

## *Introduction*

### THE MIDDLE CLASSES AND THE CRISIS OF THE INSTITUTIONAL REVOLUTION

This is the story of how the Mexican middle classes made history during several decades of economic and political upheaval. A midcentury boom, so impressive that it was dubbed the Mexican Miracle, came to an end in the late 1960s. Illusions of prosperity and stability, which had seemed possible during the Miracle, dissipated. At the same time, the political hegemony of the Institutional Revolutionary Party (Partido Revolucionario Institucional, or PRI), the heir to a political dynasty that had governed Mexico since 1929, dissipated as well. We can see, with hindsight, major changes in the economy and the political system in the late twentieth century, from the 1960s through the 1990s, as state-led development was replaced by neoliberalism and the de facto one-party state gave way to procedural democracy. But these were messy processes, and the period is best understood as several decades of economic and political turmoil.

At the center of these changes were Mexico's misunderstood middle classes, whose reactions to crisis shaped recent history. During the Mexican Miracle, PRI politicians and bureaucrats had prided themselves on the country's rigorous growth and political stability. They saw the economic well-being and political quiescence of the middle classes as an outgrowth of their stewardship.<sup>1</sup> But if the middle classes were symbols of the PRI's success, they were also harbingers of its decline. As the segment of the population that had most benefited from the boom, they were also the most buffeted by the difficult process of economic change, from the everyday experience of unpredictable inflation and unexpected peso devaluations to major changes in philosophy and policy. The middle classes—doctors and lawyers, laboratory technicians and engineers, shopkeepers and civil servants—acted out the stresses of this economic history: they protested in the streets and in the corridors of power; they suffered alienation, hope,

and fear. Whether they formed groups of armed rebels, suffered malaise silently, or gossiped about a coup d'état, their actions signaled that the PRI's one-party system was in crisis. The beleaguered PRI struggled to recoup support and to contain the political upheaval on the left and the right, but ultimately the party split under the pressure.

The desires and fears of the middle classes, as well as their actions, shaped the economic and political history of late twentieth-century Mexico. Most scholars have pointed to the 1968 student movement as the beginning of the end of PRI's hegemony, but this was only one symptom of a larger upheaval. The emphasis on the student movement has eclipsed a more important historical point: that the most consequential struggles over the future of the PRI's system took place among the middle classes. The leftist students who took to the streets to protest the authoritarianism of the PRI can and should be analyzed alongside conservative housewives enraged at the rising cost of living, alienated engineers suffering ennui, consumers falling into debt to support their lifestyle, yuppies who believed the world was their oyster, and angry homeowners struggling to defend their privileged access to housing. These reactions to crisis, which span the political spectrum, represent different threads by which the one-party system was coming undone.

### *The Middle Classes*

Who were these middle classes? Professionals such as lawyers and doctors; intellectual workers such as university professors, teachers, and artists; white-collar workers such as administrators, secretaries, and clerks; and technical workers such as photographers and sound engineers belonged to the middle classes. So too did small business owners, merchants, and supervisors.<sup>2</sup> Importantly, most PRI functionaries, from civil servants to party officials, formed part of these middle classes. These are the people who benefited from the midcentury economic boom. They had relatively high levels of education, engaged in nonmanual or technical work, and lived in urban environments where they had access to cultural, leisure, and health services.<sup>3</sup>

"Middle class" refers to a set of material conditions, a state of mind, and a political discourse. As a set of material conditions it can be measured by income and class stratification. (Please see the Appendix for a description of various attempts to quantify the middle classes and delineate their social reality in twentieth-century Mexico.) As a state of mind, it is an identity, lifestyle, and cultural world that can be longed for—and lost. Some of the fiercest political battles in twentieth-century Mexican history are struggles to acquire and defend the socioeconomic and cultural markers of class,

which do not always coincide, as illustrated by the popular descriptions *con dinero sin cultura* (with money but without culture) and *con cultura sin dinero* (with culture but without money).<sup>4</sup> Middle class is also a political discourse. Ideas about the nature and function of this group have been used (usually by cultural, political, and academic élites) to create influential narratives about Mexico's past, present, and future—narratives that serve ideological and political purposes. For example, the middle classes have been the premier protagonists in narratives about capitalist economies since at least the nineteenth century, and vociferous debate continues, in Mexico and elsewhere, about their historical role. They have been described as harbingers of modernity and economic progress and as actors in political chaos. They have been alternately characterized as apathetic and alienated, productive and parasitic, conservative and revolutionary. This three-pronged approach to studying class—socioeconomic, cultural, and political—is present throughout the book, although different dimensions are emphasized in different chapters. The plural, “middle classes,” is intended to convey the array of indicators, identities, and ideas that define this protean group of people who have been both idealized and reviled.

How big—or how small—are these multifarious middle classes in Mexico? One estimate puts them at 8 percent of the national population in 1895, 16 percent in 1940, 20 percent in 1950, 22 percent in 1960, 29 percent in 1970, 33 percent in 1980, and 38 percent in 1990.<sup>5</sup> According to this estimate, by the 1980s they constituted as much as one-third of the national population. Other, more conservative measures describe them as one-quarter of the population in that decade.<sup>6</sup> Most measures of class stratification in twentieth-century Mexico, though, indicate an overall trend whereby the middle classes increased as a proportion of the national population, even during the crisis years of the 1970s and 1980s.<sup>7</sup> This trend defies some popular and scholarly assumptions. As several leading experts argue, statistics on class stratification have often been miscalculated and misinterpreted to advance political arguments about inequality in Mexico.<sup>8</sup> But bureaucrats and business owners, airline pilots and movie projectionists, stockbrokers and students did not belong to a small or disappearing class. They belonged to a rapidly changing world.

Related to the question of how big the middle classes are is the question of location. “Middle class” does not describe those in the middle of the income distribution. Instead, they reside in the top deciles, between the poor majority and an extremely small, wealthy minority. The middle classes and the PRI, then, together constituted an élite realm. In one study of class stratification and income distribution, for example, an analyst argued that, in 1977, they occupied the eighth, ninth, and first half of the tenth deciles of Mexico's income distribution.<sup>9</sup> But the boundaries between the poor, the middle

classes, and the wealthy are far more complicated than income deciles, as the myriad labels for this group suggest. “Middle-class,” “bourgeois,” “petit bourgeois” and an array of other “smalls” and “mediums”—such as proprietors, merchants, and industrialists—all refer to an intermediary group between the poor and the wealthy. Some terms are associated with economic differentiation, others evoke cultural criteria.<sup>10</sup> While these designations are often used interchangeably, this book uses “class” for two related reasons: it refers to a social position that is made rather than inherited, and its making (and endless unraveling and remaking) is a political and historical process.<sup>11</sup> Much of this book examines how individuals and groups struggled to erect, maintain, break down, cross over, or ensconce themselves within class boundaries.

The history of the middle classes is a political, economic, and cultural story that requires methodological creativity to uncover.<sup>12</sup> In many ways, economic crisis appears as the primary driver of historical change in this book. But economic crises are political and cultural crises. They disrupt established patterns of class domination, necessitating class reconfiguration—a political, economic, and cultural process.<sup>13</sup> An underlying assumption in this book is that capitalism generates economic growth, trade, and profit but also social and cultural relations, dreams and nightmares.<sup>14</sup> Studying the middle classes in their many dimensions is an opportunity to combine the methodological tools of the cultural turn, political economy, bottom-up history, and economic history.<sup>15</sup> In some chapters, “middle class” is primarily defined by education. In other chapters, the middle classes are studied in their places of everyday consumption (such as gas stations); through their income levels and family finances; according to the neighborhood in which they live; and as they are portrayed in Mexico’s public sphere, from novels and television programs to press accounts and political speeches.<sup>16</sup> This methodology unearths a broad range of middle-class experiences and relationships. It underscores the tensions and contradictions within the middle classes and emphasizes the dynamic and central role of these groups in recent Mexican history.<sup>17</sup>

### *Miracles*

Writing in 1970, historian John Womack Jr. argued that “the business of the Mexican Revolution is now business.” He described a Mexico City full of “shimmering new buildings [that] teem with transactions and accountings into the future” and remarked that Mexicans “run up bills on three credit cards.” The Mexican Revolution, which commenced in 1910, began as a struggle for justice and became the foundational narrative for twentieth-century Mexican history. “Why,” Womack asked, “did the old

struggle for justice—violent, confused, but intent—turn into the new drive for development? How did the Revolution become a bonanza?<sup>18</sup> This midcentury bonanza—the so-called Mexican Miracle—was intimately connected to the expansion of the middle classes and the postrevolutionary state apparatus.

The PRI's rule has been described as the "perfect dictatorship."<sup>19</sup> After the Revolution, political leaders faced the challenge of ruling a territory that had nearly been pulled apart during the upheaval. In the early postrevolutionary years, different interest groups jockeyed for power, and the PRI eventually emerged from this intense process.<sup>20</sup> Although it was officially founded in 1946, the PRI was the heir to a political dynasty that began in 1929. Scholars often use the earlier date to underscore the continuity and longevity of the political system: after all, the PRI and its precursors ruled Mexico from 1929 to 2000.<sup>21</sup> Ostensibly democratic, a presidential term was limited to four (later, six) years, and presidents were limited to one term. Elections were meant to be open and democratic. In reality, though, the PRI held tight control over the electoral process, limited the number and power of registered opposition parties, and resorted to fraud to ensure its continued victories at the polls. In order to maintain social control, the PRI relied upon large groups to represent campesinos, such as the National Peasant Confederation (*Confederación Nacional Campesina*, or CNC); workers, such as the Confederation of Mexican Workers (*Confederación de Trabajadores de México*, or CTM); and the middle classes, such as the National Confederation of Popular Organizations (*Confederación Nacional de Organizaciones Populares*, or CNOP). These state-affiliated confederations of unions and associations lobbied for the interests of their constituents, to be sure, but they also ensured that their members would support official policies. In this corporatist system, mandatory business chambers represented industrialists, merchants, business owners, and other important groups of the private sector.

The party resembled a negotiation table, balancing the competing interests of these different organizations. The church, social organizations, small opposition parties, and voluntary business organizations also participated in the limited space allowed for pluralism within the one-party state. And, like most ruling parties, the PRI itself was not a monolith but rather an association of different interests and power brokers occupying positions in different ministries.<sup>22</sup> The party held in balance these varied and conflicting interests in the context of regional, national, and international pressures. Importantly, when consensus could not be reached by mutual accord, bribery, or carrot-and-stick negotiation, the PRI found recourse in violence (most often against workers and campesinos).<sup>23</sup> Ideally, this system worked as a welfare state, in which state institutions guaranteed the

social and economic well-being of citizens; in reality, it functioned as a welfare state that could never meet the needs of all its citizens, as one in which one party exchanged resources for political loyalty. Though by no means a perfect system (or dictatorship), the PRI's Institutional Revolution provided a certain amount of stability.<sup>24</sup>

The political system consolidated in the context of a midcentury economic boom from 1940 to 1970, when Mexico's economy grew at an average annual rate of more than 6 percent. Mexican and foreign observers began to talk about the "Mexican Miracle."<sup>25</sup> This growth resulted from a prosperous world economic context (especially following the Second World War) and an internal economic strategy known as Import Substitution Industrialization, or ISI. In Mexico, ISI can be described as a mixed economy, with both public and private investment and a large amount of state involvement. Mexican leaders sought foreign investment to promote domestic industrial manufacturing and implemented high tariffs on imported goods to protect these fledgling industries. The ISI strategy was intended to counter the structural inequality of the international economy; it was designed to give Mexico the breathing space to "catch-up" with the developed world. In this endeavor, the state wholly owned certain strategic industries (such as oil extraction) but also heavily subsidized domestic private-sector industrialists, either directly or through subsidized services. Although the terms "miracle," "ISI," and "state-led development" have become shorthand for thinking about the economic boom, it remains unclear whether there was a coherent and consistent development policy, never mind an economic model, during those years; these terms might obfuscate more than they explain. It is more likely that economic policy resulted from ad hoc and self-interested compromises among business, labor, and political élites at regional, national, and international levels.<sup>26</sup>

The growth of the postrevolutionary state apparatus, from the 1920s onward, bolstered the middle classes.<sup>27</sup> A reciprocal relationship between the middle classes and the state emerged: the middle classes studied in the public education system and then, drawing upon the cultural capital they had accrued, filled the ranks of the growing state's bureaucracies.<sup>28</sup> Increased access to public education was one of the postrevolutionary state's most prominent social commitments. Despite important successes, especially regarding access to primary school, education remained a marker of privilege. For instance, of the population over fifteen years of age living in Mexico City, only 41 percent had completed primary school in 1970; this figure decreased to 34 percent in 1980.<sup>29</sup> Further, as the public education system grew (the number of high schools doubled between 1940 and 1960), so too did the value placed on education, and poverty began to be explained by low levels of education.<sup>30</sup> As a result, despite the efforts of

politicians and policymakers, the education system ended up reinforcing middle-class privilege.<sup>31</sup>

After 1940, Mexico's political leaders, especially those who worked for the federal government and lived in the main cities, came predominantly from the ranks of the middle classes. Members of the middle classes found employment not only at the highest levels of the government but also as civil servants and midlevel supervisors.<sup>32</sup> The middle classes consolidated their position in 1943 with the creation of the CNOP (National Confederation of Popular Organizations), an umbrella organization that represented many middle-class associations and unions.<sup>33</sup> This confederation brought together state employees, professionals, intellectuals, soldiers, small merchants, small farmers, and small and medium industrialists. It also represented the urban poor, including shantytown dwellers and shoe-shine boys.<sup>34</sup> Though heterogeneous, it was dominated by middle-class state employees. Its principal goal was to provide a corporatist representation for the middle classes within the regime, similar to large organizations that represented campesinos and workers. Although bureaucrats constituted the core of this "popular sector," the strength of the organization (and its usefulness to the PRI) was its ability to function as a brokering device between different middle-class interests, providing the PRI with remarkable institutional flexibility.<sup>35</sup> The dynamism of the "popular sector" also helped the PRI to balance the power of the worker and campesino sectors—the inclusion of the urban poor, for example, lent revolutionary legitimacy to the popular sector and the PRI.<sup>36</sup> This was especially important as the CNOP quickly superseded the campesino and worker organizations in terms of political clout and power.<sup>37</sup> Thus, the middle classes and the PRI forged a mutually beneficial relationship that served to protect and reproduce their privilege. The economic boom fortified this relationship during the midcentury decades.<sup>38</sup>

As the middle classes grew, the PRI developed infrastructure to feed, house, and entertain them. Massive, modernist, high-rise apartment complexes were built with great fanfare, in the style of Le Corbusier, to provide nurses and accountants with all the accoutrements of modern life, including parking spaces for their cars, indoor plumbing, electricity, multiple bedrooms, kitchen appliances, and even carpeting and window drapes. The Tlatelolco apartment complex, perhaps the most emblematic of all these housing projects, is the subject of Chapter 6. The National Autonomous University of Mexico (Universidad Nacional Autónoma de México, commonly known as UNAM) was moved from its original location in downtown Mexico City to a sprawling suburban zone in the south of the city, which became known as University City. New suburbs, in an American style, were developed, and entertainment and shopping complexes sprang

up for the leisure pursuits of these residents.<sup>39</sup> The formation of an identity of this burgeoning class was greatly influenced by American consumption patterns and culture. Social status became tied to appliances, clothes, and electronic gadgets imported from the United States or to their nationally manufactured equivalents (which denoted less status, to be sure).<sup>40</sup> During the midcentury boom, then, being middle class meant to have privileged access to education, to live in a modern apartment, and to enjoy a certain lifestyle.

Being middle class implied having hope for the future. As the middle classes grew and gelled, they came to expect upward mobility. A 1959 civic culture survey found that nearly 80 percent of middle-class respondents expected to be better off economically in ten years (compared with only 60 percent of other urban respondents). For example, "Mr. C," a forty-year-old radio operator and technician, felt satisfied with his salary and working conditions. In his spare time, he took care of his car, read newspapers and magazines, and listened to the radio. Mr. C lived with his wife and four children in a medium-sized city, where their neighbors were mostly business owners, professionals, and office workers. Mr. C completed primary school and trade school, took advanced training courses in the evenings, and enjoyed thinking of future opportunities, even if his plans did not materialize. "I had planned to open up a radio store," he told the interviewers. "I had to postpone it, hoping that business conditions would become more favorable, but it has not been feasible so far."<sup>41</sup> Mr. C believed that his children would be more successful than he was, because of growing educational opportunities.<sup>42</sup> In the 1960s, sociologist Pablo González Casanova argued that such expectations for upward mobility constituted a powerful "hope factor" by which "the peasants of yesterday are the workers of today and the sons of those workers can be the professionals of tomorrow."<sup>43</sup> If these aspirations overestimated the real possibility of social mobility (the middle classes, after all, constituted an élite minority), in doing so they fostered a degree of political moderation and social conformity among the believers; as González Casanova argued, these aspirations were "powerful palliatives of inequality."<sup>44</sup>

Scholars have questioned the political stability and economic prosperity of the midcentury decades. The so-called Mexican Miracle was miraculous only for a privileged few.<sup>45</sup> Its darker side included economic desolation and political repression. The murder of campesino activists in the state of Morelos during the 1940s and 1950s and the repression of railway workers in Mexico City in 1958–59, among other examples, reveal the violence upon which the PRI's rule depended.<sup>46</sup> But whether this period should be understood in terms of its stability or its violence, or some combination of the two, remains an open question; an interpretive framework is still



emerging.<sup>47</sup> The significance here is not the accuracy of the Miracle narrative but rather the fact that PRI functionaries, and others, believed it. It may be true that this dream never existed in reality, but stability is often a state of mind, and in the early 1970s a perceived stability began to unravel. Thus, the argument here is not that a *Pax Priísta* did or did not exist but that we need to analyze the belief in it.

In this belief, the middle classes came to represent the modern, developed Mexico, symbolizing the goal toward which all Mexicans ought to strive. Their role in maintaining the status quo was legitimated by the authority that their education and their political position gave them. A midcentury pact emerged, whereby the middle classes provided ideological legitimacy to an authoritarian system in exchange for economic prosperity and political stability. Mr. C., quoted above regarding his optimism about the future, described elections as “fraudulent.” He supported the PRI but with some resignation: “Of all the bad [parties], I think the least bad one is the PRI.”<sup>48</sup> His cynicism notwithstanding, Mr. C’s political quiescence buttressed the midcentury pact between the state and the middle classes, and he enjoyed the benefits it conferred. It must be stressed that while the middle classes became the ideal of the postrevolutionary state, they were not always discussed as such in public. The PRI cultivated a folk archetype which was meant to represent the authentic or the indigenous.<sup>49</sup> Nevertheless, the PRI wanted the nation to move toward an ideal of urban middle-class living. In the consolidation of the postrevolutionary state, the middle classes came to stand for the nation.<sup>50</sup> Because this was a predominantly urban ideal, it centered on the middle classes who lived in the country’s main cities, especially Mexico City. If the visibility and influence of the middle classes far exceeded their proportion of the national population, this was especially true of those living in the capital and other major cities—yet another example of how Mexico City has sometimes stood for the nation.<sup>51</sup>

The vision of an urban middle-class Mexico might have been a fantasy of PRI functionaries, but the idea stuck, so to speak, because of the glue of economic prosperity. In turn, this fantasy buttressed the prolonged period of economic boom and relative political stability from 1940 to 1970 and helped to fill in the fissures of discontent. When the Miracle began to fade, fantasies became nightmares.

### *1968 and Writing Recent History*

On the rainy evening of 2 October 1968, government forces massacred hundreds of students in Tlatelolco, a plaza in the heart of Mexico City. This massacre put an end to the student movement, which had gathered

momentum throughout the summer as students organized marches to protest the authoritarianism of the PRI. The conflict began with a seemingly apolitical, routine skirmish between students from several *preparatorias* (higher-education institutions between high school and undergraduate studies) and vocational schools. On 22 July a fight broke out between students from Vocational School 2 and the Isaac Ochoterena Preparatoria. The next day, there was another fight. There was nothing particularly unusual about any of this. But on 23 July, the city government sent in two hundred riot police, who confronted students with violence and arrested approximately twenty. In the following days, street battles occurred in the center of Mexico City. Prepa and vocational students, now joined by students from UNAM and the National Polytechnic Institute (Instituto Politécnico Nacional, or IPN), fought the police, riot police, and military. Students blockaded avenues and the military barricaded streets, and on 30 July government forces occupied several secondary schools. Although precise numbers are unknown, newspaper reports estimated that, by the end of July, four hundred students had been injured and one thousand arrested; students claimed that over fifty students had been killed, disappeared, or jailed. In less than ten days, a wide array of middle-class students found themselves in direct confrontation with the government.<sup>52</sup>

In the following weeks, student groups from various schools issued several demands, including freedom for political prisoners; elimination of Article 145 of the penal code, which mandated a sentence of two to twelve years for spreading sedition; abolition of the riot police (*granaderos*); dismissal of the Mexico City police chief; indemnification for victims of repression; and justice against those responsible for the repression.<sup>53</sup> Student groups also organized tactical responses to the aggression. Young men and women formed unarmed guard units to protect their schools from invasion. Student strikes began on the IPN and UNAM campuses, then spread to other schools in the capital city and beyond. Eventually the National Strike Council was established. Committees of Struggle (Comités de Lucha) formed to discuss events and plan strategy.<sup>54</sup> And Lightning Brigades emerged as young people fanned out across the city to communicate the students' position to the broader public.<sup>55</sup> Margarita Isabel, a student actress who joined a brigade after riot police invaded the National Institute of Fine Arts, described the political effervescence in the city's streets: "We organized encounters—happenings, you know what I mean? I'd go up to a newspaper stand, for example, and ask for a newspaper." At the same time, another member of the brigade, dressed up as a "very 'square,' very middle-class matron, wearing earrings and a little pearl necklace" would also approach the kiosk. Then Isabel (wearing boots and a miniskirt) and her actress comrade would stage an argument about the student movement

and its demands, drawing in bystanders who gathered as the argument escalated. "Our audience wouldn't say anything at first, but then suddenly, without even realizing it, they'd begin to take sides and some man in the crowd would say, 'Listen, *señora*, this young lady is right, you know, because you don't even know what the students' six demands are."<sup>56</sup> The actors' brigade staged these encounters in markets, cafés, restaurants, factories, and plazas across the city, to publicize the students' demands and shape public opinion. The brigades, committees of struggle, and strike council were the infrastructure for what would become known as the 1968 student movement.

Conflict escalated in August and September. The army invaded and occupied the UNAM campus, but students successfully defended the IPN. Riots erupted in several areas of the city, and violent confrontations between students and government forces led to deaths and injury on both sides.<sup>57</sup> Galvanized into action, growing numbers of citizens joined the demonstrations, protesting the undemocratic nature of the one-party state and the brutality of the police. Womack described the movement two years later: "This was at heart a civic movement for civil liberties. . . . Not only students but also their parents, their teachers and many tens of thousands of office workers, housewives, shop workers, professionals and petty merchants marched in massive demonstrations to protest official abuse of civil rights."<sup>58</sup> By the end of the summer, the number of protestors was in the hundreds of thousands.

From solemn silent marches to the energetic lightning brigades, the student movement threatened the PRI. Mexico was hosting the Olympics that month, the first third-world nation to do so, and the opening ceremonies were scheduled for 12 October in Mexico City. Such widespread protest would undermine the image the PRI had been cultivating as an effective government for a prosperous Mexico.<sup>59</sup> On the evening of 2 October, just ten days before the opening ceremony, hundreds of students gathered peacefully in the plaza of the Tlatelolco apartment building complex, to discuss strategy and plan their next steps. Instead, when government forces began shooting from the rooftops, the movement was quashed in a few bloody hours. The details of the massacre are murky: How did it begin? Who were the snipers on the rooftops and plainclothesmen on the ground? How many people died? The official death toll is 49, but international journalists who had been in the plaza that evening reported upwards of 325 dead.<sup>60</sup>

One year after the events, Nobel laureate and poet Octavio Paz wrote, "The second of October, 1968, put an end to the student movement. It also ended an epoch in the history of Mexico."<sup>61</sup> The student movement, and especially the Tlatelolco massacre, has become a defining moment in narratives about recent Mexican history. Scholars, public intellectuals, and

journalists use the events of 1968 to explain the arc of twentieth-century Mexican history. For Paz, the massacre was the end of an era. Others describe 1968 as a turning point, between the midcentury Miracle and a period of generalized crisis in the late twentieth and early twenty-first centuries.<sup>62</sup> The events also laid the foundation for origin stories, whether those narratives describe the beginning of the end of the PRI's rule, the heroic birth of the New Left, or the initial impetus for a prolonged transition to electoral democracy.<sup>63</sup> The Second of October is also understood as an instance of *anagnorisis*, a moment of tragic recognition, when those who had gathered in the Tlatelolco plaza realized the full extent of the darker side of the Miracle.<sup>64</sup>

It is time to de-center the 1968 student movement in explanations of Mexican history. It is intellectually irresponsible to lionize the student movement; doing so magnifies its significance and distorts our understanding of Mexico's recent past. The crucial story is the historical arc of the middle classes, of which the students were only one part. In the late 1960s and early 1970s, crisis began to diffuse throughout the middle classes: students, certainly, but also doctors, detectives, and dentists, as well as many others, found themselves in uncertain times. The future of the PRI's Institutional Revolution actually turned on how a broad spectrum of the middle classes would react.

### *The End of the Miracle*

In the late 1960s, the boom began to falter. On one level, it had always been unstable. For many, midcentury capitalist growth had been anything but miraculous. In 1970 Octavio Paz described how the boom had produced "two Mexicos, one modern and the other underdeveloped." Paz wrote that "half of Mexico—poorly clothed, illiterate, and underfed—has watched the progress of the other half."<sup>65</sup>

On another level, by the mid-1960s, prominent economists and observers commented on the exhaustion of the ISI (Import Substitution Industrialization) strategy. The belief was that the easy stage of ISI had ended. It had successfully generated domestic industries, but only for simple goods. Moreover, internal demand for these goods was relatively small, and they were not competitive on the world market.<sup>66</sup> Other economists, though, warned against extreme prognoses, suggesting that policymakers had pinned unreasonable expectations on ISI. When disappointment ensued, it was tempting to succumb to failure complexes, or "fracasomania."<sup>67</sup> A less dramatic explanation was that ISI had simply passed its first, exciting stage and that the slowdown was cause for concern but not a calamity.<sup>68</sup> Despite this caution, a "gloomy vision" took hold. In fear that the ISI model had failed,

policymakers, politicians, and industrialists were galvanized into action, attempting to forge another economic strategy—a political, socioeconomic, and cultural process in which the middle classes had much at stake.<sup>69</sup>

By the mid-1960s, the middle classes began to experience the contradictions that had long been inherent in the so-called miraculous midcentury capitalist growth. Doctors, teachers, and students mobilized to demand better wages and working conditions, as well as greater transparency and more meaningful democracy. The 1964–65 doctors' strike, for example, revealed the tension between young doctors' middle-class aspirations and the material limitations they confronted.<sup>70</sup> During the midcentury boom, Mexico's public health-care system expanded rapidly, and so did the numbers of doctors graduating from UNAM and the IPN, as well as other institutions. But it had become increasingly difficult for the state to provide health care to more and more citizens; likewise, the state struggled to pay its doctors a salary that adequately reflected their education and the services they offered.<sup>71</sup> A gulf had emerged between the prestige of being a doctor and the inability of many doctors to earn even a marginally middle-class salary. In late 1964, when a rumor circulated that end-of-year bonuses would be withheld, doctors went on strike to demand their bonuses and to protest unsanitary living quarters, low pay, and underemployment. Invoking the prestige conferred by their profession, their rallying cry was "Dignity for the medical class."<sup>72</sup> These young doctors, who should have belonged to the middle classes, had come up against the limits of the Mexican Miracle.

The doctors' frustrated aspirations were part of a broader trend. The privilege conferred by education—not only medical education—had come under threat. Francisco López Cámara, an official in the CNOP and a scholar who counseled the PRI regarding the middle classes, described the process as "Malthus and Darwin against Marx and Freud."<sup>73</sup> A growing number of educated professionals faced an increasingly saturated job market.<sup>74</sup> Education was no longer a guarantee of upward mobility as the likelihood of a secure job in the state bureaucracies diminished. Growing expectations of consumption, compensation, and upward mobility came under threat just when they were at their highest ever in postrevolutionary Mexico. Writing in 1966, López Cámara describes how middle-class students felt cheated ("defraudado") of their privilege.<sup>75</sup> The best-known manifestation of this feeling of having been "defrauded" came with the 1968 student movement, but scholars and public intellectuals have mostly focused on its political and cultural dimensions; its structural context has received less attention. The student movement, though, is also an economic story. Structural economic crisis generated widespread discontent, and citizens across the political spectrum began to protest. Certainly, in

1968 the students—and the other participants—were deeply frustrated by the authoritarianism of the PRI's system. But fear of losing class status was another motivation for taking to the streets.

Octavio Paz foretold “great political battles” in the realm of the middle classes.<sup>76</sup> The PRI worried intensely about continuing middle-class discontent. Indeed, Francisco López Cámara, in his capacity as scholar of the middle classes with connections to the party, argued that their discontent represented the biggest threat to Mexico's political and social stability. The middle classes, worried López Cámara, were “threatening to become the great unknown of the 1970s.”<sup>77</sup> He urged the PRI to develop a coherent political and economic policy to avert what seemed to be a looming disaster. Importantly, both Paz and López Cámara connected middle-class discontent to the exhaustion of the ISI model and growing economic instability.

The fundamental precariousness of their privilege makes economic instability especially threatening to the middle classes. Even in times of economic boom, the basis for their privilege is shaky. Theorist Immanuel Wallerstein describes the middle classes as being condemned to live in the present—their privilege might disappear with the next crisis.<sup>78</sup> Paz described the effects of this existential instability on the middle classes: “[The middle class] constitutes a mobile stratum which, though relatively satisfied from an economic point of view, is aware that the situation could change overnight. This insecurity inspires an aggressiveness and unrest that is not found among the workers.”<sup>79</sup> After more than a generation of economic boom, during which middle-class habits and hopes became expectations, students and doctors, housewives and engineers, small business owners, car owners, and customers in dry cleaning shops, among others, were confronted by their structural instability, and they reacted in myriad ways.

### *The Great Unknown*

This book begins in the early 1970s, when instability takes center stage. It addresses two central questions: What happened to the political relationship between the middle classes and the PRI when the boom ended? And, how did neoliberalism (with its theoretical and policy emphasis on private enterprise, free markets, and free trade, in contrast to state-led development) emerge from the debris of the Mexican Miracle? These questions are closely connected. During the 1970s and 1980s, the middle classes and the PRI experienced the end of the boom, experimented with economic alternatives, and negotiated the birth of a neoliberal paradigm. Through the tumultuous history of economic change, political crisis pervaded the elite realm of the PRI and the middle classes, which was constantly being

reconfigured. At times, there seemed to be an echo of the midcentury pact, as when the PRI provided consumer credit and the middle classes paid higher taxes. In other moments, neoliberal economists and policymakers broke from the state-led development model that had principally benefited the middle classes, a move that created cleavages both within the party and within the middle classes. These economic and political crises occurred in tandem and led to the end of the “Institutional Revolution” from which the party derived its very name.

The new landscape of the 1970s and 1980s was one of crisis.<sup>80</sup> Cultural critic José Agustín described the mood toward the end of the year 1970: “On the surface, everything appeared normal despite the hard proof of 1968,” he began. “But in many people, there existed a vague impression of having woken from a dream to face a reality that they had previously avoided. The cracks in the system were everywhere to be seen for those willing to look; the negative traces of ‘developmentalism’ or the ‘Mexican miracle’ were now perceivable.”<sup>81</sup>

Mexico had experienced economic ups and downs earlier, but during these decades crisis became the backdrop of everyday life. Indeed, aside from the brief interlude of an oil boom, the term became virtually synonymous with the normal state of affairs. The economic (and political) crises of these decades were, in part, routine crises, necessary to ongoing capital accumulation, but they led to a profound shift from the midcentury state-led development to the neoliberalism of the late twentieth century.<sup>82</sup> The theorist Antonio Gramsci defines crisis as consisting “precisely in the fact that the old is dying and the new cannot be born; in this interregnum a great variety of morbid symptoms appear.”<sup>83</sup> This book explores that ambiguous moment between two modes of capitalist accumulation.

This book tracks the middle classes and the PRI through the convulsions of crisis. Part I, “Upheavals,” focuses on the political activities of the middle classes in the early 1970s, in the shadow of 1968. Chapter 1 outlines the spectrum of leftist politics, from moderate students to radical urban guerrillas, and examines how leftists struggled to come to terms with their middle-class status. It also analyzes the PRI’s attempts to reach out to the discontented students. Chapter 2 documents a wave of destabilizing rumors, as the conservative middle classes worried about peso devaluations, rising inflation, and a possible leftward turn in Mexican politics. The chapter then examines the PRI’s reaction to conservative protest and traces the escalation of these rumors to whispers of a coup d’état in 1976. Together, Chapters 1 and 2 demonstrate widespread discontent, protest, and even rebellion among the middle classes.

Part II, “The Debt Economy,” analyzes how the PRI and the middle classes tried to exit economic crisis by moving Mexico toward a debt

economy. Chapter 3 focuses on the short oil boom from 1977 to 1981 and analyzes “middle class” as a political discourse in the public sphere. It examines the hopes (and fears) that politicians, scholars, and public intellectuals pinned on the middle classes. Chapter 4 studies the effects of inflation, which began increasing significantly and erratically in the early 1970s. It documents a changing economic relationship between the middle classes and the PRI, with a focus on consumer credit, consumer rights, and taxation. Chapters 3 and 4 together outline the emerging debt economy at the national and household levels, whereby national debt funded oil extraction and consumer credit mitigated the effects of inflation on household consumption.

Part III, “Fault Lines of Neoliberalism,” studies the social and political effects of the 1980s economic crisis and Mexico’s transition to neoliberalism. When oil prices collapsed and interest rates rose in 1981 and 1982, Mexico entered an economic crisis known as “the lost decade.” Chapter 5 analyzes the emergence of neoliberal ideology and policy and its impact on different segments of the middle classes. The chapter charts how the elite realm of the PRI and the middle classes split between the advocates and critics of neoliberalism. Chapter 6 begins with the September 1985 earthquake that devastated Mexico City. It examines the pivotal role of middle-class residents in the protest movement that emerged after the natural disaster, focusing on the massive Tlatelolco apartment building complex. The chapter also analyzes how the postearthquake landscape of Mexico City functioned as a sort of crucible for neoliberalism. Chapters 5 and 6 demonstrate how a series of crises facilitated Mexico’s shift to neoliberalism.

The history documented in these chapters challenges our understanding of postrevolutionary Mexico. The middle classes, as the segment of the population that had most benefited from the Mexican Miracle, offer a premier vantage point from which to examine the end of the boom and the end of the PRI’s one-party state. Yet there is remarkably little historical scholarship on the middle classes. This might be because the postrevolutionary state appeared to be dominated by the large and powerful corporatist associations representing workers and campesinos; significantly, the CNOP (National Confederation of Popular Organizations) has received less attention than its counterparts, the National Peasant Confederation and the Confederation of Mexican Workers.<sup>84</sup> This could be an effect of official rhetoric: while the PRI may have moved closer to the interests of the middle classes, it needed to present the regime as the embodiment, or revindication, of the campesinos and workers who fought and died in the Mexican Revolution.<sup>85</sup>

The lack of attention to the middle classes, however, might also reflect the scholars who have analyzed postrevolutionary Mexican history and so-



ciety. Considering a similar lacuna in historical scholarship on the United States, one historian argues that it is related to a discomfort of the Left, and especially leftist academics, with the category “middle class.”<sup>86</sup> Many scholars explicitly describe their work as a political project. Middle-class fears and insecurities do not fit well with a romantic, revolutionary narrative of political change. Many politically motivated scholars who analyze social movements, among other topics, have become invested in these narratives and consequently focus on the poor and marginalized as vehicles for social change from below.<sup>87</sup>

No doubt, the middle classes appear in many studies as artisans, merchants, professionals, bureaucrats, teachers, Catholic activists, students, and countercultural aficionados. Few works, though, explicitly address questions of middle-class formation, politics, or cultures in Mexico. Often historians use the term “middle-class” as a descriptive adjective rather than a historically contingent category requiring analytical engagement. Indeed, some scholars perform strenuous contortions to *not see* the middle-class status of those they study.<sup>88</sup> Theorist Immanuel Wallerstein argues that the middle classes tend to function as a *deus ex machina*: like the literary device that suddenly—and inexplicably and unsatisfactorily—resolves the plot, they are reified, unexamined, and mystified.<sup>89</sup> Whatever the reason, the politics of writing about the middle classes have shaped the scholarship on modern Mexico, in which the middle classes are conspicuous by their absence.

But the middle classes can be apprehended in the historical record through an array of primary and secondary sources. Newly released government spy reports provide a window onto the political activities of parties, groups, associations, and individuals. These documents come from two intelligence agencies that operated under the Secretaría de Gobernación (Ministry of the Interior): the Directorate of Federal Security and the General Directorate of Political and Social Investigations.<sup>90</sup> While these spy reports offer richly detailed accounts of public meetings and private conversations, excitement over this historical source must be tempered; the reports are sometimes inaccurate, and the analysis they provide often only scratches the surface. Many spies came from the ranks of the police or military, and it was virtually impossible to become an intelligence agent without a personal recommendation from someone within the intelligence agencies. A culture of secrecy pervaded the agencies, and agents were chosen and rewarded for their loyalty rather than their experience or ability in surveillance.<sup>91</sup> In his study of Mexico’s intelligence apparatus, Sergio Aguayo describes how reporting agents would sometimes exaggerate the threat posed by groups or individuals in an effort to curry favor with their superiors and justify increased government funds for the Ministry of the Interior.<sup>92</sup> In the late 1970s, the Directorate of Federal Security ordered a

psychological study of a sample of its agents whose jobs were to infiltrate organizations and follow individuals. The report was damning: psychologists found that agents had low levels of both formal education and general intelligence, and they described agents as “vain, wasteful, and self-indulgent” as well as “egotistical and superficial.”<sup>93</sup> The experts also found that agents were “not worried about societal morals and norms” and had “little contact with reality.”<sup>94</sup>

In theory, intelligence organizations should serve the state and not any one party or politician. But in Mexico, the agencies served the PRI and the president.<sup>95</sup> From their beginnings in the 1920s, the intelligence agencies functioned as a political police—shadowing friends and enemies of the regime—and Aguayo describes how their activities often reflected the personal interests and insecurities of the president.<sup>96</sup> In the 1960s, it seems that President Gustavo Díaz Ordaz’s anticommunist paranoia sparked a massive growth in the number of DES agents and informants, from approximately 120 agents with some informants in 1965 to 3,000 agents with 10,000 informants in 1981.<sup>97</sup>

These growing numbers of government spies focused much of their attention on rebellions against the regime, such as the 1968 student movement and the leftist and conservative protests of the 1970s. Agents watched individuals and groups (the list of targets was often full of suggestions from the president and his highest advisors): they eavesdropped on private conversations in streetcars and other public places, as well as infiltrating opposition groups, tapping telephones, intercepting letters and telegrams, and controlling a network of informants.<sup>98</sup> On occasion agents acted on the surveillance information, harassing and even eliminating perceived enemies of the regime.<sup>99</sup>

These intelligence reports, then, often reveal as much about state obsessions as they do about the activities of groups deemed subversive. The documents tell us at least two stories. They capture middle-class political culture, together with the worry that it caused the PRI.

Documents from the presidential archives, which include economic data on consumer credit and taxation, internal political strategy documents, and official speeches and propaganda, provide another important source for studying the middle classes. So, too, do press accounts. This book further benefits from the vibrant tradition of social commentary by public intellectuals, writers, and scholars. These works serve as both primary and secondary sources—primary, because they illustrate the contemporary intellectual climate; secondary, because they often offer important historical analyses. Finally, popular culture, especially hard-boiled detective fiction, offers a unique perspective within contemporary social criticism.

Leftist students, conservative car owners, alienated detectives, indebted families, optimistic yuppies, and protesting homeowners: in the late 1960s, these protean middle classes awoke from a dream. For over two decades, they experienced the transition pains of major economic change. Their histories tell the story of how a miracle ended and how the PRI's Institutional Revolution, which had prided itself on the robustness of the middle classes, came undone.