

AIRGRAM

POL 18

RS/AN	AF	AG	
EUR	NEA	GU	
INR	F	IO	
L	FBO	AID	
AGR	COM	FRB	INT
LAB	TAR	TR	XMB
AIR	ARMY	NAVY	OSD
USIA	NSA	CIA	
NSC			

Original to be Filed in _____ Decentralized Files.

A-445 **CONFIDENTIAL**

HANDLING INDICATOR: RECEIVED

TO : Department of State

INFO : Consulates in Mexico

RS/AN ANALYSIS BRANCH

NO. *RS/AN*

DEPARTMENT OF STATE
MEXICAN AFFAIRS

DEPARTMENT OF STATE
BUREAU OF
INTER-AMERICAN AFFAIRS

SEP 19 9 08 AM 1969

AUG 22 1969

AUG 22 1969

Summary

Handwritten notes:
 RS/AN
 [Signature]
 [Signature]
 [Signature]
 ARAM/EX
 8/4/69

SUGGESTED DISTRIBUTION

TO:	Action	Info.	Initials
AMB/PO			
DCM			
POL			
ECON			
CONS			
ADM			
AID			
USIS			
FILE			

Action Taken:

Yucatecos elect a new governor this November. The present PRI governor is unpopular and not very competent. The state suffers from excessive dependence on the chronically depressed henequen industry. Residual separatism manifests itself in distrust and antagonism toward the Federal Government. The PRI is viewed by many as the servile and corrupt instrument of central authority. In 1967 the PAN capitalized on growing discontent to win control of the municipal government in Merida, the state capital, and two of the nine state deputy seats. Since then it has expanded its strength, even into the PRI rural stronghold. To many observers this adds up to a possible PAN victory in November, if the election is honest. If so, it will be the first time an opposition party has taken over control of a state since the official party was formed in 1929. The implications for Mexican politics could be important. We believe it more likely, however, that the PRI will hold on to Yucatán. If so, the manner in which the PRI maintains control may also have larger implications. A blatant denial of popular will could trigger serious violence in Yucatán. It would further imperil the responsible opposition role which we believe the majority of panistas and the PRI Government favor. It would add fuel to the fires of internal criticism burning within the PRI. Even if, as we do not rule out, the PRI wins convincingly, the party and the Government would be well advised to study the lessons of Yucatán. The urban political revolt which sparked the

Date: _____

Initials: _____

Drafted by: POL:RE Service:sd

Drafting Date: 8/13/69

Phone No.: x844

Contents and Classification Approved by: POL:WMSmart

FORM 10-64 DS-323

For Department Use Only: In Out

DECLASSIFIED
 Authority *AM969000*
 By *WMS* Date *3/26/02*

COPY FILE-PBR

AUG 20 AM 10 25

CONFIDENTIAL

A-445 Mexico

2

present crisis has occurred elsewhere and may well be an increasingly frequent feature of Mexican politics. Mexico's leaders have long paid lip-service to the agrarian problem, but seldom have political control techniques in this sector been as severely threatened as at present in Yucatán.

INTRODUCTION

1. The purposes of this airgram are four-fold: 1) To sketch a political case study of Yucatán; 2) To present our view from the center of the likely course of events in Yucatán over the next six months -- i. e. until the inauguration of the new governor; 3) To speculate on the implications of a PAN victory or of a dubious PRI success; and 4) To suggest parallels between what has been happening in Yucatán and national politics more generally.

2. In large part this airgram is a synthesis of information already available in the Department. The reporting of William Harben from Amconsulate Mérida was exemplary in its coverage, acuity and lucidity. The Embassy prepared "Economic Study of the State of Yucatán" (A-314 of September 28, 1965), particularly in its treatment of the problems of the henequen industry, remains remarkably up-to-date. Politics anywhere is a product of many factors: historical, economic, social -- to list the more salient. We are lucky in the case of Yucatán to know a good deal about this background to politics -- perhaps more than we know about any other state or region.

3. That we should know most about the state which is currently the most politically disturbed is not entirely accidental. In many ways Yucatán is distinct from the rest of Mexico. This distinctiveness contributes to present problems. At the same time, the almost constant act of contrasting Yucatán with Mexico helps illuminate important political factors in the state. More important, the emergence of the PAN as a powerful political force in Yucatán has led to widespread public discussion of issues

CONFIDENTIAL

DECLASSIFIED

Authority A/MO969000
By W09 Date 3/26/02

CONFIDENTIAL

A-445 Mexico

3

and political techniques which the PRI and the Government, with their normal political omnipotence, either suppress or confine to sanitized official channels elsewhere in the country.

4. Some readers may find in the first of these reasons confirmation of their belief that Yucatán is a very special case in Mexican politics and therefore that political instability in Yucatán represents no significant threat of similar instability elsewhere. Other readers, fastening upon the second reason, may conclude that latent discontent is strong throughout Mexico and that it requires only competent leadership and a first breach in the PRI-Government's monopoly of political instruments to burst forth. We take the analyst's usual cautious view toward both of these extreme conclusions.

SOME BACKGROUND

Monoculture, Depression and Agrarian Reform

5. During the last part of the nineteenth century and the first part of this Yucatán was the World's chief henequen producing area. Wealth was unevenly distributed but in the context of the times the state was one of the more prosperous in Mexico. The henequen boom completed the concentration of population in the northern part of the state, a movement that was also encouraged by Government policies during the Yucatán Caste War, 1847-1901. In the aftermath of the decena trágica Yucatán emerged as one of the centers of radicalism in Mexico. Plantation agriculture permitted the mass of poor Yucatecans to observe the disparity between their way of life and that of the landholding class -- the casta divina. The socialist Felipe Carrillo Puerto became Governor and initiated steps toward land reform, a process that was taken much further in the next decade by Lázaro Cárdenas. By 1940 ejidatarios were in possession of the largest part of the henequen zone. However, yields of henequen per hectare dropped sharply after 1937, and this added to the economic difficulties caused by the expansion of sisal production in

CONFIDENTIAL

DECLASSIFIED

Authority AM969000
 By W21 Date 3/26/02

CONFIDENTIAL

A-445 Mexico

4

other parts of the world and the world depression of the 1930s. * (Another factor, the competition from synthetic and other fibers, did not become important until after World War II.)

6. As early as 1928 Ernest Gruening wrote that Yucatán's economy was in bad shape and that the solution lay in the development of manufacturing industries based on henequen and directed toward the internal market. The assessment of Nathaniel and Sylvia Weyl in 1939 remains remarkably valid thirty years later:

The plight of the peninsula is that of a monocultural area completely dependent for its welfare on the erratic and dwindling demand for an export crop that is now being raised in thirty-five competing areas scattered over four continents. The problems of socializing plantation agriculture are proving even more thorny than those incident to the expropriation of the oil industry. **

Efforts to Provide Economic Assistance

7. As with much of Mexico's agrarian reform the primary motive in Yucatán was political. Unlike the situation in many other parts of the country agrarian reform in the

*Agave fourcroydes (henequen) and agave sisalana (sisal) are both native to Mexico. Yucatán production is almost entirely henequen. Sisal production predominates elsewhere in the world.

**As of the mid-1960s henequen represented 58% of the area harvested in Yucatán and 66% of the value of agricultural production. Henequen decortication and manufactures represented 58% of the value of industrial production and employed 63% of the industrial workers. (See A-314 of September 28, 1965.)

CONFIDENTIAL

DECLASSIFIED

Authority A/M 969000
By W09 Date 3/26/02

CONFIDENTIAL

A-445 Mexico

5

henequen zone did not permit peasant to return to isolated subsistence farming. They remained dependent for their livelihood on centralized mechanisms for the processing, marketing and export of henequen fiber. The henequen plant has a long growing cycle and represents a considerable investment even before it begins to produce. The thin limestone soil of northern Yucatán is not readily adaptable to other types of farming. In any event, the Government did not wish to lose an important source of export earnings. Therefore, beginning in the early 1940s Government (principally the Federal Government) has played an increasingly important role in all aspects of the henequen economy. Embassy airgram 314 of September 28, 1965, details the evolution of Government policies and structures dealing with henequen. At the present time the two most important governmental institutions in the henequen zone are the Banco Agrario de Yucatán, which finances ejidal henequen production and attempts to improve the quality of the fiber, and Cordemex, S.A. de C.V., which has a virtual monopoly of the purchase of henequen fiber for manufacture and export.

8. Ostensibly the Banco Agrario and Cordemex are economic institutions charged with putting henequen production in Yucatán on a self-sustaining basis and providing those involved in the economy with a reasonable standard of living. In bald economic terms this means the elimination of thousands of marginal producers and effective sanctions against growers who do not produce a marketable fiber. In fact, the policies of these institutions, particularly the Banco Agrario, are dominated as much by political and humane considerations as by economic. Without substantial diversification of the Yucatán economy (agricultural colonization in the southern part of the state, cattle raising, tourism, fishing) there is no alternative employment for excess henequeneros. As long as the great majority of henequen ejidatarios remain at a meager subsistence standard of living it will take a very brave Government to impose effective sanctions against those who do not produce a marketable fiber.

CONFIDENTIAL

DECLASSIFIED

Authority Δ/Δ 969000By W21 Date 3/26/62

CONFIDENTIAL

A-445 Mexico

6

9. In effect most henequen ejidatarios now work for the Banco Agrario. The Bank advances them money on the basis of henequen growing tasks (chiefly weeding) to be performed. The Bank then sells the crop (that part which is marketable) to Cordemex and, theoretically, pays the henequeneros any excess over the amount of the advances and administrative costs. In recent years -- in part because of the low world price of henequen, in part because of poor production techniques on the ejidos -- there has not been any post-sale distribution to growers. Rather, the advances are in part a Federal subsidy. The henequenero, having received all he is going to receive before he turns over his crop, has little incentive to produce a better fiber.

10. We might suppose that the Government, by subsidizing henequeneros, would ensure itself the warm support of Yucatán's peasants. There may have been solid support at one time. But it has certainly been decreasing in recent years. As indicated, even with a subsidy, the standard of living of most henequeneros is very low. It is possible that most have never fully comprehended the weak position of henequen on world markets and that, despite their poverty, the legend of the golden years of henequen production lives on. If peasants do not now enjoy the profits that large landowners once had it must be, they reason, because corrupt Government officials are taking the money -- a phenomenon which exists but which does not, by any means, explain the present poverty of the region.*

*"The Maya owned his own land, could raise corn or henequen as he pleased, and had fair use of the processing equipment and the selling agency. The Revolution was complete. Yet he still starved. He had traded one master for many, and the new masters, lacking the interest of a landholder in the future of the estate, cared only about lining their pockets during a tenure of office. . . . The hierarchy of corruption was dominated by the governors, whose tricks ranged from insurance fees and holding companies to simple seizure of haciendas and henequen warehouses." (Nelson Reed, The Caste War of Yucatán, 1964, p. 267)

CONFIDENTIAL

DECLASSIFIED

Authority Δ/Δ 969000
 By WJW Date 3/26/62

CONFIDENTIAL

A-445 Mexico

7

A third factor, traditional Yucatecan distrust of the Central Government and persons from outside the state, is discussed in the next section.

Yucatecan Regionalism (Separatism?)

11. Amconsulate Mérida has pointed out in numerous airgrams (see particularly A-83 of May 26, 1967) the distinction that many Yucatecans make between themselves and Mexicans. More than the regional pride which such usage has come to imply in the U.S., or elsewhere in Mexico, it is indicative of deep-seated resentment and distrust. A host of factors enter in. Yucatán is still a highly Indian state. As late as 1960 44% of the population spoke an Indian language, more than in any other state of Mexico. The ethnic base is Maya, a factor which links Yucatán to Campeche and Quintana Roo, but which sets it off from most of the rest of the country. More than any of the other Indian sub-cultures, perhaps excepting the Aztec, the Maya can look back to a flourishing civilization of their own. They never formed part of the Aztec Empire and, after the Conquest, the Yucatán Peninsula formed part of a Capitanía General distinct from the Virreinato of New Spain. For a short period in the early nineteenth century Yucatán was an independent state. It then voluntarily joined Mexico, only to see its territory successively dismembered during the period 1821 to 1901 (the two most important divisions being the creation of the separate state of Campeche in 1852 and the creation of the Territory of Quintana Roo in 1901). Today Yucatán is the smallest of the three Mexican political subdivisions on the peninsula. Maya antagonism to all things Spanish or Mexican reached its peak during the Yucatán Caste War. That half-century struggle which cost an estimated 200,000 lives pitted the rural Indian population (often led by mestizos) against the white and mestizo town inhabitants. Brutal Federal repression finally brought hostilities to a close during the first decade of this century, but only after a number of semi-independent Maya states had existed for many years in what is now Quintana Roo.

CONFIDENTIAL

DECLASSIFIED
Authority AND 969000
By wm Date 3/26/82

CONFIDENTIAL

A-445 Mexico

8

12. Policies of the nineteenth century alienated much of the Indian population. The Revolution and its radical aftermath cost the Central Government the support of Yucatan's white upper class. There was even an abortive secession attempt in 1917 in which Indian and upper class white were allies.

13. Geographical isolation has been a contributing factor to Yucatecan regionalism. The first all-weather road linking Mérida to Mexico City was not completed until 1960. Economically Yucatán has always looked more toward the U.S., Cuba and Europe than toward the Mexican heartland. The tying of Yucatán to the Mexican economy has meant higher prices for manufactured products there than almost anywhere else in the Republic.

14. Nowadays there are few Yucatecans who take their separatism seriously. But there are many who retain a sentimental attachment to the idea. At a minimum it serves as an emotional escape valve. It may have some value as a means of putting pressure on the Central Government. Because of the strong regionalist sentiment the Government and the PRI have long tried to staff their positions in the state with Yucatecans born and bred. To the contrary, but for the same basic reason, the Mexican Army prefers to staff its garrisons in Yucatan with non-Yucatecans -- a policy which is only occasionally followed elsewhere in the country. *L I'm not so sure about that.*

RECENT POLITICAL HISTORY: THE URBAN POLITICAL REVOLT

15. Economic influence and social status in Yucatán descend along a color spectrum from white to Indian brown. Political power resides in the predominantly mestizo urban middle class. (See Merida's A-28 of June 29, 1969.) Despite the economic, racial and historical factors discussed above in this airgram, which might lead us to suppose that impoverished Indian peasants and/or disgruntled white oligarchs constitute the chief opposition to PRI hegemony in Yucatán, the precipitating elements of the

CONFIDENTIAL

DECLASSIFIED
 Authority A 20969000
 By WBY Date 3/26/02

CONFIDENTIAL

A-445 Mexico

9

current crisis were the urban middle and lower-middle classes. In 1967 elections Mérida voters went against the PRI by a margin of 3 to 1 in electing a PAN municipal government. In other cities there were reports of rank and file dissatisfaction with the candidates "imposed" by the official party. In 1967 also, as a result of the strong anti-PRI feeling in Mérida, the PAN succeeded in electing two of its members to the nine man state legislature--the only PAN state deputies in all of Mexico. The success of the PAN in Mérida, and its growing strength in other urban centers, has provided that party a base from which to attack the demographic underpinning of PRI strength -- the rural Indian population.

16. It is important to examine and suggest some possible explanations for the urban political revolt of 1967. Quite possibly, in this respect at least, events in Yucatán have parallels elsewhere in Mexico. In 1967 the PAN also won the state capital of Sonora -- Hermosillo. In 1968, in the view of many observers, it won the municipal elections in Mexicali and Tijuana. We noted in Embassy airgram 166 of March 31, 1969, that the PAN is strongest in urban areas; in more general terms there is a positive correlation between PAN strength and states with a predominantly urban population. Overall, in 1960, Mexico's population was slightly more urban than rural. Yucatán, 59.8% urbanized, ranked sixth in that year.

17. After the Revolution the urban middle class in Yucatán inherited political power from the white upper class. Agrarian reform measures won the support of the peasantry, and official party organizational techniques, a monopoly of coercive force, and the political passivity of the peasants combined to exclude opposition political influences. The white upper class has served as a useful political whipping boy although, in fact, many of its members have long since made their peace with the system in order to protect and further their economic interests. Political power gave the middle class politicians access to the economic resources of the

CONFIDENTIAL

DECLASSIFIED

Authority A20969000
By wby Date 3/26/02

CONFIDENTIAL

A-445 Mexico
10

state (including those that flow from Federal Government participation in the henequen industry). Patronage and graft fed a political machine that seemed to work as well in Yucatán as elsewhere in the country until the mid-1960s. We may attribute its collapse in Mérida in 1967 to the following factors:

The Evolving Political Role of the Middle-classes in Mexico

18. As the principal beneficiaries of the Revolution the middle classes have tended to play a stabilizing and conservative role in Mexican politics. Members of the middle classes, after all, held the dominant positions in the political system. Middle class citizens, not themselves involved in politics, were uninclined to be overly critical of how the system worked -- when they compared current stability to the chaos and bloodshed of the period 1910-1929. However, as the urban middle-classes have grown, as their members have taken political stability and their control of politics more for granted, once positive or neutral attitudes have become increasingly negative. Middle class citizens pay more attention to governmental inefficiency and corruption. As important taxpayers, collectively if not individually, they have an economic stake in good government. As educated persons they tend to look down on traditional political techniques. They, more than any other social grouping, are subject to the cognitive dissonance which years of talking about democratic process, while seldom allowing it in practice, have produced.

The Absence of a Large Industrial Labor Sector

19. The root causes of low industrialization are the chronically depressed state of the henequen industry and the Government's preoccupation with that industry to the neglect of economic diversification. In political terms it means that the PRI has not been able to balance urban middle class discontent with hierarchically organized and controlled labor union voters. Lower economic strata in Mérida and other Yucatán cities are dominated by artisans and persons in the tertiary sector. They are more likely to note the abuses and failures of

CONFIDENTIAL

DECLASSIFIED

Authority A20969000
By w79 Date 3/26/02

A-445 Mexico

11

Government than any positive relationship between their low standard of living and party regularity. Many must have voted for PAN candidates in the 1967 elections.

Bad Political Leadership

20. In a state sorely beset by economic problems, at least partly attributable to external causes, we hesitate to place too much blame on local leaders. But it is hard to escape the conclusion that protest against official incompetence and corruption contributed heavily to the PAN's 1967 victories. Yucatán seems to have had more than its share of mediocrities in the executive mansion and, given the gubernatorial influence over lesser appointments and nominations, the general level of political leadership has been low.

21. In choosing governors for poor or problem states the PRI frequently reaches into the Mexico City bureaucracy, choosing a man who has long been absent from his home state. There are a number of reasons for this. In poor states opportunities are limited and the best men tend to gravitate to Mexico City. Dependent as they are upon federal funds the poor states usually need a governor with good connections at the center. Poor states are more prone to caciquismo and this, if not interrupted by the appointment of an outsider, reduces the freedom of the Federal Government in the state and tends to increase the level of political frustration and discontent. However, in Yucatán, because of strong regionalist sentiment and despite the factors listed above, the PRI has usually picked a governor with good local connections. The results have been disappointing.

22. The present Governor of Yucatán, Luis Torres Mesías, took office February 1, 1964. Yucatecans were inclined to be sanguine. Torres Mesías had been a reasonably good and popular mayor of Mérida a few years earlier. He was close to López Mateos. He had spent all of his career, except 1961-63 when he was a federal deputy, in Yucatán. His predecessor, Agustín Franco Aguilar, had been an accomplished crook and this, in a perverse way, gave the citizenry reason to

CONFIDENTIAL

DECLASSIFIED
Authority AM 969000
By WSP Date 3/26/02

CONFIDENTIAL

A-445 Mexico
12

think that matters would improve. (A still earlier Governor, Tomás Marentes Miranda, was so bad that he had to be removed in mid-1953 after only a year and a half in office.)

23. The hopes did not last long. Perhaps because Franco Aguilar had done such a good job in cleaning out the state treasury and in making off with the easily obtainable graft, Torres Mesías found it necessary to dig more deeply. By mid-1966 his chief lieutenant (Julio Bobadilla Peña, now a Federal Deputy and a sometimes mentioned gubernatorial precandidate.), a man not known for excessive scruples, was openly disgusted, and a year later there were very positive rumors that Torres Mesías was on his way out. In addition to being corrupt, Torres Mesías offended local opinion by consorting openly with his mistress. As the 1967 elections approached local opinion categorized the Governor, somewhat kindly, as an "adulterous mediocrity." The PRI Mayor of Mérida, then finishing his term of office, was described as "an incompetent, an embezzler and an alcoholic." (See Mérida's A-19 of October 26, 1967.)

The Potable Water Problem

24. Contributing to the unpopularity of the Governor and Mayor was the potable water problem. In the early 1960s a loan had been contracted with the Inter-American Development Bank to build or expand potable water systems in a number of Yucatán cities, Mérida among them. In 1967 as the work was nearing completion it was discovered that the rates would be much above earlier charges and, indeed, well above the prevailing rates in Mexico City. Strong protests resulted and many persons refused to be connected to the new system in Mérida. At about the same time the Yucatán State Government defaulted on its payments to the IDB and the Federal Government, apparently disgusted with the continuing drain of the state on federal funds, suspended all federal public works projects. There were cries of outrage against the Federal Government, but many Mericanos accepted the PAN argument that the excessive water rates and the insolvency of the State Government were yet more proof of PRI incompetence, or worse, at the state and local levels.

CONFIDENTIAL

DECLASSIFIED

Authority A/M 969000
By wny Date 3/26/82

CONFIDENTIAL

A-455 Mexico

13

The Role of the Diario de Yucatán

25. PRI officials attribute a very important role to the newspaper Diario de Yucatán in assessing the PAN's 1967 victories. For a number of years prior to 1967 the Diario de Yucatán had had a reputation as an independent journal of muckraking proclivities. The paper is owned by relatives of Mario Menéndez Rodríguez (now editor of the violently oppositionist national magazine Por Qué?) and in the early 1960s Mario worked on the Diario. Much of the newspaper's criticism pointed toward the relations of government officials at the various levels and, of course, the PRI came in for its share. Official concern about the role of the Diario de Yucatán may have contributed to the 1965 founding of the Novedades de Yucatán. (There had been and still is a smaller pro PRI-Government paper, the Diario del Sureste.) But the Diario de Yucatán continued to be the most influential newspaper in Mérida, perhaps throughout the state, and in 1967 it came out strongly in support of the PAN slate for the Mérida city government. Since then it has remained largely partisan toward the PAN and against the PRI. It provides the PAN with a great deal of favorable publicity; it serves as a check of sorts on arbitrary abuses of power by the PRI-Government. (The example of the Diario de Yucatán helps to explain the importance that the PRI and the Government attach to "responsible" journalism elsewhere in the country; e.g. the Excelsior case.)

SIGNS OF UNREST IN THE COUNTRYSIDE

26. While urban revolt in Mérida sparked the present crisis the forthcoming gubernatorial election will be won or lost in the countryside and in the smaller towns. The PRI is less sure of its control of this numerically dominant portion of the state than at any time in the past forty years. Signs of increased peasant militancy abound. Peasants are less patient with continued economic stagnation or with the political intrigues of their leaders. They object to the efforts of the Banco Agrario and Cordemex to improve Yucatan's henequen

CONFIDENTIAL

DECLASSIFIED

 Authority A/MO969000
 By W01 Date 3/26/02

CONFIDENTIAL

A-455 Mexico

14

crop -- which in immediate practical terms mean more work for no more money and the rejection of low quality fiber. They are more inclined than ever to believe the stories of corruption and misuse of public funds -- especially since the directors of both the Banco Agrario and Cordemex are Mexicans and not Yucatecans. Leftist forces may be active in the countryside but the PAN, as the only viable political alternative at the present time, stands to gain most from campesino and small town militancy.

27. Peasant marches on Mérida and meetings in smaller towns, accompanied at times by violence, have been a common feature of the Yucatan political scene during the past two and a half years. In February, 1967, Amconsulate Mérida referred to the "pattern of violence which has been developing in Yucatán since the riots of September, 1966." Marches on Mérida, to date, have been directed against the Government henequen control mechanisms and institutions: demanding the ouster of Banco Agrario and Cordemex directors; the relaxation of quality control measures; the granting of Christmas bonuses. In June, 1969, however, there was a reported offer by the town of Tizimin to send 1500 men to support the PAN administration in Mérida against the PRI state government. Demonstrations and disturbances outside of the capital have generally resulted from power squabbles between different factions of the PRI or between priistas and panistas. Recently there appear to have been more of the latter type, although there is evidence from Amconsulate Mérida to suggest that some of these supposed interparty clashes have been trumped up by the PRI as a pretext for cracking down on PAN elements.

28. There seems little doubt that PAN influence in the countryside and in smaller cities is growing. In November, 1968, a PAN spokesman claimed 82 committees scattered throughout the state and said that the party was particularly strong in Valladolid, Izamal, Motul and Ticul. In June of this year a PAN official claimed that the party would have 15,000 members (of which 7,000 in Mérida) by the time of the election and that it would carry the state on the

CONFIDENTIAL

DECLASSIFIED

Authority A/M 969000
By W01 Date 3/26/82

CONFIDENTIAL

A-455 Mexico
15

strength of the potentially large anti-PRI vote. At the end of 1968 Mérida Mayor Victor M. Correa Racho printed a glossy, attractive, booklet on his first year in office. It was given wide distribution throughout the state, to the benefit of the PAN's image. That the PRI is uncertain about its support outside of Mérida is attested by changes in several municipal administrations during recent months (see below).

THE PRI FIGHTS BACK

29. The PAN victories in 1967 were an upset for the PRI. They constituted a severe personal political disaster for Governor Luis Torres Mesías. The election of Victor M. Correa Rachó as PAN Mayor of Mérida was as much a protest against the PRI state administration as against the outgoing PRI city administration. The potable water problem cut across jurisdictional lines. Meridanos noted that the Governor's brother, Jorge, was a Mérida councilman and city treasurer.
30. Yucatán has been a PRI-PAN battleground during the past twenty months. Various political interests are at stake on the PRI-Government side, largely coinciding but perhaps not always well coordinated. Until the beginning of this year the dominant theme seemed to be an almost personal struggle between the PRI Governor and the PAN Mayor, Torres Mesías attempting to rescue his shattered political career and Correa Rachó trying to convert his present position into a stepping stone to the governorship. Since the early part of this year the national PRI organization has taken a much firmer hand in directing political affairs in Yucatán. The Governor may not be reduced to figurehead status, but he is certainly coordinating his actions with national officials. A third element, as the PAN has showed increasing strength in the countryside, have been attempts by local caciques and políticos to preserve their positions -- i. e. by breaking up PAN meetings and by other harassing tactics.
31. The highlights of the struggle between Mayor and Governor (including incidents outside Mérida which may or may not have had gubernatorial encouragement) are the following:

CONFIDENTIAL

DECLASSIFIED
 Authority AM 969000
 By W09 Date 3/26/82

CONFIDENTIAL

A-455 Mexico

16

Torres Mesías, apparently from the very beginning of Correa Racho's term of office, has attempted to reduce the funds available to the city administration. Initially he blocked the normal transfer of state funds to the city. In April, 1968, the state legislature denied permission to a Mérida banker to make a loan to the city. At present steps are under way to give the State authority to collect certain taxes previously collected by the City and to discourage Mérida businessmen from paying assessments to the city administration. Throughout the period there have been rumors that the Governor would depose the PAN city administration. In March, 1968, there were rumors of an incident in which a few persons would be killed, thus giving the Governor a pretext for stepping in. In August and September of last year there appears to have been a concerted effort to buy off PAN elected officials and leaders. One of the six PAN municipal councilmen did separate himself from the party, amidst a flurry of charges and countercharges. One of the PAN's two state deputies also defected. In December and January peasant protests against the Banco Agrario, while not directly related to the PRI-PAN conflict, prompted PRI charges of PAN involvement and no doubt provided the PAN with some political mileage. This past March and April PAN speakers, including the national Secretary General, were physically attacked when speaking in smaller towns outside Mérida. In June, after a student-police clash which the PAN labelled contrived, Torres Mesías placed the Mérida police force under state control. The PAN called for a series of work and traffic stoppages and organized a series of protest meetings. The PRI countered with its own demonstration and the state legislature expelled the one remaining PAN deputy. (In contrast to the situation in Mérida, the PRI Governor of Sonora and the PAN Mayor of Hermosillo appear to get along fairly well.)

32. Governor Torres Mesías has never seemed the best man to lead the PRI's counterattack in Yucatán. His personal vendetta with the Mayor has rather added to Correa Racho's popularity, both within and outside Mérida. In March, 1969, the National Executive Committee (CEN) of the PRI appointed Federal Deputy Oscar Ramírez Mijares (D.F.) as General Delegate to the State, and Federal Deputy Ignacio Pichardo Pagaza

CONFIDENTIAL

DECLASSIFIED

Authority AM0969000
 By W01 Date 3/26/82

CONFIDENTIAL

A-455 Mexico

17

(Mexico) as Special Delegate to the City of Mérida. About the same time the CNC appointed Federal Deputy Celestino Salcedo (Baja California) as its Special Delegate. The other two sectors may also have appointed special representatives. We believe that these men have had the most influence in reorganizing and strengthening PRI forces in recent months. Before enumerating some of their activities it is worth pointing out that some national PRI concern about the trend of events in Yucatán was already evident last year. In June 1968, Díaz Ordaz paid a rare presidential visit to the state and was well received personally. He inaugurated a harbor at Yukalpetén (which, according to a recent Excelsior story, has since fallen into almost complete abandonment). In August of last year the CTM organized the Federación de Trabajadores del Estado de Yucatán, presumably in an attempt to bolster the labor sector in the state.

33. A major effort of the national PRI officials at work in Yucatán is that of reorganization: i. e. replacing old faces with new, inert party hacks with aspiring activists. It is a standard PRI panacea, which usefully precludes the need to discuss issues, but its efficacy cannot be discounted. Even with respect to Yucatán, where numerous new faces have come and gone while conditions changed very little, PRI partisans argue in all seriousness that there is still basic loyalty to the PRI and that all that is necessary is a good house cleaning. They may be right.

34. The first victim was the state leader of the PRI. He was deposed in March and since then General Delegate Ramírez Mijares has been de facto head. In May a new PRI committee for Mérida was named. Special Delegate Pichardo Pagaza then turned his attention to strengthening the PRI sectional committees in the capital. Outside Mérida there have been reports of a number of changes in ejido comisariados and municipal governments. Allegedly the ousted leaders were pro-PAN. (See Merida's A-37 of July 31, 1969.)

CONFIDENTIAL

DECLASSIFIED

Authority A2096900

By w01 Date 3/26/02

CONFIDENTIAL

A-455 Mexico
18

35. The most important personnel selection task relates to the choice of a successor to Torres Mesías. There can be little doubt that the PRI is giving serious thought to picking the best man. Whereas in most gubernatorial selections the eventual winner is fairly obvious months ahead of time, the issue in Yucatán is still very much in doubt within weeks of the expected announcement. From appearances it would seem that the PRI is on the horns of the old dilemma: a local politician who will satisfy Yucatán regionalist sentiments, or a politician from the center who will be more likely to give capable and honest leadership. Wealthy PRI supporters attempted to give PRI President Alfonso Martínez Domínguez a third option when he visited Yucatán in April: the nomination of a businessman who, because he was non-political and already wealthy, could be counted upon to give good government. But AMD demagogically rejected the idea that the economic power holders should also be the political power wielders (a precept not always adhered to elsewhere in the country). Still another possibility was recently reported by CAS: that the PRI would not nominate anyone, instead backing an independent candidate. Conceivably, this might be a respected Mérida professional with little previous political background.

36. But the choice of a politician still seems the most likely and we suspect that the PRI, after its unhappy experience with Torres Mesías, will give more weight to the personal qualities of the candidate than to his arraigo local. This inclines the balance toward Yucatecans currently holding office in Mexico City. If, as cannot be ruled out, the November election is disputed and the weight of the Federal Government is needed to maintain PRI control, it will be doubly important to have a Governor whom national leaders know and trust. Of Yucatecans with national stature, the most frequently mentioned is Senator Carlos Loret de Mola. A descendent himself of the casta divina, he has been criticized by fellow aristocrats as not two faced but ten-faced. An American businessman resident in Mérida has described him as a crook. But these seem isolated criticisms. He is not overly identified with unpopular governors.

CONFIDENTIAL

DECLASSIFIED
 Authority AMD 969000
 By WMS Date 3/26/02

CONFIDENTIAL

A-455 Mexico

19

past and present, and has fairly good local contacts for a man who has spent much of the past twenty years out of the state. He has a reputation as a good Catholic, a factor of some importance in Yucatán. Federal Deputy Victor Manzanilla Schaffer has also been mentioned frequently. He is personally honest and is an expert on agrarian affairs, but has very little arraigo and there have recently been newspaper suggestions that he was born in Morelos (presumably a disqualifying factor). Hydraulic Resources Secretary Jose Hernández Terán has received some mention. He would be the most prestigious nominee, but he is practically unknown in Yucatán and few believe that he himself would want the job.

37. In addition to changing personnel at various organizational levels, PRI national officials have certainly given considerable attention to the agrarian sector as a whole. The Yucatán PRI has been deeply factionalized in recent years, in good part as the result of peasant discontent and frustration. Politicians attempting to use that discontent to further their own careers have had to champion the grievances of the peasants against the Banco Agrario and Cordemex. These institutions, with substantial resources at their disposal, are not defenseless and indeed, often have the agrarian leaders on their own payrolls. The result is a complex tangle of personal ambitions, party loyalty and co-optation. Torres Mesías, with little support from above or below, has seldom seemed in control of the intriguing factions. Since the 1967 elections the PRI and the Government have taken a generally conciliatory attitude toward the peasants, constrained however by reluctance to back track on efforts to rationalize the henequen industry. Christmas bonus demands this past December and January were substantially granted. Last year the Government changed the director of the Banco Agrario after peasant protests. Within the past month the CNC has raised the possibility of mixed commissions, including peasants, for the classification of henequen. The use of force and imprisonment has been restricted to groups of peasants thought to be in league with the panistas. The buying off of present and emerging peasant leaders probably remains the major PRI tactic for controlling the agrarian sector.

CONFIDENTIAL

DECLASSIFIED

Authority A20969000

By w11 Date 3/26/82

CONFIDENTIAL

A-455 Mexico

20

38. A third element in PRI strategy for the control of Yucatán is a vigorous propaganda campaign against the PAN. PRI leaders lose no opportunities to portray it as the party of the casta divina, the Church and reaction. There is appeal to both race and class differences. As Amconsulate Mérida has pointed out, the PRI seems determined to wage the present political campaign against Porfirio Díaz. The highlight to date of this aspect of the PRI's efforts was the late April visit of PRI President Alfonso Martínez Domínguez. The results were at best mixed. AMD's threat that a PAN Yucatán would be isolated from the rest of the country (i. e. from federal funds) may have provided sardonic satisfaction for the more militant oppositionists but in general was poorly received. His antagonizing of wealthier PRI elements has already been mentioned. Quite possibly PRI strategy in this election year includes an explicit leftist appeal. The recent appointment of the PRI-communist Hernán Morales to head the Yucatán Centro de Estudios Políticos, Económicos y Sociales (CEPES) may have been with this end in mind. But it is difficult to imagine what concrete leftist gesture the PRI-Government can make before the election. And simple demagoguery may have limited appeal to either urban or peasant populations at this juncture in the Yucatán political crisis.

LOOKING AHEAD

39. Our best estimate at the moment is that Correa Rachó will be the PAN candidate for Governor of Yucatán, that Loret de Mola will be the PRI candidate, and that the election will be held as scheduled on November 23 (despite a recent passing rumor that both Correa Rachó and Torres Mesías would be removed from office and the election postponed one year). Assuming that the election is held we foresee three possible scenarios, listed in order of likelihood.

A Legitimate PRI Victory

40. By legitimate we mean anything short of the falsification of votes and partisan counting. It does not rule out PRI efforts to bribe or coerce voters in its favor or to impede access to voting booths of panistas. These tactics have always formed a part of the political control mechanism in Mexico and their use

CONFIDENTIAL

DECLASSIFIED

Authority AMD 969000By WJW Date 3/26/82

CONFIDENTIAL

A-455 Mexico
21

once again in Yucatán this November will not unduly excite public opinion. It is not certain, however, that PRI victory will depend on these questionable practices (although they will certainly help to boost the winning percentage). PAN hopes for victory rest on anti-PRI feeling, not on loyalty to the PAN. The PRI's fence mending efforts of recent months are undoubtedly paying some dividends and the choice of a respected gubernatorial candidate could sway many border-line dissidents. While Yucatecans, both urban and rural, resent PRI threats to isolate the state in the event of a PAN victory, they are not unaware of the tremendous dependence of the state on federal funds. The realization may well prove sobering as the election draws nearer.

A Rigged PRI Victory

41. This might involve the blatant falsification of votes, the arbitrary determination of a PRI victory regardless of the contents of the voting boxes, or (as happened in Baja California last year) the throwing out of election results favorable to the PAN -- i. e. the annulment of the election. PRI officials in Mexico City and in Yucatán have stated flatly that the PRI will win the election and that while it may well lose in Mérida it will carry the countryside overwhelmingly. They make no bones about the fact that the rural vote will be rigged if necessary -- perhaps even if not, since the PRI has traditionally erred on the side of caution. Rigging in Mérida and other cities will be more difficult, but cannot be ruled out. As a last resort the PRI-Government has the option of annulment, claiming irregularities on both sides.

A PAN Victory

42. We rate this possibility very low. The official party has not lost control of a state government in forty years. The month in which the PRI will probably announce its next presidential candidate, and at a time in the six year political cycle when all efforts are directed toward achieving near national unanimity, does not seem the most likely occasion for such a precedent. While a

CONFIDENTIAL

DECLASSIFIED

Authority Δ/ND969000By W01 Date 3/26/82

CONFIDENTIAL

A-455 Mexico

22

recognized PAN victory would probably not open the floodgates to opposition voting throughout the nation, as some panistas claim, powerful elements within the PRI are probably still unwilling to take that chance. There is, nevertheless, some slim chance of a PAN victory. Peasant discontent may be more unreconcilable than we now estimate. The PRI's choice for governor, Loret de Mola or someone else, may not prove as popular as the PRI hopes. If continued PRI control depends in the last resort on annulment of the elections, the last minute decision may be to recognize a PAN victory.

43. In the likely event of a PRI victory we foresee an increase in the potential for violence in Yucatán, worsening of PRI-PAN relations and a resurgence of self-criticism from within the PRI. The strength of these reactions will depend in some measure on whether the election is legitimate (in the sense defined above) or obviously rigged.

44. There have been a number of reports in recent months of actual or potential peasant violence (other than that directed from above). Prior to the visit of Martínez Domínguez to Yucatán PAN officials were reported disarming peasant sympathizers. An ambulance followed the PRI President on his tour. On July 1 metropolitan newspapers reported an attempt by a peasant mob at Hunucmá to lynch local PRI leaders. There were rumors of PAN incitement but Amconsulate Mérida found no confirmation. In June Mérida newspapers reported the existence of a guerrilla group in eastern Yucatán. The Army has denied the report, but Amconsulate Mérida has been told by one informant that this is a cover up to discourage like-minded dissidents. The Mexican Government and Army seem themselves to be concerned about the potential for violence in the state. The state takeover of the Mérida police force was a minor step in the direction of ensuring complete control of coercive force. A CAS source, perhaps exaggerating, reports plans to move 15,000 troops to the Yucatán area before the elections. Mérida's A-36 of July 31, 1969, reports the exchange of an army battalion, stationed for some time in Yucatán, for a politically more reliable battalion from Veracruz -- in part confirming the earlier CAS information.

CONFIDENTIAL

DECLASSIFIED

Authority A/MO 969000By WJW Date 3/26/82

CONFIDENTIAL

A-455 Mexico
23

45. We doubt that the PAN will call for peasant violence. National party officials will presumably exercise a restraining influence on local militants. Leading panistas are subject to a variety of pressures of an economic nature, and the urban base of PAN support in Yucatán will be wary of encouraging anything approximating the Indian uprising of the last century. But the possibility of spontaneous outbursts of violence in the countryside, and perhaps also in the cities, remains. It is unlikely to get out of hand.

46. A PRI victory will place new strains on the national-level relationship between the official party and its chief opposition, and it will weaken the PAN internally. While the dominant group in the PAN in recent years has advocated responsible opposition in the belief that the PRI will eventually permit fuller opposition political participation, a vocal and not insignificant segment denies that the PRI will ever voluntarily surrender its political monopoly. Not by nature revolutionists, these minority panistas are more inclined to register their protest by abstaining from political participation. (See A-166 of March 31, 1969.) By design the PAN has scheduled its national presidential nominating convention for the period October 31 to November 2. Party leaders want to have the presidential choice out of the way before the Yucatán election and they envisage a possible visit by the candidate to Yucatán prior to the state election. No matter how the PRI wins that election there are certain to be PAN protests. If it is blatantly rigged, it is possible that the PAN will decide not to contest the national presidential election. There will be pressures from within the PAN to adopt this policy. Alternatively, the PAN may continue in the presidential contest, basing much of its campaign on the alleged fraud in Yucatán (as well as that in Baja California in 1968). A campaign waged essentially against the authoritarian methods of the PRI and Government will not be conducive to good relations between the two parties. And it will exacerbate present divisions within the PAN.

47. It is interesting to speculate, although we can do no more, about a possible PRI effort to placate the PAN. An understanding that would assure the PAN a senate seat in 1970 (perhaps in Yucatán but more probably in the Federal District) might be

CONFIDENTIAL

DECLASSIFIED

Authority A/MO 969000By WOM Date 3/26/62

CONFIDENTIAL

A-455 Mexico

24

part of such an effort. Alternatively the Government might hold out the hope of senadores de partido, similar to the present diputados de partido, a gesture that would require a constitutional amendment and could not become effective before the 1976 elections. A gubernatorial election is scheduled for Baja California in 1971 and in that 80% urban state, especially after what happened in the municipal and state deputy elections in 1968, the PRI may feel it has no chance whatsoever to win fairly. It may promise the PAN a fair election in that state two years from now -- a time in the six year political cycle that may not be viewed so critically.

48. A PRI victory that is at all questionable will rekindle criticism within the PRI, directed in part against the leaders in power, but more generally against a political system that at times rides roughshod over public opinion. Especially among younger priistas there is a sincere belief that continued PRI domination of Mexico's politics can only be justified on the basis of popular support. They are less willing than their elders to overlook, or reverse, embarrassing incidents. This attitude applies in even greater measure to the student population, which may have the right to vote in the 1970 election and which the PRI would like to bring within its ranks.

49. In the unlikely event of a PAN victory in Yucatán we anticipate effects somewhat, but not entirely, opposite to those that will result from a PRI victory. In Yucatán itself there will be a period of unease, perhaps accompanied by violence, during which die-hard priistas attempt to provoke Federal intervention. At the national political level the PAN will be greatly strengthened and will be encouraged to wage the presidential campaign on social and economic issues rather than on strictly political -- the fact of PAN victory in Yucatán will partially vitiate the charge of PRI-Government dictatorship. We doubt that PAN electoral victory in Yucatán would precipitate a major shift in the balance between the two parties nationwide. The PRI remains the

CONFIDENTIAL

DECLASSIFIED

Authority AM969000By WMM Date 3/26/02

CONFIDENTIAL

A-455 Mexico
25

party of the Revolution. Its control mechanisms in less troubled areas than Yucatán remain effective. The PAN lacks the personnel and the resources to reach very far outside the cities. A PAN victory in Yucatán, by serving as an escape valve for doubts and criticisms presently evident both within the PRI and the larger voting public, may rather have the effect, at least in the short run, of strengthening support for the official party.

MCBRIDE



CONFIDENTIAL

CONFIDENTIAL

DECLASSIFIED

Authority AM969000

By W29 Date 3/26/62