LAND, POWER, AND POVERTY

Agrarian Transformation and Political Conflict in Central America

CHARLES D. BROCKETT

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revised edition

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Westview Press
BOULDER • SAN FRANCISCO • OXFORD

Thematic Studies in Latin America

Published in 1991 in the United States of America by Westview Press, Inc., 5500 Central Avenue, Boulder, Colorado 80301-2847, and in the United Kingdom by Westview Press, 36 Lonsdale Road, Summertown, Oxford OX2 7EW

First published in 1988 by Unwin Hyman

Library of Congress Cataloging-in-Publication Data

Brockett, Charles D., 1946–
Land, power, and poverty: agrarian transformation and political conflict in Central America/Charles D. Brockett.—Rev. ed.
p. cm.—(Thematic studies in Latin America)
Includes bibliographical references.
ISBN 0-8133-1269-8
1. Agriculture—Economic aspects—Central America. 2. Land use—Central America. 3. Land tenure—Central America. 4. Land reform—Central America. 5. Elite (Social sciences)—Central America. 6. Poor—Central America. 7. Central America—Rural conditions. I. Title II. Series.
HD1797.B76 1990
333.3'09728—dc20 89-78172
CIP

Printed and bound in the United States of America

The paper used in this publication meets the requirements of the American National Standard for Permanence of Paper for Printed Library Materials Z39.48-1984.

10 9 8 7 6 5 4 3 2 1

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For Sharon
Aaron and Kate

Preface

This study represents the confluence of two previously separate projects. The first concerns the political crisis that has engulfed Central America since—to pick a somewhat arbitrary starting point—the beginning of the end for the Somoza dynasty in Nicaragua in the late 1970s. The second is the tragic persistence of hunger generally, and in Central America specifically.

Eventually, I came to realize that these were different starting points leading me to the same story: a series of socioeconomic transformations occurring over the course of centuries that have advantaged some groups but that have created and perpetuated the disadvantage of others. This book is not intended to tell all of that story; instead, its focus is on the aspects concerned with rural life. Central American societies are still primarily rural, and they were substantially so in the not-so-distant past. The changes that have occurred in the region's rural areas are not only central to understanding the causes of widespread hunger and malnutrition; they also are fundamental to comprehending the politics of the last few decades, including revolution, civil war, reformism, and repression.

Students of Latin American politics are necessarily led to appreciate how closely political life is connected to its socioeconomic context and to realize the importance of viewing politics from a historical perspective. Sadly, much of the North American discussion of contemporary Central America has not been enlightened by these perspectives, especially when its subjects are the causes of the region's conflicts or possible solutions to them. This work is presented in the hope of underscoring the importance of perceiving Central America in light of its own history, especially the development of its fundamental socioeconomic structures. It is offered with the conviction that a sensitivity to this history is necessary, if not sufficient, for the achievement of solutions that facilitate the realization of peace and justice.

Although my training is as a political scientist, this study makes extensive use of the works of anthropologists, economists, historians, and sociologists. Considerable effort has been made to integrate the vocabularies of a number of disparate disciplines, fields, and schools of thought into one language

intelligible to all, including undergraduates. Similarly, I have attempted to write a theoretically informed work—and one that offers its own theoretical contributions—without becoming diverted by issues and debates tangential to my primary objectives.

This is a work of synthesis. I have been impressed by the quantity and quality of field studies, published and unpublished, available on particular aspects of Central American life. At the same time, I have been disappointed by the lack of good works of interdisciplinary synthesis, on individual countries and especially for the region as a whole. Because this is a work of synthesis, my debts are substantial. As the reference section indicates, I have made use of a great number of studies by both Central American and North American scholars. A study such as this one is dependent on the quality of libraries and the helpfulness of librarians. During separate summers of research, I developed significant debts to the staffs at the following institutions: the University of North Carolina at Chapel Hill; the University of Denver; and, at the University of Wisconsin at Madison, the Land Tenure Center, the main library, and the agricultural library. Research on a more limited basis was undertaken at the libraries of Duke University, the University of Tennessee at Knoxville, and Vanderbilt University. The crucial financial support for my summer research ventures was provided by several grants from the University of the South Faculty Research Fund.

My debt to Robert Trudeau is substantial. His encouragement and example over many years were critical to my decision to undertake this effort, and his suggestions on the organization of Part I were almost all incorporated, with a substantial improvement as the result. Robin Gottfried also offered useful advice for portions of the manuscript. Gilbert Merkx, the editor of this series, provided many good suggestions that helped me to produce a more coherent volume. Laura de la Torre Bueno's superb copy-editing eliminated many errors and helped to add some grace to my prose. Earlier versions of parts of this study were presented as papers at professional meetings and published in academic journals (Brockett 1984a, 1984b, 1987a, 1987b). My understanding and treatment of the issues discussed here have been substantially strengthened by the comments of a number of panelists and reviewers; to them I again express my gratitude. I am pleased to distribute credit widely but do accept full responsibility for any of this work's shortcomings.

This book is dedicated to my wife, Sharon, and my children, Aaron and Kate. Their love, confidence, and support have inspired and sustained me throughout the project.

Contents

CHAPTER 1

Introduction: Agrarian Transformation and Political Conflict

The extraordinary concentration of land ownership and the entrenched position of a small but powerful land-based elite have long been regarded by both reformers and revolutionaries in Central America as primary causes of the impoverishment of the rural majority and as fundamental obstacles to the sustained, just development of their societies. Agrarian issues such as land use and distribution have consequently been central to the political rhetoric and platforms of progressive movements and to their policies—and even survival—when they are in power. For example, agrarian reform programs and proposals were major catalysts of the overthrow of progressive governments in Guatemala in 1954 and Honduras in 1963. More recently, contrasting agrarian reform programs were at the heart of the different developmental models pursued in the early 1980s by the governments of El Salvador and Nicaragua.

More conservative groups in Central America also have been preoccupied with agrarian issues. Since the days when the region was a Spanish colony, the profit-generating sector of the economy has been oriented toward the export of agricultural commodities. Whether in the nineteenth century or in the post–World War II period, most conservatives (as well as many others) have favored the expansion of agricultural exports as the preferred model of economic development, especially when they have had direct interests in this expansion themselves (for example, as landowners or commercial groups). Historically, elites attracted to this agro-export development model have been concerned with securing sufficient land and labor to implement the model successfully. They have invariably been able to utilize public policy to achieve their goals.

For their part, the rural majority have seldom been in a position to determine development policy, even its rural components; instead, they have been the subjects of policy and, too often, its victims. Especially during those periods when export agriculture has expanded rapidly, peasants have been thrown into unequal competition against more powerful interests for control of fertile land. They were even coerced at times into laboring for those interests. Peasants have resisted their dispossession and subjugation across the centuries, but ultimately with little success. Since the 1970s, the conflict and resistance have intensified, especially in Guatemala, El Salvador, and Nicaragua. But now the peasant cause has been embraced by armed revolutionaries who have found support from some politicized peasants. As a result, government counterinsurgency programs have targeted innocent peasants on a number of occasions, a form of repression that has been especially ferocious in Guatemala and El Salvador.

Agrarian structures, issues, and conflicts, then, play a central role in contemporary Central American politics. Accordingly, an understanding of these factors is essential to the comprehension of the causes of the contemporary crisis in the region and to the determination of adequate and viable solutions. This study divides the pursuit of such an understanding into two parts. Part I discusses the major transformations that have created contemporary agrarian society and evaluates their impact on the lives of the rural population. Part II examines, country by country, the political response of peasants, political movements, and governments to postwar agrarian change. The fundamental purpose of this section is to compare, within and between countries, the adequacy of governmental responses to the challenges presented by the upheaval of recent decades in rural society.

Although there are a number of exceptions, this book begins on the general, regionwide level and becomes more specific to individual countries as it proceeds. During the colonial period, what are now the countries of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua were unified under an administrative structure headquartered in Guatemala. Many of the central political conflicts of the nineteenth century were generated by contradictory impulses toward national autonomy on the one hand and regional unity on the other. Because of their small sizes and their proximity, the various Central American countries have been subjected to many similar influences. Discussion at the regional level will often be most appropriate, for Part I, but care will be taken to distinguish country-specific patterns where appropriate. Part II has a more explicitly political focus; since variations among countries are more prominent here, the discussion is organized by country. Several manifestations of regional characteristics, including both similarities and differences among countries, are provided in Table 1.1, which gives current demographic data for the region.

TABLE 1.1
Demographic Profile

Country	Population[1] 1950	Population[1] 1985	Rural Population (as percentage of total) 1950	Rural Population (as percentage of total) 1985	Infant Mortality[2] 1950	Infant Mortality[2] 1980
Costa Rica	.80	2.52	67	51	87.3	20.2
El Salvador	1.86	4.86	64	49	81.8	42.0
Guatemala	2.79	7.96	75	67	100.1	65.9
Honduras	1.37	4.37	69	60	65.4	95.0
Nicaragua	1.06	3.27	65	43	76.7	97.0

NOTES: 1. In millions.
2. Infant deaths in first year per thousand live births; 1950 figures are for 1950–54.
SOURCES: Population and rural populations: 1950: Herring 1964:820–827. 1985: Preliminary estimate, IDB 1986. Infant mortality: UN 1964:527–529, 1985:344.

AGRARIAN TRANSFORMATION

The primary focus of Part I is the transformation that occurred in rural Central America after World War II as a result of the rapid spread of commercial, especially export, agriculture. Although the region had produced for international markets since the colonial period, before the midtwentieth century most peasants[1] toiled for their own subsistence outside of the market economy. They neither purchased agricultural inputs (such as seeds or fertilizer) nor produced more than at most a minimal amount for commercial markets. Until recently, Central American agriculture was accurately characterized as dualistic: multitudes of peasants worked small plots, essentially for their own consumption, alongside of large, often huge, estates that produced for consumption in urban centers and overseas. Outside of the banana enclaves owned by foreign enterprises, most of these large haciendas operated under neofeudal conditions, using both land and labor inefficiently.

As a result of numerous interrelated changes such as the opening of new international markets, technological innovations, and the increased availability of credit, traditional agricultural structures and practices have altered substantially in recent decades, alterations that will be detailed in chapter 3. Haciendas have become commercial farms as new incentives encourage established landowners and new investors to pursue opportunities for financial gain. Sharecroppers have been replaced by wage laborers, while large commercial enterprises devoted to such export commodities as cotton, sugar, and beef have spread throughout the countryside. Similarly, small and medium-sized landholdings producing for urban markets have become more

commonplace. The market economy, then, has penetrated rural society. Through this commercialization of agriculture, the share of the region's land, farms, and production that is devoted to commercial sales has increased.[2]

Although this transformation is unique in its scope, when it is placed in a historical perspective it becomes clear that it is the latest in a series of similar agrarian changes that extend all the way back to the Spanish Conquest of the sixteenth century. As chapter 2 makes clear, patterns have persisted across the earlier transformations that can be used as guides to that of the contemporary period. The essential dynamics in the present are invariably difficult to perceive because of our proximity to them; the past can help us to find our way.

Across the centuries, the results of the agro-export development model have been much less than its promise, as chapters 2 and 4 thoroughly discuss. As often as they have invested their profits in developmental enterprises, elites have used them for the purchase of luxury goods imported from industrial countries. Sometimes the profits have been returned even more directly to the affluent trading partners, either because Central American elites protected their gains in foreign banks or because the production and export of a crop was controlled by First World multinational companies to begin with. Furthermore, the expansion of export agriculture has often had a direct, negative effect on the lives of rural people. From the colonial expansion of cacao and indigo exports to the coffee boom of the nineteenth and early twentieth centuries and on to the spread of commercial agriculture after World War II, peasants have lost their land to more powerful interests that have wanted it for export production. Systems of domination have been created to coerce labor from peasants so that the export crops could be produced. When land and autonomy have been lost, domestic food production has usually suffered, resulting in an inadequate food supply for the rural poor. Rather than bringing progress for all sectors of society, then, the expansion of export agriculture in Central America has resulted for many rural people in an adverse and often devastating disruption of their lives.

Part I concludes with an evaluation both of the commercialization of agriculture and of the agro-export development model in Central America. A fairly extensive literature has documented that, in situations of great inequality, the promotion of commercial agriculture through the adoption of modern productive technology exacerbates that inequality.[3] Moreover, a substantial debate has developed concerning the economic and social consequences of the agro-export development model,[4] a debate that is perhaps more evenly balanced because of the perceived relative successes of countries such as South Korea and Taiwan. The evidence presented in Part I raises serious questions about the viability of the agro-export development model for countries with substantial rural inequality and underdeveloped domestic markets.

The most fundamental purpose of this study is to clarify the agrarian causes and dimensions of the crisis in Central America that has so concerned the United States for the past decade. Central America entered the postwar period with most of its population living in terrible poverty, and with the possibilities for improvement in the quality of life constrained by gross and rigid inequalities in social structures. Although the agrarian transformation of the following decades provided new alternatives and promises for some Central Americans, it actually diminished economic security for many others. As a result, substantial pressures developed on governments in the region to address the needs of millions of desperate people. The response to those pressures has been a primary determinant of the political conflicts each country faced since the late 1970s.

POLITICAL CONFLICT

The agrarian transformation of the postwar period changed the lives of most rural people in Central America, in many cases substantially. Their reactions have taken many forms, from passivity to migration to political activity. Some rural people have benefited from the changes of the last decades and have organized in order to defend and advance their interests. These groups include not only large producers but also farmers with medium and small commercial operations. The major concern of this study, though, is the rural majority; that is, peasants with insufficient land or none. Despite frequent stereotypes to the contrary, a significant degree of grassroots political activity has occurred in the region, especially in the 1970s, when peasants organized in response to the threat they experienced from the postwar transformation.

There is a substantial body of literature concerning the sources of peasant passivity, politicization, and mobilization.[5] The following model, abstracted from this scholarship, is used in Part II to guide the analysis of peasant mobilization and demobilization in each of the Central American countries. It is generally uncontested that peasants in this region, like those elsewhere throughout the Third World, have traditionally been politically passive. A typical review of the literature points out that "peasants are conservative . . . [and] difficult to organize. . . . They tend to be passive, feel politically powerless, and lack interest in politics" (Mathiason and Powell, quoted in Booth and Seligson, 1979:30).

More controversial has been the explanation for this passivity. The interpretation that corresponds most closely to the Central American experience is the one increasingly given by scholars: peasants' inaction, distrust, and suspicion are fundamentally the results of generations of repression and

exploitation. This reality is well captured by Huizer's (1972) concept of a "culture of repression" (pp. x, 19, 27, 52–61; also see Paige 1975:26–27; Schwartz 1978:247–248; Scott 1985:317–345; and Singelmann 1981:35). The passivity of Central American peasants in the past was not due to their lack of awareness of their oppression. As Brown (1971) has pointed out, "there is probably enough despair, anger, perceived relative deprivation and 'consciousness' to start an uprising in most any traditional rural community in Latin America on any given day" (p. 194). Self-assertion is dangerous, however, for those with little power, wealth, or protection. Successful peasant mobilization requires, at a minimum, two changes in social relations. First, traditional patronage relationships must be weakened, for they are the personalized manifestation of peasants' subordination within the status quo (Brown 1971:192–194; Huizer 1972:18–19; Singelmann 1981:135–138; White 1977:329). Second, new ties of solidarity must be forged among the peasants themselves (Singelmann 1981:138–140; White 1977:244, 500–506).[6]

There have been two major agents of such changes in social relations: economic transformation and outside organizers.[7] The commercialization of agriculture has diminished economic security for many rural people while eroding traditional patronage relationships. As a consequence, this socio-economic change has increased the incentives for mobilization while reducing one of its major constraints (Migdal 1974:14–21, 135–138; Scott 1976:176–201, 1985:236–240; Singelmann 1981:125; White 1977:180–182). To the extent that the commercialization of agriculture transforms individualistic small landholders into wage-earning farm laborers working in teams, it also facilitates rural organizing (Paige 1975:25–40). Finally, the more rapid the economic change (Migdal 1974:252–253) and the more fundamental the corresponding alteration of social relations (Paige 1983), the greater the probability of successful peasant mobilization.

Nevertheless, some rural people have benefited from the spread of commercial agriculture. Their newly gained economic security can reduce their vulnerability to traditional elites and patrons while fostering a desire for enhanced roles in society. Under certain conditions, then, newly secure peasants join their economically insecure counterparts as forces for change.

Significant peasant mobilization seldom is self-generated. Outside organizers, including religious workers, union organizers, revolutionary guerrillas, political party activists, and development workers, have been especially important to the political changes of recent decades in the Central American countryside; accordingly, their role is stressed throughout the individual-country chapters of Part II. Such organizers help to break down the domination of traditional patrons by offering alternative sources of economic assistance and protection (Migdal 1974:208–211, 228–232;

Singelmann 1981:134–140, 163; White 1977:244–245, 301, 344, 401). They are able to promote peasant mobilization not only because of their organizational expertise but also because they can facilitate the transformation of attitudes from those of powerlessness manifested by the isolated individual to those of solidarity and strength that are made possible with collective action (White 1977:244, 500–506).

The actual form that peasants' activity will take depends, of course, on a number of variables. Whether they will organize peaceful marches, initiate land seizures, support insurgents, or become revolutionaries depends, in part, on internal factors such as the depth and scope of their discontent, the level of their organization, and their perception of the legitimacy of the regime and system. Equally important are external conditions, especially the response of government and private elites to peasant mobilization. Substantial attention is given in Part II to the agrarian policies of the five Central American governments. Possible responses are numerous and include repression (minor to systematic), symbolic action, distributive policy (e.g., technical services, land colonization programs, etc.), regulatory policy (e.g., commodity pricing levels), and redistributive policy (e.g., extensive land redistribution). Particular attention is given here to the frequent reliance by governments and rural elites on repression and to the various approaches to agrarian reform.

Several attempts at agrarian reform have been made in Central America during the postwar period, but there have been great variations among them, especially in scope and the seriousness of intent.[8] The conception of agrarian reform used here has been left broad and loose in order to encompass these diverse approaches.[9] Some reforms have envisioned major alterations in tenure relations, while others have required little disruption in prevailing structures; some have been central to the purposes of committed popular governments, while others appear to have been primarily symbolic actions intended to pacify a restive peasantry.

Through this diversity, three general patterns emerge. In Guatemala, a substantial reform effort in 1944–54 was followed by counterreform and repression—a repression that reached extraordinary levels in the late 1970s and early 1980s. A second pattern occurred in Honduras and Costa Rica, which have pursued intermittent, moderate reforms over more than two decades. Finally, Nicaragua and El Salvador share the pattern of elite obstruction of agrarian reform until the end of the 1970s. Hated tyrants were overthrown in both countries in 1979, transforming not only domestic political life but also regional politics. The Nicaraguan insurgency, nurtured in rural areas, regarded agrarian issues as fundamental. Once in power, the Sandinista government made agrarian reform central to its program for the transformation of society. Similarly, the agrarian reform initiated in El Salvador in 1980 has been perhaps the most significant action taken by a

Salvadoran government in recent years. Its objectives and especially its implementation have been major sources of controversy within both El Salvador and the United States.

This study includes no separate chapter or section on the influences of other countries. The intent is not to minimize their role; on the contrary, the book's organization is a reflection of the extent to which Central American affairs continue to be permeated by international linkages.[10] Consequently, the impact of foreign influences is a major topic throughout this study. Central America has been tied to the international economic system through agricultural exports since the early colonial period. To a significant extent, Part I tells the story of the increasing impact of this connection up to the present time. Other aspects of the internationalization of Central American agriculture are also examined in depth, such as the role of foreign actors in promoting the agrarian transformation of the contemporary period. Part II documents the critical role that the United States has played in agrarian politics in Central America in recent decades, from promoting certain peasant organizations and guiding and financing some agrarian reform programs to working to destroy others.

By the end of this study, it should be clear that no lasting stability can be created in Central America without significant change in the social structures that have created and perpetuated incredible levels of poverty and suffering for much of the region's rural population. Given the strength of these structures and of the elites who are advantaged by them, such change requires substantial popular mobilization as well as committed governments. It also should be clear, however, that in Central America such movements and governments invariably have encountered the stiff resistance of the United States. Accordingly, the last chapter and the study conclude with a discussion of the role and interests of the United States in Central America.

NOTES

1. The terms "peasant" and "peasantry" will be employed loosely in this study. Their use here will generally conform to the authoritative definition in the Latin American context provided by Landsberger and Hewitt (1970) of the peasant as "any rural cultivator who is low in economic and political status" (p. 560). This usage does not assume any particular set of values or agricultural practices. Often in the present study more descriptive terms will be used, such as "rural people," "small farmer," "wage earner," "sharecropper," "plantation worker," and so on. For a good description of traditional peasant agricultural practices in Central America prior to World War II, see Tax (1963:47–49); for various types of agricultural practices in the 1950s at several locations in the region, see Dozier (1958).

2. The commercialization of agriculture, of course, is part of the larger process of the capitalist transformation of agriculture, or the development of agrarian capitalism. This trans-