

Ramón Eduardo Ruiz. *Mexico: Why a Few Are Rich and the People Poor.* Berkeley: University of California Press, 2010. xiii + 287 pp. \$21.95, paper, ISBN 978-0-520-26236-2.



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On July 6, 2010, the renowned Mexican historian Ramón Eduardo Ruiz died at the age of eighty-eight. Ruiz wrote several monographs and articles that explored Mexican and Cuban history. His final publication, *Mexico*, is a fitting finale to an illustrious career that in many ways will remind readers of his 1999 book, *On the Rim of Mexico: Encounters of the Rich and Poor*. Ruiz's indictment of both Spanish colonialism and international capitalism makes it clear where the author stands, which, regardless of the readers' ideological leanings, is refreshing. The book surveys the vast landscape of Mexican economic and political history to determine the underlying causes for Mexico's underdevelopment and inequality. The author concludes that external factors, such as colonialism, capitalism, and imperialism, dovetailed with the internal machinations of Mexican politics to create inordinate corruption and income disparity; circumstances only temporarily alleviated during the presidency of Lázaro Cárdenas (1934-40).

Throughout the book, Ruiz, borrowing heavily from economic theorists, such as Raúl Prebisch, Andre Gunder Frank, and Immanuel Wallerstein, underscores Mexico's continued dependency on the "core" nations. He also maintains that the Black Legend "is no myth," evidenced by the brutal Spanish labor systems, which victimized indigenous peoples in the quest for silver and gold (p. 42). The effects of three hundred years of colonialism carried over into the republican period and paved the way for Mexico's dependent export economy and factious political system, which extended into the twentieth century.

The book is organized chronologically, beginning with a brief meditation on Mexico that outlines the author's theoretical influences. Ruiz argues that Spain's pillaging of resources, reminiscent of Eduardo Galliano's *The Open Veins of Latin America: Five Centuries of the Pillage of a Continent* (1973), and lack of internal means of production enriched its competitors, such as England, and discouraged diversification. The production of silver was definitely encouraged in the

colonies. This forced colonial Mexico into a dependent economy relying solely on mineral and agricultural development. Spain's introduction of individualism, Catholicism, and racial superiority (*Sistema de Castas*) coincided with its lack of economic ingenuity, creating a state of backwardness. Quite simply, the Inquisition and Catholic teachings created a "cultural *ambiente* hostile to change and capitalist development" (p. 30). Spain's outdated technology, poor roads, absence of a dynamic entrepreneurial class, and stunted national market had far-reaching effects on the development of its colonial possessions.

In chapter 4, Mexico emerges from the wars of independence, battered and broke, and descended into a system of political chaos (evidenced by the frequent exchanges of political power and the rise of Antonio López de Santa Anna) and continued economic dependence. The war with the United States in 1846-48 and the French occupation of 1863-67 further impeded Mexico's development. The liberal victory in the War of Reform (1858-61), followed by the relative stability of Porfirio Díaz's dictatorship (1876-1910), only served to solidify the power of the commercial bourgeoisie while relegating the indigenous population to landless laborers for the elite class. Ruiz argues that the stability achieved during the Porfiriato had more to do with the changing international economic system as Mexico took advantage of foreign markets for export. This, coupled with Díaz's ability to attract significant foreign investment, only deepened Mexico's dependency and underdevelopment.

In chapter 6, Ruiz, remaining faithful to the thesis laid out in his seminal work, *The Great Rebellion, Mexico 1905-1924* (1980), maintains that the Mexican Revolution (1910-20) did not mark a major break from the Porfirian period. The export model of dependence continued largely because the revolutionary leadership arose from the northern hacendado class, which was "an export oriented bunch" (p. 105). The title of this chapter,

"The Lost Opportunity," seems to speak more to the entire book than just one chapter. The Constitutionalists, who met at Querétaro in 1916, were not industrialists. As a result, much of the liberalism of the nineteenth century was retained, with one important change: the state would set the economic tone as evidenced by Articles 27 and 123 of the 1917 Constitution, which laid the framework for land and labor reform respectively. Despite Mexican new nationalistic legislation, the revolutionaries welcomed foreign investment, especially in Mexico's growing oil industry.

Only the Great Depression altered this course of dependent development. It was at this time that the author identified a glimmer of hope in Mexico's otherwise fraught history. Cárdenas moved Mexico's revolution to the left by following through on the prescriptions laid out in Article 27. Millions of acres of land were expropriated as well as the U.S. and British owned oil industry in 1938. As Ruiz notes, the Great Depression created the space for far-reaching reforms; "the time was ripe for change" (p. 133). Ruiz's account of his meeting with Cárdenas in 1950 is perhaps one of the most memorable passages in the book. Lamenting the conservative turn of Miguel Alemán, Cárdenas's successor, the author explains, "Cárdenas and his advisors wanted to put the horse, the consumer, before the manufacturer's cart. Industrialization needed to be built from the bottom up, by creating a mass of consumers. Agrarian reform was a step on the path toward the goal" (p. 137). He concludes, "As to Cárdenas's political views, he was no more of a Communist than was Franklin Delano Roosevelt. Neither was he anticapitalist; rather, he was a nationalist with a social conscience who wanted capitalism with a human face" (p. 139). This assessment of Cárdenas, however, has been subject to much criticism, most notably in Friedrich Schuler's *Mexico between Hitler and Roosevelt: Mexican Foreign Relations in the Age of Lázaro Cárdenas, 1934-1940* (1999), which provides evidence that Cárdenas was an international political player who actually

massaged economic relations with the United States. Ben Fallaw's *Cárdenas Compromised: The Failure of Reform in Postrevolutionary Yucatán* (2001) highlights the continued power rural elites maintained during Cárdenas's negotiation of his controversial land reform. Both of these works are worthy of inclusion, if only to provide counterpoint.

Mexico's "False Miracle" (1940-70) created sustained economic growth for nearly thirty years. However, the implementation of Import Substitution Industrialization and protectionist policies did little to address income disparity and instead fostered increased foreign dependency, as outside money was needed to bankroll the development of new industry. This was followed by an influx of foreign owned businesses and increased Mexico's foreign debt to near unsustainable levels. Coupled with the oil crisis and the collapse of the Mexican peso in 1982, this prompted Mexico to nearly default on its foreign loans. The rescue package, determined largely by U.S. banks and the International Monetary Fund, produced greater austerity, which increased the suffering of Mexico's most vulnerable citizens.

The final two chapters document the rise of neoliberalism, which undermined land reform and set the stage for the passage of the North American Free Trade Agreement in 1994. In his most scathing assessment of U.S. power, Ruiz notes: "Proximity to the wealthy and powerful neighbor next door has left a legacy of servility, an exaggerated sense of dependency, a tourist industry, for instance, that caters to Americans but only marginally to Mexicans, or reliance on foreign investment as a cure-all for what ails Mexico" (pp. 205-206). These circumstances have been reinforced by the National Action Party's (PAN) rise to power in 2000 (replacing more than seventy years of single-party rule) and the ongoing drug war, which has cost the lives of thousands. Ruiz concludes in the epilogue that while Mexico can take part of the blame for the current state of un-

derdevelopment, "the colonial centuries weigh heavily on today's Mexico," paving the way for Mexico's dependent economy and corrupt government (p. 233).

Much has been written about Mexico's economic woes. John Coatsworth, most recently, has challenged previous scholarship that the early colonial years were not productive in his *Latin America and the World Economy since 1800* (1998), while Stephen Haber and Jeffrey L. Bortz have sought to upend dependency traditions, which laid the blame on foreign nations to explain Mexico's underdevelopment, in *The Mexican Economy, 1870-1930: Essays on the Economic History of Institution, Revolution, and Growth* (2002).[1] The author also maintains the revisionist argument that Mexico's revolution was in fact not revolutionary—an assumption that scholars have widely debated, yet one that is also absent in the author's analysis. By omitting renowned historians, such as Alan Knight, Friedrich Katz, Adolfo Gilly, or John Tutino, all of whom have questioned, at least in part, the revisionist conclusions (most notably the role of popular movements), Ruiz misses an opportunity to engage more deeply with the successes and failures of the postrevolutionary period.

While these observations are more than minor quibbles, Ruiz's monograph demonstrates a profound understanding of Mexican economics and politics that one would expect from someone of Ruiz's stature. Moreover his explorations into the nation's production of literature and art following the revolution are a welcome reprieve from his overall dire analysis. Such muralists as José Clemente Orozco, David Alfaro Siqueiros, and Diego Rivera and such writers as Manuel Azuela, Samuel Ramos, and Octavio Paz leave the reader with a sense that, at least culturally, the Revolution moved Mexican intellectuals to realize that "imitating a foreign civilization led nowhere" (p. 146). Nonetheless, while Ruiz does not pathologize Mexico's population in the same vein as Paz in the

Labyrinth of Solitude (1950), his final monograph leaves the reader wondering if anything worthwhile emerged from Mexico's internal and external struggles.

Note

[1]. Also see John Coatsworth, "Inequality, Institutions and Economic Growth in Latin America," *Journal of Latin American Studies* 40 (2008): 545-569; and Stephen Haber, Herbert S. Klein, Noel Maurer, and Kevin J. Middlebrook eds., *Mexico since 1980* (New York: Cambridge University Press, 2008).

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