
RESEARCH REPORTS AND NOTES

RURAL LABOR AND THE STATE IN POSTREVOLUTIONARY NICARAGUA*

Forrest D. Colburn
Florida International University

Barring the outbreak of internecine conflict in Central America, the greatest challenge to the Nicaraguan Revolution lies in rural Nicaragua. As in most developing countries, the severest poverty in Nicaragua has always been found in the rural areas. Somewhat paradoxically, however, the rural areas of the country are also the source of the nation's wealth: 90 percent of the foreign exchange, so necessary to a small state like Nicaragua, is derived from agriculture. Moreover, around 70 percent of the population earn their living from the land. Consequently, meeting the promises of the revolution depends crucially on the performance of the agricultural sector.

Given the importance of agriculture in Nicaragua and the poverty in rural areas, much can be learned about revolutionary change in small developing countries from observing how the new Nicaraguan regime has responded to the challenges and exigencies of the agricultural sector, and how the Nicaraguan agricultural sector in turn has responded to state policies and programs. One approach in carrying out such an inves-

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tigation is to examine the ways in which the status of rural labor has changed since the insurrection led by the Frente Sandinista de Liberación Nacional (FSLN) toppled the Somoza dynasty in July of 1979.¹ In effect, the welfare of rural laborers is the “bottom line” for the new regime because the efforts of the FSLN are all nominally undertaken to improve the situation of the poorest strata of Nicaraguan society. Furthermore, the FSLN has sought to build its bastion of support upon an alliance of laborers and peasants.²

The economic difficulties inherent in carrying out a radical structural change of a country's economy suggest that despite the best of intentions, it is not possible initially to improve the welfare of a revolution's intended beneficiaries.³ Consequently, the leadership of the revolution face the dilemma of how to confront the expectations they themselves raised during the prerevolutionary period without losing their legitimacy in the process.

The difficulties of conducting research in a postrevolutionary developing country did not permit some of the more standard methods of data collection for this study. Because many of the data sources were not as systematic as desired, every effort was made to use multiple data sources when possible. Unstructured interviews were held with an estimated two hundred wage laborers and subsistence farmers during the ten-month period between October 1981 and August 1982.⁴ A smaller number of rural employers were also interviewed. While the most detailed interviews took place in the departments of León, Carazo, Chontales, and Zelaya, all but four of Nicaragua's sixteen departments were visited. Interviewing government officials and examining documents provided a view of the new regime's policies that complemented the interviews with rural laborers and private employers. Most of the government officials interviewed were based in Managua, largely because they were found to be the best informed and most open. Published information and the work of nongovernment organizations in Nicaragua were also used, although to a much lesser extent.⁵

Rural Wage Labor in Nicaragua

The rural economy of Nicaragua is almost completely dependent on agriculture, the principal exceptions being the fishing and mining industries that are significant on the sparsely populated eastern coast known as the Costa Atlántica.⁶ Beyond this region, *rural* and *agricultural* are nearly synonymous terms. At the onset of the revolution, only half of the economically active agricultural population of Nicaragua could be termed as peasants—direct agricultural producers with access to land through either ownership or rental agreements. Three-fourths of this group (38 percent of the economically active agricultural population),

however, were unable to support themselves solely through cultivating their crops.⁷ Peasant producers who were able to meet their household subsistence requirements entirely through their own agricultural production constituted a mere 12.7 percent of the economically active agricultural population. Hence, wage labor was important to the majority of the peasants.

Yet only 7.5 percent of the economically active agricultural population had stable employment. Landless workers without stable employment constituted 32 percent of the economically active agricultural population. Most peasants needing wage labor had access to seasonal work only. This predicament reflects the almost complete dependence of the rural economy on agriculture, which is inherently seasonal.

The stratum of rural Nicaraguans that depended on seasonal employment as a crucial supplement to their cultivation of basic grains or as their sole means of support has always been the most marginal group in Nicaragua. Rural households often subsisted only by piecing together a number of income sources, many of them strikingly varied.⁸ Those with stable employment were not much better off, unless they possessed some special skill like mechanics. Competition for stable employment kept wages low.

The Revolution and Rural Laborers

The efforts to overthrow Somoza and the triumph of the revolutionary struggle deepened a sense of deprivation among peasants and created a sense of hope for a better future. These sentiments were widespread, extending far beyond those who participated in the struggle to oust the dictator or who belonged to the Sandinista rural organization, the Asociación de Trabajadores del Campo (ATC). The FSLN had worked for years to convince peasants that they were being exploited and that a better future awaited them upon the triumph of the revolution. One of the popular slogans of the FSLN was "Land for Peasants."

According to many Nicaraguans, upon the triumph of the revolution, everyone thought that suddenly they would have everything they had never had and that it would no longer be necessary to work. When the Sandinistas seized power, they confiscated only the assets of Somoza and his cronies. Peasants acting on their own, however, seized many *fincas* or farms, particularly those of absentee landlords.⁹ Other peasants demanded immediate wage increases and improvements in working conditions. For example, a government official recounted that immediately after the revolution, peasants in the sugarcane farms of the department of Rivas worked only three hours a day, from six to nine o'clock in the morning.

The state was not immune from peasant pressure for immediate

and radical changes. Indeed, the state was probably more affected than the private sector by the militancy the FSLN had fostered. A miner in the town of Rosita recalled that after the nationalization of the gold mines in the area, "production fell enormously. When someone attempted to persuade the miners to work more they cried out, 'No, no, *Patria Libre*.'" (*Patria Libre* is a popular Sandinista slogan meaning "Free Country.") Workers everywhere loosely interpreted the designation of state property as *Area Propiedad del Pueblo* (Property of the People.) In extreme cases, this interpretation led a few to conclude that "I am the people, and I can use this article in my house so I am going to take it home."

Initially, the new regime lacked the administrative ability to deal with the near-anarchy that broke out in many rural areas. Violence was usually avoided, but the regime was largely unable to stop nonfulfillment of labor obligations and politically inspired thievery, and it was only partially able to control unauthorized land seizures. When the state could take a position, it almost always sided with its political constituency—poor peasants—no matter what the issue or circumstance.

As the new regime consolidated itself, a loose set of goals were articulated for rural laborers. The collegial leadership of the FSLN and the lack of coordination between different ministries make it difficult to pinpoint any definitive declaration of policy goals for the sector, but they included increased wages, improved working conditions, greater access to social services, especially education and health, and increased political empowerment. The Ministry of Labor assumed responsibility for establishing salaries and mandating improvements in working conditions. The Ministries of Education and Health undertook the provision of social services to neglected rural areas. Political participation by rural laborers was to be developed and channeled through the rural "mass organization," the ATC.

Concomitantly, the Ministerio de Desarrollo Agropecuario y Reforma Agraria (MIDINRA) announced an ambitious agrarian reform to improve peasants' access to land.¹⁰ While the agrarian reform's success will aid rural laborers who are its beneficiaries, rural labor will continue to be important because of three factors: first, the decision to have the highly productive farms that were confiscated by the state managed as collective farms; second, the presence of private farms and enterprises; third and more importantly, Nicaragua's continued dependence on agricultural exports that require considerable labor input (such as cotton, coffee, sugar, and tobacco).

At the same time that the state's goals for rural laborers were being articulated, however, the new regime began to perceive the necessity of restoring the economy, and it began to emphasize production instead of the redistribution of societal wealth. The propaganda of the FSLN slowly, but unequivocally, shifted from stressing the unnecessary pov-

erty of most Nicaraguans to arguing the need for austerity and production. This change in orientation involved a shift from promoting labor militancy to stressing labor discipline. In concrete terms, this political line has resulted in an austere approach toward salaries that has resulted in systematic rejection of large salary increases. The explanation given to workers is simple: the economy was disrupted by the revolution, the state was left with an empty treasury, and unless the economy is restored, there will be no means to begin to satisfy the most elemental necessities of the people. In other words, there is no money to increase salaries and no margin to allow for lower production.¹¹

The FSLN's austerity politics inevitably created a clash with workers who previously had been told continuously that they deserved a better life and that such an improvement was within their reach. The strike at a plywood company three months after the triumph of the revolution is indicative of the pressures created by the Front's political shift. The manner in which the FSLN handled the strike reveals its delicate position vis-à-vis workers.

In late October of 1979, seven hundred workers went on strike at the Plywood de Nicaragua company. This company is administered by the government although the state possesses only 32 percent of its shares. The factory, which had not suffered any damage during the war, was financially solvent and exported 80 percent of its production. As a generator of foreign exchange, it is one of the major factories in the country. Its workers undertook the strike to demand an increase in wages.

On the afternoon of the first day, revolutionary commanders Daniel Ortega and Víctor Tirado arrived at the factory to talk with the workers. The commanders responded to the workers' demands by saying: "The old systems of struggle are not appropriate in this historical moment. If a policy of restraining or limiting salaries exists, it is because the situation necessitates it. The workers at Plywood should know that they are already in control."¹² Because the commanders' comments were widely publicized (they were given four columns on the front page of the state newspaper *Barricada*), they can be considered to exemplify the FSLN leadership's view of strikes for wage increases.

Conflict between workers seeking greater wages and power and the FSLN's politics of austerity and production has led the FSLN to increase its control over labor organizations. Sandinista labor organizations have increasingly been used to build support for the state instead of articulating the perceived interests of workers. Consequently, the unions, especially the Asociación de Trabajadores del Campo (ATC), have lost much of their support. Peasants reported in interviews that the ATC has virtually disappeared from many areas and that elsewhere it is little more than an arm of the state.

Independent trade unions have been pressured into affiliating with the Sandinista umbrella trade union, the Central Sandinista de Trabajadores (CST), and the Sandinistas have been accused of using intimidation and strong-arm tactics to achieve this aim. A notable clash occurred on 8 July 1981, when a delegation of banana workers affiliated with the Central de Trabajadores Nicaragüenses (CTN) tried to meet with the Junta de Gobierno at the Casa de Gobierno. The delegation was seeking "the liberty of a union leader, respect for the right to unionize, an end to repression, detention, and persecution of those peasants who did not wish to be affiliated with the CST."¹³ The doors to the Casa de Gobierno were locked and the delegation was attacked by members of the militia and the Sandinista trade union, resulting in a few injuries being reported. Although the intensity of this confrontation and the subsequent publicity are not typical, conflict between the Sandinistas and independent trade unions has become all too common.

Despite the efforts of Sandinista labor organizations to restore order in the nation's centers of work, labor agitation continued to be a serious problem well into the second year of the revolution. Workers seized factories, claiming that owners were "decapitalizing" or not meeting workers' demands. In rural areas, peasants seized land and farms that they claimed were idle or abandoned. Strikes continued to be a problem. Although many of the workers' demands were undoubtedly justified, continued labor unrest was crippling the economy. Many owners of private farms and government officials administering state farms claimed that lack of labor discipline was their most serious problem.

In an effort to deal decisively with the problem, the government outlawed all stoppages, strikes, and seizures of centers of production on 27 July 1981.¹⁴ The justification for the order was to "avoid having labor indiscipline make the economic situation more critical." The intention of the order was to "combat labor indiscipline and anarchy in production and centers of work."¹⁵ The government promised that the measure would be rigorously enforced. The order was largely effective in halting strikes and seizures of factories and farms, and the FSLN thus suppressed the very labor militancy it had fostered.

The net impact of the conflicting pressures on the state toward rural laborers—the commitment to improve their welfare versus economic exigencies that make continued control and impoverishment of labor a structural necessity—can be assessed by comparing salary increases with increases in the cost of living and by examining laborers' perceptions of changes in their general welfare. Because of the contradictory role of the state regarding rural laborers, it becomes important to examine the question of which benefits have resulted from unorganized pressures from workers and which have been initiated by the regime and its organizations. Before evaluating the changes in the welfare of rural

laborers, however, let us compare salaries and working conditions in state farms and enterprises with those in the private sector in order to determine how the welfare of laborers has been affected by the tension between the state and the private sector. Such a comparison may also suggest insights into how labor might fare in an agricultural sector that is completely dominated by the state.

The State as an Employer

In certain respects, state farms resemble those in the private sector. They are concentrated in the most productive regions of the country, and consequently, demand for labor is geographically concentrated. An estimated 70 percent of the MIDINRA's permanent employees are found in three well defined regions: the cotton-growing region in León and Chinandega; the coffee zone in Matagalpa and Jinotega; and the coffee zone in Managua-Carazo.¹⁶ A more important similarity is that as in the private sector, more than 70 percent of the state labor force are temporary workers.¹⁷

State farms' similarity to private farms in being concentrated in the country's wealthiest regions and dependent upon temporary labor is not surprising. State farms were confiscated from the private sector. The farms came with an established mode of production that cannot be changed quickly. The previous regime, however, was criticized by the Sandinistas for not developing marginal areas and for leaving peasants without work for much of the year. Now that the Sandinistas are in authority, they have inherited the challenge to provide employment in marginal areas and to increase the amount of permanent employment offered to peasants.

In the aftermath of the revolution, state farms were pressured by peasants into increasing employment beyond the necessary work force, both by taking on additional workers and by not discharging temporary workers. The new regime was sympathetic to these demands, and one study suggested that employment in state rural enterprises increased 25 percent within two years after they were confiscated.¹⁸ The officials of MIDINRA who were interviewed claimed to be unsure of the extent of increased employment, but they acknowledged that it was significant.

In some cases, the increase in employment is due to an expansion in production. In other cases, it stems from the development of new activities. An interesting and promising example is the planting of tobacco by the sugar refinery enterprise named Julio Buitrago. Workers tend the tobacco principally during periods when there is little work in the cane fields and at the sugar refinery. In other sugar refineries, workers have been employed in construction activities designed to improve their living and working conditions.¹⁹

In most cases, however, it appears that the increase in employment has not been productively absorbed. Projects or activities have not been developed to make use of the additional labor. Most projects require resources other than unskilled labor, and these resources are not always available. Moreover, problems of worker productivity have been complicated by inadequate supervision and management. In many cases, these problems have disrupted the productivity of not only recently employed workers, but also the previously existing labor force.

The Reaction of Private Employers

With respect to labor, private farms view the state as a competitor. They have tried to match or better state salaries in order to attract and retain good workers. The decline in worker productivity and the atmosphere of labor militancy has frightened private employers. Especially alarming have been incidents where workers seized property. Although the government has outlawed unauthorized property seizures, many large agricultural producers fear that labor problems could lead to state confiscation. Consequently, many private employers have sought to insulate their workers from the militancy of the revolution.

In addition to paying higher wages, many employers seek to insulate current employees by avoiding taking on new employees. Employers are leery of hiring workers whom they do not know or trust, fearing that a seemingly docile worker may turn out to be a militant labor agitator. The prevailing wisdom holds that it is far better to have a few loyal, well paid workers than a large number of workers of average ability and little commitment to the interests of the employer, even if it means being somewhat understaffed. Predictably, this strategy on the part of many private employers has contributed to the increase in unemployment in rural areas.

A further strategy of many private employers is to attempt to build strong patron-client relationships in order to secure the loyalty of existing workers. Various special privileges are offered. The most important benefit usually seems to be a loose form of social insurance in which the *patrón* assumes a willingness to provide for any emergency. At least some peasants find this attitude enticing. For example, a few peasants interviewed said that they preferred working for a private farm because if someone in their family fell seriously ill, their *patrón* would provide medical care as necessary, something which they believed the state could not be counted on to provide.

Many private employers appear to calculate carefully the wages and benefits they need to offer in order to compete effectively with the state in attracting good, loyal workers. For example, in northern Chontales, workers reported that private employers did not find it neces-

sary to pay more than the state because state farms in the area required a high degree of political involvement, including attending meetings and occasional all-night guard duty. Being required to participate in political activities was seen as a disadvantage—not necessarily because peasants disagreed with the political line, but because it was time-consuming. Although work was said to be easier on state farms, private employers were able to attract good workers without paying more than the state because they did not require employees to participate in after-hours political activity.

In contrast, in the area surrounding Bluefields, workers reported that private employers paid more than the state. Work was said to be easier on state farms there also, but because the state is not as organized in Zelaya, workers are not required to participate in political activities. Consequently, private employers in the area pay higher wages to offset the advantage of easier work on state enterprises. While there are undoubtedly many exceptions, it appears that the state farms have had a beneficial, if slight, effect on the salaries and working conditions of workers in the private sector.

It may well be, however, that state enterprises have also had a moderating influence on the worker militancy that the insurrection ignited. Worker militancy at present seems only to lead to an enterprise becoming managed by the state. In the eyes of many rural Nicaraguans, it is not appreciably better to work for the state than the private sector. On the other hand, the state is increasingly sensitive to the needs of private producers in order to maintain labor harmony. As a producer itself, the state has become keenly aware of how the lack of labor discipline can disrupt production. Thus, in two distinct ways state enterprises have contributed to weakening labor militancy: first, they have undercut the perceived value of what can be accomplished through labor militancy; and second, they have lowered state toleration for labor militancy, thus raising the cost of labor agitation.

Changes in the Welfare of Rural Laborers

The table compares salary increases with changes in consumer price indexes to determine estimated net changes in real income since 1977. Salary changes are based on official government decrees.²⁰ Salaries are predictably lower in more isolated and marginal areas. Benefits that are legally required are often overlooked by employers. Interviews with peasants suggest that this was the case before the insurrection and that it is still true in the aftermath of the revolution on both private and state farms. While this qualification must not be overlooked, the table nonetheless provides a general idea of salary and price changes since the revolution. The cumulative effect of inflation has been much greater than

Comparison of Daily Wages for Agricultural Workers and Consumer Price Indexes for Agricultural Seasons from 1977 to 1982

	1977/78	1978/79	1979/80	1980/81	1981/82
Total wage paid for those not receiving meals and lodging (in <i>córdobas</i>)	20.73	20.73	30.73	40.44	40.00
Increase in Wages* (%)					
Current		0	48.2	31.6	0
Cumulative		0	48.2	95.1	95.2
Increase in Consumer Prices* (%)					
Current		48	35	35	35
Cumulative		48	99.8	169.7	264.1
Gain or Loss in Real Income* (%)					
Current		-34.4	+13.1	-2.6	-26.6
Cumulative		-34.4	-25.8	-22.7	-46.9

Sources: International Monetary Fund, *International Financial Statistics Yearbook 1982* (Washington, D.C.: IMF, 1982); and *Decretos-Leyes para gobierno de un país a través de una junta de gobierno de reconstrucción nacional*, Vols. 1-5, edited by Rolando D. Lacayo and Martha Lacayo de Arauz (Managua: 1979-82).

*Using 1977/78 as the base year.

cumulative salary increases, resulting in a sharp decline in real wages for agricultural workers since the revolution.

Peasants interviewed concurred that their real wages had declined. Although the nominal wage increases that rural workers have received since 19 July 1979 have varied immensely according to the diversity of wages paid, the net effect has been the same. At one extreme, workers in a salt enterprise outside León had seen their daily wage increase from 35 *córdobas* before the revolution to 39 after two and one-half years of the Sandinista regime. Given the devastating inflation during the same period, their real income has fallen considerably. Ironically, since the triumph of the revolution, this plant has been managed by the state.

At the other extreme, a worker on a coconut and pineapple farm near Bluefields in the department of Zelaya saw his daily wage triple from 10 to 30 *córdobas* during the same period. He nevertheless main-

tained that he was worse off because prices had risen even faster than his wages. As an example, he claimed that he used to be able to buy a shirt for 30 córdobas, but now he had to pay 150 or more. Almost all rural wage laborers have received wage increases somewhere between these two extremes, usually parallel to the wage increases outlined in the table. Despite the differences in amounts, wage increases of nearly all rural workers have been more than offset by inflation.²¹

A comparison of wage increases for permanent employees with those for harvesters of coffee and cotton reveals that the latter, the sector that has always been the poorest and most marginal, have received the smallest cumulative wage increase. Skilled laborers like tractor drivers have received the largest wage increases of all rural laborers. Thus, state-mandated wage increases for rural laborers have been regressive, which is to say that they have favored those who were relatively better off to begin with.

A further difficulty experienced by rural laborers is that employment is harder to obtain. Reliable statistics on rural employment do not exist, but rural residents interviewed throughout Nicaragua agree that employment is harder to find, particularly in isolated and marginal areas. The weakening of the private sector has resulted in a significant loss of employment, and the cotton-growing area is especially depressed because cotton production is less than half of what it used to be.

To a certain extent, the state has offset the loss of employment through enlarging the army and by increasing employment offered at state farms and enterprises. Nevertheless, given the state's limited ownership of the country's farms and enterprises, it is hard for the state to compensate fully for the loss of employment in the private sector. Furthermore, the state has encountered difficulty in managing many enterprises and subsequently has had to close or reduce operations. This situation is especially true of the fishing industry on the Atlantic Coast. Even some small enterprises have been affected. For example, the above-mentioned salt plant outside León formerly provided work for 120 laborers. A year after its confiscation, it employed 80; two years later, only 50 laborers were employed. Managerial difficulties were what made it impossible to continue operating the plant on the same scale of operation. Although not all state enterprises have experienced such difficulties, it is clear that at least to date, the state has not been able to offset the loss of employment in the private sector.

Rural workers generally have neither received an increase in real income since the revolution nor obtained access to greater employment opportunities, but some workers have experienced improvement in their working conditions. Many rural workers, especially harvest workers, receive their food from their employers, and the quality of food has always been a concern. The present government has mandated marked

improvements in the diet of harvest workers, right down to the amount of soup and cheese that workers are to receive per week. Continued complaints about food have been commonplace on both state and private farms; however, it is clear that worker pressure and government efforts have improved the food provided for many rural workers.

The government likewise has attempted to improve the housing of rural workers. Special attention has been paid to the most marginal sector—the harvesters of coffee and cotton. Improved housing has been difficult to obtain because of the costs involved; in fact, most rural workers have yet to see any improvements in the housing provided by employers. Nevertheless, some progress has been made. The government has constructed a number of housing projects for workers of large state enterprises, such as the sugar refineries in the department of Rivas, and some private cotton and coffee growers have been pressured into improving the housing they provide to employees.

The new regime has also passed a variety of laws to improve the lot of rural workers. For example, employers must keep first-aid kits at centers of work. The norms for overtime pay have been specified. Cotton harvesters must be paid by employers even if their work is interrupted by rain. These and similar benefits have all contributed to improving the welfare of such workers.

Other changes favoring workers have been made in patron-worker relations. Such changes are intrinsically difficult to measure, but it is obvious that workers are respected more and that grave encroachments on workers' rights are much less flagrant than in the past. Nicaraguan workers are sensitive to what they regard as unjust dismissals, and now it is usually difficult for employers to dismiss workers arbitrarily. Workers can petition the Ministry of Labor if they have grievances, and while the Ministry's resources are limited, investigation generally follows.

Changes in patron-worker relations have been more attitudinal than structural; the administration of farms and enterprises is still carried out in the same managerial style as it was previously. No effective worker participation exists in the management of state enterprises, where decisions are made by those in charge and are executed by workers. The rhetoric of the revolution occasionally refers to worker participation, but the reality has differed. As one worker in the nationalized mines observed, "They say that now there is no boss, but there is a boss."²² The Sandinistas have found managing the farms and enterprises of the state in a conventional fashion hard enough. At present neither the time nor the resources exist to experiment with worker participation. Whether or not the inclination exists is an open question.

Surprisingly, the lack of worker participation does not seem to be a major issue among laborers. Workers appear to be much more inter-

ested in adequate enterprise management than in playing a role in management. Worker complaints about the management of enterprises seem to center on the lack of technically capable administrators, not on the lack of a role for themselves. Workers on state farms have written numerous open letters published in Nicaraguan newspapers complaining about the lack of technically and administratively competent managers, an attitude that is common among workers.

The state has concentrated much attention on the provision of public services, especially education and health care. While education has been criticized as being overly politicized and efforts to improve health care have been hampered by shortages of resources, the regime is clearly succeeding in delivering essential public services to an increasing number of rural Nicaraguans. Improving education and health care are by their nature long-term projects, and it is not yet possible to evaluate fully the success of the new regime's efforts. What is clear at this point, however, is that rural Nicaraguans perceive increases in public services as inadequate compensation for a deteriorating economy.

For rural laborers in Nicaragua—and probably everywhere else—the most important issue is access to employment and real income. What the new regime refers to as “social income”—access to government-provided social services—is seen as a separate issue. As an internal government document has acknowledged, government services can easily be viewed not as part of workers' salaries, but instead as an “obligation of the state.” Evidence suggests that this view in fact predominates among workers.

Conclusion

The damage to the economy caused by the revolutionary process has clearly placed the state in a difficult position vis-à-vis rural laborers. Expectations raised by the FSLN and the revolution have been difficult to fulfill in the absence of prerevolutionary levels of production. Workers themselves have contributed significantly to decline in production by cutting back on the length of their working day.²³ The state finds itself in the position of having to prod workers to increase their production and to control labor demands that could contribute to drops in production. As an internal government document acknowledged, the state is also in conflict with workers for the wealth generated by the economy: “De todas formas parecería que la relación más importante que puede establecerse es que, a igualdad de otras condiciones, un aumento generalizado de salarios agrícolas implica una disminución del fondo de acumulación posible para ampliar las bases productivas, sobre todo si no va acompañado de un aumento de la productividad.” Despite continued rhetoric to the contrary, the FSLN unfortunately has been placed in an

adversary relationship with rural wage laborers. The FSLN has found it necessary to move from inciting worker militancy to promoting worker docility, from organizing labor unions to controlling them, and from preaching "a better life for workers" to urging "austerity and efficiency."

NOTES

1. For accounts of the FSLN's struggle, see Humberto Ortega Saavedra, *Cinquenta años de lucha sandinista* (Mexico: Editorial Diógenes, 1979); and *Nicaragua: la estrategia de la victoria*, edited by Fernando Carmona (Mexico: Editorial Nuestro Tiempo, 1980).
2. See Carmen Diana Deere and Peter Marchetti, "The Worker-Peasant Alliance in the First Year of the Nicaraguan Agrarian Reform," *Latin American Perspectives* 8 (Spring 1981).
3. David Morawetz, "Economic Lessons from Some Small Socialist Developing Countries," *World Development* 8 (May/June 1980): 337–69; Walter Gómez, "Bolivia: Problems of a Pre- and Post-Revolutionary Export Economy," *The Journal of Developing Areas* 10 (July 1976): 461–83; Carmelo Mesa-Lago, *The Economy of Socialist Cuba: A Two-Decade Appraisal* (Albuquerque: University of New Mexico Press, 1981), pp. 175–79; Arturo Valenzuela, *Chile* (Baltimore: The Johns Hopkins University Press, 1980), pp. 61–64.
4. The article was revised for publication during a three-month stay in Nicaragua, from June through August of 1983.
5. Published information utilized included books, newspapers, pamphlets, and magazines. Reports and pamphlets of nongovernment organizations were also used. Some of these were published and others were mimeographed.
6. For analyses of this region, see Philip A. Dennis, "The Costeños and the Revolution in Nicaragua," *Journal of Interamerican Studies and World Affairs* 23 (August 1981): 271–96; Centro de Investigación y Estudios de la Reforma Agraria (CIERA), *La Mosquita en la Revolución* (Managua: CIERA, 1981).
7. Figures are from Deere and Marchetti, "The Worker-Peasant Alliance," p. 42.
8. Rural subsistence strategies in Central America are outlined by J. Douglas Uzzell, "Mixed Strategies and the Informal Sector: Three Faces of Reserve Labor," *Human Organization* 39 (Spring 1980): 40–49.
9. In Nicaragua, *finca* (here translated simply as farm) is used to refer to a wide range of agricultural estates that range from small farms to large plantations.
10. The agrarian reform is discussed in the following works: Centro de Investigaciones y Estudios de la Reforma Agraria, *El hambre en los países del tercer mundo* (Managua: CIERA, 1983), pp. 37–46; Centro de Investigaciones y Estudios de la Reforma Agraria, *Distribución y consumo popular de alimentos en Managua* (Managua: CIERA, 1983). For a compilation of decrees and laws surrounding the agrarian reform, see Ministerio de Desarrollo Agropecuario y Reforma Agraria (MIDINRA), *Marco jurídico de la reforma agraria nicaragüense* (Managua: MIDINRA, 1982).
11. This dilemma is discussed in Joseph Collins, *What Difference Could a Revolution Make?* (San Francisco: Institute for Food and Development Policy, 1982), pp. 69–78.
12. This account comes from Jorge G. Castañeda, *Contradicciones en la Revolución de Nicaragua* (Mexico: Tiempo Extra Editores, 1980), pp. 49–50.
13. *La Prensa*, 9 July 1981.
14. *La Prensa*, 27 July 1981.
15. *La Prensa*, 29 July 1981.
16. International Fund for Agricultural Development (IFAD), *Informe de la Misión Especial de Programación a Nicaragua* (Rome: IFAD, 1980), p. 92.
17. *Ibid.*
18. *Ibid.*, p. 88.
19. *Ibid.*
20. *Decretos-Leyes para gobierno de un país a través de una junta de gobierno de reconstrucción*

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- nacional*, Vols. 1–5, edited by Rolando D. Lacayo and Martha Lacayo de Arauz (Managua: Editorial Unión, 1979–82).
21. A decline in the real incomes of rural low-income groups is likewise reported by Solon Barraclough, *A Preliminary Analysis of the Nicaraguan Food System* (Geneva: United Nations Research Institute for Social Development, 1982), p. 58.
 22. CIERA, *La Mosquita en la Revolución*, p. 204.
 23. This trend is also noted by Collins, *What Difference Could a Revolution Make?*, pp. 74–76.