

# CARDENAS SEEKS TO CAST MEXICO IN A NEW MOLD

By FRANK L. KLUCKHOHN

MEXICO CITY.

MEXICO, thrilled and frightened, proud but uncertain, is watching itself undergo metamorphosis at the hands of an enigmatic President who has visions of re-establishing an Indian nation based upon socialism. The nation is still gasping at Lazaro Cardenas's outright seizure, from American and British interests, of the vast petroleum industry. But they realize that the oil-field action was but one more body blow delivered by Cardenas in a campaign to re-make Mexico from the ground up, on a basis steadily approaching the totalitarian ideal.

Those who knew Mexico intimately five years ago would not recognize it today. State control has grown and spread in all directions. Even those who knew it a year ago would see a major change, for a year ago Mexico was a beehive of construction, land division and social activities. Today it feels the paralyzing effect of lack of funds; it feels foreign opposition, both diplomatic and financial. Activity has been almost stilled, but the buzzing about events is louder than ever. A government-conducted publicity campaign grows in proportion to the faltering of constructive activity.

The public is being told by the press, the radio and even the movies that Mexico must be freed of foreign domination, that Mexicans are the most progressive people in the world today and must march forward amid present difficulties to a new and fuller life. The people are told that they are leading all Latin America "out from under the yoke of the Colossus of the

## His Seizure of Oil Lands Is One More Step Toward an Indian State Based on Socialism

North." Something approaching a holy crusade has taken the place of material achievement.

Mexico is a third as large as the United States, but it has only one-seventh as large a population. Its people are dispersed among vast mountain ranges, great deserts, remote valleys. To understand the effect of the propaganda and to see the stoppage of activity one must leave the paved arterial highways.

OFF the beaten track one sees the huge, half-finished dams which were to make dry valleys blossom and which now stand like gaunt and silent monuments to great hopes. One can but guess at the plight of those who only yesterday were working on those dams; but the road-builders who only a few weeks ago were blasting and digging and moving rock now gather in front of their grass huts and, bewildered and awestruck, discuss their loss of jobs. Their steady income has been cut off.

In La Laguna cotton region 30,000 farm laborers were working last year under government supervision and with satisfactory government pay. Today the labor union officials say half of those workers are unpaid and in serious plight. Corn and wheat, staples of the poor, are scarce and prices high despite lavish importations.

Out in the back country the pure Indian population lives in small pueblos. Like the farmers of other countries, the

Indians are less excited over immediate happenings than are city folk. Yet it has been in the Indian districts that the most decisive changes of recent years have taken place. Not only have large landed estates been taken over, but small proprietors have been squeezed out as well.

Many of the Indians are now on government community farms or working their own property. In possession of the land, however, they often do only as much work as is necessary to grow their own food. That fact has contributed to a falling off of agricultural production. And on some of the small farms the Indians have not even raised enough to support themselves.

Because government financing has broken down, conditions on many community farms are even worse. The government recently called in all stores of seed grain on the pretext of "sterilization"; it was no secret that many Indians were taking the seed and grinding it up for daily food, thus destroying stores necessary for the next planting.

BUT the Indian, above all in Mexico, takes the long view. He is accustomed to centuries of hunger and suffering. Although he may occasionally spur himself to violent action, his reactions on the whole are sluggish and he hopes for an eventual good outcome in the course of natural events. He is standing by today, taking what comes to him and waiting for better

days. What has happened in the oil country is to him just another move in Mexico's evolution.

The oil country itself lies along the east coast of Mexico, from the Texas border to the Isthmus of Tehuantepec. Some of the fields are developed; many are not. Near Tampico lies the Ebano Field, where Mexico's first great oil boom took place. South of Tampico and north of Veracruz and Tuxpam lies the rich Poza Rica field with its proved 800,000,000 barrels of oil waiting to be extracted. The British had hoped in the next ten months to develop that field sufficiently to bring Mexico back into the sun as a great oil exporting nation. On to the south, near the Isthmus, lies the Minatitlan Field. All of these fields are in "hot" country.

TODAY those fields are almost idle. Most of the oil wells have been "closed in" by their new proprietors, the workers, who stand around chatting. The great refineries at Tampico and Minatitlan are either shut down or working at one-tenth capacity. Reserve tanks were almost filled when the workers took over, and it has become an open question whether oil will not have to be dumped.

In the offices of former foreign managers and technicians Mexicans are trying frantically to take the places of their former bosses and bring order out of near-chaos. Some of these men are well trained for their posts and know their particular jobs. Others are bookkeepers and clerks shoved into high positions of which they know little.

Inevitable confusion results, although perhaps not as (Continued on Page 22)

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much as some observers expected. Enthusiasm at having the foreigners out and being in control themselves is tempered for the workers by the fact that most of them are standing by at their regular posts. Wages are being paid by the government with funds from the Bank of Mexico. There is said to be considerable outspoken fear of what may happen if foreign markets for Mexico's oil are not found.

**B**UT here in Mexico City business—what remains of it—goes on about as usual. To all casual outward appearances life moves along much the same. There is an occasional spontaneous parade of a small group of workers, but little else to disturb the normal tenor of events. Because of uncertainties, however, there is little buying in the shops that line the Avenida Madero and other central streets. Prices have been pushed up by the fall of the peso and the new tariffs. Employees of foreign companies are being quietly laid off and Mexican firms are retrenching, although not so

This capital is always a nervous place, separated farther from the rest of the country than Washington from the rest of the United States. Its population, however, is acutely alive to the impact of every tiny occurrence. It is as jumpy in comparison to the rest of Mexico as Wall Street is compared to Cherokee, Iowa. But it is here that political and economic decisions are finally taken. And these days the city's cafes are full and the people are taking out their enthusiasms, excitement and fears in talk.

The about-face in policy has been so sharp that many Mexicans are still astounded by it. Thirteen months ago Cardenas was saying that "capital is safer in Mexico than in the United States." Then came the drought, just when farm organizations were not functioning perfectly. Workers on government projects had to be laid off because there was not money to pay them. The Mexican leader needed some bold step to assure the support of the industrial unions and the country.

The difficulties were real. Two months ago this writer made a trip through the northern country near Matamoros and saw the accumulated troubles in the rural regions. Thousands of workmen had been laid off irrigation projects and were in an ugly mood. Government farmers were driving small landowners off their land, although under the law the owners had a right to 300 acres apiece. There were shootings disguised as manifestations of a fascist movement. And every day there were reports of agrarian trouble and isolated forays in all parts of the country.

In the oil expropriation decree President Cardenas declared the companies had been carrying out a financial campaign against the government. He blamed them for the country's lack of funds for agrarian development. No doubt the gradual flight of capital during the oil-wage controversy aggravated difficulties; but that was only a part of the story.

**C**ARDENAS today has become probably the outstanding figure in Latin America. If he succeeds in ousting foreign capital, it is

believed here that other-Latin-American nations will move in the same direction. He has struck a popular note, and Mexico is now busy with forcible internal conquest.

Stolid and undemonstrative, he still has that determination which characterizes many other leaders today—the determination to smash the status quo and remake his world. In the past two months his native Indian stubbornness and refusal to compromise have been demonstrated more fully than ever. Today he looms almost as a new figure, even to Mexico, which sees him now as stern, cold and determined. There has been new force in his recent speeches. He used to mumble; now there is a vitriolic, almost self-righteous, quality in his voice as he attacks the oil companies and explains his program over the radio. Every speech reflects a determination to smash all obstacles. He has silenced opposition and criticism, asserting plainly that any one opposing him is not patriotic.

"If necessary," he declared in announcing expropriation of the oil companies, "we will undertake activities of the nation which the government has undertaken." And he added the warning: "We must also accept the fact that our own individual economy must also suffer inevitable readjustment." This led to the current blare of the Mexican press: "Mexico must draw in its belt! We must sacrifice to rid ourselves of economic domination."

Yet despite the almost religious fervor of his actions and his intense conviction that he knows what is best for Mexico, Cardenas is no exhibitionist. Although a general entitled to full uniform, he does not wear one; nor yet does he wear a worker's blouse. Recently, reviewing a six-and-a-half-hour parade in celebration of his policies, he wore a gray business suit, and his military salute to the columns passing his stand was almost casual.

**F**OR months President Cardenas has been too much preoccupied with public affairs to travel far from the capital. He has spent his time behind closed office doors, inaccessible to all but his advisers and assistants. He is a horseman fond of cross-country riding into remote sections of the country, and he enjoys all forms of travel except by air. But he no longer has time to ride, and for months his special five-car private train, with its magnificent dining and reception salon and its radio sending and receiving set, has stood idle on the siding. A few quick trips by automobile are all that the President has permitted himself.

What relaxation he gets is at his home, Los Piños, in the outskirts of the capital. His private life is simple and even austere. He eats ordinary Mexican dishes, tacos and the like, prepared by his Mexican cook, and spends his free time simply, with his wife and young son. Friends say he reads little, and all Mexico is astonished that he neither drinks nor smokes. He even forbids the playing of bridge in public, the ban extending to the clubs. Among his tried and intimate friends he is easy-going and friendly, but with others he still maintains the dignity of his position, his Indian heritage inclining him to extreme care in what he says.

Recently he has worked eighteen to twenty hours a day. His secretaries handle most of his routine business, and he devotes himself to important decisions. So strong is his physique that he exhausts his aides. He apparently takes his physical strength for granted, but if he paused to think about it he probably would explain it by the years of physical activity out of doors in military campaigns with the revolutionary army, which he joined when he was young.

**B**Y custom, the nation holds the President responsible for a heavy load, no matter what he may have from his advisers. It is no secret that the oil expropriation decree was issued despite the advice of a group of his closest counselors, who deemed the time inopportune.

Most of his personal advisers despite the fact that his program is largely designed for the Indians, are either white or mixed blood. Vicente Lombardo Toledano, the labor leader who

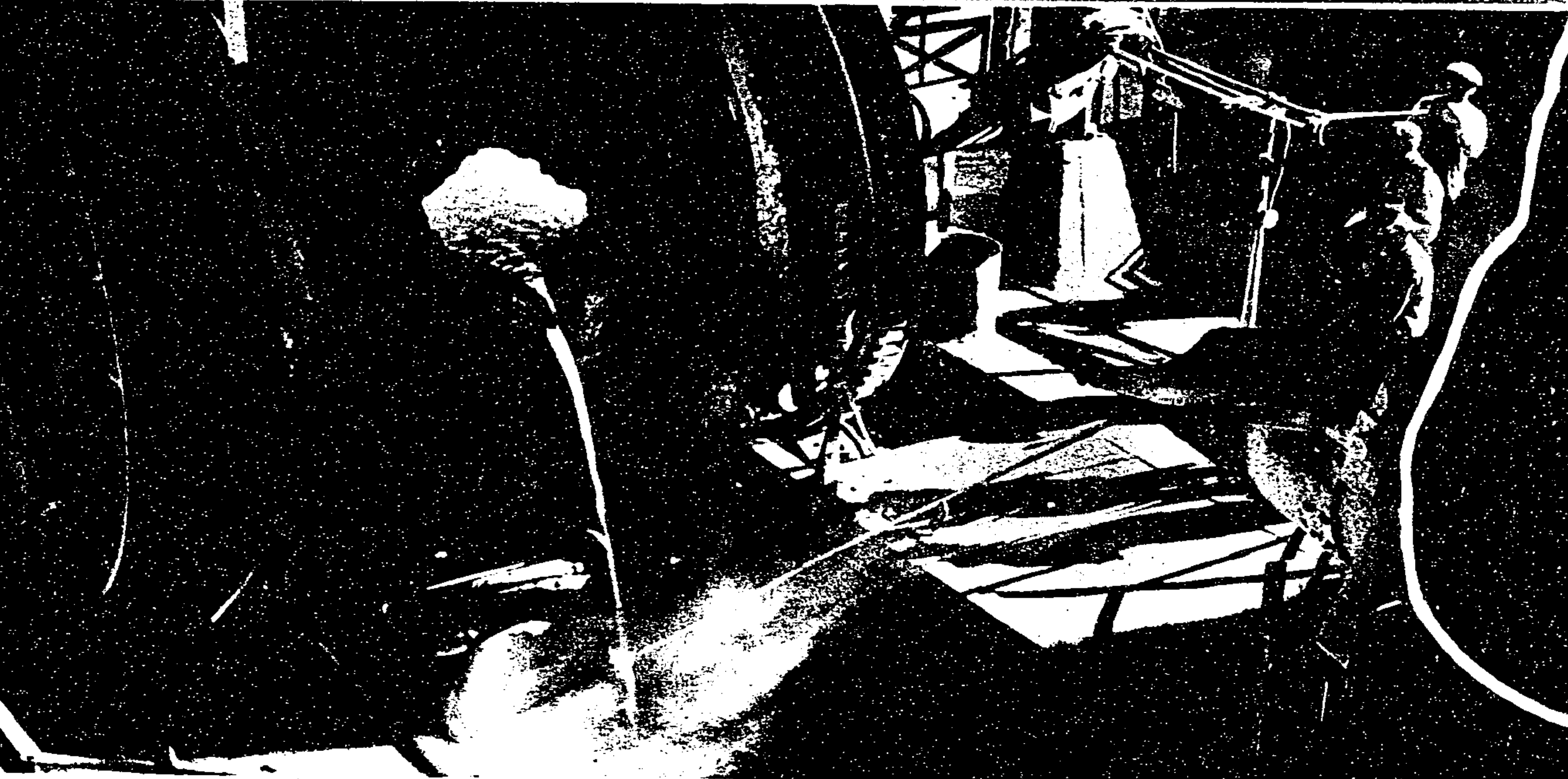
did advise the expropriation, is a former Professor of Law and Philosophy at the university and almost a Castilian type. Ramon Beteta, Under-Secretary of Foreign Affairs, has none of the Indian about him, and neither has Eduardo Suarez, Secretary of Finance, upon whom the President depends for financial advice.

Two stories are now going the rounds here, one told by friends of Cardenas, the other by his

enemies. Both attempt to explain the seizure of the oil properties. One story is to the effect that Cardenas saw how the foreign companies were operating while he was stationed as a military officer in the oil fields during the old boom days, and did not like what he saw. The other story is that as a revolutionary leader Cardenas learned years ago to take what he wanted for his people.



Today President Roosevelt has announced that the United States will purchase 100,000 barrels of Mexican oil per day, beginning May 1.





*Support for Cardenas—A demonstration in Mexico City, backing his decision to expropriate foreign oil holdings.*

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