

**NEOLIBERALISM, GRIEVANCES AND DEMOCRATIZATION:
AN EXPLORATION OF THE ROLE OF MATERIAL HARDSHIPS IN SHAPING
MEXICO'S DEMOCRATIC TRANSITION**

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ABSTRACT

This article explores the relationship between neoliberalism and democratization in Mexico. For decades the Mexican state maintained the one-party rule of the PRI (Partido Revolucionario Institucional) through a complex arrangement involving corporatist and clientelist practices. The onset of neoliberalism – including the 1982 peso crisis and the imposition of structural adjustment policies – realigned state policies with the result that the Mexican state transformed from a populist provider for many Mexicans to the instrument of their severe hardships. The state did little to protect people from nation-wide declines in wages and increases in unemployment, while withdrawing a range of subsidies necessary for daily survival. The size, scope and density of the resulting hardships, in turn, united a multi-class coalition that for the first time was able to work together to demand political change. Multiple demands emerged, corresponding to different sectors of society and different hardships, but in the end the demand for democracy became the unifying strategy. A decade after the end of one-party rule in Mexico, we can evaluate how hardships united people to demand change, even as that change has been more procedural than substantive.

INTRODUCTION

The year 2000 marked a momentous transition in Mexican politics. President Vicente Fox's election ended the longest running rule of one political party in modern times. Like most important political changes, the democratization of Mexico was the culmination of long-standing efforts by a variety of social actors. It was also part of a global trend. Democratization struggles increased dramatically after World War II, as post-colonial independence movements achieved national autonomy. By 1990, 70% of all nations were democratic. In Latin America, the democratic wave was even stronger, as 80% of all nations in the region were deemed democratic by 1990 (Przeworski et al 2000). Following the collapse of the Soviet Union and the end of communist regimes in Europe after 1991, the majority of states are now democracies, with 30

percent of them becoming so in recent decades (Diamond 2003; Tumber and Webster 2007). The democratic form of governance is now numerically dominant and normatively desirable, to the point that democracy is the most “universally acceptable form of government” (Delanty and Rumford 2007: 414).¹

Just as democracy has become a pervasive institution worldwide, so has neoliberalism. Emerging from critiques of Keynesian and welfare state policies by von Hayek, von Mises, and Friedman, neoliberalism re-asserts market logic above all others in economic and political life. In the contemporary context of the world-system, neoliberalism represents the dismantling of previous developmental states by drastically reducing state intervention in the economy (McMichael 1996a). Beginning in the late 1970s, international financial agencies such as the World Bank and the International Monetary Fund (IMF), implemented neoliberal policies in order to harmonize a wide range of fiscal, monetary, industrial and commercial policies. Concretely, this has meant that states open their national economies to the world market by liberalizing trade and financial policy, deregulating businesses, reducing or eliminating state subsidies and social programs and privatizing key domains of the public sphere, such as state-owned enterprises (Haggard and Kaufman 1992; Portes 2001; Robinson 2001). Neoliberalism is not monolithic, as it is applied to various degrees and in different ways across the world-system, but its common thrust is to make states much more responsive to the needs of capital rather than to a variety of other constituents (Harvey 2005).

The market-oriented policies associated with neoliberalism were adopted throughout the developing world. Between 1978 and 1992, more than 70 countries undertook 566 stabilization and structural adjustment programs imposed by the IMF and the World Bank (Robinson 2001: 185). In the past 25 years, virtually every Latin American country has undergone structural adjustment (López Montaña 2003). Unfortunately, wholesale privatization, deregulation, trade liberalization and financial integration have not brought prosperity to the developing world (Hershberg and Rosen 2006). Instead, they have elicited wide-spread immiseration (Hoffman and Centeno 2003) and social protest (Burdick, Oxhorn and Roberts 2009; Hite and Roberts 2007; Walton and Seddon 1994). Nowhere in the world have these protests reached such intensity as in Latin America (Almeida and Johnston 2006). Protests against neoliberalism have been widespread and have opposed economic adjustment policies in general and privatization policies in particular (Almeida 2007, 2008). In the case of Mexico, anti-neoliberal protests occurred throughout the 1980s and the 1990s (Shefner, Pasdirtz, and Blad 2006).

We argue that the convergence of democratization, neoliberalism and social protest is more causal than coincidental. As Almeida and Johnston note, at least in Latin America, there seems to be a strong relationship between democracy and foreign debt. Beginning with the 1980s, the region had a very low democratization average, but by the late 1990s and early 2000s, “the region was high in the democracy index, with an average of around 8. Latin America’s foreign debt has also clearly sustained an upward trend since the regional economic meltdown in the

¹ For the purpose of this discussion, we employ a widely-used definition which suggests that democratization is demonstrated by crucial hallmarks: genuine, regular, and non-coerced competition among individuals and organizations for power through legitimate elections; “inclusive political participation in selection of leaders and policies” and a level of civil and political freedoms such that the previous elements can be truly meaningful (Diamond, Hartlyn, and Linz 1999: ix). Note that we employ this definition without endorsing it.

early 1980s” (Almeida and Johnston 2006: 13). While the motivations for the imposition of neoliberalism are varied, growing foreign debt is a principal precipitator for the imposition of neoliberal reforms. Although our argument about the relationship between neoliberalism and democratization seems to echo the positions of theorists who equate democracies and ‘free markets’ (Lipset 1959; Diamond, Hart, and Linz 1999), we suggest it is instead the hardships driven by neoliberal policy that energizes democratizing forces to press the state for change. Accordingly, what may appear as a convergence of democratization, neoliberalism and social protest, is actually a causal sequence, beginning with neoliberalism, leading to social protest and ending with democratization. Importantly, as the Mexican transition to political democratization demonstrates, more open politics is not necessarily a cure for longstanding ills of economic inequality.

In summary, we argue that neoliberalism imposed increasing hardships on the Mexican citizenry, disrupting a long-standing semi-inclusive political economy managed by the PRI. As state strategies of clientelism and corporatism failed, multi-class coalitions pursued a variety of struggles, ultimately choosing electoral democratization as the unifying strategy. Thus it was not market-friendly governments that paved the way for democratization, as neoliberals and others suggest, but the pain of unmoderated capitalist markets that created the resistance leading to democratization. In a Polanyian double movement fashion, the neoliberal policies which began in Mexico in the early 1980s produced extensive hardships that simultaneously eroded state legitimacy and contributed to demands for political change. Electoral democratization, however, has not addressed the needs of those suffering from neoliberal-induced hardships.

We develop our argument in six sections. First, we place the Mexican transition in the larger context of neoliberalism. Contemporary discussions have highlighted two competing relationships between neoliberalism and democracy. We propose a third view, arguing that these accounts have overlooked a key relationship: how the proliferation of widespread and deep material hardships triggers demands for democratic change. The next section explains what hardships are and how to measure them. To better understand those hardships and demands for change, discussion then turns to the Mexican case study and explains the range of data which contributed to this analysis. The fourth section details the history of neoliberal-generated hardships, the social responses, and how the demand for democracy became the goal for the multi-class coalition that developed over two decades. This section includes data from an extended field study into a Mexican community organization as an exemplar of Mexican social movements and its focus on democratization. The next section explores how the differential hardships people experienced shaped four well-known features of mobilization: grievance interpretation, resource accumulation, strategic decision-making and interaction with authorities. The final section concludes by discussing how a more structural approach to mobilization may illuminate other cases of hardship-drive political dissent. It also raises the specter of the type of democracy that is possible under globalization, one that is consistent with exclusionary economic policies such as neoliberalism.

NEOLIBERALISM AND DEMOCRATIZATION

The emergence, variety, and savage outcomes of neoliberalism are well known, especially as the process has affected Latin America (Havey 2005, Portes and Hoffman 2003; SAPRIN 2004;

Burdick, Oxhorn, and Roberts 2009; Dello Buono and Bell Lara 2007; Hershberg and Rosen 2006). Debates concerning the political consequences of neoliberalism have revolved around the changing capacity, accountability and functions of the state. These discussions get to the heart of our inquiry about the relationship between neoliberalism and democratization. To what degree is there a connection between democratization – the opening of a polity, combined with more competitive elections and the creation of new channels for grievance articulation and remediation – and neoliberal policy that polarizes wealth and inequality? To answer this question, we discuss these crucial features of the state and link them back to indicators of democracy.

Various scholars have highlighted a crucial change in state functions under neoliberalism: from managing national economies to managing global economies. McMichael (1996a, 1996b) documents how the “globalization project” replaced the “development project,” thereby transforming the primary economic function of the state so that the goal became managing global economic growth and maintaining participation in the global economy over national concerns. In this way, as Robinson has argued, the state’s transnational regulatory functions follow a global logic; states become agents of global rather than national capitalism (Robinson 2001). This change, of course, was not an organic one. It flowed from the growing influence of previously mentioned international agencies such as the World Bank and the IMF. These changes also reflect the growing influence of the transnational capitalist class; globalizing state bureaucrats and politicians number among the four different factions that constitute it. Their primary role is to help create the political conditions needed for the uninterrupted flow of cross-border production and trade, and in this way, most often serve the interests of transnational corporations (Sklair 2002).

Scholars disagree about how this market-friendly shift has affected the possibility of democratic governance. There are those who find an elective affinity between the two processes and those who see neoliberalism as diminishing democratic forms of governance. On one hand, proponents of various versions of modernization theory argue that market liberalization will lead to economic development, which in turn will enhance a nation’s prospect to embrace and sustain democracy. They would uncritically endorse Lipset’s traditional belief that more well-to-do nations have a greater probability of sustaining democracy (Lipset 1959). In essence, this stems from a view that sees material prosperity and an open political culture as mutually reinforcing (Almond and Verba 1963). Linz and Stepan (1996) provide more empirical support for this theoretical relationship, as they highlight the well-documented correlation between nations with high levels of socioeconomic development and democracy; at the same time, they point out that there are few democratic nations featuring low levels of socioeconomic development. De Gregorio (2010) continues to argue that the link between market-friendly (read neoliberal) trade and other policies and democratization is unassailable and positive. The problems arise, in this view, when such policies are badly managed.

In contrast, other scholarship has outlined the many ways that neoliberalism helps degrade democracy, mainly by eroding state capacity and accountability.² Three different kinds of examples illustrate this process. First, the World Trade Organization (WTO) is often considered the third institutional pillar of neoliberalism. It has severely limited state sovereignty in shaping trade policy. Many have highlighted the undemocratic nature of decision-making which occurs within the WTO, both because those who adjudicate trade disputes are appointed

² See Fox (2007) for an especially articulate discussion of accountability politics as it emerged in Mexico.

rather than elected and because national laws are routinely violated in final trade decisions. National laws favoring environmental preservation, protecting domestic industries or upholding fair labor standards have all been struck down when trade disputes were settled within the WTO since 1995 (Rothenberg 2005; Thomas 2000). The second manifestation of the degradation of democratic accountability revolves around popular protest. If people vigorously protest a state policy – and yet that policy continues – there is evidence for insufficient accountability. As structural adjustment policies continued to be implemented throughout the developing world – even as there were extensive protests against state decisions to remove food subsidies, float national currencies or privatize industry – we see a direct violation of popular sentiment and a corresponding diminution in state accountability (Almeida 2007; Walton and Seddon 1994). As has been suggested by many, states have become more accountable to executives within the IMF and the World Bank than to their own constituencies. Finally, as class interests have outgrown national borders, to the degree that state actors respond to the mandates of the capitalist class, this no longer corresponds to the boundaries of the territorial nation (Sklair 2001, 2002). Together, these examples suggest that the reduction in state sovereignty and the unmooring of class interests erodes state accountability on a national scale and thus undermines the quality of democratic governance.

Because in recent decades we have seen an unprecedented growth of democratization in Latin America (Mainwaring, Brinks, and Pérez Liñán 2007) – but occurring during the neoliberal era – it is important to better understand the relationship between democracy and neoliberalism. The transition to democratic institutions is especially important in considering the fortunes, both economic and political, of semiperipheral nations such as Mexico. Martin argues that “contemporary social, labor, nationalist, and antisystemic movements are primarily, if not wholly, erupting in semiperipheral states” (Martin 1990: 9). In contrast is Arrighi’s assertion that “parliamentary democracy has never been at home in the semiperiphery” (1990: 26). In Mexico and elsewhere, this appears to have changed. The question remains, however, whether democratization limited to institutional changes such as greater access to electoral contest makes a difference in inequalities and subsequent hardships. In some nations, this passage written in 1990 about authoritarian governance in the semiperiphery could still have been written about democratized areas: “This common predisposition has been (1) to preserve extreme class inequalities in the distribution of personal wealth within their domains, and (2) to perform subordinate functions in global processes of capital accumulation” (Arrighi 1990: 27). In Mexico, hardships created struggle, and one of the strategies chosen was democratization. Yet it may be that parliamentary democracy is no greater a resource to help states emerge out of the semiperiphery than authoritarian governments. While maintaining serious reservations about the unequivocal connection between neoliberalism and democracy, we explain how neoliberalism directly contributed to Mexico’s democratic transition, but through a different mechanism than those identified by modernization theorists: the proliferation of widespread and deep material hardships that drove coordinated protest.

HARDSHIPS AND SOCIAL PROTEST

Neoliberalism has exacerbated inequalities and increasingly polarized winners and losers in the global economy. Because neoliberalism is impacting the poor of many countries in similar ways

by diminishing both paid and social wages, the hardships leveled by these social changes are increasingly relevant to political change, especially those fomented by social movements. Our discussion of hardships and their influence on mobilization begins with a reminder of the work of Piven and Cloward, who emphasize that the wellspring of mobilization is the daily, lived experiences of regular people. They argue, “It is the daily experience of people that shapes their grievances, establishes the measure of their demands, and points out the targets of their anger” (1979: 21). As we will argue, in the past several decades in Mexico – as in many other nations – daily lived experiences were increasingly shaped by hardships. Large numbers of Mexicans across different classes and other social divisions suffered deep hardships from structural adjustment and other policies following neoliberal dictates.

We define hardships as the everyday, economic deprivations experienced by individuals and households. Hardships constitute the nebula of grievances. They are the raw materials and particles from which grievances may or may not crystallize. We propose a three-pronged method of measuring hardships, consisting of size, spread and depth.³

Size refers to the raw numbers affected by the hardships – how many are hurt by, in this case, structural adjustment policies linked to neoliberalism. Numbers of potential movement members are an important element of mobilization. The numerical size of the aggrieved population may influence whether a person interprets the grievance as an individual or a collective injustice; people are more likely to interpret their hardships as collective grievances when they recognize that those around them endure the same hardships. Cultural and historical processes such as past mobilizations certainly influence that critical recognition (Almeida 2008), but the greater the size of the aggrieved population, the larger the potential mobilization base.

Spread refers to the different social sectors affected by the hardship. It may be important that middle classes, for example, are hurt by hardships (Wolf 1971; Skocpol 1979; Goldstone 1991). The spread of hardships is important to consider because different sectors hold different levels of knowledge, resources, repertoires of action, access to power, etc. that may help a movement develop. Hardships affecting broader sectors of society may provide a wider and more powerful base from which movements may draw and eventually succeed (Almeida 2008).

Finally, depth of hardship is important. The level of hardship levied through the diminishing of material standards of life may affect protest in contradictory ways. For example, moral economy arguments (Thompson 1971; Scott 1976) suggest that protests occur when the predominance of market forces threatens the predictability of survival. Others who have studied material deprivation stemming from austerity focus instead on household accommodations, and suggest that threats to survival have elicited increasing self-reliance via participation in the informal economy or other non-political strategies rather than protest (Gonzalez de la Rocha 2000).

Hardships vary with structural location in a society. The structural location of a social group is a complex product of a constellation of structural factors that bound, permeate, and partially define people's everyday lives. Such structural factors include historical conditions, socioeconomic status, race/ethnicity, region, religion, rural/urban residence, prior political cleavages, and mobilization histories. Structural location carries the legacies of deprivation and privilege, discrimination and dominance, rebellion and repression. Examining the impact of

³ Although we develop the notion of hardships by focusing on material damage, hardships need not be limited only to economic harm.

hardships on mobilization trajectories is most relevant to movements responding to political and economic deprivation due to ascribed group characteristics or historically reinforced stratification systems involving multiple hierarchies of class, race/ethnicity, region, and religion. Mexico's democratization movement provides an exemplary case for studying neoliberalism-derived hardships, their role in fomenting social protest and the political outcomes of protest.

CASE SELECTION AND RESEARCH METHODS

While many cases may help us explore the argument about the role of hardships in contributing to democratization, the Mexican case is particularly important due to its global significance. First, with a population which exceeds 110 million people, Mexico is the most populous Spanish-speaking country in the world. Second, Mexico's gross domestic product is nearly \$1.5 trillion (purchasing power parity), making it the 13th largest economy in the world. Third, as the introduction suggested, until 2000, it exhibited the longest-running rule of a single political party in modern history. When the PRI ceded its power to the PAN (Partido Acción Nacional) Party, it challenged the long-held assumption regarding the ability of states to resist neoliberalism. More than a decade before Mexico's democratic transition occurred, Walton explained that neoliberalism was serving to undermine existing state arrangements. He observed that "small democratic states are more vulnerable to crises," while "large authoritarian and corporatist states have been more successful at implementing austerity policies e.g., Mexico" (1989: 324). While Mexico's regime resilience was more robust than many nations, its later political transformation demonstrates the limits of Walton's assertion. Mexico then becomes a kind of "strategic case" that can help build theory by challenging understood processes (Walton 1992).

This case study of Mexican democratization draws on two sources of data. The first is a brief review of a range of secondary sources that detail decades of state-society relations, economic activities and protest behavior in Mexico. This material documents the democratization movement and its protest activity especially among the urban popular movement and the largely middle-class NGO sector. The second source is the first author's research on urban popular protest in Mexico. During fieldwork extending over 14 years, the first author conducted participant observer research on several organizations working in the democratization movement. These include organizations representing the demands of working class disaster victims, as well as organizations advocating the urban service needs of citizens living on the periphery of Guadalajara, Mexico's second largest city. The Union de Colonos Independientes (UCI) was a powerful force which advocated for urban settlers suffering from a lack of urban services, and helped represent the poor in a variety of democratization-oriented coalitions. Additional data collection focused on NGOs working to install fair elections and to build a powerful and coherent voice representing nongovernmental opposition in Jalisco, Mexico. Observational settings included: organizational meetings, protests, workshops, meetings with government officials, popular education events, and electoral campaigns. The first author conducted over 100 interviews with movement leaders, members, and critics and with government officials representing state and municipal offices. The fieldwork data is meant to offer nuance to the wider case materials. Additionally, the data derived from fieldwork provide an explanation of power, agency, and change, by illuminating how individual beliefs and actions resist, alter and shape the macro-structures of society (Gellert and Shefner 2009). Understanding

individual experience is critical in helping create new theories explaining how hardships induce movements to demand democracy.

HARDSHIPS AND PROTEST IN MEXICO

We provide a brief history of Mexican politics leading up to the debt crisis. We then describe how the debt crisis degraded the everyday economic wellbeing of two important social groups in Mexico's urban democratization movement: the poor and working class, and the middle class. We relate those hardships to the groups' different mobilization trajectories in the democratization movement.

Normal Politics, Normal Hardships

The long-ruling Partido Revolucionario Institucional (PRI) emerged from the chaos of revolution in 1929, designing a complex political system that featured the three "Ps" of power: the ability to pay, persuade and punish. The PRI was led by a state-building elite that "kept its economic and social individualism and gained a state-directed hierarchically organized industrialization program, commercial expansion, and a growing problem-solving bureaucracy composed of its members" (Hart 1987: 370). Using strategies such as forming and supporting mass organizations, providing jobs and housing, land distribution, favorable labor legislation, electoral fraud, and selective repression, the PRI maintained federal power until 2000.

Mexican citizens were persuaded to support the PRI through a combination of formal corporatism and informal clientelism. Corporatism and clientelism worked together to channel demand-making into sanctioned venues, limit alternative organizing, and reinforce state power by incorporating dissident groups and leaders (Eckstein 1988). Originally recognizing social sectors important to a largely agrarian society with a violent legacy, the corporatist structure incorporated peasants, labor, and the military (Hamilton 1982). Over time, and with increasing urbanization, the importance of the military dropped, while that of urban constituencies increased. The urban conglomeration coalesced into a PRI-dominated organization of the 'popular' sector, which united disparate groups ranging from urban middle-class professionals to squatter communities (Davis 1994). By channeling participation into mass organizations, the party and the government created structures to address popular needs and maintain legitimacy.

Working hand-in-hand with formal methods of persuasion was the institutionalization of the state's ability to pay, usually in the person of the broker. The broker, with links to both powerful authorities and to local communities, was the linchpin of the system. The broker arranged the exchange of goods for political support, and helped build affective ties. Urban growth drove citizens to move to the periphery of burgeoning cities, supplying an important constituency for the PRI system. Brokers emerged in the new areas of the cities, leading squatter groups, selling land, and assuring that if neighborhoods organized under various PRI umbrellas, the material needs defined by their new residence would be met (Cornelius 1975; Vélez-Ibañez 1983).

PRI policies of economic modernization significantly expanded the middle-class. From the revolution until 1940, middle class occupations grew much faster than the population. In 1940, 16% of the population was middle class (Aguilar, Camín, and Meyer 1993:176). Growth in

business and service sectors increased the number of white-collar occupations. By 1980, 26.6% of non-agricultural workers belonged to the middle class (Escobar and Roberts 1991:100). The Mexican state nurtured the urban middle class by becoming a major employer. By 1983, 20.4% of the total employed population worked in the public sector, although not all in middle-class jobs (Escobar Latapí and Roberts 1991). The state also eased the pressures of urban life with substantial subsidies of food, fuel, transportation, and urban development. The urban middle-class enjoyed ample wages, urban amenities, credit opportunities, and the availability of low-wage domestic services (Escobar Latapí and Roberts 1990:97).

Although the urban poor and working class did not fare as well as their middle class counterparts, their material conditions significantly improved during much of the PRI regime. Small manufacturing and artisan production for regional economies employed much of the urban working class until the 1950s, when foreign investment in industries such as automobile manufacturing, chemical production, food processing, and electronics surged and significantly increased employment opportunities in heavy industry. Government pursuit of import substitution policies expanded manufacturing while reducing poverty and increasing employment (Lustig 1998; Hamilton 1982; Levy and Bruhn 2001; Haber 2006). Surveys conducted in the late 1970s found that 50% of the industries paid sufficiently high wages that their employees' households could subsist on one wage (Escobar Latapí and Roberts 1991). PRI labor union members enjoyed high priorities in the distribution of government housing and other consumer subsidies.

The Mexican government maintained legitimacy through corporatist inclusion and distribution of the fruits of the nation's economic growth. When these strategies failed to quiet dissent, the government resorted to selective repression, the punish part of the power trinity explored above. Government legitimacy was strained in 1968, when students and other urban dwellers, angry over growing authoritarianism, took advantage of the 1968 Olympics in Mexico City to demand greater political participation. The Mexican government responded with the Tlatelolco massacre: soldiers, police, and government agents murdered and arrested hundreds of protestors. Repression forced many organizers underground, which quieted overt resistance and drove student activists to organize for political change with other groups, such as the urban poor and indigenous populations (Bennett 1992; Collier 1999).

Economic slowdowns in the 1970s added material spurs to the political demands of the incipient democratization movement. Initially, the PRI government responded to its decline in legitimacy and an increasingly coherent opposition by expanding social welfare spending and erecting a façade of free and open electoral politics. Government appeasement efforts alternated with the fierce repression of challengers, yet these strategies were sufficient only so long as economic expansion continued. With economic crisis came a new kind of challenge.

Debt Crisis and Deepened Hardships

Like many nations in the developing world, Mexico's economy in the 1980s and 1990s became defined by debt. In the 1970's, Mexico borrowed heavily on the world capital market. At first, the Mexican government used loans for social spending in response to widening social unrest. The state's borrowing increased significantly with the discovery of oil reserves that generated overly optimistic estimates of the riches that Mexico would enjoy. As interest rates rose, more foreign currency was required to pay the debt, and oil sales provided the largest source of foreign

funds. Simultaneous with interest rate increases came a fall in oil prices, leaving Mexico in 1982 with a debt it could not pay.

Negotiations with the IMF produced policy aimed at reducing the government's role in the nation's economy, simultaneously decreasing governmental spending on citizens' needs and establishing debt payment as the government's highest priority. Following IMF prescriptions (often identified as structural adjustment policies), the Mexican government eliminated many government jobs, cut consumer subsidies, removed protection from domestic industries, and reduced wages. The government also opened Mexican markets, stripped local industries of protection, and devalued the peso. Global pressures – in particular the influence of international capital – realigned state policies such that the Mexican state transformed from the populist protector of many Mexicans to the instrument of their severe hardships.

The debt crisis brought hardships to Mexican citizens in the shape of decreased wages, increased unemployment, and decreased government social welfare spending. Austerity policies decreased wages significantly, with annual drops from 1982 through 1988 averaging between 7.7 and 10.5% (Friedmann, Lustig, and Legovini 1995, Table 9-1). The period of 1989–1997 continued the trend, with wage reductions ranging from zero in 1994 to 12.3% in 1995 (Lustig 1998: 193). The urban poor suffered tremendously, as the minimum wage shrunk and the proportions of households surviving on less than one minimum salary increased from 33.9% in 1989 to 37.5% in 1996 (Statistical Abstracts of Latin America, Table 1424). The number of households below the official poverty line increased from 34% in 1970 to 43% in 1996 (SALA, Table 1423). Growing poverty limited caloric consumption and increased malnutrition (Cordera Campos and Gonzalez Tiburcio 1991).

Industrial employees and other members of the Mexican working class also suffered from the economic downturn. Between 1992 and 1996, the number of workers receiving workplace benefits dropped from 56% to 51%. Although the number of manufacturing jobs in Mexico expanded in the second half of the 1990s, the new jobs were characterized by lower wages and less union protection (Roman and Velasco Arregui, 2001). Globalization brought increased industrial production to Mexico for a time, but the new factories paid wages 60% lower than the established factories (Gonzalez de la Rocha 2001). Real wages in 1998 were 57% of real wages in 1980; the minimum wage in 1998 was 29.5% of the minimum wage in 1980 (Dussel Peters, 2000: 72).

Unemployment rates increased during the 1980s, leaving 20% of Mexico's economically active population unemployed (Gonzalez de la Rocha and Escobar Latapi 1991; Friedmann, Lustig, and Legovini 1995: 341). After a modest recovery during the Salinas regime, unemployment rates increased again during the mid-1990s (Lustig 1998: 193). Part-time workers increased from 17.4% to 28% of the economically active workforce, an indication of the decreasing availability of full-time work.

The debt crisis also increased hardships for the urban middle class. Between 1988 and 1997, the real salaries of middle class professionals such as educators and health care givers declined between 35% and 50% (Roman and Velasco Arregui 2001). Income inequality further polarized Mexican society, with “the richest 10 percent of the population earning 55 percent more in real terms in 1992 than in 1977 while the real income of other social groups declined” (Gonzalez de la Rocha 2001: 82). Researchers suggested that austerity produced greater relative impoverishment among the urban non-business-owning middle class than among any other sector (Escobar Latapi and Roberts 1991). The thinning of the state meant that it employed fewer

workers, and many of the positions that were lost were white-collar middle-class positions. Additionally, interest rates increased substantially, making it difficult for both middle-class entrepreneurs and consumers. Not only did money become expensive to borrow in the wake of neoliberalism, it became difficult to find.

The Mexican state failed to significantly ameliorate these hardships. Although the government tried to assuage the damage to the most vulnerable sectors through social welfare programs, the IMF-imposed austerity program mandated large reductions in social spending. Throughout the 1980s and 1990s, the government was forced to reduce funding for education, public health, housing, social services and welfare (World Bank 1994).

At the beginning of the debt era, Mexico was characterized by a small and wealthy elite, a sizeable and prospering middle class, and a poor urban majority. The debt crisis imposed hardships of unemployment, declining wages, and urban degradation that impacted all but the wealthy. As Mexico's economy worsened, PRI legitimacy waned. Earlier, when opposition political parties or social movements protested government/party electoral fraud or exclusion, the PRI maintained a crucial level of popular support. This support was gained through inclusionary social policy, through cooptation, and through protectionist economic policy which helped both government and private industry employees. All of these strategies required resources available only in an expanding economy. As the economy contracted, and more state resources were devoted to debt service, economic inclusion through industrial policy and neighborhood patronage became untenable. Thus, important tools propping up the PRI regime failed. Nascent and longstanding political parties joined with other forms of citizen opposition to create a movement toward democracy. The hardships suffered by the urban poor and working class and the previously insulated urban middle class predisposed them to participate in the democratization movement.

The Democratization Movement

The democratization movement eventually grew to include: independent unions (Cook 1990; Foweraker 1993; LaBotz 1988; Stevens 1974); indigenous movements (Collier 1999; Harvey 1994, 1998); community organizations (Alonso 1986; Ramírez Saiz 1986; Tavera 1999; Safa Barraza 2001); farmers and middle-class debtors (Williams 2001); and NGOs (Fox 1992; Aguayo Quezada 1998; Aguayo Quezada and Parra Rosales 1997; Ramírez Saiz 2003; Olvera 2001). These organizations toiled to change the politics and economy of Mexico with the aim of increasing citizen participation, working sometimes individually and sometimes in coalitions, operating both inside and outside of conventional political channels.

The social movement opposition of the 1980's was characterized by a varied base, many modes of expression, and attempts to form oppositional alliances. Movement actions ranged from pressuring government officials through mass mobilizations to running candidates for local office. Calls for democratization also led urban organizations to express solidarity and support for other struggles, including those advocating indigenous rights, independent unions, debtors, and the Zapatista rebels. Neighborhood, community, and peasant organizations recognized that their battles extended beyond their locale and joined with other groups to push the common agenda of democratization. Urban organizations representing poor neighborhoods joined with *campesinos*, unionists, and teachers among others to form coalitions and participated in anti-austerity campaigns, advocating both urban and anti-austerity agendas (Moctezuma 1984; Prieto 1986;

Carr 1986). Increasingly, organizations representing the poor and the working class came into contact and combined efforts with middle class organizations.

Uniting on demands, strategy, and mutual support, these alliances directly challenged a political system based on maintaining " . . . multiple sectoral, regional, political, and cultural cleavages" (Foweraker 1989: 111). The coalitions' efforts to create centralized forms of mediation weakened the state's ability to channel and neutralize popular mobilization, and united those the state had tried to separate, making the traditional integration into mass organizations more difficult (Foweraker 1989). Organizationally, they supplied the coordinated, central capability to launch national level action. Thematically and ideologically, they offered the resources to understand the common roots of their problems and the necessity for united action (Carr 1986).

The urban middle class was largely organized by nongovernmental organizations (NGOs) focused on democratization and human rights. The early efforts of civic NGOs, according to one observer and activist, were devoted to "organizing and training marginal or vulnerable sectors of the population" (Aguayo Quezada 1998: 169). Research on Mexican NGOs in the 1990s found that human rights NGO participants were characterized by their relative youth (70% were between the ages of 21 and 39) and their education (77% were *licenciados*, the equivalent of a bachelor's degree). In addition, 20% of the participants self-defined their background as academic, while 19% defined themselves as coming from professional backgrounds (Aguayo Quezada and Parra Robles 1997: 13,15). Other middle-class sectors found a home in the Barzón movement which united farmers with other debtors (Williams 2001; Brumley 2010)

Over time, middle-class efforts relied more on legislative and electoral pressure than on mass mobilization, with the notable exception of public sector unions and the debtor's movement (Foweraker 1993; Williams 2001). Middle-class organizations frequently worked in the electoral arena, campaigning or running candidates for office. Nonpartisan strategies in the electoral arena included organizing electoral observation campaigns and legislative initiatives.

Electoral fraud compelled middle class and poor actors to unify to contest state elections in Nuevo Leon in 1985, state elections in Chihuahua in 1985, the 1988 federal elections, and elections in San Luis de Potosi in 1991. Mobilization strategies included disruptive confrontations such as barricades, demonstrations, and hunger strikes. The strategic focus turned further toward electoral activities after 1988, when the PRI candidate was nearly defeated by Cuathecemoc Cardenas who represented a temporary opposition front. Cardenas' near-victory in the presidential election led many in the urban popular movement and middle class NGOs to focus on the electoral struggle and institutionalize their efforts by forming the Partido de la Revolución Democrática, (Democratic Revolutionary Party, or PRD). Subsequently, the democratization movement increasingly focused on electoral activism (Ramírez Saiz 2003; Aguayo Quezada and Parra Rosales 1997; Aguayo Quezada 1998). The PRD's local strategy built on its social movement connections by opening its registration to entice social movement activists to run for election. This inclusion of movement activists had the dual impact of diminishing local social movement struggles and increasing the priority of party work (Ramírez Saiz 2003). The electoral strategies of the democratization movement intensified further as activists initiated popular education campaigns and organized voter turnout and voting observation campaigns.

Middle-class NGOs continued to seek issues and venues on which they could work with the organized poor. One of the coalition efforts of the early to mid-1990s was the Alianza Cívica,

an organization of NGOs focused explicitly on Mexico's democratization. The Alianza organized 18,000 Mexicans, many from independent neighborhood associations rejecting the ethos of political exchange intrinsic to clientelism and corporatism. During the 1994 presidential elections, citizens representing the Alianza Civica monitored voting and pursued violations at over 10,000 polling places (Aguayo Quezada and Parra Rosales 1997).

The Zapatista challenge to the Mexican political hierarchy provided another issue of convergence for the democratization movement. Zapatista rhetoric linking Mexico's poverty to its lack of democratic procedures resonated with democratization movement activists. But the support and protection of the Zapatistas through mass mobilization by the NGOs was more significant to the democratization movement. Within three months of the short-lived rebellion, "400 Mexican NGOs in 11 networks and 100 international NGOs conducted diverse missions in Chiapas" (Chand 2001: 226).

The Mexican democratization movement's goal of political change was a structural result of the movement's composition. With the debt crisis, the effects of neoliberalism became so thoroughly embedded in class inequalities that the state could no longer extend privileges to the middle class or buffer the urban poor/working class. The groups' material conditions deteriorated and their survival became more tenuous. One result was that these actors formed coalitions that demonstrated significant power against the government. As the state became the instrument of hardships, it became the target of the democratization movement.

The following section discusses one specific urban movement that pushed its agenda through both neighborhood organizing and coalitions to advocate for democratization. The PRI had long exchanged a panoply of social goods, such as jobs, housing, electricity, and potable water, for political support, establishing patronal relationships with their neighborhood clients. As the economic crisis unraveled the Mexican political system's capability to resolve the needs of poor people, clientelism became perceived as an affront to their citizenship rather than a pragmatic system of exchange. This change was manifested in new mobilizations to protest for urban services and in a search for allies.

The Urban Poor Seek Democracy

The Union de Colonos Independientes (UCI) represented the demands of the urban poor on the periphery of Guadalajara, Mexico's second largest city, and exemplifies the shift from basic needs provision to democratization as goals of urban politics. Born on the periphery of Guadalajara as an organization mandated to press for the installation of electricity, water, and other urban services, the UCI made a transition both organizationally and rhetorically as it contributed to the wider democratization movement. Doña Gloria, a member of the UCI, offered a perspective on citizen rights, democracy, and governmental failure, and how the UCI and its allies constructed the connection:

They don't pay attention like they should; they put us to the side. What democracy? It's not like we are asking for luxuries, but what one needs. We don't have them (urban services) because of the bad officials that we have. We have the right to a dignified life, a decent place to live, a job, a good salary. To have what is necessary - water, electricity, transportation. The same services that all the rest have. We wouldn't be living like we are if there was democracy.

In response to their material needs, and the lack of democracy, one UCI member commented:

The UCI tries to make the people conscious that they have to participate, that they can participate in the government, to be a spokesman for the people in front of the government, to make them know that the government has to give services to the people, to the citizens, and not the reverse.

Repertoires of behavior and discourse changed as clientelism lost its luster. Indeed, as Javier, a UCI leader, commented, the exchange intrinsic to clientelism became redefined as an indication of government abuses:

. . . the party is not separate from the government, the party is the government. There are no clean elections. There isn't participation of the people, because they buy people. There are a lot of people with hunger, with needs, and they are always bought with some kilos of tortillas, some liters of milk, hats that they give them as gifts, bags of food.

With austerity, the government became the source rather than the ameliorator of hardships, as Doña Alicia commented:

We need a government that works for us, that doesn't leave us alone, or hurt us. To put in a government that will help us, that will help us live together, that won't rob us.

For Agustin, another UCI leader, the link between the absence of democracy and the poverty of those his organization represented was quite direct.

The cause of poverty is because the government does not worry themselves about the country. They worry about their personal benefit. They don't worry about us getting a good education, about having a good source of work. They don't pay attention to the people.

Independent neighborhood organizations like the UCI often rejected the tradition of clientelism, and further disrupted the control of local power brokers by calling for democratic governance. Protest answered the government's consistent inability to address the growing needs of urban communities. Democratic rhetoric framed the demands for urban services in these local expressions of the urban movement. As the contrast grew between fully served urban areas and those without such amenities, the conception of such services as citizenship rights challenged the PRI's common use of urban services as a medium of clientelist exchange. As citizenship became a meaningful collective action frame, urban political organizations extended their demands to human rights in response to police abuses, electoral fraud, and other violations.

In Guadalajara, NGOs working in the democratization movement helped groups like the UCI integrate calls for democracy into their calls for material goods. At one pro-democracy

event, organizers used rhetoric that explicitly linked urban poverty to the absence of democracy. One organizer commented to a crowd mobilized by the UCI:

It has been years since the city promised to put in a sewer. The years have passed, and the elections too; twice they have done this, and now they return for a third time with promises. You all have the liberty to vote for whatever party you choose. But never should you accept the trade of a vote for a (public) work.

Another NGO activist followed this line of argument:

In the rich neighborhoods where some of us live, we have never had to build our own homes, we've never had to burn garbage on Sundays, we've never had to work without stopping, without rest. Why, then, do all of you have to use your rest time to continue working? You, too, have dignity, you are decent people. These are all issues of justice - the problem of garbage, and of the electricity. They are problems people are feeling in all of Mexico.

Despite heartfelt beliefs that linked the material needs of the urban poor to their own hardships, some tension remained regarding middle class participation and leadership in the democratization movement. An activist in another neighborhood-centered organization noted the new participation by middle-class, highly educated nongovernmental organizers.⁴ Alfredo Lopez commented that:

The middle class is more upset with the privileges they have lost. They were a class to whom it did not matter what happened in the country, what occurred . . . now they have a more critical posture around what the government is doing, and they are much more active.

Changing demands reflected new organizational relations. Middle-class NGOs continued to seek issues on which they could work with the organized poor. In Guadalajara, the local incarnation of Alianza Civica relied on the UCI and other community organizations to patrol the polling places in their areas, and report to the state coordinators. The participation of the UCI was crucial to the Alianza Civica's work. None but the urban poor possessed the local knowledge that allowed them to document the illegal presence of PRI activists pressuring their neighbors within the polling places.

In Guadalajara and across the nation, party-building superseded mass mobilization and disruption. For the UCI, this change brought a dilemma. On one hand, working with the democratization movement had won the organization powerful allies, entry into significant coalitions, and a heightened political profile. On the other hand, many of the urban services that spurred the UCI's creation remained absent from their neighborhoods. As the UCI expanded its efforts towards democratization, it lost popular support and was forced to rethink its mandate and strategy. This refocus became even more important with local and national PAN victories.

⁴ For more on these tensions, see Shefner 2008.

Despite its early strong showing, the PRD proved vulnerable. In contrast, the party positioned to the right of the PRI, the PAN (Partido Acción Nacional), became an increasingly viable competitor for power. The party's structure had been institutionalized for decades, and it won increasing numbers of seats in local and state offices. In large part, the PAN's victories were due to the democratization movement. More precisely, the PAN benefited from the PRI system's response to the movement. In answer to charges of fraud and unfair elections, President Salinas de Gortari replaced governors from ten states during his six-year regime. When the replacement officials were affiliated with non-PRI parties, however, they came most frequently from the conservative opposition, the PAN. With their longer history and recent electoral wins, the PAN was posed to win federal elections. The PRD suffered more direct repression, reporting the loss of over 250 militants to repression during the Salinas presidency (Bruhn 1997). The absence of similar charges by the PAN suggests that repression had distinct targets. Additionally, the PRI's limited willingness to accept PAN victories was accompanied by ongoing explicit theft of elections won by the PRD. Simultaneously, the PRD's capacity as a political contender was further damaged by intra-party squabbles after local and state elections during the 1990s fragmented the party along pre-existing fault lines (Bruhn 1997).

Mexico's multi-class mass movement focused on electoral democratization as the uniting strategy, but that does not mean it controlled the outcome. Over time, the most powerful electoral actor proved to be the one less likely to resist neoliberalism. This outcome is partially a peculiarity of Mexico's political history. By the 2000 presidential victory of the PAN's Vicente Fox, the PRD's electoral fortunes were waning, and the nation's desire for any change away from the PRI outweighed strategic resistance to ongoing neoliberal policymaking. When the PAN entered the presidency, some political opportunities emerged, but electoral democracy was not accompanied by economic democracy. The influence of hardships drove the democratization movement, but that movement's strategic efforts failed to combat economic exclusion. But what may be seen as a peculiarity of Mexican politics must also be understood as a structural limitation of democratization in semiperipheral nations, which forms part of our discussion below.

THE INFLUENCE OF HARDSHIPS ON MOBILIZATION TRAJECTORIES AND OUTCOMES

This case demonstrates that hardships – the economic deprivations experienced by individuals and households which vary by structural location – influenced the mobilization trajectories of protesting groups. The hardships attendant to the debt crisis hurt nearly the entire Mexican population. Except for the wealthiest sector of Mexican society, all citizens were negatively impacted by rocketing unemployment rates, plummeting wages, shrinking benefits, and disappearing public services. The overall consequences of the hardships included deteriorated material conditions and a significantly lowered standard of living, relative to pre-debt crisis levels.

The severity of citizens' hardships varied by the group's structural location such that the access of poor and working class citizens to the basic necessities of survival was more restricted than that of the urban middle class, threatening the former's very survival. Much of the social welfare and patronage apparatus on which the poor relied was dismantled with the government's austerity program. Such hardships sharpened the immiseration of the poor and substantially

reduced the security of the working class. The poor and working class responded to the hardships with the “resources of the poor.” They turned to neighborhood and kinship networks for support, they sent more household members into the labor force, and they increased their activities in the informal economy (Gonzalez de la Rocha 2001). Their networks allowed them to survive, but little beyond absolute survival was possible, given their low reserve of resources.

Urban middle class hardships affected citizens’ relative survival, rather than their absolute survival. That is, their privilege was substantially diminished relative to their previous status, as the state reduced jobs and small businesses suffered financial pressures when restrictions against foreign enterprises were removed. Despite lost jobs and reduced wages, the urban middle class had greater resources than did the urban poor and working class: extensive social networks, adequate education, comfortable homes, more possessions, expendable luxuries, and more lucrative self-employment possibilities. Their class-based resources allowed them to use their social capital to their relative greater advantage. Thus, the wide reach of hardships provided a large constituency for the democratization movement, all of whom were affected by neoliberalism-induced state policy to various degrees. Addressing the hardships experienced by Mexican citizens helps us understand how the debt crisis built upon a history of one-party politics, and led to an effective coalition demanding democracy.

Debt-driven hardships provided significant impetus for dissent among the middle and working class. Their common grievances led the groups to work together, but the differential depth of their hardships, in interaction with the historical structure of political participation, led the two groups to work with divergent emphases. We identify four mobilization factors that reflect the divergent emphases of these two critical segments of the Mexican democratization and analyze the influence of differential hardships on them: grievances interpretation, resource accumulation, strategic decision-making, and interaction with authorities.

Grievance interpretation involves perceptions of justice or injustice and demand articulation. Economic expansion and controlled political inclusion provided sufficient buffer to hardships that the Mexican system elicited wide support manifested in corporatist membership and clientelist political behavior. The debt crisis diminished the state’s patronage capacity; consequently, clientelist behavior was no longer rewarded. Yet the failure of patrons to resolve the needs of their clients had a latent liberatory impact on the urban poor. When traditional clientelist behaviors failed to resolve the poor’s problems, the logic behind the structural limitations on their political behaviors dissolved and they were freed to organize in new ways that countered the isolationism, fragmentation, and localization of politics that characterized clientelism. Similarly, with the deepening of the debt crisis, working class sectors such as labor that were integrated into the PRI’s corporatist structure no longer benefited from their inclusion (Middlebrook 1989). Previous inequalities became exacerbated to such an extent that hardships became unsustainable, and their collective nature influenced the perception of grievances as unjust.

Grievance interpretation among the poor often relied on a liberation theology-inspired definition of democracy that condemns the twin sins of political and economic exclusion. The new vision of democracy resonated with previous experiences of relative inclusion of the poor and working class, while defying the exchange relationship intrinsic to clientelism.

The middle class had enjoyed the fruits of economic expansion under the PRI. With the debt crisis, the middle class position of privilege declined in real and relative terms. This shift led them to interpretations of injustice, and they too seized on the rhetoric of democratization.

Middle-class organizers found common ground with the poor as they explicitly argued that political democratization would alleviate the crushing hardships suffered by their coalition partners. Hardships influenced the urban actors to seize a common grievance interpretation of injustice and absence of democracy, but democracy had different meanings for the two groups. The urban poor sought a return to inclusion, but with new citizenship rights, while the middle-class elements sought a return to relative privilege.

Resource accumulation depends on the availability of resources and the capacity to use them. Decreasing wages, lost jobs, and diminishing social services reduced the margin of survival for many Mexicans. The urban poor and working class could rely on few self-generated material resources for organized protest. The wide scope of hardships, however, meant that the human resources upon which they could rely – the sheer numbers of the aggrieved – were vast. Clientelism also provided an organizational legacy which served independent neighborhood organizations.

In contrast, the structural location of middle-class actors provided them with more extensive material and non-material resources such as education, access to powerful policy-makers, and high status. Their comparatively small numbers provided impetus to work in coalitions with the urban poor, just as the urban poor's need for resources provided impetus for their participation in coalitions.

Differential capacities for resource accumulation, in turn, shaped tactical choices. The non-institutional strategies emphasized by the urban poor and working class involved disruption and the use of mass mobilization to pressure institutional power. As the state stopped protecting them, instead offering them as the low-wage bait to lure transnational capital, organizations of the urban poor and working class attempted to disrupt the routine operation of the state. In the absence of incentives for including them in the polity, they acted out their negative inducements, disrupting the system with mobilizations targeting local and national power (Piven and Cloward 1979). Using nationwide connections among similar constituencies, the disruptive strategies of the urban poor and working class carried impacts beyond the local level.

With their greater resource availability, middle class citizens' concern was not absolute survival but the restoration of privilege within a reformed state. Greater resource availability and a history of access to power led the middle class to favor reform over disruption, a tactic requiring more resources to convince governments and parties that inclusion is warranted. The similarity of their class backgrounds to that of many politicians, their networks with professional associations, and their legacy of privilege and inclusion drove them to participate in the democratization movement by pressuring the decaying electoral system, initiating a new culture of politics, and working in popular education campaigns. The fight for reform was more likely to be followed by those whose skills and resources predisposed them to the perspective of the state, insofar as that meant that contestation would follow formal channels more than disruption.

Hardships also influenced *strategic decision-making*. Although the differential depths of the hardships they experienced led the middle class and the urban poor and working class to emphasize different tactics, the common scope of their hardships supplied the logic for unified collective action and drew them into coalitions. The wide scope of the hardships predisposed these previously segregated sectors to work together for the shared goal of democratization. Yet hardships interacted with political history to provide different reasons for each group's decision to coalesce. The urban poor and working class needed coalition partners because the depth of their hardships forced them to greater self-provision of needs, leaving them less time and energy

for political organizing and protest. Additionally, their structural location offered them less access to the state.

The middle class needed coalition partners because their goal of re-capturing the state required a large constituency to mount an effective challenge. Austerity policies simultaneously diminished the privilege of the middle class and united them with others suffering hardships with the same roots, providing a mass base with whom they could align to pursue democratization. Structurally, hardships influenced the strategic decisions made by the coalition partners.

Finally, hardships influenced activists' *interactions with authorities*. Substantial hardships translated into a comprehensive challenge to the political system. But as groups of different power coalesced into unified action, pre-existing social hierarchy influenced the movement's interaction with authorities. Historically, the urban poor relied on their ties to brokers and powerful patrons who took their requests to the government/party. As clientelism faltered, the poor were able to pursue alternative political action. But they continued to look for powerful others to take their part. To think of middle-class nongovernmental organizations as the new broker is to pursue the analogy too far.

Nongovernmental organizations did not possess the material resources sufficient to address the needs of poor organizations. But the relationship served the poor in other ways, as NGOs brought resources such as organizing expertise, a widened venue for articulating political demands, and some protection from repression. Short of being the broker, NGOs fulfilled the poor's need for powerful others with whom to work, a need structurally conditioned by the history of corporatism and clientelism.

Interactions between authorities and NGOs often took the path of freeing electoral processes and party-building. The focus on party building and institutionalized electoral contestation carried substantial strategic and programmatic implications for the democratization movement. The efforts to democratize Mexico had brought together the urban middle class and the urban poor and working class in ways that the state had worked unceasingly to avoid. Yet inclusion and party building became emphasized over increased wages, employment, and urban services. Inclusion into a neoliberal regime posed less threat to the system than did demands for increased state expenditures on social needs and employment opportunities. Partisan participation resulted in the increasing entry of opposition parties into local and state offices. By 1997, enough opposition candidates were elected to federal offices that the Mexican Congress was no longer a rubberstamp for the president. The 2000 presidential election of the PAN candidate, Vicente Fox, emphatically confirmed the success of the electoral strategy.

DISCUSSION AND CONCLUSION

Our case study highlights how neoliberal hardships influenced the mobilization trajectory and outcome of Mexico's democratization movement. The importance of case studies is their potential to refocus theory "through a causal interpretation of the particular case and analogies between cases" (Walton 1992: 134). Case studies may offer limited space for generalizing, but they are especially fruitful in rethinking theory and identifying key mechanisms (Walton 1992). Identifying the role of neoliberal hardships in leading Mexico down the road to democratization suggests a new avenue for democratization research. As we begin to analyze the so-called Arab Spring, we will undoubtedly discover that hardships – in the form of spiking food prices,

escalating unemployment, reduced access to goods and general economic decline – were profoundly important in shaping the grievances that led to demands for democratization across the Middle East and in northern Africa. Our structural understanding of hardships may be a powerful conceptual tool in this analysis.

Hardships – as measured in size, scope and density – may influence political protest and movement outcomes in several ways. First, they can be at the center of grievance interpretation. Grievance interpretation involves individuals' perceptions that the hardships they endure are unjust and that a political resolution is required to alleviate them. If hardships are experienced by a large population, then people are more likely to interpret the grievance as a collective injustice, a crucial interpretation because the perception of grievances as collective increases the likelihood of subsequent mobilization. Hardships measured in scope refer to how experiences of deprivation cross cleavages of the social structure. If multiple groups across the social structure experience different levels of hardships – but all stemming from the same source – then the movement demanding change has access to a greater variety of material and organizational resources, known to be crucial to movement mobilization and success. Finally, we can explore how the density of hardships – the degree to which they impinge on basic survival – shapes movement trajectories. Further analysis of hardships may reveal that those experiencing the deepest hardships may have less to lose in challenging the status quo, and may therefore be more inclined toward violent interactions with authorities. Alternatively, those from more privileged structural locations typically have easier and more regular access to those in positions of power and are consequently more likely to engage in mutual exchanges and cooperative interactions with authorities.

This more structural understanding of the relationships between hardships and political mobilization may complement more common social movement analysis. We suggest that hardships interact with cultural and other structural factors in critical movement processes that define mobilization trajectories. A systematic study of the role of hardships – measured in terms of size, scope and depth – will further illuminate the structural foundations of grievance interpretation, resource accumulation, strategic decision-making and interactions with authorities in other cases of political contention.

This case illuminates not only hardships as a driver to struggle, but also democratization as a strategic choice. In world-systems terms, it also allows us to think how much world-systemic inequalities, manifested in Mexico by the perpetuation of semiperipheral status and increasing polarization of wealth and income, may remain undisrupted despite democratization.

The pro-systemic orientation of semiperipheral nations is reinforced by “particular fractions of the upper and middle classes of the semiperiphery (who) enjoy standards of wealth that compare very favorably with those of their counterparts in the core” (Arrighi 1990: 39, n14). This relative privilege explains the participation of the Mexican middle class in the united struggle, but it also helps us understand democratization as the strategy choice. Democratization may have been the more palatable choice made by middle class elements pursuing their return of privilege stripped by neoliberalism, rather than a fully anti-systemic strategy which would have overturned the great disparities of wealth, power, and opportunity defined by semiperipheral status. Mexican political elites, like others, may favor political democratization over a more systemically threatening change.

Why is democratization favored by elites? Democratic regimes, it is generally agreed, require a strong set of institutions and players, and arguably an ethos of participation and inclusion. Neoliberalism, in contrast, thrives on exclusionary economic decision-making. Those

decisions may be relegated to technocratic national elites, or to ideological purists within the international financial institutions. But without some genuine participation and representation, what remains is the skeleton of democracy. Electoral democratization may not address any other issues of democratic accountability, especially policies of economic redistribution. That is, we may see political democratization without any subsequent economic impact. Democratization of formal institutions does not challenge class rule, so long as it is a form little different from those practiced in many western nations. Democratization of institutions, in and of itself, does not eradicate class inequalities. Class privilege is easily perpetuated under democratic politics, as core experiences during neoliberalism demonstrate.

Democratization also may effectively place blinders on those who might otherwise challenge the class project with class terms. In part, this may be due to the search for the most unifying frame, one with which the widest sectors of movements may be comfortable. Yet without a challenge to class hierarchy, the overturning of class inequalities is unlikely. The goals that many in the democratization movement fought for in Mexico, remain elusive. Mexico has seen two peaceful transfers of presidential power, and numerous successfully conducted federal and state elections since the PRI lost the presidency in 2000. Economic conditions, however, have continued to decline. Workers' wages continue to drop, the maquila manufacturing sector has shrunk, and economic inequalities continue to increase. The Mexican experience seems to demonstrate that procedural democracy nurtures neoliberal dominance, as it provides sufficient stability for multinational capital to operate with confidence. The veneer of democratic process, however, may undermine struggles for economic democracy, offering short-term respites of legitimacy to those nations still pursuing neoliberalism.

Our assessment of the decades-long transition in Mexican politics suggests that neoliberalism dramatically altered the character of the Mexican state. While neoliberalism created the material conditions that urged people to demand democracy – by eroding its ability to pay and persuade its citizens to support the status quo – it simultaneously eroded the capacity of the state to exhibit a primary function of democracy, to be able to respond to popular demands. In this way, the Mexican state that citizen activists eventually received was one that was more procedurally democratic, and so more legitimate. But its substantive capacity – its ability to deliver the goods – was greatly reduced. In this way, when Mexican citizens voted the PRI out of power, they may have won political voice at the expense of economic voice. Neoliberal democratization can be understood as the downsizing of democracy – the allowing of democratic decisions to be made at only the most local of levels regarding the most minimal of resources.

We can thus understand democratization as a strategy, and sometimes a useful one. But it can also be a strategy that provides a default for a movement when anti-systemic elements coalesce with those holding a pro-systemic economic orientation. Chase-Dunn reminds us of the importance of struggles in the semi-periphery, as he wrote “semi-peripheral locations are exceptionally fertile with regard to historical action which both resists and transforms capitalism” (1990: 9). But we are reminded also that anti-systemic movements do not equate to successful movements, especially if they use a pro-systemic strategy.

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