Deference and Defiance in Monterrey

Workers, Paternalism, and Revolution in Mexico, 1890–1950

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Introduction

Only a decade after the onset of Mexico’s 1910 revolution, the people of Monterrey, Nuevo León could celebrate the class harmony that reigned in their preeminently industrial city. The *regiomontanos* attributed this aura of industrial peace to the unique character of their city’s workers and the inherent benevolence of their employers. They took special pride in both. Monterrey’s workers carried a reputation for their hard work, industriousness, and staunch independence. They manifested the latter through their renowned autonomy from the national unions organized in the revolution’s wake. The industrialists earned local acclaim for having built their companies with Mexican capital. Moreover, such pillars of local industry as the Cuauhtémoc Brewery and the Fundidora steel mill provided their employees with welfare benefits unique by Mexican standards. Since the early 1920s, civic boosters insisted, company paternalism had established the cornerstone of labor peace and economic prosperity. Then, just as General Lázaro Cárdenas assumed the presidency in 1935, class struggle seemingly engulfed their hometown. In a startling development, the steel workers broke from the Independent Unions of Nuevo León and affiliated with the national Miner-Metalworkers Union. Ten days later, workers at the brewery’s subsidiary glass plant, Vidriera Monterrey, struck in support of militant unionism.

The industrialists blamed this outbreak of militance on the Cárdenas government’s intrusive labor policies. Indignant at this perceived threat to their social hegemony, the industrialists orchestrated a mass antigovernment rally. They punctuated their resistance with a two-day lockout, shutting down their factories in a display of economic might.1 Falling as it did on Mexico’s Constitution Day, the march’s organizers portrayed the event as a patriotic response to the “highly dangerous intrusion of communist agitators.” That the agitators had arrived from Mexico City only sharpened local indignation. On the days preceding the protest, radio broadcasts and

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1 The following paragraph is based upon *El Porvenir*, Monterrey, January 10–February 7, 1932; *Excélsior*, Mexico City, February 2–6, 1936.
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flyers posted about town reminded the regiomontanos that the “Communist Government of Mexico” threatened their jobs and their families’ well-being. The message resonated powerfully. On the morning of February 5, 1936, approximately 50,000 protestors marched in the largest antigovernment demonstration to that point in Mexico’s history. With thousands of loyal workers at their side, the city’s captains of industry led a cross-class, multi-generational procession that caught the nation’s attention. The movement proved a stunning success for Mexico’s most powerful group of industrialists, a vivid display of their workers’ inherent loyalty toward their employers.

Two days later, President Cárdenas arrived in Monterrey. Over the course of the following week, he met with local businesspeople and rival union leaders, listening attentively to their respective positions. Then, on February 11, he addressed thousands of supporters from the balcony of Nuevo León’s Palacio del Gobierno. Outlining his government’s labor policy, Cárdenas reiterated his promise to unify all Mexican workers into a national labor federation. Monterrey’s company-controlled unions – the so-called independents – impeded that unity. He blamed the labor unrest upon the industrialists and their refusal to recognize the workers’ right to elect their union leaders. Then, as if to confirm the regiomontanos’ fears of communism, the president resolved that employers who resisted unionization “hand their industries over to their workers or the government.” “That would be patriotic,” he concluded, “the industrial lockout is not.” Cárdenas’s veiled expropriation threat never materialized. But his government’s labor policies tested the limits of Monterrey’s unique system of industrial paternalism, offering workers two clear alternatives: “stay on the company’s side” or “go with the reds,” as locals referred to militant unions. Some workers forsook unionism for the security of paternalism; others embraced it for its promises of industrial democracy. The outcome separated the regiomontano workers and their families into two opposed camps, a division that endured for decades to come. This is the story of those workers and their experience of paternalism and revolution.

Deference and Defiance examines how the workers and industrialists of Monterrey perceived, responded to, and helped shape the course of Mexico’s revolution. It builds upon and complements the “postrevisionist” scholarship on the period. Whereas an earlier generation of historians downplayed the grassroots nature of the revolution by positing the state as the era’s dominant protagonist, scholars have since revised our understanding of the revolutionary process. By examining the revolution from a peripheral and largely rural perspective, the postrevisionists show that policy making and implementation entailed a “negotiation of rule” among state agents, local elites, and popular classes. The revolutionary government’s economic, social, and

2 Jose P. Saldaña, Crónicas históricas (Monterrey, 1982), 250.
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cultural projects encountered resistance at the local level. Regional developments in turn forced the ruling party to revise its policies of state formation to forge the most durable political consensus in twentieth-century Latin America.³ This study examines that process from an urban and industrial perspective. Mexico remained a predominantly agrarian society into the 1940s. Yet within a single generation, rapid industrialization shifted the nation’s demographic profile and economic base. Subsequent generations of workers and employers inherited the legal institutions, corporate policies, and union practices bequeathed by the labor struggles of the era.

Deference and Defiance sheds new light on Mexican working-class and labor history. For decades, the literature remained overshadowed by political narratives that highlighted organized labor’s integration into Mexico’s ruling party.⁴ Meanwhile, social histories of working-class Mexicans focus on the prerevolutionary era and/or the foreign-owned export enclaves.⁵ This study of urban workers provides a regional perspective to organized labor, its leaders, and its relation to the state. It revises our conception of those institutions and activists by assessing the interrelated struggles surrounding local politics and Mexican labor law, a crucial yet understudied outcome of the revolution. It enlivens the history of labor by exploring the culture of the local union hall and the workers who inhabited it. We also travel from the political arenas and union assemblies to the worlds of work and leisure, exploring the camaraderie and antagonisms that developed on the factory floors and in the blue-collar neighborhoods of Monterrey.

From there, Deference and Defiance departs from traditional studies of Mexican labor and the revolution by highlighting new issues and extending our coverage beyond the Cárdenas presidency and through that key transitional decade of the 1940s. We explore the experiences and perspectives of Monterrey’s nonunion workers, the men and women who never struck nor attended a union assembly. These were laborers for whom consensual


⁴A cross-generational survey would include Rosendo Salazar, Las pugnas de la gleba, 1907–1922 (Mexico City, 1923); Marjorie Ruth Clark, Organized Labor in Mexico (Chapel Hill, 1934); Joe Ashby, Organized Labor and the Mexican Revolution under Lázaro Cárdenas (Chapel Hill, 1967); Arturo Anguiano, El estado y la política obrera del cardenismo (Mexico City, 1975); Kevin Middlebrook, The Paradox of Revolution: Labor, the State, and Authoritarianism in Mexico (Baltimore, 1995).

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industrial relations remained the predominant feature of their working lives. As contemporary regionontanos proudly proclaimed, labor relations in Monterrey were harmonious relative to other regions of Mexico. Those contemporaries rightly acknowledged that “class harmony” was the product of company paternalism. We examine paternalism as an institutionalized system of industrial relations that “intended to extend non-wage benefits . . . and create an identifiable corporate culture” among factory operatives. Monterey’s industrialists offered their employees a range of welfare benefits like company housing, schools, and leisure activities. They did so in order to check labor unrest, instill work discipline, and foster company loyalty. We examine how paternalism assumed different forms at the companies under study and ask why workers responded in divergent ways to their employers’ benevolent pretensions.

A comparative study of shop-floor relations illuminates the limits to paternalism. It explains why some working people opted to support militant unions and untangles a seeming paradox: why a city with a conservative reputation became a stronghold of communist labor activism in the 1930s and 1940s. The issue of unionism also sheds light on the contrasting ways in which Monterrey’s employers acquiesced to or resisted the state’s shifting labor policies. Due to their adversarial relation to the central government, the captains of industry appear prominently in the literature on revolutionary Mexico. But as the author of a seminal study of the industrialists notes, historians have limited their treatment of Monterrey to the elite’s critical interventions in national politics. We explore their antagonisms with the state as well as their everyday interactions with popular classes. In particular, we examine how both state labor policy and working-class pressures forced the industrialists to repeatedly revise their managerial strategies. In the process, the Monterrey elite themselves developed a class consciousness and created new and enduring forms of corporate solidarity. Meanwhile, they

6 Paternalism was a pervasive factor in the lives of Mexico’s popular classes. It infused social relations in the countryside and remained embedded in the political culture of Porfirián and postrevolutionary Mexico. As employed in this study, the terms company paternalism, industrial paternalism, and welfare capitalism refer synonymously and specifically to managerial practices. Manifestations of patriarchy, benevolence, and personalism characterized the paternalistic practices of Monterrey’s employers, just as they did the life of the hacienda and relations between the Mexican state and popular classes. But these characteristics, as Flamming notes, “were not so much the essence of paternalism as they were patterns of behavior that operated within and further complicated the system.” Douglas Flamming, Creating the Modern South: Millhands and Managers in Dalton, Georgia, 1884–1984 (Chapel Hill, 1992), 360–61.

7 Alex Saragoza, The Monterrey Elite and the Mexican State, 1880–1940 (Austin, 1988). Regional histories sympathetic toward, if not commissioned by, the industrialists dominate the field. The classic is José P. Saldana, Apuntes históricos sobre la industrialización de Monterrey (Monterrey, 1965). Two critical interpretations are Máximo de León Garza, Monterrey: Un vistazo a sus entrañas (Monterrey, 1968) and Abraham Nuncio, El Grupo Monterrey (Mexico City, 1982).
attempted to mobilize their employees’ opposition to unions by fashioning working-class identities in tune with their own political outlooks.

Our study of working-class identity formation defers to Emilia Viotti da Costa’s call to analyze not only the construction of multiple, overlapping, and competing identities but also how and why “one comes to prevail over the others.” Monterey’s workers perceived their world through a multiplicity of lenses. *Deference and Defiance* explores how material life and discourses of power and resistance shaped and reflected distinct political identities – be they regional, occupational, gendered, or class. Theoretically indebted to the writings of Antonio Gramsci, scholars like Stuart Hall recognize identity as “a matter of ‘becoming’ as well as ‘being.’” Identities are products of history and, as such, undergo constant transformation. Gramsci’s own writings challenged the Marxist orthodoxy of his day: that class identities retain a level of uniform, objective purity. His own experiences during the rise of fascism in 1920s Italy informed Gramsci’s understanding that working-class political identities may be divided, intersected, and subdued by a host of extraeconomic discourses. He thus invoked the notion of “contradictory consciousness” in recognition of the ambivalent and intertwined character of working-class identities. Gramsci perceived that such identities resulted from structural, ideological, and historical forces. Perhaps most importantly, he recognized that identity formation was a product of human agency and interventions.

We analyze the mutual construction of subjective identities at and away from the workplace to explain workers’ divergent perceptions of their employers, unions, and the state. For example, the practices of company paternalism both constructed and reinforced regional identities as part of an explicit managerial effort to undermine feelings of class or allegiances to organized labor. Meanwhile, a radical labor culture beyond the paternalistic grasp of the industrialists contested the workers’ loyalty by drawing upon languages of class and revolution. Indeed, throughout this period of study both militant and more conservative worker-activists attempted to

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mobilize rank-and-file laborers through discursive appeals to their regional, patriotic, and gendered identities. The activists’ capacity to transmit their political ideas and cultural values to fellow workers depended on their ability to earn the rank and file’s trust and respect. We therefore invest considerable attention in the patterns of sociability and human relationships forged between rank-and-file workers and labor activists on and away from the factory floor. *Deference and Defiance* thus helps conceptualize the role these intermediaries performed in the (re)ordering of the political and cultural universes of the Mexican working class.

These issues are examined through a comparative study of four companies. Aside from the railway yards, Monterrey’s first large-scale employer was the American Smelting and Refining Company (ASARCO). The smelter’s foreign ownership made it unique because in contrast to national trends, Mexicans largely financed the city’s industrialization. That distinction lent those industrialists a unique place in local society and national politics. In the 1890s, Monterrey’s Garza Sada family launched their industrial empire with the Cuauhtémoc Brewery. A decade later, they opened the first of many subsidiary companies, Vidriera Monterrey. The glass company first manufactured bottles for the brewery. By the 1920s, the firm’s workers were also producing crystal ware and plate glass for an expanding domestic market. Today those beer and glass companies anchor two of Latin America’s largest multinational conglomerates, FEMSA and Vitro. But the company for which Monterrey first earned national renown was the Fundidora Iron and Steel Works, the first and only integrated mill in Latin America until the 1940s. Founded in 1900 by a consortium of local and national industrialists, the Fundidora would establish its headquarters in Mexico City to be near its principal client, the federal government. These four companies shared common traits, notably their scale of operations and their paternalistic labor regimes. But key distinctions in their ownership and managerial styles, their work regimes, and their peculiar relations to the state make them outstanding cases for comparative analysis.

Like many histories of urban labor in Latin America, the focus here is upon factory and (occasionally) railway workers. It regrettably but necessarily ignores the domestics, retail clerks, building tradesmen, and workshop hands whose voices remain muted in the archives that made this study possible. Several of those collections will prove invaluable to future historians. Given their concerns in Mexico, the United States consular staff left a repository of reports on local economies, politics, and labor disputes. State Department officials also enjoyed privileged access to the thoughts and organizational activities of the local elites whose company they often kept. In Mexico City, a visit to the National Archives should begin with its Labor Department holdings. Established early in the revolution, the agency gathered records on industrial accidents, costs of living, and labor
market conditions. Its federal labor inspectors also traveled to the provinces to mediate disputes. Their reports offer keen insights into state labor policy and the bureaucrats charged with implementing it. The voices of managers, workers, and local government officials are logged in the extensive case files produced by Nuevo León’s labor arbitration boards. Housed in the state archive, these well-catalogued labor court records emphasize the causes and outcome of workplace conflicts from 1923 onward. But they also illuminate the working lives of the claimants and their shop-floor interactions with managers and fellow workers.

This researcher also discovered a wealth of insights from the retired workers who opened their hearts and homes to an inquisitive gringo. Their stories, personalities, and voices bring the human experience to life in the pages that follow. Conducted upon completion of archival research, their interview narrowed gaps in the empirical record by untangling the bewildering events and intriguing characters from Mexico’s ever-changing past. Their oral histories also illuminate the experiences, values, and traditions that fashioned individual consciousness and collective identities. Despite their subjective and fragmentary character, memories do persist, often with remarkable (if selective) clarity. Moreover, unlike traditional sources, informants punctuate their oral testimonies with emphatic gestures, sighs of remorse, and tones of nostalgia. Tenses shift as speakers build their narratives and recollect the past with an eye to the present. Readers should therefore be aware that, when the interviews were recorded, organized labor had evolved into a corrupt appendage of the Mexican state. That widespread sentiment certainly informed retired workers’ views of unionism and union leaders of the past. Furthermore, Mexicans were struggling through a deep economic depression. Such circumstances reinforced the sense of nostalgia with which any retiree reminisces about his or her past. Thus did one informant recall of his working days: “Times were rough, but I’ll always remember the good.”
