
Harvest of Want

Hunger and Food Security
in Central America and Mexico

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Land, Labor, and the Crisis in Central America

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The wave of unrest that hit Central America during the 1970s and 1980s fits into a more general pattern of peasant uprisings that stretches back to the early colonial period, but the more recent crisis has been different in at least one important way. Unlike previous rebellions, the recent revolutions have not been so easily crushed with quick applications of terror. When traditional repressive measures were applied in the 1970s, people responded to government repression in a fundamentally different way than in prior uprisings. Instead of dividing the opposition, terror in the 1970s united the various opposition forces. Instead of forcing people into submission, repression in the 1970s made people fight harder.

The recent crisis in Central America stems from two fundamental forces: one, a traditional enclosure of peasant lands; the other, a modernization of agricultural labor relations. Both of these forces gathered momentum in the 1950s and 1960s due to the rapid growth and diversification of Central American agricultural exports. Together these forces increased the vulnerability of the Central American economy and further divided the society. When natural disasters and economic shocks

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hit in the 1970s, the region experienced a social upheaval of astonishing proportions.

This chapter will first explore the underlying causes of the conflict, and then it will proceed to the immediate causes. Later, the policies of the five Central American governments will be compared in an attempt to explain why Nicaragua, El Salvador, and Guatemala experienced civil wars, but Honduras and Costa Rica did not. The essay will conclude with an assessment of the implications of current U.S. policy for long-run stability in the region.

Land and the Crisis

At the bottom of the recent crisis is a centuries-old struggle over land. What makes this struggle incomprehensible to most North Americans is that Central Americans hold two diametrically opposed views of the purpose of land.

From the perspective of the elites, land is for export. Elites recognize that over the centuries Central America's ability to import modern technologies and luxury goods has depended upon foreign exchange earnings from agricultural exports. The wealthy in Central America reflect with great pride on their ancestors, who carved from inhospitable territory the plantations of indigo, coffee, and other export crops. For most elites today, the ability to import luxuries, to go on shopping tours to Miami, and to educate their children in the United States, rests on titles to export estates. Furthermore, these titles define a family's relative social status.¹ But the titles to export estates mean far more than luxuries and social status; they represent civilization itself.

Perhaps the most beautiful physical embodiment of the elite view of land can be found in the San José Opera House. In the 1890s, this genteel miniature of the Paris Opera House was constructed by Costa Rica's coffee elite. Materials and craftsmen were imported from Europe with foreign exchange earned from the coffee boom of the late nineteenth century. On the ceiling over the marble staircase is a triptych painted by European artists. The center panel depicts the bustling port of Limon with boxes of coffee, sugar, and other cargo on the docks in the foreground and merchant vessels with flags waving in the background. To the right of the docks is a grove of coffee trees where Rubenesque maidens of European descent blush as they pluck the red berries. The panel on the left shows a stand of sugar cane, and the panel on the right boasts a huge black man toting a stalk of bananas. Decidedly absent from all three panels are corn, beans, and rice. Land is for export.

In contrast, peasants believe land is for life. If a peasant family is going hungry and there is idle land nearby, it is a god-given duty to

clear the land, burn the brush, and plant corn. In so doing, an ancient tradition is revived and the seed for future generations is sown. The act is at once practical and religious. In the *Popol Vuh* of the Maya, god created man from corn dough. By planting seed, humans are able to nourish themselves, and when they die, they return to the soil to become nourishment for the corn of future generations. Once land is cleared and put into productive use, it is a denial of life, a sin, for anyone else to claim that land. Even after more than a century of land-titling, peasants in peripheral areas today still cannot afford to obtain legal titles to their lands. Rights to land in these areas are governed by usufruct. Those who have put the land into use have a claim that is usually respected by other peasants. Land is for life.

Conflict has been the norm along the shifting borders between the two systems of land use. The struggle is more intense than a fight over territory because land and labor are intricately entwined. Elites discovered very early that if abundant lands were available to peasants, it would be difficult to secure a labor force. By denying peasants access to the best lands, elites could obtain labor. Thus, from the peasant perspective, the seizure of land by elites has a dual meaning. On the one hand, it means the denial of a life-giving force. On the other, it symbolizes enslavement.

Through the centuries, landowners have found that unless the idle perimeters of an estate are constantly guarded, peasant squatters will invade. Once the land is cleared and planted in corn and beans, the peasants are difficult to budge, for from their perspective, the land is theirs. Armies in Central America have been maintained not so much to guard the national borders from invasion by neighboring armies as to guard the borders of the export estates from invasion by peasants. If a large landowner is having trouble evicting peasant squatters, the local militia or unit of the national army is contacted, and it is the duty of that unit to obey the landlord's wishes. Landowners who have not had the stomach to apply terror at the appropriate times have lost substantial portions of their inherited properties to peasants. Hesitation is viewed by other elites as a sign of personal weakness and a danger to the whole system of labor and land control. Individuals who have surrendered their lands to peasants have become objects of derision at the country club or the opera house.

The conflict between the two systems of land use has exerted an ever-present force on the Central American landscape since the conquest, but during certain critical junctures in the history of the region the pressure has built to produce mass uprisings, which are followed by land reform and/or wholesale massacres of the poor. These uprisings are not random, but follow a pattern.

When favorable conditions in the world market create opportunities for a new export crop, elites use their influence in the state to acquire land suitable for growing that crop. Peasants who have cleared those lands are pushed off to make way for exports. At this stage there is local resistance from the peasants, but in most cases the peasants are not organized, so the resistance can be crushed quickly by military means, sometimes allowing for a long period of export expansion. At a later date, however, when natural or economic shocks disrupt the structures of control, peasants seize the opportunity and move onto the idle portions of the previously expropriated lands to reclaim them for subsistence production.

This wavelike pattern repeated itself at least two times during the colonial period,² but the most relevant period for understanding the recent unrest began in the 1850s and 1860s and lasted until the Great Depression when mass uprisings were brutally crushed.

During the coffee boom of the latter half of the nineteenth century, many of the modern-day structures of production were introduced, including private titling of land and the modern system of seasonal wage labor for harvesting. Out of national differences in the development of coffee there emerged differences in the structures of state control that persist until today. In Costa Rica and Honduras, the coffee boom took place relatively peacefully with small farmers participating in its production and elites capturing profits through the ownership of coffee-processing mills, export houses, and financial institutions (Hall 1978; Stone 1971). This development of small-scale producers created the basis for government structures that were more sensitive to the needs of small farmers. In Guatemala, El Salvador, and Nicaragua, however, elites acquired large coffee farms by expropriating lands belonging to the peasantry³ (Cambranes 1985; Mosk 1955; Browning 1971; Levy 1873; Wheelock 1980). In these three countries state structures emerged that reinforced in a more monolithic way the dictates of the coffee oligarchy (Williams forthcoming; Paige 1985).

During the expansion phase of the coffee economy, land-titling laws, eviction laws, and security forces were created as a means of forcing peasants from prime coffee lands. In most cases where cornlands were seized, peasants were caught off-guard and resisted through sabotage and local acts of violence, but in Nicaragua there was a mass uprising in 1881 followed by a nine-month war that killed 5,000 Indians. In all three cases where large coffee estates came to dominate, armies were successful in carrying out evictions, enforcing new labor codes, and repressing peasant dissent, so that a long period of relative calm followed the initial resistance by the peasantry (Browning 1971, 201-219; Jonas and Tobis 1974, 30; Wheelock 1980, 76-78).

When the price of coffee collapsed between 1929 and 1931, it became unprofitable for growers to continue to cultivate and harvest from marginal lands. Workers were laid off, wages were cut, and marginal lands were left idle. Throughout the region peasants and agricultural workers responded to the stress by invading idle lands and striking against wage cuts. In all five countries, national armies were used to repress dissent.⁴ The uprisings and repression were strongest, however, in Nicaragua and El Salvador, where the burst of coffee expansion in the 1920s was most intense.

In Nicaragua after the market collapsed, peasants invaded abandoned coffee farms in the northcentral part of the country, and Sandino's army defended the peasants when U.S. Marines or the National Guard were sent in. After Sandino's assassination in 1934, Somoza's National Guard conducted a counter-insurgency sweep of the area, evicting peasants from invaded properties and massacring whole villages where support for Sandino had been strong. Some of the estates were returned to former owners, and other lands—some newly expropriated—fell into the hands of General Somoza and officers of the National Guard (Wheelock 1980, 78-82).

Similarly in El Salvador, the depression disrupted traditional power relations and increased stress on the poor. In 1930 and 1931, peasants and workers formed mass organizations to resist wage cuts and to push for a return of lands seized by the coffee oligarchy. Following an earthquake in 1932, a mass uprising in the coffee districts of western El Salvador was followed by a wholesale massacre of peasants. Between 15,000 and 30,000 peasants, most of them Indians, died (White 1973, 97-101; Anderson 1971).

Unrest in the 1970s and 1980s closely parallels that of the 1930s. The decades preceding the outbreaks of unrest witnessed a remarkable period of export expansion. Exports were stimulated by favorable prices in the world market, but unlike earlier expansions, the U.S. government, the World Bank, and the Inter-American Development Bank directly subsidized export expansion. From 1961 when the Alliance for Progress began and 1973 when the first wave of crisis hit, the volume of coffee and banana exports increased 50 percent and 300 percent, respectively, levels that were roughly maintained by the time of the second wave of crisis in 1978. More importantly, a host of new products were exported during this period. Especially notable were cotton, sugar, and beef. During the 1950s cotton became an important export, and during the 1960s cotton surpassed bananas as the region's second largest earner of foreign exchange. Forty thousand acres were devoted to cotton in 1950; the cotton boom claimed some 1.2 million acres by 1978, when Central American exports made up 8 percent of the world cotton trade.

✓ Following Castro's rise to power in Cuba, Central America was allocated a portion of Cuba's sugar and beef quotas, permitting Central American producers favorable access to the lucrative U.S. market. From 1961 to 1973, sugar and beef exports increased sixfold. By 1978 when the second wave of crisis hit, Central American sugar exports had risen sevenfold over 1961 levels, and beef exports expanded to nine times 1961 levels, making up more than 15 percent of U.S. beef imports (SIECA 1973; SIECA 1981; Williams 1986).

Some exports came to be cultivated on lands already claimed by large landowners, but others pushed over into the domain of the peasants. As happened during previous export booms, when peasant lands were taken in the 1960s violent clashes occurred, but resistance remained local and was successfully dealt with by the use of military force. It was not until the natural and economic shocks of the 1970s that massive land invasions occurred and armies of peasants began to form in the countryside.

Cattle Evictions, Peasant Resistance, and Repression

The export that contributed most to struggles over land was beef. Coffee, bananas, cotton, sugar, and other export crops all required extremely fertile soils for profitable cultivation. For the most part, the lands suitable for these crops had already been claimed by large landowners during the nineteenth and early twentieth centuries, and therefore ✓ the switch to these exports did not immediately trigger peasant resistance. In contrast, cattle could be raised practically anywhere grass would grow. Once they had filled existing haciendas, cattlemen—with help from AID and multilateral lending institutions—extended their pastures into untitled areas cleared by peasants (Williams 1986, Chaps. 4–6).

In the 1960s, after the first export packing plants had been built, a repeated series of events began to be reported from the cattle boom zones throughout Central America. The following is a typical cattle eviction story. Don Emilio, a local rancher, receives a beef development loan from the national development bank, which in turn received money from AID or a Washington development bank. With the proceeds of the loan, Don Emilio purchases barbed wire, imports purebred Brahman bulls, and hires a team of men. He instructs his men to fence in a cleared area adjacent to his present ranch.⁵ The area to be turned into pasture includes a settlement of peasants, who have cleared the land of forests and are raising corn and beans. The peasants are given notice that the land belongs to Don Emilio and they must move.⁶ The peasants do not budge. From their perspective, they cleared the land so it is rightfully theirs.⁷ Don Emilio's men arrive with guns and repeat the

eviction order. The peasants do not move. After repeated threats fail, and after an offer to pay for land improvements is rejected, Don Emilio waits until a week before the corn is ready to pick. At this time, his men turn cattle onto the corn. The cattle begin to munch and trample the corn.⁸ The peasants herd the cattle out of the fields and with barbed wire stolen from a section of Don Emilio's fence, they fence in their cornfields. Don Emilio's men cut the fence and turn the cattle back into the cornfields.⁹

After several repetitions demonstrate that the cattle-trampling stage will not succeed, Don Emilio calls for reinforcements from the national guard, the army, or the police in the nearest town. Peasant leaders are arrested and their thatched huts and cornfields are burned.

In the meantime, the peasants have linked up with peasants in nearby settlements, so when the arrests are made a committee is quickly formed to free those in jail and to protest the seizure of lands. Similarly, the peasants have contacted a priest, a lawyer, a schoolteacher, or some other sympathetic townspeople who can read and write Spanish. A list of grievances is drawn up to present to government officials, and a title search is conducted to see if Don Emilio has legal title to the area being enclosed.¹⁰

Don Emilio links up with other ranchers in the area, and a squad, usually composed of off-duty guardsmen, is formed. The squad proceeds to intimidate the peasant committee and those exhibiting sympathies toward the peasants. Those connected are threatened, and if they continue to support the evicted peasants, they are roughed up, tortured, and sometimes killed.¹¹ The peasants take their case to the national land court or land-reform agency, and they seek help from national peasant organizations, labor unions, church groups, university student groups, and other potential allies.¹²

The ranchers gather their forces at a national level, uniting with business and large landowner organizations. They pressure the national security forces to halt the peasant movement, they move to purge the land-reform agency of peasant sympathizers, and they pressure the legislature to close any loopholes in the land law through which peasants might reclaim land. And so the conflict escalates.

Depending on a variety of factors, the above-described sequence may be halted at any point or it may build until extreme levels of violence are reached. Often the case ends when Don Emilio offers the peasants a nominal payment for clearing the land and informs them of how difficult it will be if they do not accept the offer. When escalation occurs, it is inevitable that the local security forces will do the bidding of the large ranchers. This has been true of all Central American cattle zones regardless of whether they are located in "democratic" Costa Rica or

"despotic" Guatemala. What has differed greatly from time to time and place to place is the way national governments respond to the conflicts.

The way national governments have behaved has been crucial in determining the degree to which conflict escalates. Generally, when peasants have felt that there is some room to pressure the national government to hear their side of the case, the escalation of violence has been dampened. In both Costa Rica and Honduras extreme levels of violence have been reached at a local level (Williams 1986, 180, 184), but national governments have been more successful in presenting a fair image when grievances reach the national level.

In contrast, when peasants perceive the national government siding unconditionally with the large ranchers, peasant armies have formed to defend the territory. For example, the area where Nicaraguan peasants first joined the Sandinista army was the most important cattle boom zone in the country. Two years before the peasant army formed, Somoza's national guard had conducted a counter-insurgency sweep that cleared the area of peasants to make way for large cattle ranches (Williams 1986, 134). Similarly, in Guatemala, the massacre that triggered the participation of Maya Indians in the Guerrilla Army of the Poor was located on the eastern rim of an Indian-dominated area that was being developed by the Guatemalan army for cattle ranching, oil, nickel, and hydroelectric power. This massacre was itself a cattle eviction, whereby a national army detachment was brought in to help ranchers remove Kekchi Indians from a valley that was being developed for the beef export trade (Williams 1986, 147-151).

In summary, wherever export expansion extended over into territory claimed by peasants it called forth a response as ancient as the resistance to the conquest in the sixteenth century. This response was the same whether the crop was cotton, sugar, or coffee. However, because cattle ranching was so extensive and could be undertaken on marginal lands previously untouched by export agriculture, cattle evictions were more often associated with violence than evictions for the other exports. In this way the cattle boom zones of Central America became the scenes of peasant massacres, and in cases where the national governments allowed no room for peasant grievances, peasant armies formed in retaliation. In the sense that the export boom of the 1960s claimed lands believed by the peasants to be rightfully theirs, the crisis of the 1970s and 1980s is but the modern-day repetition of peasant uprisings in the past. But the current uprising far exceeds the intensity of previous ones, a factor that has a material basis not so much in the enclosure of peasant lands as in the modernization of agricultural practices on lands controlled for some time by elites.

Export Expansion, Modernization, and the Bulldozer to Crisis

During the 1960s, all of Central America's major exports were modernized to a certain degree, but for a number of reasons, modern agricultural techniques were introduced first and most thoroughly in cotton growing. Cotton's vulnerability to insects required growers to rely on agribusiness dealerships for newly developed pesticides like DDT and toxaphene. Agribusiness dealerships not only supplied insecticides but also chemical fertilizers, hybrid seeds, herbicides, and other modern inputs. Because of cotton's short growing season and heavy cash needs, cotton growers came to depend on short-term bank finance to a much greater extent than growers of other crops. The reliance on bank finance facilitated the introduction of a wide range of inputs.¹³ Furthermore, the flat lands of the Pacific coastal plain where cotton came to be cultivated were easily worked with tractors. During the 1950s, there was a shift from oxen to tractors in the cotton belt, and with the tractors came attachments for plowing, cultivating, spraying, and mowing. As news of high yields and high profits spread along the coastal plain, more and more landowners turned their lands into cotton fields, and with the cotton came airplanes, tractors, agrichemicals, and bank finance. For the above reasons, cotton growing came to symbolize man's conquest of nature with modern imported technology. In addition to higher money profits for growers and suppliers, the change in technology had profound effects on people's connections with the land, with markets, and, ultimately, with each other.

Unlike much of the land that was turned into pasture, the land that was turned into cotton fields was prime cropland that had been claimed by large landowners for several generations (Williams 1986, chap. 2). Unlike the case of cattle expansion, the switch from corn to cotton was usually peaceful. It involved the landlord demanding rent in cash instead of the customary corn, a rental arrangement that most peasants could not afford. The move from prime cornlands placed peasants under duress, but it did not normally evoke resistance on their part because, unlike cattle evictions, it did not tamper with their beliefs about rights to land. The landlord had exercised a claim over those properties for years, and the choice to stay or move was placed squarely on the peasants (Williams 1986, chap. 3).

Cotton claimed the highest yielding cornlands in Central America, forcing those who moved to scrape harder for survival. But cotton's contribution to social instability was not so much the way it impoverished people as the way it changed the relationship between the large landowner and his agricultural workforce.

In the era of corn and oxen, the interrelationships between the owner of the estate and the large number of peasant families living permanently on the estate extended well beyond interchanges associated with work. A web of mutual obligations and duties, reinforced by religion, bound landlord to peasant and vice versa. Basically, the landlord was expected to be charitable and look out for his flock in times of stress, and peasants were expected to be humble and to serve their master on earth so that theirs would be the kingdom of heaven in the hereafter.

With the cash influx that cotton brought to the flatlands of Central America, landowners found that much larger money profits could be earned by mechanizing. Bank finance was easy to obtain for cotton cultivation, and with financing, tractors could be obtained. The introduction of tractors rid the landowner of the need for a large staff to care for oxen year round, and agribusiness suppliers offered all sorts of tractor attachments and chemicals that substituted for human labor at other stages of cultivation. Peasants who were once viewed as essential for the prosperity of an estate began to be seen as excess baggage. Landlords did much better profit-wise to retain a small permanent staff of semiskilled tractor drivers on the estate and turn the peasant parcels into cotton fields. Large landowners who did not take the initiative to become growers themselves could double or triple their earnings simply by evicting peasants and renting the land to cotton growers (Satterthwaite 1971, 222-226).

Large pulses of unskilled labor for weeding and thinning could be hired on a part-time basis from the pool of landless workers that appeared in the slums of the coastal towns, along road rights-of-way, and along rocky river channels. At harvest time the labor needs were so great that cotton growers sent recruiters to the slums of the capital cities or to peasant zones in the least accessible and most barren sections of the country. Those recruited for the harvest from the local labor market returned home every night, but those imported from afar spent the duration of their contracts in makeshift barracks on the cotton plantations. In addition to the money saved from the harvest, many workers returned to their highland communities with intestinal parasites, malaria, and disorders associated with insecticide poisoning (Schmid 1967; ICATI 1977; Batallion and Lebot 1976, 66-67).

The eviction of permanent laborers from the large estates and the shift to part-time wage labor began in cotton, but it did not remain limited to cotton for very long. When declining cotton prices and insect infestations lowered the profitability of cotton in the late 1960s, growers switched to other crops, but they did not switch back to the old methods of production. Oxen were not returned to the fields, even when landowners switched production back to corn. The same airplanes that had been

used to dust the cotton came to be used in the cultivation of sugar cane and rice. The agribusiness dealerships that had been supplying growers with technology for raising cotton inputs continued supplying hybrid seeds, herbicides, pesticides, fertilizer, and tractor attachments for whatever crops farmers decided to grow. In this respect, the cotton revolution was irreversible. By the mid-1960s, coffee growers began using herbicides and other labor-saving techniques, which permitted the mass expulsion of *colonos*, or permanent laborers, from the large coffee estates.¹⁴

It was poorly understood by landowners that agricultural modernization meant more than an increase in profits. With each tractor purchased came the potential for an expansion of earnings, but only at the loss of the number of subjects under a landlord's direct control. Once the economic basis of paternalistic rule was destroyed, soon thereafter came a dissolution of the religion that had gone with it. Landowners still went to mass in the churches where the old-time religion was preached, and they continued to exercise their old duties toward their house servants and permanent staff, but it no longer made sense to look after the entire flock when the flock was an unruly crowd of seasonal migrants imported from afar, sometimes from a neighboring country.

Nor did it make sense in the new setting for migrant laborers to be humble and serve their masters when the master was no longer a person, but a corporation, and corporate responsibility ended with the payment of a money wage. In the zones where the seasonal migrants congregated, in the slums of the larger towns and capital cities and in the barren stretches yet untouched by commercial agriculture, a new religion took hold. The new Christianity embraced the peasant concept of the right to land for life, and it offered hope for leaving the house of bondage and entering the promised land. The landlord's position in the celestial hierarchy changed. Instead of occupying the place of a benefactor located somewhere between the peasant and God, the landowner found himself in the position of an evil pharaoh. In the place of a reward to be received in heaven, God's kingdom was promised on earth.

During the decade of the 1960s, all sorts of organizations of the poor began to appear. Farmworker organizations began to demand increases in the minimum agricultural wage and improvement in health conditions on the plantations. Slumdweller associations began to demand water, electricity, and a halt to periodic evictions by the police. Peasant leagues began to press for land reform. Problems that were once worked out in a personal give-and-take between landlord and peasant were increasingly pushed into the domain of the state.

In addition to dissolving the glue that once held the rural order together, the modernization of agriculture also increased the instability

of the region by making both landlord and agricultural workforce more dependent on a fluctuating market for survival. The landlord not only had the traditional worry of the fluctuating price of the harvested crop but also had new worries about the costs of insecticide, fertilizer, seed, tractors, diesel fuel, parts, wage labor, and credit. The seasonal worker no longer had the security of a small plot to raise food on. Survival became closely tied to the demand for wage labor, the wage rate, and the prices of food, transportation, and other commodities purchased with the money wage.

During years of worldwide prosperity, the mounting tensions from agricultural modernization went practically unnoticed, and governments had sufficient revenues for minor reforms and repression. It was not until the 1970s when the world crisis hit that the export boom's contribution to instability was fully revealed.

U.S. Policy and the Buildup to Crisis

By the time the economic shocks of the 1970s hit, Central America was divided into two hostile camps. At the center of one camp stood the export oligarchy, changed by more than a decade of export-led growth and technological adaptation but clinging ever more desperately to a vision of civilization inherited from the past. At the center of the other camp stood the Central American peasantry, whose way of life had been radically altered by those selfsame pressures of agricultural modernization and export diversification, but whose vision of civilization looked to a future free of the oligarchy.

Throughout the 1960s, U.S. policy toward Central America nourished a monstrous contradiction. On the military front, the oligarchy was provided a modern, well-equipped repression apparatus, capable of gathering intelligence and terrorizing the newly forming grassroots groups and their sympathizers. On the economic front, the wealth of the oligarchy was enhanced by the new opportunities for investment generated by export diversification and modernization. On the other side, Washington's modernization and export diversification program helped create the class of landless peasants and slumdwellerers that moved outside of the traditional day-to-day control of the large landowners. It also brought into open dispute territories long claimed by peasants, thereby creating the conditions for the formation of peasant leagues and armed bands of peasants. While a repressive military apparatus was being equipped and trained for the oligarchy, Washington was denying the wishes of the oligarchy by funding land and other social reforms.

Efforts to mediate the conflict between the two camps were made far more difficult by earthquakes, hurricanes, and economic shocks in the

1970s. The shocks struck at the economic bases of both camps, reduced the economic space for compromise, eroded the fiscal capacities of governments to respond, and unleashed fears and hostilities that had accumulated for years.

World System Shocks: Impact on the Elites

For the elites, the world economic crisis exposed the vulnerability of relying on imported inputs and international credit. During the 1950s and 1960s, reliance on bank credit and tractors, hybrid seeds and chemicals, veterinary medicines and other purchased inputs, produced rapid accumulation of wealth. When the crisis hit, dependence on the market spelled disaster.

The two oil price explosions, 1973 to 1975 and late 1977 to 1981, sent fertilizer, pesticide, and tractor fuel prices spiraling upwards, but coffee, cotton, and beef prices were dampened by the most severe worldwide recessions since the 1930s. The acute anxiety felt by elites during the first wave of world crisis was mitigated in 1976 and 1977 by a recovery of prices of agricultural exports. However, when the second round of oil price inflation and recession hit in the late 1970s and early 1980s, anxiety returned to the elite camp. What made the profit squeeze unbearable was the behavior of interest rates. During both waves of world economic crisis, the cost of borrowing funds from the international banking system skyrocketed, a pressure quickly transmitted through local banking systems.

The waves of crisis made the oligarchy more intransigent than ever on the issue of land rights. Many elites found themselves overextended and having to borrow more from the banks. In order to stay afloat, elites had to mortgage more land. To grant a mortgage on a piece of land in Central America, the banker must not only see the title to the property but must be convinced that the titleholder can exercise effective control over that land. Otherwise, in the event of a default, the bank might end up with a piece of property infested with squatters. With pressures for land reform building up, control over idle properties became particularly suspect from the bankers' viewpoint at precisely the time when landowners were demanding more credit.

World economic pressures, completely outside of the control of local elites, reinforced to the point of passion their traditional view of land. Not only did the idle perimeters of their titled estates have to be more heavily guarded against peasant invasions, but land areas open to dispute had to be titled and brought under their control for use as collateral for loans.

The same world economic pressures that made elites cling to an absolutist position regarding land rights also reinforced an absolutist position regarding labor. A sense of helplessness spread through the elite camp as prices of oil, fertilizer, pesticide, tractors, and credit escalated. Practically the only commodity produced locally, and therefore, subject to landowner influence, was wage labor. Any move by farmworkers, government agencies, or USAID that might lessen landowner dominance over the local labor supply had to be resisted.

With the onslaught of the world economic crisis, the oligarchy felt desperate and cornered. To give up one square inch of territory under these conditions was seen as an invitation for the ill-bred to swarm onto the large estates. To make a single concession to organized labor, even in a sector other than agriculture, was seen as an invitation for the seasonal labor force to form unions and raise the agricultural wage. To give up in the slightest way their absolute right to control land and labor came to be seen by the Central American elites as a move down the road toward Cuba. If elites permitted any softening of these inherited rights today, not far down the road they would find themselves with no rights at all.

To hold on to their accustomed way of life, the oligarchy found it increasingly necessary to call on their traditional allies in the security forces. Encroachments by the poor had to be checked, lest the civilization inherited from the past fall into ruin.

World System Shocks: Impact on the Poor

The world crisis hit the poor earlier than it hit the elites. It also hit the poor harder. The elites were at first able to pass on some of their rising costs before recessions dampened export prices, and when the recessions struck, the elites' anxiety could at least be temporarily relieved by bank loans. The average person was not so lucky. With access to land squeezed by two decades of export-led growth, the majority of the Central American population relied directly or indirectly on money wages for survival. Expulsions, mechanization, and rapid population growth produced a market for unskilled labor that was generally glutted. The pool of landless or nearly landless people overflowed national boundaries in search of work, making upward adjustments in wages difficult.

Although money wages were held down by excess supply in regional labor markets, the prices of some of the most important items of consumption were determined by an inflationary world market. Furthermore, with the best lands taken for export crops, Central America could no longer supply its own food needs but had become a regular importer of grain from the world market by the early 1970s.¹⁵

This internationalization of the market meant a rapid transmission of world food prices through the regional economy. Glutted labor markets and inflated prices of basic necessities drove down real wages, the greatest reductions occurring during waves of world economic crisis or following natural disasters. The precipitous drop in the purchasing power of the money wage placed greatest stress on those with the lowest wages and those with the least access to land, whose money incomes were almost entirely spent on food and transportation, whose prices rose more dramatically than other goods and services (OAS 1978, 251-252; United Nations 1978, 1981).

To avoid starvation, people who had become dependent on money wages had several choices. One choice consisted of the traditional solution: moving onto idle properties to plant food crops. The other choices consisted of pressuring employers for higher wages or pressuring governments to freeze prices of basic foodstuffs, public transportation, and other necessities.

The waves of unrest that shook Central America in the 1970s were triggered by natural and economic shocks of uncommon magnitude, but the way people responded to the shocks was not merely due to the abnormal severity of the disasters. True, the shocks put large numbers of individuals under severe stress at the same time; responses to stress were not merely individualistic, but conditioned by years of experience in collective action. Peasant leagues that had formed during the 1960s to resist enclosures used their acquired skills and connections to coordinate massive land occupations when the disasters of the seventies struck. Farmworker organizations that had sprung up with the shift to seasonal wage labor in the 1960s staged strikes and used their previously developed connections in church and state to pressure for wage adjustments when bursts of inflation hit. Organizations of slumdweller that grew up along with the slums in the 1960s reorganized to provide earthquake relief when Managua and Guatemala City were leveled in 1972 and 1976.

People in the camp of the poor were not only armed with organizational skills acquired during the preceding decade, but they were also armed with a new theology. If there were idle lands and people going hungry, the new religion saw it as God's will that people use those idle lands to favor life. If wages were no longer sufficient to cover the necessities of life, it was God's will that the peasants organize to raise wages. If earthquakes created shortages of food, it was God's will that people organize to combat hoarding and speculation, work to secure food, and distribute the loaves and the fishes to the needy multitude. If earthly authorities stood in the way of life, it was God's will that the chosen people, the oppressed children of Israel, defy the authorities.

Government Responses to the Shocks

Similar pressures were felt by elites and the poor across the five-country area, but the nature of the struggles differed substantially from one country to the next. In Nicaragua, El Salvador, and Guatemala, conflicts escalated into full-scale civil wars, but in Costa Rica and Honduras, open rebellions did not take place. One key factor that helps explain this difference is the way national governments responded to pressures from the two camps.

During the first wave of crisis, local police in Honduras and Costa Rica responded to strikes and land invasions with the same repressive measures as their counterparts in other countries. What differed, however, was the greater flexibility of the national governments of Honduras and Costa Rica in dealing with pressures from the camp of the poor.¹⁶ For example, at a time when local security forces were acting on behalf of large landowners, the army general, who was also the president of Honduras, was open to land reform. Between 1973 and 1975, Honduran peasants recovered some 186,000 acres of land by combining land invasions at a local level with coordinated pressures on the national government.¹⁷ Similarly, when local security forces in Costa Rica were jailing strike leaders and burning squatters' huts, the national land-reform agency was mediating numerous cases in favor of peasants. In 1975 alone, the national government of Costa Rica acquired some 40,000 acres of land from United Brands and began turning it over to peasants who had squatted there.¹⁸ Furthermore, in 1974 when prices of food, transport, and other basic necessities skyrocketed, the Costa Rican government responded by raising minimum wages, with the largest adjustments going to agricultural laborers and other low-wage groups (United Nations 1974, 136). These policies infuriated Costa Rican and Honduran landholding elites, but a time bomb was defused because peasants, workers, and slumdweller did not come to view their national governments as the enemy.

Following the pattern laid down in the late nineteenth century, the governments of Nicaragua, El Salvador, and Guatemala unambiguously reinforced the position of the large landowners. In 1973 and 1974, strikes and protests by Nicaraguan cotton workers, hospital workers, banana workers, slumdweller organizations, and university students were disrupted by the national guard and leaders were arrested. Meanwhile in the countryside, clashes between the national guard and peasants increased.¹⁹ In 1974 and 1975, Salvadoran slumdweller organizations, peasant leagues, trade unions, student groups, and teachers' unions responded to military repression by linking into large coalitions or blocks. At this time, the national military began to disrupt protests by firing

directly at crowds and by stepping up the use of death squads. Similarly, in 1973 and 1974, the Guatemalan military responded to the crisis by massacring peasants involved in land takeovers, by attacking public protesters, by arresting labor union, student, and peasant leaders, and by using death squads to assassinate public figures who advocated land and labor reforms.²⁰ In all three cases, the national governments closed off the possibility of appeal from below, thereby unifying the opposition against a common enemy. By the time of the second wave of crisis these three countries had burst into civil war.

Conclusion

The underlying causes of the current crisis in Central America are old and new. In the sense that today's crisis is a struggle between two incompatible systems of land use, its roots go back to the sixteenth century. In the sense that the poor in Central America today exhibit a greater ideological unity and a greater willingness to challenge the existing order, the causes can be traced to the recent modernization of agriculture, the shift to wage labor, and the consequent breakdown of paternalistic social relations. Both developments increased tensions in the countryside and weakened the social fabric so that when world economic shocks and natural disasters hit in the 1970s, unrest broke out. Where national governments showed flexibility in relieving the stress placed on the poor, social unrest was dampened. When national governments responded with military force, the crisis escalated into war.

Notes

1. Families that have held land for many generations usually claim a higher social status within elite circles than families that have only recently become landholders.
2. More than a decade after the conquest there was a two-year uprising (1537-1539) in El Salvador where Indians invaded haciendas killing the Spanish and their cattle (Browning 1971, 49). The three hundred years of colonial rule witnessed sporadic skirmishes, but large-scale uprisings did not begin until the end of the colonial period and the first two decades of independence when disruptions in ruling circles provided an opening for peasants to reclaim land. Peasants reclaimed land throughout the region during the post-colonial decades, but in El Salvador (1832-1833) and Guatemala (1838-1839) the struggles took the form of mass uprisings (Browning 1971, 142; Jonas 1974, 123-130).
3. Church lands were also expropriated, especially in Guatemala.
4. In Honduras and Costa Rica, the repression was concentrated on the banana plantations.

5. In his study of Southern Honduras, White (1972) found that "many of the larger landowners have title to a small piece of land but have extended the boundaries of their holdings out over adjacent national lands" (1972, 820). In the municipality of Langué, Honduras, Durham (1979) found that a local rancher whose wife had inherited a portion of land with legal title, illegally extended the acreage by enclosing some 5,000 acres of national lands. In a famous cattle eviction case in Guanacaste, Costa Rica, an ITCO (land colonization office) study found that Morice, the local rancher, had only 613 acres legally titled out of a total claim of 5,797 acres (Seligson 1980, 109). Newspaper coverage tells of the same pattern in other sections of Costa Rica. A ranch with 1,500 legally titled acres in a frontier area of north central Costa Rica was reported in 1975 to be claiming 5,000 acres (*La Libertad*, 22 March 1975). Another case was reported where 1,800 of 5,000 claimed acres was legally titled (*La Libertad*, 12 April 1975), and on one 47,000 acre ranch, the president of the republic intervened to stop a local eviction order on the grounds that the peasants were being evicted from "state lands" (*La Libertad*, 22 March 1975).

6. Sometimes a rancher will offer to pay peasants a small sum for having cleared the area of trees. If the peasants accept the payment, they are acknowledging the rancher's right to the area. If the peasants refuse to accept the payment, the rancher will remind them that they have no legal title to the land and that they cannot afford to hire a lawyer and a surveyor to acquire a legal title. If the peasants still do not budge, the escalation of conflict begins.

7. In these cases it is rarely known until a careful title search has been conducted which lands have longstanding titles and which lands are state land, and even then it may be difficult to tell. What is clear in these cases is that the peasants who have been working the land have a strong conviction that it is rightfully theirs and that the ranchers, local police, and local governments have an equally strong conviction that what is being done is, as White (1972, 831) put it, "important for the development of the region."

8. This is a tactic used throughout Central America. For a vivid description of the tactic as it was applied by the fruit company in northern Honduras, see Posas 1981a, 39.

9. In the case studied by Durham (1979), the fences were cut three times.

10. In Namasigüe, Honduras, White (1972) found that some of the leaders of the small farmer defense committee knew the municipal documents well because they had held posts in the municipal government registering titles; the peasants were convinced that the land had been the property of the village and that because the village claim had never been legally alienated, the rancher's claim was invalid (1972, 831). Durham (1979) reports that one of the first actions of "Los Baldíos" was to get a sympathetic local lawyer to assist in a title search.

11. White (1972) found that in one community in southern Honduras where peasant resistance had been strong, after the homes had been burned, the head of the rural police had the peasants who resisted "strung up in trees in the patio of their house, beaten, and left to hang until someone dared to come back and cut them down" (1972, 831).

12. In 1959, the federation of university students at the national university in Tegucigalpa, Honduras, helped peasants of the south coast pressure the government to rule in their favor on lands that had been taken into cattle ranching in Montañas, Choluteca. Posas (1981a) argues that this was a very important ingredient in the success of the action (1981a, 28-35). In Costa Rica, peasants who had been evicted from an expanding cattle ranch sought refuge in the recreation center at the national university, which became the launching pad for a national protest (*La Libertad*, 12 April 1975).

13. By the 1960s, cotton growers used more agricultural credit than any other crop in the major cotton-producing countries.

14. The trigger mechanism for the expulsion of *colonos* in El Salvador was a 1965 law extending the minimum wage to permanent agricultural laborers. Similarly, when social security deductions were extended to permanent agricultural workers in Guatemala, many large landowners used the occasion to expel *colonos* (Batallón and Lebot 1976, 53). In both cases the process of eviction was already under way when the legislation was passed (Williams 1986, 59).

15. In the 1950s and early 1960s Central America was self-sufficient in basic grains; some wheat was imported and small amounts of corn and beans were exported. By 1970 Central America imported 311,000 metric tons more grain than it exported for a regional grain deficit valued at \$26 million. When the first oil shock hit in 1973 net imports of grain had climbed to 504,000 metric tons valued at \$63 million, and by 1975 price increases raised the value of net grain imports to \$117 million for a volume of 521,000 metric tons. Net imports of basic grains peaked for the 1970s in 1977 when they reached 973,000 metric tons valued at \$142 million (SIECA 1981, table 150, 181).

16. At this time, the Honduran and Costa Rican governments behaved more flexibly than their counterparts in the other three countries due to a number of particular factors surrounding the López Arellano and Oduber regimes. A more fundamental reason for the greater openness to small farmers, however, has to do with disparate structures of coffee production. As was pointed out earlier in this chapter, coffee production in Costa Rica and Honduras has traditionally been dominated by small producers, but in Guatemala, El Salvador, and pre-revolutionary Nicaragua, large growers have dominated. Since the latter half of the nineteenth century these differences in economic structure have strongly influenced the structures of the state. For greater elaboration on this point see Williams (forthcoming) and Paige (1985).

17. One-fifth of the land recovered in Honduras during that period was legally titled (Posas 1981b, 83-84).

18. More land disputes were brought before the national land reform agency (ITCO) in 1974 than in any other previous year. Between 1961 and 1975, ITCO resolved in favor of peasants some 118,000 acres of land previously claimed by large holdings and some 60,000 acres of state lands (Barahona Riera 1980, 119, 275).

19. *Latin America*, 25 January 1974.

20. *Latin America*, 1 June 1973; *Latin America*, 3 August 1973; *Latin America*, 10 May 1974; *Latin America*, 16 May 1975.

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