new international owners.

Foreign influences diversified, no longer wholly "American." For example, many of the managers I spoke with were excited by the ideas or philosophy of Japanese management. In fact, several books on the subject had joined the occult and self-help best sellers on the top ten books in translation list. Still U.S. influence was important in shaping the corporate culture of Mexican managers. As I will explore in more detail below, banks and service institutions as well as manufacturing companies adopted, unaltered, psychological testing of employees; GE transferred intact the Hay System of evaluation and job levels as well as other company-wide features and

practices; Kellogg was run independently of Battle Creek, but local employees suggested that was only on day-to-day decisions. Many companies sent their employees abroad to learn not only how to assemble, operate and maintain new equipment, but with the hopes that they would emulate their more developed managerial counterparts in the U.S., Europe or Japan.

I have focussed on the managers in Querétaro to this extent because they are the actors of capital. It is their actions and reactions to the autonomous forces of the market, their decisions, which drive the daily operations of their companies and determine the daily lives of the workers in the plants. In order to avoid anthropomorphizing capital, we must remember that its business is conducted by people--thoroughly contradictory, culturally embedded, mystified and mystifying people.

Notes to Chapter 3

- 1 Too many anthropological studies have ignored the complex context of regional, national and international relations that frame micro-relations in local communities. By emphasizing the norms and values, the cultural traits and individual behaviors inside the community, they cannot explain the phenomena of stratification, capitalist development, proletarianization, and exploitation which are instead a function of the relations with the world outside the community. Iwanska (1971), Thompson (1974), Hinshaw (1975), Belshaw (1967), Nelson (1971) are only a few examples that deal with MesoAmerica. That of Nelson's Waiting Village impresses me most. She literally turned her back on the larger context. In spite of her emphasis on tradition and resistance, Erongaricuaró sits on the highway to Patzcuaro city. The outside world came to Eronga. Traditionalism may exist, but it seems more in the mind and hopes of the anthropologist than in the real lives of the people.

A new generation of Mexican anthropologists, starting with Bonfil and Warman, argue vehemently against the cultural dichotomies: indian-mestizo, traditional-modern, peasant-proletarian, that obscure the processes of social and economic exploitation. The studies of economic development in Mexico have been framed in terms of indigenous or peasant acculturation or assimilation into national culture. But until recently that national culture was not perceived as capitalist or as part of the capitalist world system. From the acculturationist view, the only solution to the marginality, poverty and backwardness of the indian was to cease being indian. Likewise, for the proponent of capitalist development and modernization, the solution was to cease being a peasant.

Indigenous, peasant or rural communities are not on the periphery. They are integrated into a dyadic social structure in a subordinated position and face the national or even international economy in land (Friedrich 1977, Hinshaw 1975, Barkin 1975, Edelman 1980), production (Arizpe 1978, Arizpe and Aranda 1986, Feder 1977, Margolies 1975, Littlefield 1978) and labor (Arizpe 1975, 1978, 1981; Alonso 1983, Beneria 1987).

It is not a question of being marginal, but of being brought into the capitalist system as Bonfil says, en el culo."

- 2 Cook (1986) has attempted to do this for the Oaxacan peasantry and simple commodity producers.
- 3 The language of capital-labor or labor-management relations may frequently make recourse to the concept of cooperation, although contradictory means may achieve the same ends. Sometimes managers will allow that cooperation is a route to that control as Friedman (1977) documents in his discussion of responsible autonomy, while cooperatives can also be used (Nash and Hopkins 1976, Keren 1987a). Cooperation too easily slides into cooptation.
- 4 In 1987, the Federal government recognized the importance of these intermediary zones and established new development priorities for the municipalities of Pedro Escobedo and Villa el Marques (Comercio Exterior 37(1), January 1987.)
- 5 Nash's reconsideration of Ortiz' (1947) concept of transculturation is useful for analyzing the dynamic relationship between first and third world powers, between managers and workers.

6 Rothstein (personal communication) and Barkin (1987, and personal communication) have indicated that in fact there did seem to be an increase in subsistence production and a return to some rural areas.

7 The homogenizing pressures of capitalism reappear and reassert similar patterns in new environments and times. Marx (1963) that history repeats itself, the first time as tragedy, the second as farce. But when events repeat a third or even a fourth time? Severe economic crises have characterized capital accumulation throughout its history and in response many of the same mistakes also are remade.

"The factors that put pressure on skilled workers in the heavy goods industries especially were numerous but closely interrelated. The least effective response of industrialists to the economic difficulties was the increasing concentration of capital... Yet the extent to which it did develop restricted further the mobility of skilled workers moving out of wage employment. It also increased the highly capitalized and bureaucratic nature of the industries. More important was the technological response. The introduction of more labour-saving machinery in engineering...with skilled labour substitution and the emergence of new semi-skilled grades....

"In order to make the most effective use of the capital inputs and more generally in order to produce more cheaply and effectively to counter foreign competition, there were efforts made to speed up skilled work. One result was far more intensive supervision of the craftsman's production which hurt him in two ways. It increased the extent to which he felt the impact of management and employer but also challenged his craft pride and sense of control over the job....

"The final workplace context is the rise of the employer's associations...and a general employer counter-offensive...aimed at establishing authority in the workplace. In this way new methods and new machines could be used most effectively. It was this cluster of developments that put growing pressure on the labor aristocrats, not so much in financial terms but in their pride, independence and self assurance. The struggle against the employer became one of much wider importance and aggression" (Crossick 1978:248-9).

Was Crossick present? Not at all. Crossick is simply an historian and he was writing about the Great British Depression of the mid-nineteenth century (1848). So why cite so much of his view? Simply because everything he described in his book published in 1978 happened in Mexico during 1982-83. If this is past tragedy, and beyond farce, what lessons have been learned from 1848 or 1932, or even 1982?

- 8 Whether or not you accept all of Sahlin's views on domestic economies in Stone Age Economics (1972), his attempt to document real work time and leisure in non-market societies must be considered and remembered when we begin to study cultures in which "time has become money."
- 9 In chapter 5 I briefly discuss two of the more prolonged recent Querétaro strikes. In both cases wage issues were accompanied by the more aggressive fight over union leadership.
- 10 Nash's work on the negotiation of corporate hegemony in a New England industrial town (1985) reclaims the participation of the workers in the process. The cultural hegemony of corporate capitalism is more than merely managerial/owner initiatives. The final product, or at least the contemporaneous form of labor capital relations, is a dynamic creation, a melding of industrial norms and cultural attributes with a creative reworking of indigenous culture (See Nash (1979) on the Bolivian tin miners).
- 11 The literature on the Mexican "middle class" is extensive, going back to classic studies from the 1950s (Crevenna, etc.). The problem with these studies is that, as Cook said, they carry with them "the intellectual baggage from the heyday of developmentalism in the 1950s and 1960s which many of us would rather forget" (1986:82). He warns against tossing the baby--the managerial function--out with the bathwater--the Marxist critique. I would agree that it is not a question of forgetting, we must correct those views. Complacent descriptions of the privilege of an elite group do not advance our understanding of Mexico's crisis or the Mexicans' living conditions.

Chapter 4: "From Cow Chips To Computer Chips":

The Labor Force in a Seller's Market

Introduction:

The making of the new labor force to meet the needs of Querétaro's booming industrial sector in the late 1970s and early 1980s was a dynamic and contradictory process. Understanding it requires making sense of the dialectic tension of creating and controlling labor, of work discipline and worker resistance, of the economy's growth and contraction. At this point, however, in order to present the data, I am artificially separating the process of creation of the labor force from the process of control of that labor, along a time line that parallels the boom and bust watershed of growth and the Crisis. I will start with a pre-crisis paradigm of how these Querétaro companies created their labor force in this chapter; then move onto the question of control in the post-crisis environment in the following chapter. That is, I use the data collected during my fieldwork to look at what it meant to create a new labor force under the generally boom conditions, and then at the implications of these programs for controlling that labor force under crisis conditions.

My reason for descriptively separating creation and control has to do only with the effects of the Crisis on both the processes and my ability to analyze them. The two-year period covered by my fieldwork coincided with the major economic shift in the Mexican economy. What was occurring inside the factories, in the relationship between capital and labor, temporarily emerged from the shadows of the myth-making of capital. The stresses of economic crisis tend to magnify every fissure and flaw in the economic structure. During the Crisis and the consequent economic decline, I was able to discern the changes in and pressures for control of the labor force.

The Crisis was a full-scale cultural phenomenon, not merely an economic epiphenomenon. As the Crisis proceeded it reached more deeply into the daily lives of greater numbers of people in Querétaro and throughout Mexico. As discussed in the previous chapter, to explain the conditions of life and work in Querétaro I chose an explanatory model that looks at the dynamic relationship between capital and labor. In the Mexican case it is essential to account for a third force, the state, whose initial role was that of mediator and later that of participant (Keren 1985, 1986, 1987; Silva 1985). The definition of the labor process and the structure of the resultant labor force in Querétaro were the outcome of the constant struggles among these three "actors". As Price

clearly reminds us, "...it is thoroughly inadequate to define social relations as unilaterally determined by capitalist logic rather than as deriving from an historical and contemporaneous process of negotiation, compromise and conflict" (1984:93). I have demonstrated elsewhere, that in Mexico on the political level this was a process of negotiated control (Keren 1985a, 1985b, 1986). In the workplace and in the relations between capital and labor it was more a question of "haggling" for control--with the workers and even the state winning some rounds but losing the decision in the long run.

During the fifteen months I spent in Querétaro it was possible to describe the local labor conditions in terms of a shift from a seller's to a buyer's market in labor. The worsening crisis effected a change in management's and labor's respective positions and responses. In the relationship between capital and labor the mechanisms of control are paramount and in the end labor recruitment, labor remuneration, the conditions of work and the worker all came under increasing capitalist control.

In the sections that follow I will examine the acting groups' responses (actions and reactions) within the context of this struggle for control. My discussions of creating and controlling the labor force in contemporary Querétaro presents three themes: securing the labor force (labor recruitment), conditions of work (labor process) and securing consent, what might be called securing control over both labor and labor process through ideology.

My starting point in the analysis of the process of creating the urban industrial labor force in Querétaro, is a review of what Mexican industry refers to as "recruitment" (reclutamiento) in its fullest sense. By that I mean everything involved in picking out, transforming and securing a work force. Among corporate managers charged with this responsibility - whether they come from more business-oriented backgrounds, the men in Industrial Relations (IR), or more humanistic tendencies, the women in Human Resources or Human Relations departments (HR) - the choices of who, from where, how tested, why or how chosen and how trained for the job were perceived in ideal terms as a three-step process of hiring:

- 1) Recruitment - locating and enticing prospective employees to apply for work in the company.
- 2) Selection - picking those people who will begin to train and work for the company, and
- 3) Orientation - a more or less well-developed and programmatic effort to turn workers into more or less efficient labor power.

A fourth category, once the workforce has been put in place, is Training, which sometimes fell within the parameters of the brief period of official orientation. At best, however, it is supposed to be an on-going effort of improving productivity through betterment of the work force. I will discuss aspects of training as they relate to orientation in this section.

Recruitment:

In Querétaro recruitment was part of an entire process of expansion and establishment of highly-capitalized industry in the region. The installation of corporate recruitment efforts and policies directed the transformation of the non-industrial population into suitable industrial workers. It was the first step in the "creation of a new breed of worker appropriate to the discipline of the factory system" (Thompson 1983:55-6), and as such occupied much of management's time in the new plants coming on-line in the Querétaro of the early 1980s.

During the 5-year period, approximately 1978 to mid-1982, Querétaro can best be described as a boom town. As we saw in Chapter 2, three major industrial parks were opened in as many years, attracting many large companies and industrial establishments. Many of these were firms moving into Querétaro from Mexico City, or transnationals newly investing in Mexico, others were new construction and a few, local expansions. The types of businesses diversified to some extent, but kept pretty much to the emphasis on heavy industry and capital intensive production. Optimism was expressed by government agencies (Secretaria de Fomento Industrial, COPLADEQ), trade associations (Canacintra), private consultants and researchers (Garza) about the future of the boom and the prospects for growth.

For a brief time, therefore, labor found itself in a "seller's market", that is to say with so many new plants opening, industrial employers in Querétaro essentially faced a labor shortage. According to the State Development Plan, "one of the most serious social problems confronting real socio-economic development is the lack of technical skill/preparation which, as a rule, is the lot of our working class" (Secretaria de Fomento Industrial 1980, my translation). The sellers' advantage was temporary, lasting less than five years. The situation ended as the Crisis developed, but many of the recruitment policies developed by industry in Querétaro were originally in response to this perceived shortage of labor.

Prior to the industrial boom of the oil years Querétaro's labor market was described as--too many people and not enough jobs. The early Bancomer report (1967:34-35) indicated that employers had had their pick of workers and were content with conditions as they were.

In respect to labor and salaries, Querétaro's entrepreneurs declared themselves content with the prevailing situation. The labor force at the worker level is abundant as most of them come right from the agricultural sector. When asked if a peasant who has never seen a machine can become a good worker, they immediately answer "of course". The Mexican worker has great manual ability and with adequate training can easily improve. They even add that "we prefer to follow a policy of local hiring, than seeking out workers from other cities because those workers already have learned undesirable vices and habits on the job. On the other hand, with those we train ourselves we know what we are getting (my translation).

For a brief period, however, the circumstances in the industrial labor market had toward the workers seeking

jobs. In the Spring of 1982 an industry spokeswoman repeated to me her evaluation of the labor market prepared for the presidential candidate's report on Querétaro. Because of the rapid pace of investment throughout Querétaro and in spite of the large potential population, jobs went unfilled. Skilled or trained labor was scarce.

You can be sure that the state's industrial sector is incapable of absorbing the increasing available labor force, but in some ways, the great majority of them are not adapted to the change and regularly lack the required training for the productive sector... (Paullada 1982, my translation)

This seemingly contradictory situation placed industry managers in the uncomfortable position of developing recruitment policies that conditionally favored labor. Still "the erosion of managerial prerogative which can occur during boom periods is largely contingent upon continued employment," as Storey suggested (1983:67). Management does possess the ultimate control, "dis-employment", the firing of its workers; it is rarely an option that is acceptable during an industrial boom, however. Only during a crisis does firing become a real option for the company, and a real threat to the workers.

Employers in Querétaro during the growth years, faced with the ever-increasing demand for labor at all skill levels combined with the overall lack of infrastructural supports, education, and adequate housing, services and transportation, confronted consistently and overly high rates of absenteeism and turnover in their plants. Workers

at Steel Industries' (Industria del Hierro-IH) assembly plant registered extremely high rates of unexcused absences. The Human Resources (HR) manager estimated almost eight percent of the workforce might be absent daily. Most workers depended on the region's equivalent of "commuter" buses and frequently arrived at the plant after the gates were closed. Even for urban living workers a taxi would cost half a day's pay. It was out of the question, so workers chose not to come in to work at all. She added alcoholism and Los Lunes ("Blue Mondays") to the list of absenteeism problems; and then mentioned her suspicions about frequent falsified sick leaves, as well.

The workers' ability to move onto another factory job with the limited skills they had acquired or their desire to return to their rancheritos, small rural land parcels, could mean, on average, as many as 36 to 40 workers absent each day. The accumulation of more than three unexcused absences was a legal cause for termination. The company suffered a monthly turnover rate of seven percent in 1981. At just this steel plant 32 to 35 workers were fired or left each month. Other companies had come to consider those rates "normal".

That there was not enough skilled labor in the immediate or even nearby areas, led to managements' attempts to "import" that skill from as far away as Aguascalientes and San Luis Potosi. "There is not a lot of skilled labor in the state," reported a personnel manager

at a major multi-national installation. "We have to bring them from far away, from other states. But then there is nowhere for them to live." In fact, most of the labor force at this factor was unskilled, female recruited from adjacent communities. Migration and travel tended to be the case when the jobs had to be filled by men with industrial skills and experience.

The title of the chapter is taken from one manager's rather colorful evaluation of his labor problems, loosely translated into English. He described a labor force that went from "the plows in the field and the 'cowchips' (mierda) of the campo to the high-tech computer chips that run our factory". Much of the labor force at his paper mill came in directly from the countryside. At work they dealt with the most advanced papermaking machines in place anywhere in the Americas. At home many workers' families still cooked meals in outdoor kitchens on wood fires in houses without electricity or running water. This situation had not been unusual in Querétaro when the bank studies were done in 1967. It was still too common in 1982. (Tables 4.1 and 4.2 compiled from the 1980 census indicate the extent of lack of services statewide. Average figures for the 18 state municipios show that over one-third of all privately-owned dwellings lack running water (33.8%) and household electricity (36.9%). The best developed area around Querétaro registered limited success, 17.2% without running water, 17.7% without electricity. In

the rural hinterland the rates can rise to almost 90%.
Table 4.2 shows the percent of private dwellings using charcoal (leña) for cooking.)

Table 4.1 Lack of Water and Electricity in Private Dwellings
Queretaro 1980
Ranked by Percent

Municipio/ County	dwellings without running water %	ranking	Municipio/ County	dwellings without electricity %
LANDA DE MATAMOROS	88.82	1	PINAL DE ANOLES	89.15
PINAL DE ANOLES	87.53	2	LANDA DE MATAMOROS	76.88
JALPAN	75.98	3	JALPAN	73.23
SAN JOAQUIN	73.61	4	ARROYO SECO	74.06
PENAMILLAR	71.82	5	SAN JOAQUIN	73.96
AMEALCO	65.66	6	AMEALCO	70.37
ARROYO SECO	65.45	7	PENAMILLAR	62.83
TOLIMAN	64.80	8	CADEREYTA	56.05
CADEREYTA	63.17	9	HUIMILPAN	52.91
HUIMILPAN	59.86	10	TOLIMAN	48.94
EZEQUIEL MONTES	36.35	11	COLON	44.17
V.CORREGIDORA	29.49	12	EL MARQUES	42.85
SAN JUAN DEL RIO	27.05	13	EZEQUIEL MONTES	41.86
COLON	24.33	14	PEDRO ESCOBEDO	37.82
EL MARQUES	20.60	15	SAN JUAN DEL RIO	34.29
QUERETARO	17.16	16	TEQUISQUIAPAM	28.37
PEDRO ESCOBEDO	17.08	17	V.CORREGIDORA	24.91
TEQUISQUIAPAM	14.68	18	QUERETARO	17.70
TOTAL STATE	33.80		TOTAL STATE	36.89

Source: SPP: I Censo General de Poblacion y Vivienda, Queretaro 1980
Vol.I, Table 22, pages 121-128

Table 4.2: Private Dwellings using Charcoal
or Wood Cook Stoves
Queretaro 1980
Ranked by Percent

Municipio/ County	cook on wood or charcoal %
LANDA DE MATAMOROS	97.62
FINAL DE AMOLES	95.10
ARROYO SECO	94.24
FENAMILLAR	93.26
JALPAN	91.68
TOLIMAN	86.34
HUIMILFAN	84.19
SAN JOAQUIN	83.68
AMEALCO	82.13
CADEREYTA	77.47
COLON	70.69
EL MARQUES	55.87
EZEQUIEL MONTES	47.93
TEQUISQUIAPAN	43.42
PEDRO ESCOBEDO	40.06
SAN JUAN DEL RIO	34.85
V. CORREGIDORA	30.02
QUERETARO	11.45
TOTAL STATE	42.14

Note: the Mexican generic term is LENA,
for this kind of cooking

Source: SPP: X Censo General de Poblacion
Vol. I, Table 21, pages 114-120

Many of the factories, especially the newly established ones, were drawing their workers from the surrounding rural areas. Although the complaints that "the people who come to work here have never even seen a machine," is certainly

an exaggeration, few new industrial workers had ever seen or worked on multi-function, automated machines run by computers. Each major industrial region in the state of Querétaro (I identified six: Querétaro county, El Pueblito (Villa Corregidora), San Juan del Rio, Pedro Escobedo, Villa Marques and Cadereyta/Ezequiel Montes) had its own hinterland for labor recruitment and frequently favored particular local barrios as well. IH, C-J (Clemente Jacques), Astral, Grupo Bios, KCM (Kimberly Clark of Mexico), and Acerlan were among companies that told me that they recruited in specific rural areas, as well as offering special bus routes, at the beginning and end of shifts, to the urban neighborhoods singled out for selecting company workers. For example, GE did much of its recruiting for women assembly workers in the newer colonias--Satélite, Loma Bonita--rising up on the hills behind the plant. Plant-wide recruiting, especially for skilled labor went on in the older and downtown barrios including Lomas de Casa Blanca and Barrio de la Cruz, both about 12 traffic-jammed kilometers from the plant, and in the neighboring ranchos. The company ran two special bus routes to Loma Bonita and downtown. I asked about the fact that very few of GE's workers came from the village of Santa Rosa de Jauregui, less than 10 kilometers due north on the easily travelled Pan-American highway. Management said it was because the

people of Santa Rosa were peasants with ejidal land holdings. Beside despite the proximity, they had real problems with transportation. There wasn't any.

VQ (Vidriera Queretano-Querétaro Glassworks) brought in workers from San Luis Potosi during construction in 1979. Some of them stayed to work in the plant. IH, C.J., and Acerlan also looked to the rural areas, but recruiting was not easy. In 1979, a steel mill in San Juan del Rio faced a real challenge: no available skilled labor in the city and practically no available labor at any level, other than peasants and women.

We had to go out to the rancho and do a real selling job. To get the people out of their rural environment, it's a very special environment...to convince them to come to work. Then they had to adjust to working, to the norms of security, discipline, hours, and so on. In the end, Acerlan hired many women in non-traditional jobs.

Other companies put on a real road show. Arrangements were made with village leaders, and the company recruiting team showed up. They announced their presence over loudspeakers, gathering the men to view a film about the company, discussing wages and benefits, and then conducting the screening interview usually in the open plaza. Many contracts were signed on the spot.

The director of personnel at another late-comer to Querétaro's highway industrial zone, said that of the 100

or so unionized workers, 70% were from Querétaro.

commenting,

that's high, but good. They come mostly from Satélite [colonia] and around there. Forty percent of these can walk to work, maybe as many as 20% have bicycles. The rest come from rancherías near San Miguel de Allende, from San Luis Potosi, from Celaya. They rent a room in town and go home weekends. Some people travel as much as 45 minutes to an hour each way. These are workers, not employees.

My observations suggest his estimate of bikers was optimistic, however. The workers were more likely to depend on city buses. Only some of the workers in the older, heavy industry plants had had the time to buy their own automobiles and could drive to work. IH and TREMEC had large parking lots, Bioquímex and GE did not.

From the other side, some rural communities were exporting as much as half their working population to different industrial centers throughout Mexico. Tejera (1982:39) reported that 51% of the ejidal agriculturalists in one Guanajuato village nearby regularly migrated to other Bajío areas, including Querétaro, Celaya and Salamanca. Rural organizers in Querétaro reported to me that in some cases almost all the eligible men from one village would migrate to Querétaro to work, even sometimes to the same plant.

A questionable alternative to rural recruiting was the constant "pirating" of workers from other local firms. An engineer in charge of the machine shop at one of the newest plants told me,

I would like to have 22 workers, of whom 10 to 12 are good, but I only have eight men of whom two are any good. There is just not the skill needed. And I can't get anymore. My two best workers were "recruited". I should say pirated, from TREMEC.

The same plant had tried to staff its technical and skilled labor slots by cannibalizing the personnel at the main Mexico City facility. Although many workers moved up initially to set up operations, it was a temporary move. They did not stay, preferring the higher wages and accustomed living conditions in D.F. Managers would eventually admit that pirating is bad personnel policy. The worker enticed to join one company today, could be drawn away by another the next. But manager felt they had little choice. At GE a manager said,

there is virtually no real skill left in the area. We just steal from each other. Turborreactores just swiped people from our electrical department.

GE itself had attracted skilled workers from other plants. Men who were still employed, not even those who had been laid off recently, were the usual targets of pirating.

In addition, Querétaro's new manufacturers were encountering strong locally-held, negative attitudes among

both workers and potential workers toward factory work, a resistance to the structure of daily factory life.

Managerial complaints about the "lack of adaptation" to the necessary rigors and disciplines of factory work broadened as they spread their recruiting efforts to the unskilled and especially inexperienced workers. The companies had lost a part of their control over the labor market and recruitment. GE may have been able to bypass Santa Rosa, but more factories had to find a way to convert rural labor into industrial workers.

Foreign managers were particularly disparaging and disappointed. They volunteered their views regularly.

There is no skill, no experience, a poor attitude and an inability to follow specific, explicit directions. Another told me, "It is very hard to teach the Mexicans to run these machines themselves. They simply do not have the sense. They're not exactly stupid, but they do not seem to learn." Even top level, senior Mexican managers reported that their employees "work as little as they can and don't want to do any more." The personnel manager at a food processor that hired workers on the rancheritos in Querétaro and Guanajuato said, "when they come from being peasants they don't last long. Many times they want to return to their land. They say, 'I feel bad being so far from my family.'"

On the other hand, urbanites often saw factory work only as a quick way to amass enough money to set up a small

business, or try their hands at land or real estate speculation or get-rich-quick schemes. As many of these men had some skill or trade--carpentry, metal and machine work, mechanics- they felt secure in their movements between self-employment and factory employment. One of the more successful entrepreneurs I met raised his start up capital after years of working as a bracero in the U.S. and then in factories in Querétaro.

Although not a frequent occurrence, the boom period's labor deficit situation in Querétaro has international precedents in other temporary seasons of worker advantage. Miriam Hussey (1958) documented an interesting case of perceived labor shortage in certain sectors, even low-skilled work, during the mid-1950s in Philadelphia. The result was a temporary reversal in the status quo in capital-labor relations. Personnel managers in various city industries were "looking longer and harder, and paying higher salaries" in order to fill their employee rosters (Hussey 1958:26). Improved production methods, automation and technology, had made it possible to maintain or increase output with fewer workers and there were even fewer manufacturing jobs in 1956 than there had been in 1947. Nevertheless the Philadelphia companies complained of problems securing workers (1958:33).

The ways of meeting shortages have been as varied as the problems. The first thing they did in Philadelphia was extend and intensify recruiting. The second, increase

wages or offer other inducements in changed working conditions. (The list of inducements for recruiting women to factory work included subsidized cafeterias, higher pay than clerical work, union membership, pensions and benefits. For clerical workers the concerns ran more to location, office work environment and "perks" such as coffee breaks.) The third step was to modify hiring standards, which at that time meant including Blacks and Hispanic workers, and often offering "women's work" to men, taking in or taking back older women workers, and accommodating lower standards of skills by providing more and more training (Hussey 1958:11,17-18). Philadelphia's experience was surprisingly like Querétaro's, and Querétaro's managers employed many of the same tactics.

In Querétaro the problems of finding suitably trained and acquiescent labor during the peak growth years required many modifications in both recruiting methods and hiring standards. The newer factories were especially vulnerable, but all the employers I spoke with seemed willing to tolerate their disadvantage only as long as the boom lasted. Both old and new companies were able to redesign production to some degree so that automation required fewer overall workers with a lower proportion of skilled workers among them. But that alone could not cancel out the shortage. Some of the most advanced factories had had problems recruiting even assembly workers. Finally, although the evidence I managed to collect on the very

sensitive subject of wages and benefits is limited; the companies did employ some material incentive strategies in their pursuit of stable labor relations.

In their search for new factory workers, the Querétaro companies relied on radio ads (commonly) and newspaper ads (less so) to attract local applicants; they sent recruiting teams to the nearby villages and ranchos with audio-visual extravaganzas to encourage the reluctant; and they travelled hundreds of miles to adjacent and more distant states in order to attract skilled workers. In some cases a company would ask its employees for recommendations, sisters or kin. Interestingly, companies often avoided hiring brothers or compadres. "It avoids the problems of the conflicting loyalties." At the same time, the factories were hiring more women for non-traditional, often heavy industrial jobs.

The contrasting positions taken by many different companies within the Querétaro industrial scene about what kind of workers they wanted to recruit and why--how a worker was defined, qualified, and characterized varied widely--offers a valuable look at the arbitrary nature of these assumptions and documents that employment criteria are less natural, than constructed in terms appropriate to the environment. In Querétaro's case a shortage of skilled labor colored policy and pronouncement. (On the question of preferring or selecting men or women for a particular job see below.)

Kellogg and KCM are two Querétaro plants in two very different businesses, cereal and paper respectively, yet with remarkably similar production processes. Between them I found two very different sets of attitudes about what makes a good worker. The striking contrast, however, is not that one plant was in Querétaro and the other in San Juan del Rio, or that one preferred experienced workers and the other peasants; rather it seems to me, that these differences faded in light of the similarities in the actual labor process (see below). The essential difference between the two plants was in the constraints placed upon their ability to fully control the hiring of a suitable workforce. In both plants what management considered a good worker had to do with 1) to what degree they expected or needed to control the work; 2) how willing they were to allow for variation and independence in the work force; and 3) how reliant they were on the notion of a secure, stable work force in the plant. All of the above were reflections of an ideal policy, the expectations of corporate managers. The ideal situation would be the boss would control his workforce and determine their conditions. In reality managers throughout Querétaro hired who was available to the company when they needed workers.

In San Juan del Rio, where the thoroughly high-tech KCM paper mill and converting plant is located, there was in the late 1970s a massive demand for labor in a small city with little history of industrial work. If factories were

not willing to hire peasants and invest in training them, they would have found themselves without a labor force altogether. The highly automated and computerized processes at KCM required few skilled workers, the heavy loading, dirty and often cumbersome tasks were filled by peasants.

In Querétaro, on the other hand, industry has a much longer history and stronger hold. There was an experienced (I do not say skilled) labor force and employers could be more specific in their demands, or at least try to be. Kellogg is one of the oldest employers in town, but during the 1970s it almost completely replaced its labor force, firing or "liquidating" most of its employees with seniority. The adjustment Kellogg then made was to begin hiring women, primarily in the packing department. The newly automated manufacturing process remained essentially a male domain. Nevertheless, Human Resources managers at Kellogg explicitly resisted hiring rural workers.

When they come from the rancheritos in Querétaro and Guanajuato, they want to return to their land, but if they have worked before they are more likely to stay on the job.

Although quality control in food processing is more demanding than in papermaking, I cannot accept the company rationale that Kellogg's workers had to be more highly skilled, loyal, stable and overall, supervisable, in order to maintain the company's high standards of quality. Other food processing companies relied on predominantly female

labor to handle food. In daily practice there could be no hard and fast rules. New hires in Querétaro were male and female, peasant and urban, skilled and unskilled, literate or unschooled. Even companies that filled low skill jobs with workers recruited in the countryside said that they "work[ed] quite hard to recruit the rural workers." Others accommodated their needs to unlikely work histories.

Most of the peasants who work here have had previous work experience either in the construction industry, or in petty commerce, even if it was only selling their own products.

Selection:

Integral to the process of recruiting workers is the selection phase. Although the exercise may end with an offer of employment and hiring, there are many prescribed conditions to fulfill. Each company defined and each job title required different entry criteria. Not just skill and experience, but gender, age, education and literacy, marital status, family and children, pregnancy, character and appearance, and political experience could be used to select an appropriate worker for the job and the company.

The reality for most firms, however, was a pragmatic assessment of their options. The number one requirement was, "First of all, the desire to work." Then depending upon the available jobs, Human Resources managers, often

together with engineers and supervisors of the manufacturing departments, defined the job's requirements. At GE, the search for 450 new assembly workers started with this definition:

We hire workers without experience, we prefer it that way, ...that they have never worked before. They should have finished the sixth grade, be between 16 and 23, and it doesn't matter if they are single or married so long as they are not pregnant when we hire them.

The classified section in the two local newspapers, Diario de Querétaro and Noticias, carried help wanted ads for many of the local factories. Although the variety and quantity of listings fell off throughout 1982, the specificity contained in the ads held constant or increased. Job listings specified sex and age, for example, 18-25 for secretaries (women), less than 40 for male accountants; appearance, education, experience and often such skills as English. White collar positions frequently were advertised in English. The data extracted from newspaper want ads provide an outline of the employers' attempts to select fitting workers.

Generally all applicants are required to present documentation: some combination of birth certificate, marriage certificate, ID photos (usually six), tax payer's registration number, school certificates from all the required grades, social security affiliation (IMSS) if they

Table 4.3
Classified Advertising - Querétaro Newspapers, 1982

<u>Diario</u> 1/6/82	BARCEL SNACK FOODS COMPANY (NUBAR) Health and Safety Supervisor age 23-30 technical studies in health and hygiene experience Watchman age 30-40 sixth grade education minimum 1 year experience
	MAQUILADORA QUERETANA S.A. (office supplies) Due to expansion is seeking full-time, dynamic secretary with assured professional skills and good appearance.
	NATIONAL FINANCIAL INSTITUTION Young, single women, well connected socially with no schedule limitations, an executive frame of mind and their own car please apply.
<u>Diario</u> 2/11/82	ARELEX (component manufacturing) Secretary good appearance 2 years experience age 18-26 single
<u>Diario</u> 4/12/82	IMEX (manufacturer of high voltage components) Janitor female up to 30 years of age minimum education - sixth grade experience in general cleaning, <u>pozos</u> [wells], and bathrooms
<u>Diario</u> 9/13/82	PEPSI COLA BOTTLING PLANT Sales 20 ladies with excellent appearance, at least secondary schooling, no problems with schedule, at least 16 years of age
radio 9/19/82	COCA COLA BOTTLER Single women 16 years or older primary education
<u>Diario</u> 10/8/82	BIOQUIMEX LABORATORIES Administrative Assistants 25-35 years minimum height - 1.7 meters serious, responsible

have it, and men must provide proof that they have never been arrested and often document their military service. More specific demands can be made such as a driver's license or own car (usually for sales jobs) or references and/or proof of training and skill.

Again using the GE case, representing one of the newest, most powerful, and in some ways most successful employers in Querétaro, we begin to see the contradictions between their ideal hiring policy and the realities they faced in selection. Each prospective worker was interviewed and given a series of exams. They spent as much as half a day in the plant being tested. The first test was in arithmetic, "so that they can be promoted to Quality Control inspectors or supervisors. For that they need to be able to count." That was usually followed by a "short personality survey" to find out "how they think, believe, feel; their maturity level." Psychology students from the Universidad Autónoma de Querétaro (UAQ-Querétaro State University) administered these tests and tried to evaluate not only what the women knew, but whether they could learn.

Non-verbal or manual dexterity testing came next. This took about 15 to 20 minutes. It was comprised of two exercises, and it was closely timed. The first test used a 5-inch square wooden tablet with 35 1-millimeter holes drilled in regular rows. At the top are 35 metal rods (1.5 cm. long) and 35 identical metal tubes and a long

tweezers. The task was to place each rod in a hole then place a tube over it. Applicants were allowed to use only one hand and at no time may they lean or rest their arms, wrists or hands on the table. The second test also used a similar wooden tablet. In this case, it was screws to be inserted into holes and using a palm sized screwdriver screwed down to the surface. Again, one-handed and again without resting on the table.¹

During the entire test, supervisors checked their progress, watching how fast, how efficiently they worked. The idea was to evaluate the women's ability to do fine work and to do it under pressure. I endeavored to take the dexterity tests. My results, in spite of my small hands, and a lifetime of knitting plus years of training at standardized testing, were dismal. I collapsed under the watchful, and in my case friendly eyes, of the supervisor. She told me only six out of 10 actually did pass. A precision tool and die maker added, "there isn't a man in the plant who can pass the dexterity test."

The women who got this far in the testing then "received" a medical exam, for infection, infectious diseases (TB, hepatitis), and "of course, pregnancy." A pregnant woman will not be hired, regardless of marital status. In GE's case a married woman or single mother could be. However if a woman on provisional contract gets pregnant it will be discovered at her second medical examination and she will not be hired permanently.

If a worker succeeded at all the interviews, meetings with supervisors, screenings, tests, exams and evaluations, presented adequate and proper paperwork (tramites), she could be hired as an eventual, a kind of provisional worker. Mexican labor law allows a company to offer three consecutive, short-term, limited benefit contracts to workers before making employment permanent. The first lasts 30 days, at which point it is usually renewed for another 60 days. At that point an evaluation sheet is sent to the supervisor soliciting comments ("she's lazy", "she moves around a lot in her place", "he didn't learn the job.") If the evaluation is too negative, the worker can be fired and the company is not required to pay severance benefits (liquidación or finiquitos). The third contract is for 90 days. At the end of the 180 day provisional period the eventual worker must be fired with severance or hired permanently (dar la planta). Some companies during the boom period were offering permanent contracts to their eventuales after the second period. GE had resorted to this. By February, 1983, after less than six months operation, as many as 50% of the 430 unionized workers were de planta, permanent.

GE carried their selection process even further. The company conducted, or claimed they did, field interviews and home visits in addition to the skill, literacy and psychological tests. During the first 30 day contract, not only might they check references and work history, but they

informed the eventuales that they did a "socio-economic and home study." Psychology students from UAQ would investigate the home environment; find out about the family; check on drug and alcohol "addictions" or criminal records; and ferret out any "history of labor conflicts in other plants." These last two social deviances were usually considered male problems. It seems unlikely that the company was able to investigate all of the new hires, having placed almost 450 employees on the payroll within only a few months. I suspect that even with the full 180-day eventual period, this checking was much more important for the men.

I was told the story of a worker I call Carlos. He had lived and worked as an undocumented worker in Chicago for 10 years, then was deported as a result of an Immigration and Naturalization Service raid early in the Reagan years. His skill and English facility made him one of the best workers in the machine shop. About 10 days before his second eventual contract was up, someone saw him leaving a political meeting believed to be the communist party. It was probably PSUM (Mexico's left coalition party, Partido Socialista Unificado de Mexico, which was running both presidential and local candidates in the 1982 elections.) He was fired, officially listed as not being renewed for the third short-term contract. His department manager stood up for him with Personnel, but it was no use. He was branded a radical and a trouble maker and, in spite of the

company's dire need for good, skilled workers in that department, Carlos' contract was terminated.

The increase in psychologically trained personnel managers has added psychometric testing to the standard interviews, dexterity and skill tests and checking of references. At one plant all potential applicants submitted to a 15 minute psychometric test and a 15 minute interview. Many of the personnel managers I spoke to, in the main women, received their degrees from the School of Psychology at the local university (UAQ). They had specialized in Industrial Psychology. Most spoke confidently of the accuracy and usefulness of their testing programs. They had fought many battles with top management in order to be accepted and to have their new-fangled ideas about human resources and labor relations taken as legitimate policies. Two of them discussed with me how, in fact, they had worked to establish themselves within the corporate hierarchy. In the beginning they were laughed at, while no one thought they had anything to offer. The women managers I spoke to had been working between two and five years and all of them reported a noticeable change in the corporate attitude toward testing. As the tests became accepted practice, they themselves were accepted on the job. The interpretation of these tests had become a major avenue of employment for the growing number of psychology graduates from the UAQ. Applicability of the tests was limited by the literacy and education levels of the job

seekers; still all the workers hired at the glass works submitted to psychometric testing as well as medical exams. These Human Resources managers, however, felt justified and often claimed near miraculous results.

The banks and corporate service institutions in Querétaro joined the list of employers who sought to narrow their chances of internal friction and worker resistance through testing. Selection of professional employees often included administering a wide array of tests, including psychological ones. Often the same testing instruments that were used by their former classmates now working at the factories, were used to test these professionals applying for jobs. According to an employee in the personnel department at Banrural, hiring of their many white collar workers at all levels depended upon these psychological tests, including the MMPI (Minnesota Multi-phasic Personality Index) and interviews. In their evaluation the staff psychologists would look for "psychoses, neuroses...for signs of mental instability, alcoholism and so on." They might still hire a person showing some personality defect, but not necessarily for the position he/she sought; or based on the test scores, hold back promotions. Querétaro-based staff made regular trips to the field branches as part of hiring, review and promotion procedures.

It is interesting that what had already been discredited and challenged in the U.S. found its way to

favor in Latin America. The use of the MMPI and other standardized psychological tests to measure an applicant's suitability for a job receives few good reviews in big companies here. Academic and professional criticism is extensive and scholarly debate on the efficacy, biases, validity and value of psychological testing in the application of personnel policies and procedures rages on. My finding, however, that these were still being used in Querétaro, generally in the unaltered and often culturally biased form that draws such criticism of the U.S./English versions, made me wonder what management thought it could gain from their use. During the 1980s the Labor Psychology and Industrial Relations specialties at the university were growing almost as fast as industry itself, and psychologically-premised hiring approaches had gained credence. That does not mean that these evaluations and psychological profiles indicated in any true way a person's ability to perform or even their adaptability to a specific job. Rather I would suggest that the introduction and proliferation of these testing and screening procedures has given the companies employing them the possibility of more time and more information to evaluate a worker's supposed fitness and exercise their control when they chose to reject an applicant or fire a worker.

Orientation:

Once applicants made it through the review process of selection and were actually hired, they were absorbed into a diffuse but crucial system of orientation (inducción) and

training. My most severe evaluation of orientation says that in practice it is little more than cooptation. Nash (1987:231) refers to the combination of "force with persuasion to incorporate workers into the institutional structures" dominated by the corporations. Orientation, as a facet of the total recruitment effort to create the labor force, is the working out of the "persuasion" of corporate hegemony on a plant by plant basis. The guiding principle seemed almost homey; that is, make the workers feel at home and they won't put their feet up on the table, or in other words, they won't mess up on the job.

Orientation is perhaps the most elusive concept I dealt with in my factory fieldwork. It was the hardest to distinguish as an outsider and the most subtle to experience as a worker. Although everybody in management seemed to talk about it, or refer to the supposed lack of orientation in the Querétaro plants, I was rarely able to elicit descriptions of actual policies or programs, of the steps to be taken to facilitate worker orientation, or of the success or failure of any particular effort.

One of the few articulate managers who could define her terms in this instance was a firm believer in the need to establish and maintain worker orientation programs in the factories. She called it inducción, a term which the Appleton-Cuyas Spanish-English Dictionary translates as "persuasion". Conceptually it meant orientation to the

company and to the job, as well as theoretical knowledge of and real hands on practice with the equipment. "It is giving the worker a consciousness of the work--this is your company." She distinguished it from class consciousness. That she defined as knowing who is oppressing you and why. Orientation in her view was a work-centered, product quality perspective. To piece-rate steel workers pouring molten metal for brake shoes she would say:

the brake shoe you are making is for train wheels and if it is not well made [i.e., poured too quickly so that they could meet their quotas], there may be accidents, thousands of people may die.... You are entitled to eight percent profit sharing.... You benefit [if the work is done well]...

At other, older facilities paternalism and the image of "one big happy family" working together replaced organized orientation programs. In two notable cases, Clemente-Jacques and "La Coca", both with traditionally large female work forces, the legend of the founder was a powerful influence even while he still lived. In both plants the refrain was "the workers really care about their work."

Clemente-Jacques, the country's oldest food processor, the story goes, was founded by a wayward Frenchman in 1877 when he arrived in Veracruz by mistake on his way to then French Guiana. Monsieur Clement Jacques liked what he saw

and immediately began a fruit packing business. When he died it passed to his sons until the late 1960s when they sold it to United Brands. In 1978 it was acquired by the VISA group, one of Mexico's most significant holding companies. The image and reputation of M. Clement Jacques Senior still permeates the company atmosphere. Frequently during my interview with one of the Human Resources managers, I heard her repeat her wish that she could have known him. She told me there was an old employee, who had been with the company since 1952, who had known both the old man and the sons. What a shame I could not talk to him about the old days! But he had died recently.

Loyalty to the company above all else was a principle virtue among the workers in the paternalistic plants. Seventy percent of the C-J workforce had been with the company since the plant opened in Querétaro in 1970. The retention figures were even more astounding since 75% of the production crews (900 workers) was made up of eventuales, rural women who only worked six months a year, returning year after year. They went home in October or November at the end of the canning season and just came back when the asparagus harvest arrived in February. They would call their unpaid lay-off period a "vacation."

In the many factories and companies around Querétaro, theory and practice in negotiating control over the workers varied widely. For heavy equipment assembly workers, who were considered brutish by their employers, my interview with the Human Resources manager revealed that "there is no

real attempt to make the workers feel part of the plant. There is a general orientation to working here [at least in her section], but nothing company-wide." I imagine that feeling at home in that plant might have been extremely difficult. One of the tasks of supervisory personnel was making sure that workers were not goofing off in the bathrooms and reading on company time.

A more optimistic approach to orientation was in the works at one of the city's other food processing plants. Here the HR manager had conducted a socio-economic study of the workforce. The idea was,

for the bosses to treat their people better. Not necessarily with an eye to increased productivity, but rather, so the workers might feel satisfied....

Logically the consequence of that would be increased production.

When I asked her if the plan were working and how well, she answered that it had not yet been put into effect due to a management turnover the previous year. Measuring success, she also suggested, might be awkward. "When the new management took over things were so bad, anything would be an improvement."

The social worker's mandate in a state-sponsored, cooperative, rural maguila project with a "social welfare" emphasis (Keren 1985a, 1987) indicates the degree to which adapting workers to the work environment could become a

concern. The state hired two full-time social workers to help the women and their communities adjust to working and the new workplaces.

The social worker, a young woman with a protean job, went to the maguilas three days a week. First and foremost she was there to promote a suitable factory work ethic among the women: to help orient them to working and arriving on time, all the time. Secondly, she was the eyes, ears, and occasionally long arm of the state inside the workshops, overseeing the working conditions for the project director. She was to learn sewing just "like the rest of the girls" so that she could understand the problems and intervene on the workers' behalf, when necessary, as well as explain to the workers when the patrón (the maguilero-investor) was right. In addition, she was supposed to help the women organize so that eventually they could establish and run the cooperatives, express themselves and defend their rights and participate in "the running of their own businesses." She was also supposed to teach reading and writing.

The government policy underwent a radical transformation in response, it claimed, to the Crisis. In addition to a change in project directors, emphasis was placed on productivity and protecting the investment, the social workers were replaced with a business administration major who would oversee the operations, secure supplies,

equipment, replacement parts and permits, and make sure the maquilas "ran like businesses" by making a profit in their operations. Now that the workshops had been established, the government concerns for the project were not longer: Are the women getting the support for their working at home, or even do the women get to work on time? Performance was all important: How many pieces per week can they produce? Were they showing a profit? If not, close down the workshop and relocate the equipment.

This last example of the attempts to socialize, persuade and ultimately control the women workers in rural maquilas highlights the problems faced by managements during the labor shortage and the reversal of comparative advantage in the capital-labor struggle as jobs became scarce and active workers redundant. The managers responsible for establishing recruiting procedures and actually hiring workers generally spoke in absolute terms about their companies' policies--"we only hire peasants," "we never hire women," "we require at least a sixth grade education." Although during the perceived shortfall of available skilled labor in Querétaro they were quite flexible about who they hired and even more inventive about why they hired them; they never abandoned the notion that once a person worked for the company, that person had to be molded into a suitable worker and controlled. "When they get here they are confused about how to orient their activity, but it changes." The "persuasion" of orientation programs was a constant goal.

Training:

Theoretical skills training (capacitación) and on-the-job practical applications (adiestramiento) were mandated by Mexican federal law passed in 1978. In many cases orientation was merged into training and disappeared beneath the façade of shared knowledge. At the same time, training based on the acquisition of real skills and theoretical understanding often merged into the more pragmatic, osmotic process of on-the-job training and unofficial apprenticeships. (I use the Spanish abbreviation for these two aspects together, C&A, for capacitación y adiestramiento, as they were referred to locally.)

The new training law required at least one course offered to each employee each year. Not surprisingly the companies seemed to find ways to get around this, at the same time as they managed any training to their own advantage. In reality, programs need only be and usually were just training for the job the worker already had, "an improvement of his skills so that he can do his job better and improve production." At best it was "conceived in terms of lateral moves, in terms of other similar positions or functions." Rarely, however, was training ever converted into anything for the good of the worker, job advancement, vertical promotions or increased wages.

I regularly asked all my informants, labor and management alike, about the provision of and response to these C&A programs, their supposed benefits and apparent results. Managers, acted like "Polyanna at the factory," extolled the advantages and outcomes of their programs; workers saw very little useful training coming their way. One "Polyanna" suggested that C&A was provided by the companies because, "management wants the workers well prepared and educated, so that they can work better, so they'll feel better." A skilled worker who had become a supervisor at the same factory said he was never able to get the training he needed from the company. When he began to work in the print shop, he took himself to different printers in Querétaro, watching, asking questions and also using some equipment. The printer at Purina helped him and even loaned equipment. Eventually the company sent him and another man to learn how to use the offset machine, but they were never taught layout, or other essential skills. Even after the new C&A law was passed, the company HR department never responded to his requests. "There was a law, but nobody paid attention to it." Mostly he learned what he could on his own.

Evidence of the top-down control approach and the perversion of benefit in training programs was also apparent in white collar employee courses. At a bank, workers were given proof that they had attended a course:

but not the "report card" or certificate to which they were entitled. They never received documents to show that not only did they take the course, but they passed it or did well. "Because," I was told, "with that the worker could begin to argue for promotion or a raise," or try to move onto another employer with documented proof of his accomplishment and training.

In the early 1970s (prior to the enactment of the current C&A law) Querétaro's manufacturing firms relied on local technical and vocational schools to provide some of the training for their workers. But as the Manager of Massey-Ferguson (now Agromak) commented in 1976:

I have to say that when M-F began operations [1966], we did not find sufficient skilled labor, a circumstance which led us to establish in-house training programs for our personnel (Canacintra 1976).

For many years, the companies, especially the larger manufacturing groups, set up their own schools such as the Spicer Group's CEDEI (Industrial Development Center). Perhaps in an attempt not to appear self-serving one company official wrote,

It is important to point out that Autoforjas [company] performs a praiseworthy social labor...through its integrated training school to prepare sufficient skilled labor in machining and tooling, it also conducts courses on inducción for all the workers (Canacintra 1976:66).

The 1978 training law coincided with a period of relative labor surplus in Querétaro. Mexico was recovering from a serious recessionary period and the burden of initial training shifted back to the outside institutions, both public and privately supported. The 1979 Industrial Directory put out by Canacindra emphasized the variety of educational opportunities available at all levels in Querétaro. There were many vocational and technical schools in Querétaro, but they were often short lived. Unfortunately the public vocational and technical programs were often the victims of changing administrations, policies and budget priorities. A commissioner at CREA (the Youth Council) told me most of its educational and vocational activities had been curtailed in 1976 and the emphasis placed on arts and sports. Although the rationale had been to avoid duplicate efforts, it was not clear that the state and city's "duplicate" programs had survived.

My interviews in 1982 and 1983 suggest that more companies seemed to be offering their own in-house courses and training, again, and only in special circumstances looking outside. In very special circumstances, training on the imported, high-tech equipment, they might even send employees abroad. For example, one of GE's top machinists was supposed to go to California or Texas for bilingual training in plastics manufacture. Nevertheless, it seemed that every effort was being made to provide the training

in-house. This gave the companies more control over what was taught and to what personal ends their employees could subsequently apply it.

Companies could be and were fined for failure to meet training regulations, as indicated by the Federal Labor Law. But for many firms it was less expensive to pay the minimal fine imposed; operating a C&A program, even limited to on-the-job apprenticeships could cost them more.

One explanation for management's reluctance to adequately train their workers was the age old problem that frequently shows up in North American industry. Once a worker has acquired a skill which he can no longer parlay into promotions and raises, if in fact he ever could, in his original company, he can move onto another job. With such "enriched skills" a worker may be worth more to another company. The second company then does not have to provide extensive training either in schools or on-the-job. The pirating of workers between Querétaro's established manufacturers and the newcomers proves the point. GE pirated from TREMEC in 1982, Turborreactores from GE in 1983.

Human Resources managers were clearly aware of both management's and the worker's sides of the trade-off. A training manager at Banrural said, "the advantage to be gained by the employee is the marketing of an enriched skill elsewhere...if they leave one place they will find

work in another." Certainly as the labor market got tighter during the boom years, workers with almost any skill were in demand in Querétaro. One of the workers I did interview reported that there was "pretty high turnover in the plant," not only among the unskilled or less skilled workers in this highly automated plant, but among the supervisory personnel as well.

Training managerial, professional and technical staff was often the largest investment made by these companies. Although, ultimately fewer people were involved, the kinds of training they received cost the company more money. GE reported that it spent 4 million pesos on training in 1982. Technical and engineering staff, prior to the Crisis, frequently were sent abroad, generally to the U.S., but also to Europe, Brazil and Asia. A plant engineer at the glass works spent almost a year out of the country in Costa Rica, Puerto Rico and in the U.S. at Owens-Illinois. Others spent time at the group's domestic plants. A tools designer at IH had made uncounted trips over the previous seven years to the countries where their own production equipment was made, in order to pick up new equipment, learn installation, operation and maintenance. Employees in the transnationals (Kellogg, GE, KCM) could hope for required meetings or optional trips to Headquarters locations or other plants. Those already speaking English, well or at all, would have the advantage in the selection.

Since many of the new firms established in Querétaro had operational headquarters, affiliates and branches throughout Mexico, however, domestic travel and training generally were the first choice with trips authorized to Monterrey, Guadalajara, Federal District Mexico City, Toluca, Orizaba, Cuernavaca, or Puebla.

Training at GE took several forms and seems to have been one of the best elaborated programs. It had been consciously thought out in specific stages and with specific goals to meet the needs of a brand new factory. The plant had been operational for less than one year, but things were not working out exactly as planned. The failures can be expressed in the words of a foreign technical advisor,

I am supposed to be training the men in the shop, but I spend most of my time "doing". I spend 10% of my time teaching and 90% doing the work. It should be the other way.

According to design the very first stage was an audiovisual, multi-media orientation program for new GE workers--slides, movies, speakers and a plant tour taking about four hours. The goal was to explain to each entering group of new hires what it meant to work and particularly what it meant to work at GE. It was conducted by four people each time, usually members of the personnel department, with speakers including floor and production

supervisors and, customarily, a cursory visit from the Plant Manager. (While that position was still filled by North Americans the visit was probably abbreviated. Spanish was never one of their strong points.)

From introduction and welcome, the workers, mostly female, were handed over to a group leader who was to train them to operate a particular machine. The next step involved a kind of participant observation, learning by absorbing what others did and then trying it themselves. A training leader told me,

Each worker is supposed to plan with his/her supervisor an on the job training (OJT) schedule and after two days OJT, review their "theoretical knowledge" using a small evaluation questionnaire. They then spend two weeks on the line, again receiving OJT in the form of supervision. The operations themselves are generally quite simple. Remember, the largest area of production and the major employer of women at GE is the assembly line, step by step iron making.

If this osmotic learning process was successful, after two weeks on the line, the worker would pass the test on their machine or step in the process; but they were directly and closely supervised during at least 60 days; while they worked through the phases of the eventual contract system of hiring. For the men there were short courses in electricity, hydraulics and mechanics. As a response to

the perceived lack of skilled laborers or technicians available around Querétaro, even the managers admitted that it was too little.

Newer factories like GE had special facilities, class rooms and auditoriums, allocated for their in-house training programs. GE always started its new employees in the central auditorium just beyond the executive offices. On the entryway door hung the monthly C&A bulletin board. Bioquimex had special classrooms built into the common area of the deluxe, architect designed, newly opened offices-cum-plant.

GE's Mexican staff took great pride in its varied C&A program and spent a substantial amount each year on it. Using both company and outside instructors the individual courses varied depending upon the audience or students and the general need by the company for any particular skill, behavior or attitude. In Tables 4.4.1 and 4.4.2, GE Training Schedules for November, 1982, and September, 1983, we begin to see how the emphases in the programs shifted over time. Although total hours almost tripled (472 to 1213), the declining number of orientation hours (201 to 28) reflects the transition from a start-up situation in 1982 to a stable labor force in 1983. Also interesting was the addition of the Family Planning course. Now that the company had hired over 400 women, they wanted to keep them on the job and working.

Table 4.4.1
 November 1982 Training Schedule
 cumulative hours (estimate)

TOTAL 472 person hours

COURSE:	TOTAL HOURS:	PARTICIPANTS:
Open Secondary School (post 6th-grade)	36	15-20 participants
Group Leader Formation	72	supervisory personnel only
English (outside instructor)	58	administrative and managerial personnel only
Orientation	201	approximately 50 new employees
Other courses/programs	105	general, unspecified

Table 4.4.2
 September 1983 Training Schedule
 cumulative hours (estimate)

TOTAL 1213 person hours

COURSE:	TOTAL HOURS:	PARTICIPANTS:
Family Planning	23	women workers only
Open Secondary School	24	
Orientation	28	new hires
English (outside instructor)	no data	group instruction for white collar staff only, approximately 3.5 hours per person per week.
Spanish for Managers (outside instructor)	no data	private lessons
Math	no data	
Safety	no data	
Other, unspecified	no data	

The training programs take place during what is called "mixed time"; that is, both on company time during regular work hours and on the workers' own time before or after work. I was told that an initial company proposal to limit these courses to out of work hours was strongly opposed by the union. Interestingly this may be one of the few times that a union action had an identifiable, positive outcome for the women workers. According to the personnel managers at many companies,

Yes, there is a difference between men and women's response to the training program. Men tend to respond better, to participate more. Especially because it is conducted on "mixed time". That is, the women have to get home right after their shift usually to take care of the children left with their mothers. They do not have as much time at their disposal.

However, from the two above charts, it is clear that most of the courses at GE were aimed at the white collar employees. For professionals, besides their 6:30 a.m. English course two or three days a week (or individual Spanish lessons for the few North American staff members), there were "also courses in Human Relations, so that they can keep themselves motivated to work, and also [learn] how to manage their salaries."

GE-Querétaro was promoting the Secundaria Abierta, a junior high school equivalency program. The minimum entry

level requirement for women was a sixth grade education (Primaria Terminada). Still in late 1982 they reported very little interest with only 20 people enrolled. Other companies were offering similar education benefits to their workers. Literacy programs, in fact, were a regular feature of the C&A agenda. They helped meet the minimum standards set by law, one course per worker per year, and generally made management feel good about itself by providing a much needed service. In January, 1983, Bioquimex Laboratories inaugurated their literacy program with 21 people enrolled between the primary and secondary school levels. The program was organized in conjunction with SEP (Secretaría de Educación Pública-the federal Department of Education) and INEA (Instituto Nacional de Educación de Adultos-the National Adult Education Institute), but was taught by Bioquimex employees.

Perhaps the most controversial course was the Family Planning program. GE, at that time, counted six percent single mothers after only eight months of operation (24 to 30 women who were not pregnant when hired, now were). This was considered an exceptionally low rate. A common perception for example was that half the women workers in San Juan del Rio were single mothers. Nevertheless, most of the women thought that the course had nothing to do them because so few of them were married. The management countered that they were simply offering information on sex and hygiene, birth control methods, and family planning

(contraceptives were legal and readily available in urban Mexico). Of 400 women, only 20 or 25 showed up at the introductory lecture.

Most of our workers are still young and single, and they thought you had to be married, or that they as single women didn't need to find out. They are not taught these things at home so they reject it at work as well.

Kellogg, currently employing several hundred women, also offered sex education courses in addition to the general training.

The next question, of course, is does the training have any impact on the workers' position inside the plant. To answer this requires consideration not only of management's response: "yes, there are programs to prepare them for promotions, based on our analysis of labor needs..."; but also on the pragmatic realities of that system of needs, and the workers' experiences with placement. It was this empirical assessment of "need", an opening on the line, or a new line, that determined movement. In the more technologically advanced operations, where skilled labor was at a minimum, training was sporadic if at all distinguishable from daily routine. If the worker was "interested" in the job he or she got the permanent position. Then movement within the plant was based solely upon need and who said they could do the job.

GE was no exception, the workers were promoted from within the plant.

When the plant needs a new worker we look around at those already inside who we can train and then try to promote them.

When put into actual practice what this usually meant was each worker picking something up from his/her neighbor down the line. The responsibility for training fell onto the individual workers, and depended upon their ability to absorb information. Through the first year at GE, as they regularly and continuously kept hiring new workers entering as eventuales at the bottom rung of the career ladder, someone already there had to be moved up a rung. She would eventually, but not immediately, get more pay as a result of her "promotion."

New recruits entered the plant at the lowest levels: generally placed on the easiest part of the production line while they adjusted to working. It was not necessarily the lightest work. Categorizing the work as "easy" was a statement about lack of skill and experience, not the required effort. Often these easy jobs were the dirtiest and heaviest, loading the pulp digester at a paper mill, lifting and carrying sacks of raw materials, and a wide variety of totally manual labor from packing to cleaning. The jobs were matched by a variety of position titles such as general assistant, machinist's helper, general worker or

operator, peon, even sweep. Workers were assigned to and stayed in these positions for at least a few months, until the provisional period had passed and they had acquired, through working on the line, observation and/or specific training, the knowledge and skill to take on a new job.

In the case of TSP, a Spicer group plant located in Pedro Escobedo on Highway 57, all the workers were peasants, travelling to work from the small communities surrounding the plant. TSP literally hired whoever wanted to work there--married or single, male or female. Although primaria terminada was a prerequisite, nobody really checked because so few applicants actually had completed sixth grade. The entry level worker was placed initially in Aseo, clean up. As she/he adjusted to worklife and could be trained to work on the automatic, assembly line equipment they could be reassigned to the low skilled production work positions.

At Bioquimex new unionized workers entered as production assistants at "Level C." No more than 40 workers, although 20 were the norm, filled this level at any one time. The first 3-month eventual period was spent at Level C. The workers were then automatically moved up to "Level B," or they were fired. The largest group of unionized workers (at least 40) were at this level. After that the merit promotions were few. These must be achieved through increased skills and experience, and good relations

with management. But there were only 20 "Level A" positions available and promotion was premised on filling existing vacancies. Level C workers earned minimum wage. Level A workers earned 410 pesos per day in December, 1982, almost double the minimum in this factory. These were "open titles", a worker was a production assistant level A, B or C and could be placed anywhere in the plant.

In an unusual policy all of the Bioquimex skilled and semi skilled production operators were made a non-union category by management design. Their training and promotion systems were similar to union production assistants, but their pay scales were disproportionately higher. Other firms in Querétaro made similar efforts to manage the terms of hiring and placing workers, as well as to establish the proper work discipline, but few manipulated job categories so effectively to inculcate loyalty to company management. One note, however, Bioquimex had taken the limitation of union eligibility about as far as it could go. Most other factories declared their low skill janitorial and security positions non-eligible and defined the rest of the skilled and unskilled production labor force as union eligible.

Table 4.5
Factory Worker Job Titles, Skill Levels and Numbers of
Workers in Various Companies - Querétaro, 1982

4.5.1:		
CELANESE MEXICANA		JANUARY 1982
Production Operators		322
Production Assistants		201
"A" Level Operators		342
Chemical Process Operators		52
Service Operators - B Level		14
- A Level		12
General Workers		81
Eventuals/New Hires in		
Training		168
Maintenance Workers - A Level		51
- B Level		55
- C Level		76
- D Level		100
Cutters - A Level		6
- B Level		8
Total Number Workers		1488

4.5.2:		
MAQUINAS DE PROCESO		JANUARY 1982
Iron Workers		57
Lathe Operators		43
Electrician		4
Machinist (general)		3
Fork Lift Operator		2
General Assistant		8
Assembly Workers		10
Grinders		3
Painters		1
Other		2
Total Number of Union Workers		133

4.5.4:
ACERLAN

JANUARY 1982

Union (male and female):

Unskilled	63
Semi-skilled	129
Specialized/Skilled	22

Non-Union:

General Unskilled	11
Skilled Technician	61
Section & Department Heads	19
Supervisors	21
Professionals	4
Area & General Managers	7
Secretaries	9
Total Unionized Workers	214
Total Non-unionized Staff	132
Total Company Employees	346

Still, how much training did the workers actually need to perform the jobs available in Querétaro's factories? We must remember that most of the new processes introduced to Querétaro (glass making, papermaking, small appliances, agro-chemical production, tire manufacturing, steel) had already been deskilled in the move. The production processes had been simplified, fragmented, automated, computerized, moved to continuous process and/or reduced to assembly, before they arrived in Querétaro. Labor intensive plants that had employed as many as 800 people relocated facilities in Querétaro and hired 200 workers to manufacture the same product. Meanwhile the older plants

had increasingly and constantly "improved" their production processes, thereby reducing the amount of highly skilled, craft or artisan labor they would need. The separation of manufacturing and assembly plants at IH, the introduction of numeric control and other techniques at TREMEC, all new machinery in Kellogg together with the shift to women in the workforce, had taken place locally, but the majority of the craft degradation of labor process had occurred elsewhere.

This did not mean that skilled labor, most of it male, was not highly prized and in demand throughout the state's industrial zones. And the making, training of skilled labor continued to be an issue--if not a priority--in many factories. When a plant has a labor force comprised of highly skilled workers, as did IH, the management was often very proud and competitive.

Workers in IH are more highly skilled than at TREMEC.

Here the worker is an artisan, he learns by practice and experience, he learns by his wits. In TREMEC, the worker is a button pusher.

There was a major difference between the two plants and only a small part of it was the perspective of the workers and employees, the rest did have to do with skill. The manufacture of automobile transmission parts had been reduced to numeric controls and highly automated machines. TREMEC recruited a different kind of worker although the

job titles were frequently the same. In this comparison even the IH manager was proud of his workforce's clung-to skills and status.

Even the skilled workers, however, were expected to some extent to learn by observation. In late 1982 GE arranged to "import" four Portuguese tool and die makers to complete the work on Portuguese-made plastics molds. Portugal, according to my informant, was one of the best manufacturers of these large, precision steel molds. GE and many other firms had strong doubts about the ability of local tool makers to actually manufacture a mold from design to fitting, or even to repair or install an imported one. A North American manager referred derogatorily to the Mexican and especially Querétaro tool shops as "hammer mechanics." In discussing the reasons for this kind of hands on technology transfer, the foreign technician in charge of the molds and plastics manufacturing at the plant expressed the hope,

that they will set a good example for the men in my shop. Especially since the Portuguese do not like to travel away from home.... They will work quickly in order to get home quickly. I have all the tools they need to do the finishing work, but the Mexican workers do not have the skills yet.

The Portuguese craftsmen arrived in early 1983. They made quite an impression on the women in the plant, one of them

lost a finger in a shop floor accident, and they were barely able to salvage the molds before they returned home. In April, 1983, however, the technician told me that production in the plant had ceased.

Men and Women in the Labor Force:

Culture and Pragmatism at Work

In spite of themselves managers are frequently quite pragmatic. By trying always to act rationally in market terms, they often sound contradictory in cultural and ideological terms. While Querétaro labor recruitment took place in a "seller's market", responding to a perceived labor shortage; perhaps the most accurate view of the conditions forming the particular composition of the labor force was "take who's available to you at the time, and do the best you can with them." Managers occasionally did express this rationale when asked about who they hired and why. Frequently, however, their pragmatism was converted into a set of understood rules and verbalized regulations for hiring that were expressed as new ideologies, attitudes and beliefs about workers and appropriate labor in general.

Within the range and scope of industry in pre-crisis Querétaro you could find all kinds of people working in all kinds of jobs in different factories. The content of the contradictory explanations why this was so were almost as varied as the companies doing the hiring. The clearest example arose when managers tried to explain why they preferred men or women for certain jobs.

Capital in Querétaro was faced with a potential labor force which often did not meet the levels of skill and

experience to operate even basic equipment, which was unprepared to conform to the rigid disciplines of factory worklife, and which all too frequently turned out to be primarily women.² Querétaro factory owners and managers simply could not afford the luxury of rejecting entire segments of the population on ideological or cultural grounds if they wished to operate their factories. In daily practice they either ignored or manipulated those same cultural parameters to their own ends in order to recruit personnel to labor in their factories. Women were not the only pawns in this struggle to "man" the factories. Peasants, experienced workers, urban residents and men were also debated and variously selected or rejected as workers, as we have already seen. But the fact of the matter was that companies in Querétaro were hiring women in many capacities including non-traditional jobs, and families in Querétaro were accepting that work as appropriate for their daughters. In the process, however, capital continued to arrange recruitment to its own advantage and learned new routes to control the labor force.

All this is not to say that Querétaro was particularly unique among Mexican or third world industrial regions. Nevertheless we cannot simply compare Mexico City's overcrowded, traditional industrial zones, the Border Industrialization Program, and the newly booming Querétaro

in the same synchronic frame. The processes that were shaping Querétaro's labor force have had parallels not only in Mexico but in many other now-industrialized areas, but the historical conditions that were defining each contemporary situation were not necessarily the same. The selection of women workers in the border assembly plants and the hiring of women in Querétaro's varied industrial sector were not identical; although they shared certain cultural and ideological assumptions and labor market realities. At the same time the studies in those areas (Benería 1987, Fernandez-Kelly 1983) are important indicators of the pressures and forces encouraging or blocking women's full participation in the labor force.

At some early point in the industrialization process companies hire whoever is available to them and seek to justify that choice, often times redefining ideal worker to fit the recruited worker. Over time workforce composition may change, and the definition of the appropriate worker can be reworked. To understand the hiring and even preference for women in Querétaro's industrial sector we can look at the historical cases of female employment, especially the early nineteenth century dependence on women mill workers in Europe and the U.S. Rigid sexual divisions of labor are not natural, they are cultural, created out of the specific actions of workers and capitalists and transformed by the traditional division of labor by sex and the

transition to factory and capitalist production (see Rose 1987). The combination of cultural and market values helps explain what might otherwise seem anomalous, the wide dispersion of women workers throughout Querétaro's manufacturing sector.

There has always been some categories of women's work for wages in Mexico. Historical studies for Mexico document the experience of women in the textile factories (Piho 1982), women's struggle in the nineteenth century labor movement (CEHSMO 1975), and more. Poniatowska's semi fictional autobiography of Jesusa, Hasta No Verte Jesús Mio (1969), gives a realistic portrait of working in the small factories and competitive commercial ventures in post-revolutionary Mexico City. Earlier fragments on the colonial obrajes and economy of Querétaro (Super. Lea) indicate that provincial women also participated in factory work. Two centuries later, the life-long careers of women at the Rubio's Coca-Cola plant are one indication that women have worked in Querétaro's modern factories from their beginning.

The character of women's work is usually low paid, repetitive and without apparent routes for advancement. The reasons for this extend beyond purely cultural or local factors,

the employment of women in highly monotonous and low-paying industrial occupations is far from being a random occurrence. Rather, it is determined by the need of particular manufacturing branches [in this case border twin plants and maquilas] to increase productivity and profits and remain competitive in the international market (Fernandez Kelly 1980:iii iv).

Nevertheless in Querétaro, unlike at the border, this inclusion of formerly "unemployable" women into the labor pool has not meant the exclusion of men of working age. Rather the characteristics of Querétaro's industrial development and the history of factory and other waged work for some women overrode the immediate tendency to completely and rigidly segment the labor force by gender--men's work and women's work.

The actual demand for labor during Querétaro's growth period created contradictory explanations of labor recruitment within similar labor processes, multinational relationships and regional areas. The dialectics of this labor demand situation responded to limits set by community and cultural values and also redefined concepts of family, womanhood, and even work.

Women at Kellogg:

The shift toward hiring women in the plant, not just the offices, in this major, multinational food processing plant had only begun two years earlier in 1980. Although the job placement, and hence remuneration of women workers was not surprising, fitting in with many of the standard expectations of women's work, there were some interesting developments at Kellogg.

Until recently there were more men than women in the plant. In 1980 women were hired in packing and finishing and the gender balance inside the plant tilted.

Simultaneously, the manufacturing process itself was almost completely mechanized and the jobs that remained were designated "heavy" work. That dichotomy left actual production in the male domain. Incorporating women at Kellogg had been a conscious process of replacement, directed by management, which began during a period of major internal upheavals. It reflected labor strife, a new administration, and a reduction from four to three work shifts, as well as a plan to push to early retirement many of the higher paid men with skill and seniority. A former plant engineer described the catalyst for change: He attributed both the new technologies and the new labor recruitment policies to management's successful effort to thwart the workers' attempt to form an independent union in 1979-1980. Automation made skilled and more militant male labor redundant and facilitated their being moved out. Newly deskilled work then could--in this established and traditional industrial center--be easily redefined as women's work. Women, situationally less militant, reinforced their passivity in light of Kellogg's long history in the city. The company union won out, and remained affiliated with the extremely conservative state employee's federation (FTEQ-Federación de Trabajadores de Estado de Querétaro).

What is especially interesting was management's adjustment to the change in their labor force. Kellogg's managers were primarily Mexican and Latin American, and

with the exception of one or two non-decisionmaking women managers, primarily male. Yet by 1982 department heads were beginning to express a preference for women workers. Their reasoning would be familiar to those who study women's work in industry.

There is less turnover with women, compared to men, where it is hard to even find and hire those with the minimum qualifications.... With women I have all that I need and can pick from anywhere. Also they can work in many areas of the plant. They've started asking me for women only, all over the plant, at all levels, even machinist.

It is important to note that women's skill and preparation were now compared favorably with men's; they were viewed as flexible, adaptable and educable.

The characteristics that were considered appropriate and desirable in workers, male or female, should be considered in the totality of creating the labor force in Querétaro. When Kellogg terminated its skilled male labor force, it re-entered the local competition for industrial workers. No longer one among five large companies, Kellogg was now a late-comer vying with 20 other large companies for the same workers and skills. After almost 30 years operation in the same city, Kellogg had to redefine its ideal worker and hope the community would respond positively by sending women to work there.

The effort was successful. With almost 750 female workers, women were beginning to have a special place in the Kellogg factory. There was still plenty of in-plant resistance to the women, but it was less than it had been. The bosses were making direct requests to the personnel department -- "if you find me a woman, hire her." Not only did the women more often meet the company's educational requirements, providing more years than the minimum sixth grade education, but more importantly personnel managers and department heads both allowed that they fulfilled an even more important criterion. No longer was it a blanket condemnation of Mexican laziness and recalcitrance, now a distinction was made based on sex. The women had a desire to work the managers believed they would not find among the men.

Recruiting and selecting men means a lot of work. They don't meet even the minimum requirements. With women it's different. I have it all and can pick and choose. Women's marriage, pregnancy and family are extremely sensitive questions to discuss in Mexico, and they certainly posed contradictory stances in the plant. Almost three-quarters of the job applicants (500 of 750) in 1982 were women. Of these almost every one had a child and 60% were single mothers. Many older women were divorced, and at least 20% of the applicants were married and had begun to look for work in order to help their husbands. The unmarried applicants were young, between 17 and 23 years

old. Among the single women or married women without children, many were considering, at least at first, postponing child bearing. It did not always work out that way. The women complained that "there are many wolves inside the plant." Many women reportedly got pregnant once they began working. In spite of the mandated three month maternity leave period; in the eyes of the company management, however, child bearing and child rearing were no longer thought to be the disruptive and negative influences upon working.

After having babies the women become very responsible and hard workers. They don't skip work and their output is better.

Disagreement about how men or women used their three unexcused absences per month, and whether frequent maternity leaves did or did not disrupt production continued unabated. In my interviews these positions were divided on straight sex lines. Men said women were absent more, women managers said there was no difference or the women were more reliable.

Things were certainly changing but managers were not yet accustomed to working with women. A survey of job descriptions and the people hired to fill the positions was full of contradictions in behavior and attitudes. Not yet sure how to define the differences and similarities, a male production manager said that women workers were the same as men, yet he admitted he gave women preferential treatment.

He assigned them what he classed as easier work. For example, the manager's argument went: hot work at the vitamin sprayers was usually assigned to men. Also when there is a break down, since the workers have to climb into the drum and adjust the nozzles and gears, this implied men's work.

Following this logic, women were kept away from many of the jobs classified as "heavy" and originally based on physical strength. Short distance hauling and lifting of sacks and drums weighing 125-250 was one of the few shop floor jobs still requiring actual physical strength. It was definitely men's work. Raw materials handling and preparation were also exclusively male jobs. Flying in the face of the technological advances of the twentieth century, the mystique of heavy lifting had been carried over to the operation of the fork lift. Women, the men and even a few women, believed could not really operate it. Even mechanized heavy lifting remained men's work, conceptually. In spite of automation and computerization in production processes throughout the plant, the work was still classified as heavy manual labor.

The labor process in the plant, however, had changed radically. The new manufacturing process was highly automated and required less than 25 men per shift in all departments. Women were brought onto the line in quality control and inspection, approximately 75 per shift. Women predominated in packing where each shift had over 200

women. In 1982 there was a minority of women in maintenance and even one woman machine operator. She was still an exception, skilled positions and equipment operations were rarely allotted to women. Nevertheless, the woman operator reportedly liked her job and, in spite of its manual requirements--lifting and loading a 125-pound roll of paper every 20 minutes, she apparently had impressed a lot of men with her well developed biceps.

Women at Acerlan:

In 1979 when this San Juan del Rio steel mill began recruitment it was faced with a severe shortage of skilled industrial labor of either sex in the city. The proximity of the plant to the peasant hinterland still did not provide sufficient male labor. The rapid growth of the San Juan del Rio industrial zone had driven up minimum wages from 78 pesos per day to 260 in two years time. The first personnel manager at the plant recalled,

at the time the cost of hiring labor went way up and the workers felt secure because they could always find another job.

The workers' perceptions were accurate. Turnover in the plant was at least 5% a month right from the beginning.

The former Industrial Relations man reported that they began to recruit women to all manufacturing positions before the plant had opened. Women workers offered the company one immediate advantage. The management view was

that "with women in the factory, you avoid the problem of the 'Famous Mondays,' the Monday hang-over, no shows." Women were more reliable. My informant was sanguine about their advantage to the company. Their dependence on the job reinforced their stability. He said,

Acerlan preferred their women married, or even better abandoned. At the level of the working-class, those women have the necessity to work. It guarantees that they will show up, in fact, we actually looked for women workers.

There were women in all the departments--foundry, valves, molding, cores. They were even beginning to provide training for them in the more skilled tasks, cutting and machining work, capitalizing on the women's willingness to learn and to work hard. By allowing these women to acquire skills, to train in these areas, the company was aware that it "created a level of competition" among the women. The women felt that they could learn something, and then they did and did it well. It was worker competitiveness the company could and did exploit to its own productive advantage.

Women in Clemente-Jacques:

Consumer food processing had been a female employment stronghold in Querétaro. At canneries like C-J two explanations seemed to prevail. The first was a response to production conditions--the seasonal nature of the work from

February to October as the various harvests arrived for processing. The other was somewhat more convenient and ideological--women were supposed to be more dextrous and skilled at the food processing tasks.

The accepted, corporate cultural view was simply that a man could not stand all day, for a month, with his eyes tearing, throat, nose and skin burning, while wielding a dangerously sharp knife to seed and devein chiles. Food preparation was women's work. This view of appropriate work found resonance in the local culture. A small restaurant owner told me he would never handle the food because it would discourage the customers. Instead he served Pepsis, cleared up and took money. However, men did handle and prepare food in Querétaro. The itinerant taco vendors split between the men who prepared carnitas, meat tacos, and the women who sold everything else. In industry however, the preference for men in cereal production (until 1980), animal feed processing and grain milling might be seen to invalidate the C-J argument.

At C-J, only after the merger into a major Mexican industrial group, had the company begun to mechanize production between 1980-1982; a decision supported by the growing demand for industrial labor throughout Querétaro during those years. Until that time, women's work in the plant was extremely difficult and often dangerous: the chiles also had to be sliced by hand, corn was shucked and shelled by hand, and so on. The view of the work however was that it was "easy" so women should do it.

Production, including the now highly automated canning and labelling process, was 90% female. In contrast, 99% of the maintenance crew and warehouse workers were male. The men on the plant floor were porters and collected garbage and did any work defined as "heavy" such as lifting, moving or hauling. The one exception, up to that point, had been a woman who briefly operated a forklift. She had left to get married. Strikingly, although she had not stayed on the job, male supervisors were beginning to request women workers in all fields. There was a specific request outstanding at the time of my interview for a woman electrician. Plant-wide there was a slight, but noticeable shift in attitude towards considering women more responsible, sober and stable workers in all areas of production.

The seasonality of the work supposedly made food processing an ideal job for women. The management operated as if it were, and many of the women workers apparently agreed. At this plant the women, working without full benefits because of their temporary status, comprised the largest part of the seasonal work force (900 of 1200 workers). They were laid off each fall in late October or November after the Chile harvest, when most returned to their small rural settlements until word travelled on the grapevine that the asparagus had come in in January or February. The women called their furlough "my vacation", although they received no such benefits. The seasonality

and low skill levels of female employment required the company to put little effort into providing training. The women supposed to know how to handle food before they arrived at the plant. Furthermore women were kept in low skill jobs because, it was argued by the company officials, they could not and did not make the time available to participate in training. C-J practiced mixed-time training (see the discussion of training, above).

Loyalty prevailed, however, even among the eventuales. The personnel manager complained of problems in hiring and keeping skilled labor and white collar and professional staff, but she said that she rarely if ever advertised the opening of the contract period each new year. The same women just showed up at the gate, year after year.

Women at General Electric:

The GE-Querétaro plant manufactured and assembled small household appliances. Women were the majority of the workers (80%), as compared to men. Women worked on the assembly lines, in plastics and packing. The foundry, the machine shop, the painting room, the warehouse and shipping were exclusively male.

The rationale for hiring women was the standard one in assembly or aguila work--their dexterity. The male director of personnel cheerfully told me that "there is a big difference between men and women. Maybe because the women are trained from early childhood to do things with

their fingers: cutting food, knitting, crocheting." He went beyond that to say that "the men are better for things needing strength," as he pantomimed squeezing a beer can with his hand. I have already described the testing and selection process at GE with its emphasis on dexterity testing. Although no one ever thought to consider, or decided not to, the size of men's and women's hands, any prior experience or the attitude about the dexterity tests. One North American tool and die maker whose work demanded extreme precision told me that in spite of his 6-foot 2 inch frame and large hands, he generally scored well on these tests. I asked him what was the difference between the fine grinding and precision touch required to manually turn a custom-designed screw and the exactitude needed to accurately solder small electronic pieces. He had no answer beyond men's and women's work.

The definitions of men's and women's work are revealed as much more and also much less than the measures of dexterity. As one female human resources administrator confessed,

you have more advantages than disadvantages with women. They are more responsible. For this kind of work they are more dextrous...[and] we do not yet have the same problem of alcoholism with Mexican women as we do with the men.

She added that the problems with absenteeism were different. The women workers lived in the nearby colonias

populares, and travelled to work on the special bus routes. The skilled men had to be recruited from much further away. When a highly-skilled machinist's bike broke, he did not come to work for several days. The bike trip that took an hour each way was the only way to get to GE. There was no public transportation from his rancho.

There was some diversity in opinions about hiring married or single women. A Human Resources manager was expecting problems.

Married women request more maternity leave and personal days than single women. They do get pregnant more often as well. For every five months in the plant, a married woman can be out three months for maternity leave.

Another woman in Human Resources, another Polyanna, said as much in a slightly different voice.

on the one hand, it's better if the women are single, but here we are interested in the woman as a worker, not her marital status because this is a North American firm.

In spite of the absences and leaves associated with pregnancy, women were preferred over men for their stability.

The director of personnel was more concerned with the reality of labor-management tension. He said that another advantage with women is that they have less experience, in the end that would outweigh maternity leaves.

We hire workers without experience, we prefer it that way, especially the women. That they have never worked before. All we ask is that they've finished the sixth grade... We don't care if they're married or single so long as they are not pregnant when we put them on as eventual, and still not pregnant 180 days later when we give them the planta.

In his view experience correlated with militancy or unrest. (At GE the 25% of the workforce that was classified as skilled labor were men.) Less experienced women were less likely to organize; and might even cost less. As unskilled workers, however, they would find it much more difficult to move around between jobs.

GE was one of the few cases where I obtained wage data. Women certainly cost the company less in wages. However we must be careful in the analysis to not confuse low wages for unskilled labor with general notions of women as cheap labor in multinational production and competition. The women, all new or relatively new entries, earned the minimum wage (then 300-320 pesos per day) up to a maximum of 410 pesos. The higher wage reflected the few women who had been working since the plant opened and had been promoted at least one level. On the other hand, there were only a few men who earned at the minimum level. The average male wage may have been as high as 550 pesos per day, the industry average in Querétaro. Some skilled

machinists and tool makers were making between 926 and 1,400 pesos per day in 1982. New factories and new jobs in Querétaro were offering fewer and fewer high wage positions. The men seeking entry into the factory labor force were being treated as low wage workers, regardless of skill. The Bioquimex case (above) indicates how widespread low wage work was becoming.

The advantages women workers seemed to offer maybe viewed as rationales at cross-purposes. In the end the job (assembly) has now been socially defined as female and requires an available female labor force. A man could learn to do the same work as a woman. The steps in the appliance-making process were not microelectronic but generally assembly of visible, small to medium parts. On one of my GE plant visits, men and women were making electric heaters. When I asked the technical manager about this unexpected division of labor, he could only venture a guess: Perhaps, the men were supervisors working out the steps in the labor process. There were signs of managerial recognition of potential problems within the hiring model. In general, women workers were less militant within the formal structures of union organization and demands. But there did seem to be

more conflict in relation to the work [itself]. The women are not prepared, there is a high rate of single motherhood, although it's still less here because the

plant is so new, but we are going to have the problem of disability leaves for maternity soon.

It occurred to me that it is, at bottom, not simply women's ability or dexterity which plants exploit. In fact the women often need more training, perhaps even more than the men. The women at a plant like GE had few other options for militancy other than quitting or resistance on the job.

I think that the issue is and must be that the women, regardless of wages and supposed availability in numbers, are more controllable in both the long and the short term. Granted it takes more effort to train and orient the women to work and there is more turnover and absenteeism due to pregnancy and marriage, but in the end women have less ambition for the same reasons (marriage and babies) and so are likely to be less radical and militant politically and less susceptible to pirating and the promise of new jobs. In the long run for the company it is cheaper and easier to hire women whenever possible, often against their own corporate ideology about appropriate work for women.

Women at "La Coca":

In striking contrast to the steel mill, and for that matter just about every other employer in Querétaro, was the largest soda bottling plant, and one of the oldest industrial facilities, the Victoria Bottling Company, known by all as La Coca.

This was one of the companies that traditionally hired women, if they satisfied a long list of conditions: NO married women, single mothers, widows, divorced or separated women. Only single women, and one could always hope, virgins.

Sex distracts them. It makes them calm, puts their minds on other things.

Since the work was almost entirely inspection, it was believed to require intense concentration. Talk about control of workers' minds! Management felt that an unmarried woman's mind was less likely to wander, she had less to pre occupy her: not a husband, no children, not getting meals on the table. She could focus entirely on her work.

La Coca is an old established company and had been one of the first to hire women. The image was of a family business with a good reputation in the community. The founder was still alive and active, although his son ran the business. My informant emphasized that in provincia family ties counted for a lot. "I wish I could get my daughter in there," was the desire expressed by Queretaro's upstanding working families, he said. The newspaper help wanted ads represented the jobs as ideal for "young ladies." The plant was a very special case, with a very special environment, one that maintained the image of work as moral. In fact, in a state with an exceptionally high

rate of single motherhood, management discovered only one single mother per 100 women workers between 1979 and 1980 (less than eight altogether).

Loyalty was a key, not only for the workers but for the employees as well. The founder was the epitome of the patrón, the master. The price of that emphasis on morality and loyalty was paid by the women. A woman who got pregnant or married, or, for some, just engaged to be married, quit automatically and relinquished rights to the severance pay and benefits (liquidación) which would have been her due if she had waited to be dismissed. The story I was told was of a woman in her forties who had worked for the company for more than 20 years. She now occupied an important position in the main office. When a proper elder gentleman proposed to her, she immediately turned in her resignation and forfeited perhaps as much as 500 thousand pesos in severance.

Almost all the plants and industries in Querétaro had at least some women working in production. The exceptions belonged to the IH group of companies, whose products were primarily heavy equipment, and some of the older plants with embedded traditions of gender segmentation. The worker contingents from Singer and TREMEC marching in the May 1 Labor Day Parade were thousands of men and no women. In these facilities high level machine tool skills, heavy, hot and dangerous manual labor, or onerous carting,

carrying, cleaning and maintenance work were the only tasks left to human labor power by the computerized machines. And a general atmosphere of scurrilous male toughness prevailed in the shops. They were unpleasant, even dangerous, environments for a woman.

Smaller and older factories, as well as some of the "new boys on the block", did not always have the luxury of limiting their selection to their pre-defined ideal workers. At FIAC, a small machine shop where the labor force had been quite transient in the past, and was at best only semi-skilled, arriving with little knowledge and getting a little on-the-job training, the owner reported,

I had three chamacas [girls] working for me as lathe operators at one point, because there was nobody else. One got married, the other two just quit. Right now I have one unmarried woman. She seems to be working out OK. But, it's the same with her as with the men, the same problems at work, about working.

In thinking about the participation of men and women throughout Querétaro's industrial sector I was faced with regular inconsistencies, the contradictory ideologies and hiring practices. It was the sole point of agreement that held out a clue to the process: between the lines of every explanation and hiring policy was an attempt to control the labor force. Cheap labor is preferable, but labor in Querétaro was not necessarily cheap. A former plant

manager considered that it was not. "You pay for a machinist, but you don't get a machinist. He may be hard working and eager, or not, but he could not do the work."

We need to look at what makes labor cheap and what makes it controllable. Are they the same? There is a dialectical relationship in the influences each aspect of a worker's make-up--gender, skill, docility, age, need, earnings and militance--has. When we study the semi-industrialized economies, however, when we are looking at unfinished processes of capitalization, we can actually see the establishment of control. Cheap labor is a screen for a more complex process at the same time as it is often a ready answer for critics of development projects. But in the last analysis, it is only part of the answer. The cost of labor is also a question of control and it is balanced by management's willingness to cope with a shifting or unstable workforce and ability to wait while workers learn to adapt to working.

Notes to Chapter 4:

- 1 My recollection of the exact dimensions and specifications may be incorrect, the square might have been 4 or 6 inches, the number of holes 30 or 40, but the process and the feeling it created are accurate representations.
- 2 At the time of my research there were no available statistics specifically on the female labor force in

Querétaro. Informants would tell me how many women worked in their plant, what they thought were the advantages or disadvantages of women workers on the job, and the 1980 census for the state only details the economically active population in general terms, not by sex. Using the 1975 industrial census, two studies supported by the Labor Department, Jiménez (1979) and Zazueta (1981) show for Mexico as a whole, however, a fairly steady increase in women's participation in the industrial labor force in particular and in the labor force in general.

Chapter 5: Management Takes Control: The Labor Force
in a Buyer's Market

Introduction:

I make a rather simple and possibly extremely obvious argument in this chapter: expressed in the words of the Queretanos estamos jodidos, or when things get bad the workers get screwed. It was clear that as the economy cycled downward, the workers carried a disproportionate share of the burden. The government regularly called for protection of the industrial plant, but it was the workers who were to sacrifice, and when they did not do it voluntarily it was done for them. For example, their contributions to the Fondo Nacional de Solidaridad (National Solidarity Fund), the fund to repay the expropriated bankers were automatically subtracted from their devalued pay checks by the unions. An oil worker told two Mexican journalists that,

In 1982 La Quina [the oil workers union leader] gave back the November emergency increase and we even "donated" three days pay to the Solidarity Fund. We couldn't complain because we're the vanguard of the labor movement (Yañes and Arista 1983a).

The cost of supporting nationalism is borne by the workers. In the world capitalist economy, nationalism does not necessarily advance the agenda of the capitalists and they do not often pay to support it.

The Crisis sent shock waves throughout the entire industrial structure and social fabric of Mexico. As one Querétaro plant engineer commented, "it was an overnight deformation of the economy. Since the September 1st nationalization, the whole context of our business has changed." In 1982 the Mexican economy collapsed in upon itself. The metaphor of building demolition by implosion provides some idea of what happened. Carefully placed explosive charges at strategic locations in the structure are timed to detonate in sequence. The building, tons of steel and concrete, collapses in upon itself leaving the others around it still standing. Then it is only a question of clearing away the rubble, and rebuilding anew on the old site. In Mexico the detonator charges were: dropping world market oil prices, multi-billion dollar public and private sector foreign indebtedness, the rising interest rates that went along with that, charges of corruption, technological and economic dependency for continued industrialization and production, and a legitimacy and power struggle within the Mexican government.

In reality, although not as total or elegant as the metaphor, the Crisis was devastating on economic, political and social levels. For the individual it was no longer possible to move from job to job, to pick up from one and find another, better job just up the road or to just make

do with pick-up work. For the companies, with over eighty percent of Mexico's industrial plant dependent upon imported capital goods and raw materials (PROCESO 1982a), any loss of liquidity in world markets and currencies was a crippling blow to all production. When a series of increasingly destructive peso devaluations and currency floats were introduced starting in February 1982,¹ rapidly rising inflation rates drove up the cost of living and eroded real wages and purchasing power.²

Austerity entered the government vocabulary in the Spring of 1982 as national and regional budgets for economic expansion and programs of equitable redistribution and development were cut or frozen in order to service the increasing international debt. The economic conditions leading up to the nationalization were severe enough to risk international disapproval and to justify such a rash intervention in the economic functioning of the country. The results were both positive and negative. In the long run, the beneficiaries of the nationalization were not the workers, but the state and capital. The Crisis was used to consolidate the process of capital accumulation (Keren 1985b).

First, the private sector investors and companies faced the initial shock of simply acknowledging the act of nationalization and imagining the nightmares of working with a government bank. Then came the realization that the control of exchange rates together with the new and

existing import restrictions most immediately and directly touched the majority of Mexican industry by de facto border closings and shortages of foreign exchange (divisas). The widespread bankruptcies among small and medium firms during the late 1982 and early 1983 Crisis months were often eclipsed by the teetering of some of Mexico's major industrial groups, such as the ALFA Group. Slowdowns and layoffs characterized almost all of 1982, peaking after the nationalization. As a result of cut backs in production and plant and reductions in personnel, by year-end 1982 Mexican industry operated at less than 40 percent of capacity.

Regardless of size, in the many manufacturing facilities I contacted during my fieldwork and since, it has always been the workers' wages and hours that were imperiled by production cutbacks and bottlenecks. From small, isolated, rural garment maquilas where private middlemen did well at the expense of local seamstresses, to larger national and multinational companies that have not only maintained but frequently increased output, the companies' or owners' profits have never suffered to the same degree. One of Querétaro's family-owned engineering firms was shut down in 1982 because its big industrial and governmental clients could not or would not pay their bills. When the owners closed up shop, they left scores of workers unemployed. I noted in 1985 that they were back among the members of the local industry council

During the Crisis work became harder to find and even harder to do. The fall-back positions of agricultural work or entry into the competitive informal sector were undermined by political-economic decisions, and there was more pressure to produce "efficiently" in any employment. Jobs were becoming less sure and survival more precarious with each passing day. Almost every aspect of the workers' daily lives shifted or was altered by the Crisis, not only in 1982-1983 but in the four years since. The continuing series of interviews by Yañes and Arista (1983a, 1983b, 1983c, 1983d; 1984, 1985) portray the struggle and the losses that seemed to be spreading. The language is sharp and colloquial, but the messages are serious. For an unemployed machinist,

"At home we eat-less everyday, we're down to twice a day and don't even think of meat. Just eggs, beans, coffee and milk, sometimes" (1983:6, my translation). Another unemployed worker had begun hawking miscellaneous items as a street vendor.

"What choice do I have, except to work? I have my trade, and that's all that I know. I can't be petty bourgeois. How could I be a capitalist? I could go home, to Zacatecas, but to do what? I was a day laborer, my family has no land...lots of people are like me. But if it doesn't rain, you get nothing in the end. It's better to go the Mexico City or across the border" (1983:9).

Everyone's life was critically affected by the Crisis. Not just the fire eaters, street vendors and beggars whose high visibility on city streets regularly attracted the attention of Wall Street Journal reporters. The workers and people at all social and economic levels have experienced the changes and new rules that stemmed from the deteriorated conditions. The relatively new Mexican industrial labor force was exposed to the pressures of capitalist accumulation on a world scale. The balance of power in the local capital-state-labor alliance and the logic of local self-sufficiency gave way to the twin demands of capitalist control and profitability. The Crisis was being used to consolidate the process of capital accumulation, and with it the exercise of control in the political and labor spheres. The beneficiaries of the growth-versus-debt dynamic have not been the workers whose short term gains in wages, conditions and living standards were too quickly eroded. The real winners have been those who can directly benefit from the stability and legitimacy of the state and the state sector, and especially those whose fortunes rest upon the viability of the private sector.

Management Gains the Upper Hand in the Crisis:

The Crisis was the lever which transformed, or helped transform, the balance of power between capital and labor. The labor market in Querétaro shifted from a seller's to a

buyer's market. By the end of 1982 there were many more available workers at any and all skill and wage levels than there were available jobs. Simultaneously, management was cutting back or shifting production and searching for ways to survive the Crisis.

No exact figures were available documenting the open unemployment in Querétaro, but government record keeping focuses on the three major industrial centers, Monterrey, Guadalajara and Mexico City, and shows unemployment doubling in these cities within just a year (Table 5.1). Figures from the Querétaro labor department on social security eligibility for workers and their covered dependents do show a similar trend toward unemployment (Table 5.2). Only fully employed workers in private sector enterprises were likely to be covered by IMSS.

Table 5.1
Open Unemployment Rates among the Economically Active Population in the Metropolitan Areas of Mexico City, Guadalajara and Monterrey, 1982-1983

Metropolitan Area	1982				1983
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter
Mexico City	3.5	3.9	4.4	4.1	7.0
Guadalajara	4.4	5.2	5.3	5.1	6.4
Monterrey	4.3	4.7	6.2	4.5	9.0

Source: SPP 1983, Boletín Mensual de Información Económica, Vol. VII(6):58

Table 5.2
Declining Social Security (IMSS*) Affiliations
Querétaro, 1979-1982

Year	Number of People Covered by IMSS
1979	238,658
1980	328,241
Dec. 1981	384,202
Dec. 1982	357,693

* - IMSS - Instituto Mexicano de Seguro Social, the Mexican Social Security Institute provides health care and other social services for covered workers and their families in the private sector.

Source: Junta Local de Conciliación y Arbitraje, Querétaro

The previous chapters demonstrated that industry was not a new factor in the Querétaro economy, nor was the demand for skilled, semi-skilled and experienced labor recent. However, up until the late 1970s, the creation of the labor force in Querétaro was the slow building up of an urban proletariat, following a clearly delineated political agenda for industrial development (Silva 1983b:12). By the time of the administration of President Lopez Portillo (1976-82) this had been laid out in a series of governmental planning and development programs. The impact of these programs on Querétaro's economy was a rapid expansion of manufacturing industry and investment. To the residents of Querétaro it seemed that in 1980, "There is a factory going up every day on the highway." The demands for labor seemed to exceed the supply.

I arrived in the field (1981) a few days before the annual Christmas hiatus. Between the fifteenth of December and the sixth of January the following year, businesses slow down production; take breaks for parties, vacations, maintenance downtimes, or occasionally shut down. Government offices come to a standstill. Yet even during those few weeks there were more indications of hiring activity at the factories (posters, signs, newspaper want ads, radio recruitment campaigns) than at any other time during the course of my fieldwork. Over the next months the local classified sections in Diario de Querétaro and Noticias de Querétaro grew thinner, with almost no manufacturing jobs advertised anymore. When the companies placed ads in 1982, it was for administrative, staff and clerical positions. The frequency of radio ads diminished, including my favorite: "Wanted: Men of Steel", which asked if the men were strong enough, tough enough to withstand the work waiting for them at Autoforjas. In just a few short weeks, at the beginning of 1982, the signs outside the factory gates had gone from "MEN WANTED" to "NO OPENINGS".

Since I had gone to study industrial labor recruitment, I read the local newspaper classified sections every day, almost as if I too were job hunting. By February, it was demoralizing. I had little or no indication, at that time however, that the rosy picture of steady growth painted for me by the Director of Industrial Development in 1980 (see Chapter 2) was not still possible. Affected by the still

optimistic mood, I missed an opportunity to actually quantify the reduction in jobs advertising. My perceptions of the decline, however, are backed up by the decreasing number of ads (newsprint and radio) for major industrial establishments that I did record in my notes, and by my subsequent interviews with managers. Their reports were the first indicators of recessionary conditions--no new hires.

At first hiring ceased, then loss of jobs through attrition began, then actual lay-offs, first temporary and then permanent, became management weapons. (See Table 5.3.) This is not to say that there was no contracting going on at all. There was always a need for some workers, and a very few plants, such as GE were still hiring new workers to meet its projected expansions. The key factor from management's view was that now they could hire better workers for much less than before. The people needed the work more than ever. At the small machine shop in my study, the owner was one of the few managers in any firm, large or small, who was optimistic about his market and his labor force. For the first time he was able to take advantage of the labor surplus in Querétaro's industrial sector. He was using this opportunity to hire new workers.

For me, things have actually gotten easier. It's easier to attract specialized people. There are plenty around. Everyday, seven or eight people walk in off the street looking for work. I can have my pick.

Table 5.3

Selected cases of rates and types of lay-offs.

Note the full survey is included in the appendix.

In spite of loss of detail, the ad counts I did not do in the field, and cannot do now, anthropology relies on the fact that quantification is not the only answer. What the distribution and content of the want ads would not tell was the rising standards for recruitment that went along with the Crisis. The focus of management policy in hiring and firing was shifting and the men and women charged with these responsibilities were working out new rules as they went along. Tighter standards could now be maintained in hiring and placement. With the number of new jobs being created cut to almost zero, and a steady attack on existing jobs, first through attrition and then through direct lay-offs, management was rebuilding its advantage in the hiring process. Recruitment had been returned to the arsenal of managerial control. The reversal of the comparative advantage between capital and labor, when jobs seemed to outnumber the available workers, had returned to "normal" as a result of the Crisis. The upper hand reverted to management as jobs became relatively scarce and workers redundant.

Public statements from industry about the lay-offs, when they were made at all, were frequently romanticized and apologetic as indicated by the following news item from the Querétaro Saturday paper :

^Faced with serious financing problems, difficulty obtaining foreign exchange at preferential rates and

the shrinking construction industry demand, it has been necessary to institute a 35% worker readjustment in our factory. Only with tremendous effort have we been able to keep our workers active until last Thursday. It is very painful,' reported a company spokesman for MELCO of Mexico, in San Juan del Rio, a manufacturer of elevators, 'to have to take such measures. You must realize, the tremendous investment in training we have made in our highly skilled personnel' (Diario 10/16/82 my translation).

Private discussions with these same managers often took a different tone, reflecting the increasing importance of ways to continue reducing the overall cost of labor. Not just finding cheap rural or unskilled labor, docile and weakly organized labor; but reducing the costs of on-the-job training, costs associated with turnover, absenteeism, and productivity per worker, as well as eliminating the costs of the social wage such as health insurance and social security. Controlling the labor force became more important in the competitive environment of the Crisis. And every company wanted to be a survivor.

The production cutbacks and lay-offs meant more available labor. Choice in the labor market, and with it control, had shifted back to management. No longer were they, as they had complained, reduced to hiring any Tom, Dick or Juan at a wage above the federal minimum level, or obliged to entice workers with fat benefit packages. At

one of the annual gatherings of industrial executives in November, 1982, the leadership of the trade group, in its official statement, warned of hard times ahead and exhorted its members to do all they could to keep their plants running and their employees on the payroll. The organization claimed to represent over 36,000 workers among the over 200 member companies, almost two-thirds of Querétaro's economically active population. What happened to these workers in the largest and most advanced industries would be the most visible and talked about aspect of the economic disaster. Nevertheless, the informal talk after the formal meeting was quite different. There were smiles on the managers' faces as they chatted about their improved labor situation. Not that they denied or ignored the economic crisis, but they saw a positive side. Managers could finally hone down their labor forces--eliminating dissidents, high-paid workers, less productive workers. They had regained the ability to control the process of hiring and with that increased their likelihood of finding docile, adaptable, and integratable workers.

The major employment cutbacks, however, really began after the presidential decree for the nationalization of the bank (September 1, 1982). There was a certain re-adjustment to be made by the managers of corporations to the economic insecurities of the Crisis in Querétaro, but once they had accommodated their companies to the "new"

conditions, they were able to consolidate their power in local labor markets, in terms of both labor recruitment and actual manufacturing process and conditions. In spite of organized labor's and a few local demands for tangible increases in real wages, the companies achieved even tighter control over hiring, wages, work conditions and the unions. As the first year of the Crisis wore on, more and more factories and industries in Querétaro were experiencing economic and production difficulties. Most had stopped hiring new workers, some as early as April or May, and by Fall the lay-offs had begun.

In a very few companies, those with a solid export market (GE) or in food production, the managers complained that there was still not enough qualified labor to meet their demand. Most other plant managers and owners, especially the personnel managers (Bioquimex, Farwell), rejoiced in the Crisis. In November, 1982, they could claim that whereas nine months earlier in February only two or three people would apply for every announced position or opening, and then they were very fussy about what they would accept; today at least 20 people would show up and almost every one would be likely to accept any job, wage or condition. The workers at Farwell electronics continued to be men and women, those at Bioquimex were still all men.

The manager at one of the most successful new operations indicated that, "today when I advertise a vacancy, either blue collar or white collar, 20 people show

up for that one job." His colleagues around the state concurred. Another said that at his factory, he could now take his pick of workers from among 20 or 30 applicants who would work for minimum rural wages, whereas before he was lucky to get three or four underqualified applicants who wanted more than the minimum wage to start. Job postings at the factory gate had always attracted some interest from the men who sought work in this fashion. During the Crisis, the scene in front of many factories, if a help wanted notice was posted for even three or four minimum wage positions, was disheartening. So many men would show up that the companies limited the number of application forms made available in order to control the flow of people. First come, first served had become the usual order of business. The rest might linger at the gates for hours, or return the next day, hoping for a second chance.

There were many daily indicators of the changing capital-labor relations. Any discussion about turnover (rotación) would usually elicit some of the most straightforward managerial statements about the changing manifestations of workers' attitudes toward work and working. Since boom went bust, attendance on the job had improved. Throughout Querétaro's industrial sector there were fewer lay-offs for four unexcused absences in one month, and less moving between plants. A situation that had prevailed for years in the heavily industrialized Federal District (D.F.) was beginning to take effect in

Querétaro. A personnel director who had worked in both places made the comparison.

In D.F. generally the labor force is very stable, they only recruit for special workers. It was rare when people left jobs, it was rare that people would actually accumulate four absences. The supply of labor was bigger and the jobs smaller. In Querétaro it is, or rather it was the opposite...

From the perspective of management, the reverses in worker attitude were tangible. The work force, or what was being left of it, was beginning to settle down to a life of working in the factories. A telephone worker told Yañes and Arista in 1985.

"Right now, well like the people could care less. With all the time strong-arming [chingadazos], inspections and lay-offs, they have us thinking only about ourselves and how to make it to tomorrow" (Yañes and Arista 1985:29).

In my study, the workers at an animal feed processor were staying on the job at a higher rate. Fewer workers were leaving voluntarily while management reported that turnover had been reduced to less than half, from 25 to 60% annually, plant wide, to less than 2% a month or only four to five people. The company was including some who had been fired in this count. An informal university-sponsored study seemed to indicate that turnover rates were down all over the state. At a cereal manufacturer, with no acknowledged eventuales to fire, a personnel manager reported a very low turnover rate, between 2.5 and 2.7 percent. She

said, three percent would be very high now, even when compared to rates of almost 7% at the beginning of that year (1982). Absenteeism, too, had dropped to a low of around 2.5%, a remarkable figure for a plant with over 1,000 employees.

Lay-offs and turnover due to lateness and absences had decreased at the Steel Industries assembly plant since April, 1982. Prior to the Crisis, monthly turnover could have been as high as 7%. By October and November, 1982, it had fallen to about 2% a month. Of 19 workers who lost their jobs at the plant in October, 1982, only four (4) were for unexcused absences. (Of 450 total workers in this plant, this represents less than 1%, the overall lay-off rate was 4%.)

Wages and incentives in pre-Crisis Querétaro had undergone an inflationary surge. The growth period had been characterized by innovations in incentives and the extension of benefits (health, profit sharing, training, bonuses, credit unions, payroll deduction plans, savings programs) all designed to attract workers. Potential workers knew which companies offered the best benefits. Among skilled blue-collar and "pink-collar" employees it might have been a deciding factor in seeking and accepting employment. The companies had had to compete with each other on these terms as well. They regularly advertised positions with benefits packages exceeding the

legally-imposed minimums. GE provided its permanent employees with discounts on GE products. Other companies and institutions helped with housing and mortgages or had subsidized or discount company stores. There were savings plans with company contributions and other payroll deduction services. Whenever possible the companies' proposed incentives tended to be non-monetary, especially in the new, highly automated, continuous process production plants like General Electric, or where women predominated in the labor force such as Clemente-Jacques (C-J).

At C-J incentives, which generally go to the women workers, those on the production line, were in the form of raffles within an area or department that had the best production or safety record. Prizes were at the level of TVs or refrigerators.

The older manufacturing facilities with skilled labor forces, such as Steel Industries, had piecework incentives and other monetary programs for the men. The IH methods department decides that the workers on a particular job, for example, can turn out 15 pieces per shift. But the workers are only producing ten. So the company agrees to pay each operator a cash bonus for each additional piece, over ten, turned out on that shift. The system was seen as mutually beneficial for the company and the skilled workers. The unskilled assembly workers in the same firm worked piece rate without extras or incentives as a general rule.

The industrial building boom had been an inflationary factor in Querétaro's economy and changed the way people lived. "1979 was extremely prosperous, everything was coming up roses. The people earned money and spent money," a former plant manager told me. Querétaro was the city with the highest rate of increase in the cost of living. For some there was an increase in disposable income to balance the costs. Under the boom conditions the wages of the new plants' skilled and semi-skilled workers helped inflate the scale. Even established employers had had to pay well to hold onto workers. One small machine shop owner reported to me that he had kept salaries competitive with the big firms, or his workers would not have stayed. The employers were developing benefit and incentive packages and paying locally higher wages, even if by comparison with the country's industrial centers the rates were lower. A toolmaker at GE made between 926 and 1,000 pesos, as compared to his brother worker in the parent plant, who made over 1,700 pesos a week (1982 figures). Wages continued to increase steadily even into the early months of the government's attempts to stabilize or mitigate the economic contraction.

Then it seemed, all of a sudden, in August and September, 1982, the system collapsed and all that changed. There was a strange convergence of minimum wages with the more skilled wages. Lower contract wage agreements, shortened work weeks and hours and cutbacks in

production were the companies' responses to the Crisis, while labor-government efforts to offset the increases in the cost of living focused on raising the minimum wage. The overall inflationary effect on wages however was problematic. Real wages were declining throughout Mexico, but Querétaro was particularly hard hit, registering a real wage rate lower than any other major industrial center during the Crisis (Table 5.4). Given the reports that Querétaro's cost of living was disproportionately inflated when compared with its median wages and salaries, this is not surprising. Querétaro ranks third behind the border zones and major industrial centers in the minimum wage rates.

As the Crisis progressed, managements in the various plants throughout the region tended to respond with reductions in shift labor time and pay. Hence TREMEC offered their workers four days work at six days pay; other plants, less. The contract basis was usually 48 hours, with the seventh day paid.³ This newfound control over wages was making managers smile. As a result of the Crisis they were able to hold down negotiated wage increases, and argue the traditional positions of capital, "We can't afford to pay you more or we'll go broke, we'll close the plant." Like the U.S. steel companies and other industries which shut down plants during the 1982-1983 recession, they were often still operating in the black, if not at the desired high rates of profit. In spite of this, they continued to negotiate, with a great deal of success, for concessions.

"If you press us for wage increases now, we'll just go under that much sooner." At the same time they began to recruit less skilled, lower paid workers from the local labor market to the same jobs.

Table 5.4
Real Wages (at Minimum Wage Level)
Selected Industrial Areas of Mexico
(in 1976 pesos)

Zone	1980	1981	Jan. 1982	June 1982	Sept. 1982	% change throughout 1982
Metro Federal District	78.34	79.19	90.34	73.86	59.40	-34.25%
Metro Monterrey	84.01	86.96	99.91	81.20	64.26	-35.68%
Metro Guadalajara	73.85	76.83	89.09	73.74	57.34	-35.64%
Mexico State (north)	51.95	55.29	60.69	51.21	41.25	-32.03%
Toluca	67.33	68.17	74.43	62.01	49.79	-33.10%
Metro Puebla	72.15	68.62	75.98	70.71	57.07	-24.89%
Veracruz-Minatitlan- Coatzacoalcos	81.75	80.95	86.49	75.98	63.61	-26.45%
Queretaro, Qro	67.01	68.26	78.73	63.80	51.85	-34.14%
Bajio-Guanajuato- Michoacan	54.78	54.01	58.29	48.64	39.61	-32.05%

Sources: SPP 1983, Boletín Mensual de
Información Económica, Vol. VI(8-9):76-77

If there was one hard and fast rule among managers at all times it was: avoid troublemakers when hiring. Anyone with a union history, a political background, or even a strong personality was shunned regardless of skill.⁴ The case of Carlos, in the previous chapter, was not an exception. The consequence of the Crisis conditions was an increase in management's ability to make inroads into union activities during precisely the period when such activities were most needed and perhaps most likely to succeed.

Unions and union membership were not the issue; both were legal in Mexico. The question was whether or not the union was considered blanco, a company union, or charro, corrupt, or independent and more radical and pro-worker.⁵ The struggles in Querétaro in the 1980s were over independent representation, that is the establishment of unions free of company control and/or non aligned with the CTM. The provincial labor federations, especially the independent organizations, were generally weaker than the central unions affiliated with the PRI (the CTM) or specific industries (oil workers). Nevertheless, union organizing struggles continued and even disrupted the seemingly peaceful labor relations landscape in Querétaro.

TREMEC (Transmisiones y Equipos Mecánicos) was considered by most to be the most important company in the area, not only a major employer, over 5,000 workers at its peak, but also a key producer of foreign exchange in export markets. The major TREMEC strikes which preceded my

fieldwork were a part of just such a struggle. The established leadership, affiliated with the CTM, was being challenged by an insurgent leadership seeking new certification and new alliances. In the end, state intervention and corporate pressure, the latter in response to the shrinking market for TREMEC's product (automotive transmissions) as a result of the 1981-1982 recession in the U.S.

In a rare burst of journalistic responsibility, Diario de Querétaro covered the events during almost a year of labor struggles. At one point, early in the second strike the newspaper reported that the national leadership of the CTM had confirmed that the top man, Fidel Velazquez, had said that the CTM is "unconditionally in solidarity with the rank and file at TREMEC, but [he told them] the local union leaders should expel any outside advisors...." (Diario_1/31/82). After more than two months, the strike was settled but the intra-union struggles continued. In June, six months later, the two sides were still disputing the legitimacy of the leadership. The company-supported, CTM-affiliated side was again in command. At this point, too, the company took anti labor action and fired at least two of the opposition leaders.

The violent ASTRAL strike which occurred in this smaller plant, during the summer of 1983, was also a question of competing leaderships and affiliations, one company-aligned and one independent. Again, the independent forces were

defeated. Union peace was not guaranteed by the Crisis. The strike at the ASTRAL refrigerator plant occurred during the summer of 1983. It was, everyone told me that October, one of the worst in Querétaro history. But in my brief interviews that Fall no one was willing to tell me why. Over 50 people lost their jobs as a result of the strike. There was violence, and in the end the company union remained in power and the outside advisors and union activists seemed to have gone underground.

A trade association executive felt that this had been a pointless and wasted struggle spurred on by outside radicals. Nevertheless the general reluctance to discuss the almost six-week long strike, I took as a sign of how deeply it had shaken the business community. Querétaro had originally been chosen, by some companies, because of the belief that the unions were more pliable and cooperative. Even these small signs of resistance were prompting management to make new arrangements.

Management could not fire a worker for union activities, per se. One of the Industrial Relations managers, however, did tell me that it was not difficult to get rid of these workers. During January and February, 1983, a few workers at his plant had tried to organize a new union. The four men most involved in the effort were all fired within a few weeks of each other. The IR manager himself told me that organizing was legal. He said he

found ways to fire them, citing his use of petty work rules violations or absenteeism and lateness.

The plant union, representing only a small fraction of the workers, was blanco, a company union. It had been established when the plant moved operations from Mexico City/D.F. to Querétaro. The shop stewards reported to the Director of Personnel in his office during working hours. The Director referred to them as "my union leaders." The insurgent faction was attempting to affiliate with the CTM which would free the union from direct company control, although at the same time it would place the union under the control of national and local CTM leaders.

The timing of the organizing drive and the management's response were closely tied to the Crisis. The appeal of affiliation with the major labor federation was paradoxical but had real benefits for the workers and especially the organizers⁶. Although the CTM does not always seem to be on the workers' side, it was doing more for workers during the early months of the Crisis than they could manage independently. Meanwhile, the company was, for the first time since its opening, in a position to fire workers. The relative labor shortage in Querétaro was over, and the company could easily re-staff the low skilled unionized jobs.

In October, 1985, however, my informant told me that management was considering affiliating the union with the

CTM after all. In the intervening two to three years, it had become clear that the CTM also had a vested interest in maintaining stability and the status quo. Company support of CTM affiliation was in its own best interest.

At the same time as this agro-industrial producer was reconsidering its union strategy, it was also becoming shy of Querétaro's labor. During 1984-1985 this company had increased its production, introduced a new product, and increased its export market to approximately 80% of its net sales. It had the same number of employees in October, 1985, as it had had in October, 1983; yet, when it came time to expand its milling operations, the company chose to establish these unusually labor intensive, low-paid, unskilled shops in the countryside. Economics might suggest that processing close to the point of harvest has its economic advantages. It also meant the separation of the least skilled from the most skilled workers, and of the more "savvy" urban workers from the rural laborers. Distance may have caused a small loss in supervision. I knew of two destructive fires at the rural facility in two years, but the company may have been rewarded by the increase in control over the workers in both plants, urban and rural.

Companies frequently attempted to limit the potential for union organizing. At GE the cleaning staff/janitorial workers were considered de confianza, non union, and separated organizationally from the factory workers. At

C-J the widespread use of provisional workers kept the union forces from becoming too strong, while at Bioquimex (see previous chapter) production operators were defined by the company as non union workers. Segregation of unions was another common practice. Each of the ICA group companies in Querétaro had a separate union intentionally, to keep the workers from striking together, admitted one manager in our discussions. There was an added advantage: the Crisis also allowed for more effective strike-breaking. For example, ICA Group managers could operate out of any other plant in the group. Steel Industries (IH) had only just come through one of its most prolonged strikes, over six weeks, during the summer of 1982. When the CTM called for a general strike for emergency wage increases in November, 1982, IH took its cue and moved engineering and design departments into an non-operating new plant on the adjacent lot in Parques Industriales weeks in advance of the strike deadline.

Similarly, in the Mexico City zone, a factory worker told the same story to Yañes and Arista. Two years into the Crisis,

The job is still pretty much the same. They've divided the company in three: Turmix, Rutel, Cromos Acevedos. They did it to avoid taxes and to divide the workers. They succeeded at both. The lay-offs continue. There are people with 17 years experience, but they don't want them accruing seniority, so they just lay them off -- with 605 of the severance benefits. There's the same number of workers, but now the majority are eventuales (1985:36).

Some adjustment to the Crisis was needed in almost every manufacturing facility in Querétaro. I have categorized the corporate actions into two responses: labor strategies and production strategies. The former included the many ways of laying-off, firing, or furloughing workers, while the latter meant reducing the number of hours, shifts or days per week, temporary plant shutdowns, or even production line closings. The labor strategies focused on recruitment, work discipline, and work conditions. The output strategies, however, raise an important question: Were the production cutbacks and changes an unavoidable result of the cyclical crises in an especially vulnerable time and place, or were they also a component of specific strategies for dealing with labor by controlling the labor process?

A constant theme of the Crisis years has been that the workers should tighten their belts and make the sacrifices necessary to preserve the capital intensive industrial plant. Machines were to be saved before people. Certainly it was and is in the Mexican best interest to keep producing, and especially exporting; yet even when production levels and exports have increased, the labor force has never again equalled the high employment levels of the 1980 to mid-1982 boom period. The agro-industrial producer mentioned above had fewer workers on its payroll in 1983 and 1985 than it had when the plant opened in 1982. Industrial slowdowns and lay-offs characterized almost all of 1982 and peaked in mid 1983. Table 5.5 shows the rate

of decline in manufacturing employment nationally. Querétaro was no exception to this pattern, although again specific local figures were not available. While production rose again through 1985; falling world oil prices, however, again devastated the Mexican economy and the economy is shrinking again (Keren 1986).

In an industrial survey⁷ conducted in October, 1982, among plants that indicated that they were making any adjustment to the Crisis conditions, most indicated that they were using labor-based strategies, i.e. lay offs and firings. A smaller percentage responded that they relied on a combination of labor and production readjustments. In only a few cases in the survey did a company indicate that it was attempting to maintain its labor force while only adjusting production. Table 5.6 is an attempt to analyze the limited quantitative data provided by the Querétaro companies responding to the survey. Preliminary analysis of the responses indicates that the relationship between layoffs and declining production was much less than should have been predicted. The estimate of the correlation coefficient, although statistically significant for this small sample, was only $R = .479$. Further analysis is needed to relate these results to specific industries and the dependence on foreign inputs.

For the period covered by the survey (1982) and my follow-up interviews in 1983 and 1985 I found that even when both output and export markets did increase, employment levels did not. Querétaro industries had been

creating four to five thousand jobs a year in 1980 and 1981. In one year (1982) more jobs were lost to the Crisis than had been created in those two prior years. Local unemployment estimates vary, but with conservative estimates at 25% or 10,000 lost jobs in 1982-83, we can be sure of at least that many. My survey analysis indicates an even higher rate of lost jobs, especially in industry.

Table 5.5
Variation in Employment Rates
National Decline in Manufacturing Personnel - Mexico

Period	Total Variation to Prior Year	Blue Collar Workers	White Collar Employees
1981	5.5	5.1	6.9
1982 (prelim)	-2.0	-2.3	-1.3
January	2.8	2.3	4.2
February	2.9	2.6	3.9
March	2.7	2.4	3.8
April	2.2	1.9	3.2
May	1.8	1.6	2.6
June	1.4	1.2	2.0
July	1.0	0.8	1.5
August	0.4	0.3	0.9
September	-0.2	-0.5	0.4
October	-0.8	-1.1	-0.1
November	-1.5	-1.8	-0.7
December	-2.8	-2.3	-1.3
1983 (prelim)	--	--	--
January	-7.6	-7.9	-6.8
February	-7.9	-8.5	-6.3
March	-8.3	-8.8	-6.8
April	-8.5	-8.8	-7.3
May	-8.7	-9.1	-7.6

Source: SPP 1983, Boletín Mensual de
Información Económica Vol VII(6):60

Table 5.6
 Surviving the Crisis:
 Labor Strategies and Production Strategies
 Selected Companies - Queretaro 1981-1982

Company	SIC Code	% Change in Labor 1981-82	% Change in Output 1981-82
Levi-Strauss	232	15.33	29.00
UNIROYAL	301	4.79	21.00
La Coca	208	0.36	5.70
ARGOL	282	0.00	40.00
La Madrilena	208	0.00	30.00
Sacos Y Derivados	264	-2.52	10.09
VO	332	-8.33	3.22
Kellogg	204	-10.56	0.00
Cordaflex	364	-11.76	30.69
Arelex	371	-16.24	-158.44
Celanese	222	-28.51	2.41
IH	353	-30.22	-215.79
Singer	363	-33.30	-18.75
TSP	371	-42.19	-195.95
Purina	204	-44.75	-8.33
Autoforjas	371	-44.86	-70.00
Litsa	352	-47.83	-6.15
Acerlan	331	-50.87	-141.43
Amercoat	282	-51.92	-257.00
Sacos Tubulares	282	-53.99	-75.20
Grammer	352	-57.14	-16.71
AGROMAK	352	-58.46	-140.57
Eselen	371	-63.75	-71.14
Maquinas de Proceso	356	-78.68	-19.52
Cardanes	371	-84.22	-130.53
Engranos Conicos	371	-104.29	-80.87

Source: Secretaria de Trabajo y Prevision Social, Oro.

The combined attempt to maintain production while cutting back on costs (especially labor) was probably the most common way management approached the Crisis. Small and mid size firms were major employers in Querétaro, but many of these could not survive the crisis. Instead of benefitting from the large scale industries in town they were now in competition with them, and many went under or had to reduce operations. This was clear in a newspaper interview with two subcontractors, small businessmen in March, 1982 (Diario 3/25/82). They were finding it difficult to survive into the next billing period.

'The [big] companies don't pay us on time,' the men said. 'It's not that we don't have the business. We can make and finish pieces the big companies can't afford to. We are not lacking skill. But at the same time, when we leave to set up on our own, it's because we've been able to amass just enough money to get started. The problem is by the second or third order, if they don't pay us, we run out of money. Then what do we do?'

By October, 1982, industry spokespeople indicated that up to 50% of the workers in the small firms had been laid off. In my interviews in October, 1983, technical staffers at several large companies told me that many big firms had simply stopped subcontracting and were sending their makeup orders to different subsidiaries or affiliates within

their own groups in order to keep their equipment running and maintain a skeleton workforce in case of economic upturn. By getting smaller in order to survive, leaving only the owners and a few family members working, the small companies also chose a labor reduction strategy in order to stay in business. Alonso et al. (1980) analyze the responses of petty entrepreneurs and workshop owners in Mexico City's slums and give examples of their labor choices and economic options. Self-exploitation accompanies the need to lay off waged workers when the market contracts and the economy inflates.

Other companies adapted labor processes to make more unskilled, labor intensive jobs available, while cutting their costs in other areas. The reality for some of the large companies, however, was that they had no choice. They were unable to continue high-tech production as before. The limits imposed by the Crisis caused major production bottlenecks.

At the Kimberly Clark paper mill, several production processes were shifting back to manual labor from automatic machinery. On the day of my plant trip, surrounded by fully automated paper converting production lines, one man was hand packing paper napkins, 250 at a time.

FIAC, a small independent machine shop, was taking advantage of the inability of the larger manufacturers to produce agricultural and mineral processing

equipment when their raw materials import pipelines were eliminated after the generalized exchange rate controls that accompanied the bank nationalization. By using local materials, simpler less streamlined designs, and labor intensive production processes the owner of FIAC was optimistic about both his future and Querétaro's economy.

At government-sponsored, rural cooperative maguilas, the women workers absorbed the shock waves of the Crisis. Their wages were imperiled by the near total dependence on imported sewing machines. The consequences of a broken machine were magnified when it could not be replaced by a domestic one. In a maguila where two women had to work on broken machines, they were probably earning one-half to one third less than their usual wages, and less than the rest of the cooperative workers, while waiting for imported repair parts which might never arrive because of import restrictions and currency controls. In another maguila the women sat idle amidst hundreds of unfinished garments waiting for one operator to complete an essential step on the sole overlock stitching machine.

"You Gotta Work": Economic Crisis and the Labor Force

Alain Touraine (1966) wrote in his book on worker consciousness that "class consciousness is consciousness of the drama lived out by the worker at the moment he

encounters rationalization and industrial organization; for most workers this 'moment' seems to have been located at an early stage of industrialization" (cited and translated by Mann 1981:41).

The emphasis on the moment in the analysis does not deny the historical process because consciousness of necessity is historical; that is, at any time it not only includes reactions to the present but also continuities from the past. The problem in studying consciousness (or its component parts: attitudes, beliefs, values, sense of self and social position) is not only to define a consciousness but to find out when and why it changed. Too often we are presented with a fait accompli - an established economy and ruling ideologies based upon it. In societies in which the passage into capitalist relations of production has proceeded to such an extent that the changes have already occurred, as in modern capitalist countries; the archeology and reconstruction of that historical moment of change is extremely difficult.

With this in mind, the timing of my fieldwork in Querétaro (December, 1981 through February, 1983, and subsequent visits in October, 1983 and October, 1985) seems to correspond with one of the "moments" when a transformation in consciousness was taking shape. The economic crisis offers an opportunity to examine such a moment in the history of Mexico's industrialization; that is, when consciousness starts to change. This proletarianization of

consciousness marked a time when the population begins to accept an ideology which defines being a worker (a non-owner) under capitalism: the idea of working for a wage and accepting the work discipline that goes with it. "If you have a job, keep it; if you don't get one, fast. Either way, you will need it to survive!" It was not necessary to be or have been a worker to express this view.

Until the 1980s, although capital intensive industry was well rooted, the individual's dream of independence meant some kind of self employment with the hope of getting rich (See Lomnitz & Perez-Lizaur (1982) for the elite version of this or Alonso et al. (1980) for the case of petty entrepreneurs in urban slums.) If at some point you took a factory job, it was not forever, just until there was enough money to leave it. When the Crisis took over in 1982, the proletariat, active and reserve labor, was being asked to give up that dream, to change its attitude about working and surviving and to adapt itself to economic decline and sacrifice. The rest of Querétaro and Mexican society was being presented with an industrial solution to the Crisis. Further industrialization, higher efficiency and productivity, greater demonstrations of work discipline and the Protestant Ethic were called for by government, the private sector and international interests.⁸

The turning point in my understanding of this process was a comment that I started to hear on my first return

trip, almost two years into the struggle with constant economic decline. Taxi drivers, housewives, workers repeated the refrain: Ya que no hay dinero; hay que trabajar! Now that all the money is gone, you've got to work! This phrase, as it was expressed variably and by so many people, is the key to a major change in the urban Queretano's thinking and awareness about surviving the Crisis. The precise moment of revelation for most Queretanos is identifiable. In his last presidential state of the union address, Lopez Portillo decreed the nationalization of the private banking industry and the generalized control of currency exchange. On September 1, 1982, Mexicans in every social circumstance and class became aware of a change in their society (Keren 1985b). For Queretanos the following year turned into that moment when a new consciousness took hold--A moment that passes almost unnoticed by the workers as they enter and leave the work force, accepting the idea of working for a wage and buying into the more powerful ideas of work discipline (Thompson 1967, Hobsbawm 1964).

In any discussion then of what happens to the workers in Querétaro and to the process of worker consciousness during the 1980s, the economic conditions are the before, during and after continuity. Most of the problems that plagued the country prior to the spectacular bank nationalization were still evident afterwards. As we probe the

question of changes in the workforce in Querétaro, we will see that more importantly the new conditions and labor firing instead of hiring made the operation of the local economy even more precarious and the attacks on the workers even more severe.

In 1979, 1980 and 1981, what we might call the best of times, when industrial jobs were relatively plentiful the competition for them was still tough. Since 1982 with no improvement in 1983, permanent workers as well as even tuales were let go. Many were never rehired. Between August and December, 1982, I estimate based on the industrial survey material, that over 40% of the Querétaro industrial labor force was laid off temporarily or fired. (The private sector estimates ran as high as 50% [Diario, 10/13/82:1]). In the Fall of 1983 industry representatives reported that hiring had not picked up to any great extent. In October, 1985, the reports on labor force size and job prospects were still pessimistic. Interviews again revealed a greatly reduced labor force in many factories.

Perceptions of the labor market had varied before the Crisis. The managers had worried about a labor force they were not able to control, a labor force that moved between jobs too often, between working and not working (as the economic need arose), and who were frequently late and often absent. The workers in the large factories, on the other hand, had been optimistic: holding out for a good or

better job was considered a good idea; learning a skill in one plant, quitting and trying to sell it in another for higher wages was common; and finally, getting fired was not a threat because the company had to pay severance and a worker might either take a long "vacation" or use the "nest egg" to start a small business.

After April, 1982, the balance shifted, getting easier for the factories and tougher for the workers. But it did not change overnight and people's ideas about how they wanted to deal with it did not change that quickly either. In December, 1982, young men and women were still debating the pros and cons of waiting until after the New Year to look for work. A young man counselled two women friends. "Don't go now they don't need you and you won't get a good offer. Wait until next year, then they'll really need you." For well into the first year of the Crisis, people tried to figure out what the Crisis would mean for them and how they could get by doing it the old way.

It has certainly never been a question of hard work or even working hard. In spite of the stereotypes Mexicans have always done that, but as jobs and money disappeared their attitudes about working were forced to change; they were actually working harder and getting less.

"My husband works in construction," one woman said. "When there were no more big jobs, he went around here in the neighborhood looking for work. A few people hired him, but then they ran out of money. He's not lazy so he went to look elsewhere. All he could find paid 'shit' for real hard work. But we have to eat, even if it's only beans and tortillas (Yañes & Arista 1985, my translation).

Meanwhile, Anderson and Frantz (1984) have demonstrated on the Mexican-U.S. border, that maguila employees showed a significant increase in their average output (15% in response to the 25% loss in real wages) as a result of the first peso devaluation in February 1982. Rothstein (n.d.) has suggested, from the perspective of San Cosme, Tlaxcala, a rural supplier of industrial labor, that, "In the 1980s there actually seemed to be an increase in small scale commercial activity. It was as if the wages of one worker in one job were not enough. Everybody was doing whatever they could to get money." In agreement with the view expressed here, she said, "I think they were forced to sell their labor, but until the 1980s...workers still had some control over where, when and how they worked."

The desired pattern of intermittent work and casual attachment to the wage labor force, even for many stable industrial workers, was disappearing in the face of the economic crisis and the increased acceptance of working for someone else as a necessity of life. Now there was never enough money. For the Queretano just trying to get by, there was no escape, no calculation they could make, no way to wait until the next good deal. Survival was a contradictory process of securing stable waged work, if possible, in spite of local values encouraging economic independence. At the same time, the competitive sector was incapable of absorbing and maintaining the influx of new vendors, workshops, personal service providers. The people

kept working, at whatever employments were available, at more jobs if possible, just to keep going. Loss in real wages, loss of livelihood, shrinking public sector spending, austerity programs and many other real effects of the Crisis were bringing about a major change in how Queretanos viewed and lived their lives.

Small-scale entrepreneurship in industry (not just stop-gap informal ventures) had pretty much been eliminated by the preferential dollar exchange rate and limited funds available only to very few companies; the inability to import even small tools, repair parts, or materials; and the decreasing domestic market and the lack of a real export market. The rural cooperative maquila project I have described elsewhere serves as an example of this process (Keren 1985a, 1987). And although critics of Mexican economic policies and growth claim that the government inflated the civil service bureaucracy and catered to the middle classes; still it was thousands of small, low-paid bureaucrats or service workers who lost their jobs and their homes. It has not been the robber barons of government funds who have lost much or anything at all. The popular sector may be seen as bloated, but for them the real costs of this crisis are devastating.

What follows are a few desperately summarized examples of the human cost in Querétaro:

Doña Remedios: is a native Queretana whose livelihood has always been based on a multiplicity of income producing activities. Today at 60 she is still cooking 5 course midday meals (comidas) for eight to 15 young working men and students. In 1982 she generally cooked for only two or three. It now takes five to six hours instead of two to serve all her "diners". She has three roomers in her small home, instead of two, and in 1985 did not have any regular domestic help. Doña Remedios still rents half of her ground floor to a small food establishment. However, she does not charge them enough rent since they are extended family. (She has only raised the rent even with the rate of inflation [from 5,000 pesos in 1982 to 15,000 in 1985]). If she did not already own her house she would have to live, I expect, with her only daughter and her family. That might solve her housing problem but would wipe out almost every one of her income options. The majority of Doña Remedios' earnings stemmed from activities which depended on use of her own house.

Luci: Doña Remedios' 30 year old daughter was maintaining her growing family in a relatively new house she had finessed more than actually financed during the brief building boom in the early 1980s. She is still a real estate broker, but has started to sell locally produced, home-baked specialty foods out of her living room. She is constantly hustling small deals--reselling old clothes,

dealing in U.S. contraband products from soaps to coffee makers, and changing black market dollars. The Querétaro women who resell clothing and accessories were generally willing to pay above the official exchange rates for dollars in town to avoid the fluctuating rates on the border where they shopped. This working mother had added three supplemental sales activities (cakes, contraband and used clothing) to her real estate job. Still she told me, "It's as if we've run out of money." The biggest change in maintaining her family's quality of life may be that for the first time her husband seems to be working steadily. My view is that a combination of his fourth child and the Crisis finally subdued him.

Sandy: a 30-year old, disabled woman was pregnant with her second child. Her husband had been given notice of his termination from the LAN-CLARK plant due in late summer 1982. As soon as the baby was born they gave up their rented house in the Workers' Colony (Colonia Obrera) and moved back in with Sandy's mother, a retired seamstress; joining her older sister and adolescent niece and nephew in that small house a few blocks away. Sandy was a bruja, a witch, and she continued to see private clients seeking card readings (Tarot) and non-traditional medicine. This was extremely risky business, there had been several arrests in her colonia for witchcraft.

By 1985 things were looking a little better for them. They had left her mother's house and moved to Santa Rosa Jaurégui, a village turned suburb to the north of the city. Silvio, Sandy's husband, was a talented and hard-working family man. He had some post secondary education and had held many different jobs. When I met Silvio and Sandy, he was working three jobs. His ingenuity may pull them through. In Sta. Rosa Silvio had set up shop as a mechanic, using what was left of his severance pay. He was banking on the Crisis to bring him business. New cars were getting more expensive every day, old cars were going to need more care and service than ever.

Don Lorenzo and his family were also surviving, with less. He had come to Querétaro in the early 1960s looking for temporary work. The opportunities were so good he stayed, remarried and recently started a second family. This new child's future, more than that of his four adult sons, is a now serious concern. Electricity costs, food costs, schooling, clothing, just being part of a family were all getting harder to manage. Don Lorenzo was still helping some of his other sons with their educations and money. So in 1985 he again began accepting overseas travel assignments as part of his technician's job at a major steel manufacturer because he made a little extra money and might buy needed items overseas. The home renovation he

had begun to celebrate the birth of his new son and the economic boom in Querétaro continued into 1983, vulnerable to the shortages and inflationary prices of the Crisis. At nearly 60 he never expected to be in debt to this degree. The financial stresses in this household were tangible during my 1985 visit (See Chapter 1).

What the workers I spoke to in Querétaro were acknowledging was a further loss of control over their own working lives and an acceptance, or at least an awareness, of the need to hold onto a steady wage earning job, as agricultural and non industrial jobs were less available and less likely to produce an adequate income.⁹ Many of them had lost their jobs or were watching their own small ventures going under. By October, 1983, an independent taxi driver I met was actually thinking of becoming a factory worker, a full-fledged proletarian, if he could find a job. What had changed was that he could no longer hustle a few hundred extra pesos when he needed them. Nobody else had any money, he complained, where was he going to get it now.

The Chamber of Commerce employment office had claimed a 600% increase in job applicants (from 20-25 per day up to 150) for retail and sales jobs in the commercial sector between September and December, 1982. Many of them were professionals being pushed out of industry. (Diario 12/22/82). The State Employment Office (at the Department

of Labor-STPS), which provided job placement service for corporations and companies in Querétaro, was also barraged with applicants at all levels. The office had even attempted a kind of institutionalized informal sector job bank which would place day laborers, plumbers, masons, cooks, maids, wherever they were needed.¹⁰

Meanwhile, factory workers were less willing to make demands at work and ended up working harder. Management could easily find an excuse for firing workers and often did, using enforcement of picayune contract rules and other trivial causes, while the corporate liquidity crisis meant they might not be paid all their severance. The workers then could wait months or years, as it has turned out, to find another job. As a result workers accepted movement from shift to shift, from production line to line just to keep their jobs. In some Querétaro plants the workers were convinced to turn down emergency cost of living increases (October, 1982) and wait for the next year's contract negotiations or to accept one time payments rather than monthly increments. Throughout industry, workers gave back negotiated benefits, took mandatory "vacations" while the plants shut down, and worked three days instead of five or six. Up to a point the organized labor sector has been able to buffer the impact of the crisis, albeit not as well as in the past. Recent contract negotiations have allowed

for massive firings in order to protect and raise the wages of a smaller number of workers. For example, the 1986 negotiations at DINA (the state-owned automotive and truck producer) allowed for firing almost half the workforce in order to protect the wage increases of the rest.

There is evidence that productivity had held steady or even improved in some Querétaro factories yet the fewer factory workers who remained were also working harder and still losing ground. Of the workers I had spoken with in 1982 and 1983, many were no longer working in 1985. They had lost their jobs to obvious Crisis related cutbacks. Yet, except for the one disruptive and much covered up political strike over representation at ASTRAL, in which the independents lost to the company union, there had been no strikes in Querétaro in 1984 and 1985 (Flores 1985). The big, new CTM movie theater shopping complex cannot make up for lost wages, lost purchasing power and more importantly lost jobs.

From the very beginning consumers, housewives, workers, secretaries, small businessmen, managers, widows, scholars, the Left asked if the Crisis had anything to do with them? The answer to everyone's question was a resounding YES, although it did vary by class. Yes because of the confusion, the inflation, the layoffs and shutdowns, the shortages; then there were more lay offs and firings, the waves of plant closings, more skyrocketing inflation and

devaluations, and the introduction of the IMF conditioned austerity program including major cutbacks in public sector spending; and finally because this long lived Crisis has unleashed a process of social change in the attitudes about work, money, work discipline and even the economic recovery. Built on the rubble of the boom economy was an ideology that was more appropriate to a large urban industrial working class.

I repeat the striking example of the independent taxi driver who was actually thinking of becoming a factory worker, a full fledged proletariat, if he could find a job. At precisely the time that industrial wage labor is most desirable, the industrial sector could no longer absorb any more workers and in fact was setting more and more of the workers free. The indications of the past four years show the process continuing, sometimes gradually, sometimes rapidly. The creation of an industrial labor force in Querétaro was occurring during both industrial expansion and economic contraction. However, nothing more clearly underlines the competing interests of capital and labor than the changes brought about by the Crisis. And although resistance to it will also continue, once it has started the process is difficult to halt.

In Querétaro the extent to which a person will place value on one kind of work rather than another depends not only on the values in the society but on the constraints

and obligations imposed by the social historical context and the personal circumstances. (Wallman 1979:7 10)
Between the boom years 1979-81 and the entrenched Crisis in 1983, the circumstances in Querétaro changed to such a degree that a new thoroughly capitalist ideology was taking hold.

Resistance:

By way of conclusion I want to mention worker and individual resistance to the imposition and extension of this capitalist system and the work discipline it demands. As much as industry has always tried to control the worker, the worker has always resisted with greater or lesser success. The last part of this chapter will review the struggle for control over the workers and production, over life and work, between Capital and Labor. In the face of national and multinational, capital and state pressure, it is still important to understand that capital accumulation or capital penetration is not an unmitigated, unchallenged success. Our overly determined exchange models of development lose sight of the social and cultural relations which are at the heart of the process of production.

Early in this century Henry Ford attempted and to a large degree succeeded with his "ingenious system" to internalize "within the worker the self-discipline required

for industrial efficiency in the mechanized plant" (Meyer 1981:102). Hobsbawm, E.P. Thompson and others have documented these conditions for industrialization in England. I will argue that these analyses of industrialization in the developed world are applicable to the Mexican case. In fact, it is this cross historical approach to social relations in production which places Third World development into the comparative framework needed to expose the working out of capitalism in each individual case. Without it we will continue to find the loser at fault for playing by the rules.

Worker resistance stories peppered almost every interview I did with management in Queretaro. The position was not necessarily conscious or overt. The usual complaint was that the new workers, new recruits, especially those from the countryside but not excluding many of those from the urban barrios and colonias, were not adapted to factory work, had not learned to work yet. The responses of different managers to the problems of recruitment, orientation and training, for example, as well as to the problems with productivity, tend to be "ethnocentric", with the cultural standard determined by corporate capitalism.

Worker resistance, however, is an example of what Ortiz (1947) referred to as "transculturation".

Worker resistance must be seen as a force...which affects capitalist development, rather than simply as a force which may eventually result in the destruction of the capitalist mode of production (Friedman 1977:49).

Resistance on the shop floor and off was a part of daily labor-capital relations; local strikes occurred and in plant sabotage was common. Managerial strategies for control and the design of the labor process cannot free themselves totally from the realities of the social relations.¹¹ Worker's resistance and undiscipline do not operate outside the economic and power relations that define the current labor management struggle.

Thompson (1983:52) highlights the dialectical relation between capital and labor,

the thrust for control was always tempered by worker resistance modifying and multiplying the variety of means for subordinating labor.

The shifting perception and process of labor shortage-labor surplus in Queretaro accompanied managerial and worker attitudes about resistance to working, resistance on the job, and issues of worker discipline. Nevertheless, the need to control the workforce was ever present. More than any inherent or created characteristic of the labor force (femininity, lack of skill, dependency, dexterity), control of labor makes labor cheap. Labor as a factor of production is unlike any other. Labor, always, to some degree fights back. It has had to be externally controlled and re-controlled.

The rules of the game have not changed for the workers since capitalism became the dominant system under which

they labored. While there may be continued discussion of how the rules change with changes in the economic cycle, especially with such major swings as provided by the current international financial crisis; the new rules are primarily adaptations within the capital sphere. Class struggle in the process of capitalist accumulation is the rule. As anthropologists who study work and workers under capitalism, we may see a change in relative benefits, but not in absolute advantage. As a manager in Querétaro cogently said, On September 1, 1982 the whole context of our operations changed [with the nationalization of the bank]. But for the workers, nothing really changed, in fact, it got worse.

Failure to recognize and analyze the full scope and forms of worker resistance in the perpetual capitalist struggle for control (worker discipline) and capital accumulation elevates "the role of capital to the sole mediator of production" and reduces labor and working-class actions to little more than "outrage" (Price 1984:91). In Querétaro, the resale of the company-issued safety equipment (earplugs, goggles, safety shoes, painters' masks) is more than just a commercial venture and a way to make a few quick pesos in the Thieves' Market. It is more than just the usual machismo: "I'm too tough, I can do dangerous work without protection. I don't have to rely on this stuff, so better sell it." In a moment of wisdom,

beyond her usual perceptions of the workers in this heavy manufacturing facility, the Human Relations manager unknowingly, suggested that these defiant acts were the clash between worker and management, manifesting itself in a passive form, because they don't feel part of the plant.

Studying worker resistance, as an integral piece of what Price called "an historical and contemporaneous process of negotiation, compromise and conflict" (1984:93), actually gives anthropology one of its best starting points. In the historical and cross-cultural study of labor process, labor markets and social, economic and political developments in any case of development in the world capitalist system,

In the final analysis, there will be no monocausal factor to explain labor process formation, although certain elements may possess superior explanatory power. But because the labour process is a living, social process, the key element in its structuration lies in the tensions, compromises and conflicts that flow from social relations (Price 1984:107).

With that said, I will instead, end with this brief discussion of worker resistance. Leaving unresolved for now the new directions, unanswered questions and possible new answers for studying the creation and control of labor in Queretaro's industrial development.

Notes to Chapter 5:

- 1 December 1981 peso:dollar parity stood at 24:1, after the first devaluation at 35:1, in August 1982 it went to a fixed rate of 70:1 while the first Mexdollars were frozen in the banks, in December 1982 it soared to meet free market rates at 150:1, in October 1983 it was approximately 220:1, in October 1985 a sharp rise brought it to 400:1 and climbing. By mid-1987, it had approached 1500:1.
- 2 Inflation rates rose over 100 percent in each year 1982 and 1983 and close to that amount in 1984 and 1985.
- 3 The Mexican industrial work week was generally 48 hours worked in six days. Industrial unions had negotiated "seventh day pay", that is, they were paid for 56 hours although they only worked 48. The CTM had been pushing for a 40-hour work week, but seventh day pay was one of the major stumbling blocks.
- 4 Some companies resisted hiring former military members from the nearby Campo Militar. In one company they were regularly turned down for the security jobs they just as frequently applied for. They were considered too authoritarian to have around the plant.
- 5 Tendencia Democratica represented a variety of labor federations such as FAT and UOI and independent unions, such as SUTIN. In the 1980s new underground organizations following a political line referred to as Linea de Masas were also entering the struggle in support of workers' independent organizing.
- 6 The appeal of the CTM was integrally tied up with the corporatist structure of the Mexican political and governmental system. Silva (1983b) discusses the nature of this "tripartism" for Mexico, Erickson and Middlebrook (1982) look at labor and the state in Brazil.
- 7 The survey was conducted by the STPS in the Fall of 1982. I was permitted access to the unanalyzed data during one afternoon. As far as I know the STPS did little with the information gathered.
- 8 The dollarization of the economy throughout the 1970s and 1980s brought the Crisis in touch with everyone's daily existence. It personalized and individualized the external debt. López Portillo's flamboyant last act of nationalization as much as de la Madrid's

orthodox, austerity, pro-industrialization development schemes and his "Chicago Boys"--technocratic advisors placed the Mexican people in direct line of fire of capitalist barrage.

- 9 At the time of my fieldwork, Querétaro agriculture was still in the grip of a 6-year drought. Although Barkin's current research in other agricultural areas of central Mexico (personal communication) indicates that there has been a marked return to subsistence production, there are many areas in Querétaro that will not support that activity.
- 10 The laborers' bolsa de trabajo, labor pool, hid one of the government's more contradictory efforts in the labor sphere. One of the reasons it was now the Labor Department's responsibility was that the traditional central locations where available laborers usually waited for prospective employers had been closed to them as a part of a downtown gentrification effort.
- 11 In early industrialization control over production was manifested by extending the length and number of days each worker worked. When that reached natural limits, then control shifted to the intensive use of that labor and pressures for changes in rhythm, pace and the character of work. Mechanization provided one of the best tools in that proces. Automation and robotics are descended in that line. They further increase the ability and extent of managerial control. According to Hobsbawm (1964), the "rules of the game" not only had to do with labor as a commodity working for wages, but also with the struggle between capital and labor to measure labor effort (productivity) by custom or by market calculation. (See Chapter 4, also Burawoy 1979, 1985 and Roxborough 1984.)

Chapter 6: Interesting Times and Tragic History: Lessons
of the Crisis

There is an old Chinese curse that goes: May you live in interesting times. If it seems contradictory at first, and more like a blessing than a curse, remember that it is not peace and plenty that make for interest, but war, famine, disaster, and economic crises. Querétaro in the 1980s had been cursed. The peaceful aura of the pre multinational past had yielded to a booming, optimistic industrial city. The economic crisis that rose to full force in 1982-1983 put an end to what was left of the good times.

When my originally conceived proposal to study "hiring" became a field project about "firing", my questions for the remainder of the research started from an assumption about the effect of the pressures of world scale capital accumulation on working people. In the end, the Crisis not only altered the environment in which people lived and worked (declining real wages, attacks on the social wage, government austerity programs), but shifted the terms of entry into the labor force and the choices within it. From a perceived shortage of available labor to meet the demands of local industry, management regained dominance in the

labor market with the setting loose of a real surplus of labor as a result of the economic downturn. In the end, the Crisis actually contributed to the consolidation of capitalist control over labor and labor process in the Querétaro area.

Studies of labor-capital relations frequently have the problem of referring to capital as a monolithic entity, and attributing to it a series of personality characteristics and behaviors. In this study, the descriptive unit was the industrial region of Querétaro and the chain of connections and dependencies at the level of the political economic structure. The object of analysis, however, is the process of capital accumulation: the dynamic relation between labor and capital in the capitalist world-system. In my research and in this dissertation I have focused on one aspect of capital accumulation--the creation and then the control of the labor force over time. The key to understanding how control of the labor force was established and maintained was the managers in the companies I studied.

Fundamentally, the labor problem for the capitalist employer in Mexico in the 1980s was, as it had been for his nineteenth century predecessors in Europe and America, the problem of work discipline and the successful adaptation of new workers to the conditions of factory life. When asked, what is the biggest problem you have at the plant? general managers answered, almost to a man (yes, they were all men), "That's easy. Control!"

Control is a dialectical process, determined by its contradictions. When I began my fieldwork in December, 1981, wages were rising, the state had just raised the minimum wage, and legal minimum levels of benefits were costly to the companies. (Prestaciones included vacation, sick days, personal days, profit sharing (reparto de utilidades), Christmas bonuses (aguinaldo), health coverage under IMSS.) Although labor costs are controlled by autonomous market forces, they operate imperfectly, and in Querétaro there was more demand for industrial labor than there seemed to be supply. This was the paradox, that with a fully developed industrial reserve army of labor (latent, floating and stagnant) as well as a skilled active industrial labor force; new and old industries in Querétaro were having difficulty securing the workforces they wanted. Labor was relatively costly, one manager had said, "You pay for what you don't get", and difficult to manage, "they don't want to stay on the job", another told me.

The economic contraction and dislocations of the Crisis not only made labor cheaper; management found new ways to turn the struggle to earn a living wage into the loss of control over one's own work and life. As the economy spiralled downward, the workers carried a disproportionate share of the burden: it was their adjustments which were to make possible the protection of the industrial plant. Recessionary economies always sacrifice the living to provide for the machines.

No politician's, economist's or manager's rhetoric ever actually called for human sacrifice when proposing new development tactics or advocating capital accumulation and growth. In fact, quite the contrary. The rationale for most economic development plans is always improved standards of living for the people, a stronger economy and a freer polity. Fifteen months of talking with Querétaro's managers and trying to understand what they did and what they meant, is the best reason I can think of for making sure that our analyses of these political-economic processes and social relations separate myth and reality, unmasking our own analyst's biases and ideologies as well as the latent assumptions of the informants.

The failure of policy makers and policy implementers, as well as policy analysts, to recognize the key actors and actions in the world economy is not simply a failure of theory to explain what is going on. It is to a large extent a consistent blindness to a reality that if challenged might shift the balance of power.

In a recent study of economic development in Latin America by world bankers (Belassa et al. 1986), their view of the Crisis permitted economic, social, political, institutional and international problems. No where in their analysis, however, was a negative role or influence ever mentioned for the multinational corporations or capitalist development itself. They allowed for a world economy (a large thing to deny), but not for dependency.

They blamed the Latin American government-supported ISI approach, but not those who perpetuated and prospered from it, the multinationals. Their solutions, couched in terms of "economic reform", were nothing more than the same old "liberal economic proposals" that had been floating around for five decades: an export orientation, devaluation to adopt competitive exchange rates, elimination of import protections, financial structures that encourage investment, limitation of state roles in everything but infrastructure, and of course, increased foreign investment and increased imports (1986:19).

History repeats. The key element in the success or failure of orthodox development schemes, the ability to achieve Rostow's take-off, was foreign investment. This version would be funny, if it were not so tragic.

The repetitions in the spread of capitalism are tragic, precisely because the process of industrialization in the third world is simultaneously like and unlike the patterns of industrialization we are so familiar with in the imported western models which are imposed. The capitalism which comes to them fully developed, cannot allow development, it creates dependency. We cannot assume, however, that the class structure also comes fully formed. In fact it does not. The struggle for control over Querétaro's labor force, over the terms of the creation of that labor, is the on going proof that the processes of proletarianization and resistance are not over. It continues on many

levels: in the changing definition of the work process, the fight over wages, political and ideological negotiation for rights and benefits in the system, and in the daily lives and aspirations of communities and families.

Table A-1
IMSS MEXICAN SOCIAL SECURITY SYSTEM
DERECHOHABIENTES - QUERETARO

year	number of covered	permanent workers in industry
1957	6,000	
1967	67,000	
1979	238,658	32,720
1980	328,241	
ye 1981	384,202	
ye 1982	357,693	72,000
Jan 1985		86,000
July 1985		51,050

Source: Bancomer 1967:49, Diario de Qro
Informe VI (1985)

Table 2.6.1
Ratio of Industrial Employment to Plants - Queretaro 1970-1982

	1970	1975	1980	1982
Number of Establishments (a)	1,434	1,322	1,434	1,503
Number Employed (b)	14,853	21,670	45,414	65,414
Employees:Plants (b/a)	10.36	16.39	31.67	43.52

Table 2.6.2
Percent Change in Plant and Employment Growth
Queretaro 1970-1982

	1970-1975	1975-1980	1980-1982
Number of Establishments	-7.81%	8.47%	4.81%
Number Employed	45.90%	109.57%	44.04%
Employees:Plants	58.26%	93.20%	37.43%

Sources:

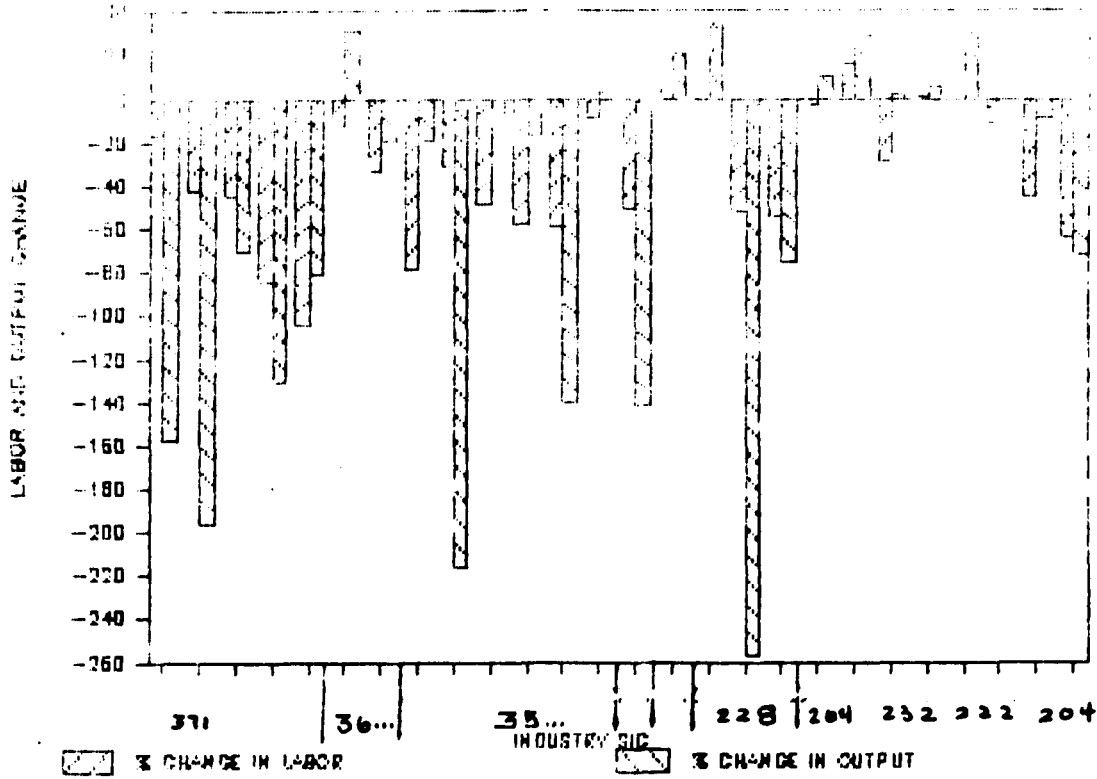
1970, 1975 - Secretaria de Trabajo y Prevision Social
del Estado de Queretaro 1983 (unpubl. data)

1980 - Secretaria de Fomento Industrial 1980

1982 - PRI 1982

LABOR AND OUTPUT

BY INDUSTRY GROUP, 1981-1992



LOCAL MEDIATION AND ARBITRATION BOARD - QUERETARO
 LABOR - MANAGEMENT - GOVERNMENT ACTIVITIES 1980 TO 1984

year	New Complaints	Arbitration Findings	In Council Agreements	Independent Agreements	Strike Calls	Strikes	Inspections	Training Missions	Health & Safety Missions	New Union Registration
1980	480	161	266		195	2	1000			
1981	597	186	282	612	305	4				
1982	1790	780	421	2200	424	4	2132	430	723	
1984					682	4				
Cumulative Casecho Administration	7752				3113	25				80

Guarataro Industrial Data Base 1975-1982 by Company

Company Name	100 Site	SIC #	StartupSector		Group	
			Year	Owner		
ACERLAN	1	8	331	79	3	yes?
ACEROS ELABORADOS	2	6	349		2	
ACEROS ESPECIALES	3	4	331		2	
AGA de QRO	4	1	208		2	
AGA de MEX	5	3	281	46	2	
AGREGADOS/DERIVADOS	6	2	282	71	2	
AGROMAK	7	2	352	68	6	ALFA
ALTOCARBONO	8	2				
AMERCOAT	9	2	282	79		
ANTAR	10	0	349	79	2	
APA	11	1	349		2	
ARBOR ACRES	12	1	25	69	2	
ARELEX	13	5	371	79		
ARGOL	14	8	282	79		
ARTEFACTOS de PREC.	15	6	354	78	2	
AUTOFORJAS	16	4	371	75	6	Spicer
AVANTE	17	2	349	75	2	
AISLAM. MINERALES	18	6	329	79	2	
BEBIDAS PURIFICADAS	19	2	208	71	2	
BIOQUINEX	20	2	204	81	6	Bios
BODEGA STA CRUZ	21	8	208	55	6	
BOMBAS ALEMANAS	22	4	356	69	3	
BRIQUETAS METALES	23	1	344	70	2	
BRONCES INDUSTRIALES	24	5	336	75	2	
CALENDARIOS/PROP.	25	2		81	2	
CAL LA PENA	26	7	327	75	2	
CALES BERNAL	27	7	327	75	2	
CARDANES	28	4	371	71	6	Spicer
CARNATION	29	2	202	48	7	
CASAS PREFABRICADAS	30	8	344	71	6	INTRA
CAVAS SAN JUAN	31	8	208	59	2	
CELANESE	32	4	222	79	3	
CEM. TOLTECA	33	2	327	80	6	
CSR	34	6	369	75	8	NAFINSA
CIPSA	35	2	25	62	2	
CICLONOTOR	36	3	375	81	3	VESPA/CIAD
CLEMENTE JACQUES	37	2	203	70	6	VISA
COMPACTO	38	2	353	76	6	IH/ICA
COMC'TR. LA VICTORIA	39	-1	208	27	2	Embot. Vict.
CONCRETOS APASCO	40	2	327	80	6	
CONDUTEL	41	8	366	78	6	CONDUMEX
CONFECSA	42	8	225	74	3	CannonMills

Queretaro Industrial Data Base 1976-1982 by Company

Company Name	ID#	Site	SIC #	StartupSector		Group
				Year	Owner	
CONDOS para HELADOS	43	3	265	46	2	
CORDAFLEX	44	5	364	81		
'CUATE' BOTTLERS	45	1	208	65	2	
DESHIDR. LA CASCADA	46	5	204	71	2	
DINEX	47	4	349	81		
DURCOMEX	48	8	356	81		
ECONOPLASTIC	49	8	282	73		
ELECTROFORJADOS	50	3	349	75	6	
'LA COCA'	51	1	208	27	2	Embot.Vict.
EMBOT. SAN JUAN	52	8	208	55	2	Embot.Vict.
EMBRAGUES PESADO	53	4	371			
EMPR. MEX. PREFABRIC	54	8	344			
ENGRAMES CONICOS	55	4	371	76	6	Spicer
ENVASES PLEGADIZOS	56	2	282	81	2	
ESELIN	57	8		81	2	
ESTABLECIM. LUX	58	8	299	76	6	INTRA
FABRIC. INDUSTRIAL	59	3	349	69		
FABRIMETAL	60	1	349	71		
FAHMA	61	1	349			
FARMOENVASES	62	2	322	79	6	VITRO/VISA
FENSA	63	2				
FERTIMEX	64	0	287	78	1	State-owned
FIAC	65	2	349	72	2	
FIMSA	66	3	349	66	6	IH/ICA
FLEXIBLESIndustr.	67	8	344			
FLUVAL	69	4		79		
FUNDICION MAQUINADOS	70	3	354	72		
FUNDICION SIGMA	71	3	332	76		
SANADEROS ASOCIADOS	72	2	204	76	2	
GE	73	4	363	82	3	Sesalex/GE
GRAL. ELEC. NAC'L.	74	1	362	75	2	
GERBER/GAMESA	75	2	203	67	1	GAMESA
GRAMMER	76	2	352	71	2	
LOS CEDROS	77	1	25		2	
GRUPO ARQUIN	78	7			2	
EL FENIX	80	2	204	72	2	
HARINERA TEIDE	81	8	204	58	2	
HNOS NIETO	82			81	6	
HUEVOS y DERIVADOS	83	1	25	70	2	
IMPLEM.AGRIC/INDUS.	84	1	352			
INDUCTORES FARMELL	85	7	366	77	2	
IND. AGRO-LACTICIAS	86	0	202			
INDUSTRIA ASTRAL	87	2	363	77	6	Mabe/Philips
INDUSTRIA ARAMIL	88	8		69		
INDUSTRIA del HIERRO	89	3	353	63	6	IH/ICA
IND. ARTISTICAS	90	8	349	72	2	
IND. LARRAURI	91	1			2	
IND. LARMEJ	92	4		81	3	
INDUSTRIA MECANICA	93					
INDUSTRIA NACK	94	8	371	78	3	

Queretaro Industrial Data Base 1976-1982 by Company

Company Name	ID#	Site	SIC #	StartupSector		Group
				Year	Owner	
INDUS. QUERETANAS	95					
INDUSTRIA TEQUIS	96	8	251	72	2	
INDUSTRIAL TEPEYAC	97	6	284	66	2	
INGENIERIA SIGMA	98	4			2	
INYECTORA/EXTRUSORA	99	4	282	81	2	
INEX	100	5		81		
KELLOGG	101	2	204	51	7	
KIMBERLY CLARK MEX.	102	8	262	81	3	
KOSTAL	103	4	371	79		
LA CAPERUCITA	104	5	202	75	6	VISA
LA CONCORDIA	105	2	221	58	2	
LA MADRILENA	106	8	208	43	6	
LAMIACO	107	4	332	81		
LAMINADOS/BAJIO	108	3	282			
LAN-CLARK	109	4	354	79	3	
LA PALMA	110	1	284	66	2	
LEVI-STRAUSS	111	5	232	81	3	
LITSA	112	8	352	74	2	
MAC-LAND	113	1	354		2	
MANUF. QUINZ.	114	0	349			
MAPER	115	3				
MAQ. INDOAMERICANA	116		232		2	
MAQUILA QUERETANA	117	3	395			
MAREOSA	118	1	349	75	2	
MAQUINAS de PROCESO	119	2	356	68	6	TREMEC
MAHERSA	120	4	349	71	2	
MARCOS RIGIDOS	121	8	344	76	6	
METALURG. BRALFE	122	8	336		2	
MEXICANA de TANQUES	123	4	349	77	2	
MHASA de TEQUIS	124	8	349	78	6	MhasaMEX
MICROINFUSION	125	8	349	78		
MISCAR	126			81		
NUBAR/BARCEL	127	2	205	77	2/6	Bimbo
PAFESA	128		349	75	6	ConexHidrBaj
PAPELES PONDEROSA	129	8	265	79	6	Monterrey
PASATIEMPOS GALLO	130	3	264	71	6	VISA
PEMSA	131	9				
PEPSICOLA	132	2	208	81	2	
PITSA	133	8		78		
PLASTICOS TECNICOS	134	8	307	77	6	VISA
POLYDUCTO del BAJIO	135	7	282	74	6	AsbestosMex
POLYNOVA	136	4	222	75	3	Japanese
PRIMSA	137	4	353	67	6	TREMEC
PENNMALT	138	4	283	82	3	
PROD. TRQUELADOS	139	4	349	71	2	
PURINA	140	2	204	63	3	
QUIMPROC	141	8	282			
RECONSTR MAQ/EQUIPO	142	3	349			
RENE	143	2	371	63		
RENEX	144	4	354	76		

Queretaro Industrial Data Base 1976-1982 by Company

Company Name	ID#	Site	SIC #	StartupSector		Group
				Year	Owner	
RICSA	145					
SACOS TUBULARES	146	8	282	77		
SACOS y DERIVADOS	147	2	264	74	2	
SELEC. AGROPECUARIAS	148		25			
SIKA	149	5		81		
SINGER	150	2	363	58	3	
SOFIMAR	151	8	208	71	6	Martell
SPERRY RAND	152	8	356	79	3	
SMEQUIPOS	153	4	349	79	3	EmersonElec
SERVIACERO	154	8	349		6	INTRA
TALQUINIA	155	8	266	79	6	Celulos.Chih.
TAYCA	156	1	371	75	2	
TECNOMAC	157	4	354	71	6	Spicer
TENET	158	4		79		
TERMOTRAM	159	4		79		
TEXTILES HERCULES	160	0	221	1946	2	Herc.Text.Grp.
TSP	161	7	371	78	6	Spicer
TRANSEJES	162	4	371	79	6	Spicer
TREMEC	163	2	371	65	6	see ICA
TURBICA	164	3	351	80	3	ICA/GE
TURBORREACTORES	165	4	349	82	4	State-owned
TRANS. de LACTICIA	166	7	202	82		
ARTES BERNAL	167	7	229	74	2	
UNIROYAL	168	2	301	77	3	
VALENTE MOLDO	169		354	81	2	
VIDRIERA QUERETARO	170	4	332	79	6	VITRO/VISA
VINELAND	171	5	283	63	3	
ZUMOS CONCENTRADOS	172	8	208	79		
ARTES POPUL. TEQUIS	173	8	251	71	2	
CCYPSA	174	1		71	6	ICA
MANUF. SIMET	175	4	355	81	3/6	TREMEC
BODEGA CRUZ BLANCA	176	8	208	68	6	
EMPRESA NACL de ING.	177	8		81	6	
INDUNES	178	3	353	81		
RAWPLUG	179	8			6	INTRA
ENFRIAD/CALENTADORES	180	5		82		
CENTRAX	181	1	356		2	yes, a DF grp.
ESTRUSOSA	182		231			
CONFEC. SAN JUAN	183	8	230	77	2	

Company Name	ID#	1976		1979		Y-E 1981		Y-E 1982		Labor&Prod. Survival Strategies
		Workers	Total	Workers	Total	Workers	Total	Workers	Total	
ACERLAN	1			280	340	336	522	225	346	LA
ACEROS ELABORADOS	2									
ACEROS ESPECIALES	3									
AGA de QRO	4									
AGA de MEX	5					5	10	5	10	P
AGREGADOS/DERIVADOS	6									
AGROMAK	7	350	500		600	427	637	227	402	LA/LC/OB
ALTOCARBONO	8									
AMERCOAT	9						79	22	52	LD
ANTAR	10						13		12	LA/OB
APA	11									
ARBOR ACRES	12	103	143							
ARELEX	13						451	294	388	LA
ARGOL	14					9	11	9	11	LB/LD
ARTEFACTOS de PREC.	15				140	60	83	41	60	LA
AUTOFORJAS	16	200	280			664	959	472	662	LA/LB/LC
AVANTE	17								0	Z
ATSLAM. MINERALES	18									
BEBIDAS PURIFICADAS	19							130	200	
BIOQUIMI	20						250	136	192	LA/Z
BODEGA STA CRUZ	21									
BOMBAS ALEMANAS	22					100	237	87	121	LD
BRIQUETAS METALES	23									
BRONCES INDUSTRIALES	24									
CALENDARIOS/PROP.	25									
CAL LA PENA	26									
CALES BERNAL	27									
CARDANES	28	211	318	355	483	512	689	237	374	LA/LB/LC
CARMATION	29	450	546		800	746	912	592	754	LA/OC
CASAS PREFABRICADAS	30				300					
CAVAS SAN JUAN	31	59	83		25					
CELANESE	32			774	774	1488	1857	1238	1445	LA/OC
CEM. TOLTECA	33									
CGR	34									
CIPSA	35									
CICLOMOTOR	36									
CLEMENTE JACQUES	37		800	650	880			900	1250	LA/Z
COMPACTO	38			502	832					LA
CONC'TR. LA VICTORIA	39									
CONCRETOS APASCO	40									
CONDUTEL	41			284	404					
CONFECSA	42				169					

Company Name	1976		1979		Y-E 1981		Y-E 1982		Labor&Prod. Survival Strategies		
	IDB	Workers Total	Workers Total	Workers Total	Workers Total	Workers Total	Workers Total				
CONOS para HELADOS	43	56	64			45	50	LA			
CORDAFLEX	44				33	76	26	68	LA/LB		
'CUATE' BOTTLERS	45										
DESHIDR. LA CASCADA	46										
DIMEK	47										
DURCOMEX	48										
ECONOPLASTIC	49	135	150								
ELECTROFORJADOS	50			80	115			400	LC		
'LA COCA'	51	340	425			829	832		P		
EMBOT. SAN JUAN	52										
EMBRAGUES PESADO	53										
EMPR. MEX. PREFABRIC	54										
ENGRAMES CONICOS	55			205	392	572	191	280	LA/LB		
ENVASES PLEGADIZOS	56					90		65	LA		
ESELIN	57					131	63	80	LA/LD		
ESTABLECIM. LUX	58				200	216	200	216	Z		
FABRIC. INDUSTRIAL	59	11	13								
FABRIMETAL	60	19	21								
FAHMA	61										
FARMOENVASES	62					390	265	425	Z		
FEMSA	63										
FERTIMEX	64			226	326						
FIAC	65								LA/OC		
FIMSA	66				120						
FLEXIBLES INDUSTRIAL	67										
FLUVAL	69										
FUNDICION MAQUINADOS	70	48	55								
FUNDICION SIGMA	71	16	19	37	49						
GANADEROS ASOCIADOS	72			50	90						
GE	73					120	327	423	DA/OC		
GRAL. ELEC. NAC'L.	74										
GERBER/GAMESA	75	400	650								
GRAMMER	76					28	33	16	21	LA/LC	
LOS CEDROS	77										
GRUPO ARQUIN	78										
EL FENIX	80										
HARINERA TEIDE	81				28						
HNOS NIETO	82										
HUEVOS y DERIVADOS	83										
IMPLEN.AGRIC/INDUS.	84										
INDUCTORES FARMELL	85								LD		
IND. AGRO-LACTICIAS	86										
INDUSTRIA ASTRAL	87	120	220	300	460	300	550	404	630	LA	
INDUSTRIA ARAMIL	88			130	155						
INDUSTRIA del HIERRO	89					2500	2356	2952	1850	2267	LA/LD/Z
IND. ARTISTICAS	90										
IND. LARRAURI	91										
IND. LARMEY	92										
INDUSTRIA MECANICA	93										
INDUSTRIA MACK	94			60	71						

Company Name	ID#	1976		1979		Y-E 1981		Y-E 1982		Labor&Prod. Survival Strategies
		Workers	Total	Workers	Total	Workers	Total	Workers	Total	
INDUS. QUERETANAS	95									
INDUSTRIA TEQUIS	96	160	180		200					
INDUSTRIAL TEPEYAC	97									
INGENIERIA SIGMA	98									
INYECTORA/EXTRUSORA	99									
IMEX	100					55	130	50	106	LA
KELLOGG	101			1500		593	953	530	862	LB/P
KIMBERLY CLARK MEX.	102					483	649	599	789	LD
KOSTAL	103						102		79	LA
LA CAPERUCITA	104					44	104		106	P
LA CONCORDIA	105			450	481					
LA MADRILENA	106				600		49	45	49	P
LAMIACO	107					22	22	31	31	P
LAMINADOS/BAJIO	108									
LAW-CLARK	109									
LA PALMA	110									
LEVI-STRAUSS	111					171	232	213	274	LB/LC/Z
LITSA	112	145	151			191	204	125	138	LA
MAC-LAND	113					2	2			
MANUF. QUINZ.	114									
MAPER	115						11			
MAQ. INDOAMERICANA	116									
MAQUILA QUERETANA	117					25	28	30	33	
MAREQSA	118		10							
MAQUINAS de PROCESO	119	420	654	285	285	264	461	133	258	LA/LB
MAHERSA	120	80	120							
MARCOS RIGIDOS	121				66					
METALURG. BRALFE	122									
MEXICANA de TANQUES	123	20	32							
MHSA de TEQUIS	124				90					
MICROINFUSION	125				37					
MISCAR	126									
NUBAR/BARCEL	127					480	600	368	488	LA/LD
PAFESA	128									
PAPELES PONDEROSA	129			120	185					
PASATIEMPOS GALLO	130						81	45	66	LA
PENSA	131					406	434	365	385	LA
PEPSICOLA	132									
PITSA	133				210					
PLASTICOS TECNICOS	134			150	190					
POLYDUCTO del BAJIO	135	27	47		100					
POLYNOVA	136			500	620		743	569	694	LA/LC
PRIMSA	137				600	460	712	200	376	LA/LC
PENNWALT	138									
PROD. TROQUELADOS	139						140		140	P
PURINA	140		200			218	317	133	219	LA
QUIMPROC	141									
RECONSTR MAQ/EQUIPO	142									
RENE	143									
RENEX	144			130	190					

Company Name	1976		1977		Y-E 1981		Y-E 1982		Labor&Prod. Survival Strategies	
	ID#	Workers Total	Workers Total	Workers Total	Workers Total	Workers Total	Workers Total			
RICSA	145									
SACOS TUBULARES	146				280	405	189	263	LA/LB	
SACOS y DERIVADOS	147	52	64		111	163	111	159	LA	
SELEC. AGROPECUARIAS	148									
SIKA	149									
SINGER	150		850	890	890		1253	383	940	LA/GA/Z
SOFIMAR	151				120					
SPERRY RAND	152					51	51	39	39	LA
SMEQUIPOS	153									
SERVIACERO	154									
TALOQUIMIA	155									
TAYCA	156						46		24	LA/LC
TECNOMAC	157			70	88	164	71	132	LA	
TEMET	158									
TERMOTRAN	159									
TEXTILES HERCULES	160	564	611				767	742	777	LC
TSP	161			300	588	243	428	169	301	LC/GA/Z
TRANSEJES	162									
TREMCO	163	3370	4466		5400	5000	5000	2500	2500	LA/LC/OB
TURBICA	164								0	Z
TURBOREACTORES	165						61	15	74	F
TRANS. de LACTICIA	166								40	F
ARTES BERNAL	167									
UNIDYAL	168		260	200	300	232	358	245	375	LA/LB
VALENTE MOLDO	169									
VIDRIERA QUERETARO	170					1100	1300	1000	1200	OC
VINELAND	171					27	72	27	72	LA
ZUMOS CONCENTRADOS	172									
ARTES POPUL. TEQUIS	173									
COYPSA	174	400	430							
MANUF. SIMET	175									
BODEGA CRUZ BLANCA	176				34					
EMPRESA NACL de ING.	177									
INDUMES	178									
FAPPLUS	179									
ENFRIAD/CALENTADORES	180									
CENTRAX	181									
ESTRUSOSA	182									
CONFEC. SAN JUAN	183				104					

Key A-4

Plant Locations/Site Key

- 1 Queretaro City/County
- 2 Pan American Highway (Mexico 57) or Carretera Constitucion and area
- 3 Parque Industrial (Industrial expansion on Prolongacion Corregidora)
- 4 Parque Industrial Benito Juarez and the Carrillo Puerto zone
- 5 Villa Corregidora (El Pueblito)
- 6 Villa Marques
- 7 Pedro Escobed
- 8 San Juan del Rio/Tequisquiapan
- 9 Cadereyta/Ezequiel Montes
- 10 Other parts of state

Private/Public - Foreign/Domestic Ownership

- 1 Public Sector (Paraestatal)
- 2 Private sector/Mexican capitalized
- 3 Private sector/Multinational (including 49-51% arrangements)
- 4 Mixed economy (government and private sector -national)
- 5 Mixed economy (government and Multinational)
- 6 Foreign affiliate (together with national capital)
- 7 100% Foreign owned
- 8 Mixed (government, national capital, and transnational capital)

Note: This is a partial listing of industrial firms in the Queretaro region. It reflects the largest portion of the companies responding to a state-sponsored survey in October 1982.

Additional information was gathered but was primarily qualitative in content and difficult to code in this brief analysis.

Table A-4

Key to Labor/Output Strategies

LA	Layoffs
LB	Reduced number of shifts/day
LC	Reduced number of days/week
LD	Attrition
OA	Shutdown, less than 1 month
OB	Shutdown, more than 1 month
OC	Close a production line or plant closing
Z	No Adjustments made
P	No Data/No Comment

Appendix B: Interview Schedules

Interview Human Resources -- Industrial Relations Managers
September 1982

(Directors, Managers and Supervisors (jeffes) of Personnel, Human Resources, Human Relations, Industrial Relations and related functions)

1. Personal Biography: age, marital status, education, place of origin, years in the job, work history, etc.

Do you have a business of your own?

2. The Factory: years in Queretaro, other facilities (in Mexico), table of organization, debt/investment, local or foreign management, etc.

Why was Querétaro chosen?

What do you do in your job? Who do you report to? Who are your bosses?

3. Labor Management Relations:

What are the major worker-management problems which confront the factory today?

How would you describe worker-management relations? (Which union, is it CTM, independent?)

Productivity/efficiency

Absenteeism

Turn over/seniority

Overtime

Training needs and levels

Layoffs and Firings

Production Cut-backs/slow-downs/stoppages (Hours, days, shifts, production lines)

Are there any incentive/motivational programs to increase productivity?

4. Is there a strike call (emplazamiento a huelga) in relation to the CTM national call for an emergency salary increase/for the national strike (November 1982)? Or normal salary/contract review? Or 1983 minimum wage or salary adjustments?

What are the demands? When was the last strike, work stoppage and/or negotiation? What was it about?

Human Resources, cont'd.

5. What kind of contract, salary and benefits (prestaciones), full time/part time, permanent or provisional (de planta o eventuales)?

For Multinationals: Do you operate independently of policies, salaries, programs, management of the overseas parent?

6. Recruitment: type of workers, requirements, previous experience

What media do you use to advertise job openings?
Do you check on them?

Hiring: Are you hiring now?

Selection/Orientation: Interview/tests, programs

Training (Capacitación y Adiestramiento):

How would rate the company C&A program? for new entry/new position/on the-job?

What does training consist of? How often? For whom?

Is it often related to new product lines? New technology?

7. Labor Force Profile: number of workers/number of employees/ skill levels/ departments and functions/ men-women-ages/ seniority/ migration

8. Have there been changes (production, labor force, organization, etc.) at the plant? What? Who? How? During the past 2-5-10 years?

How many employees (total) were there when the plant first opened in Queretaro? 2-5-10 years ago?

9. In your opinion what are the biggest problems with the labor force in the plant? In Queretaro?

10. Comments, Attitudes, Etc.:

What else should I know, do you want to add?

Tell me about the effects of the nationalization of the bank?

If it had not already come up, What is the situation of women workers in the factory, the industry, in Mexico?

Interview/Technology
September 1982

(Plant Managers, Owners, Engineers, Technical Advisors, Designers)

1. Personal Biography: age, marital status, education, place of origin, years in the job, work history, etc.

Do you have a business of your own?

2. General Description of The Factory: years in Queretaro, other facilities (in Mexico), table of organization, debt/investment, local or foreign management, etc.

Why was Queretaro chosen?

What about pollution, adequate water, sewage, power?

What do you do in your job? Who do you report to, who are your bosses?

3. Production Process:

Type of product(s) and how is it made (include examples)

Organization of Production Process (Get them to draw diagram whenever possible)

Sources of --> Production --> Labor Force --> Market
Raw Materials Method or Skill Levels
Process

Does this process involve any form of subcontracting? What? How done?

4. Production Decisions:

Research and Design:

Is there an R&D, design or engineering department in the factory? What is the department's function, who works there, who runs it, how large or small is the research budget, where does that money come from (local, national, international, government)?

For example, when you design or develop something, what is it? How does it come about, go into production, etc.?

Technology Interview, cont'd.

Generally, are new techniques or processes developed (independently) in this plant or under international licensing agreements, or is it primarily transfer of technology?

(Put another way: Do they know where the basic production decisions are made?)

5. Training:

Do you know if new processes or imported technologies have brought about new/special training or re-training programs? If so, who got the training, who has been able to take advantage of it? (type, level, sex and age of worker).

From your point of view: Are these new technologies capable of creating or promoting employment in the factory, or to the contrary, has there been a tendency to reduce the labor force?

6. Comments, Attitudes, Etc.:

Have there been changes (production, labor force, organization, etc.) at the plant? What? Who? How? During the past 2-5-10 years?

How do you see the industrialization/growth taking place in Queretaro in the next 2 5-10 years?

Can you say anything about firings, layoffs, cutbacks in the factory?

What else should I know, do you want to add?

Tell me about the effects of the nationalization of the bank?

If it had not already come up, What is the situation of women workers in the factory, the industry, in Mexico?

In your opinion what are the biggest problems with the labor force in the plant? In Queretaro?

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