SOME MANAGEMENT AND ORGANIZATIONAL PARADOXES AND CONFLICTS IN MEXICO

Germán S. Monroy Alvarado\(^{(1)}\), Héctor Javier Vázquez\(^{(2)}\), and Ricardo A. Estrada García\(^{(1)}\)

Keywords: Paradoxes, dilemmas, conflicts, management-organizations

ABSTRACT

Paradoxes and conflicts seem to be two concepts in fashion in management and organizational studies as concepts to be taken into account, due to the big cultural, social, scientific and technological transformations that most of our modern or post-modern societies have experienced.

However, upon examining the past of our societies and their organizations, especially in the history of Mexico, one can observe that these two concepts have been decisive in our evolution. In spite of that, it seems that we have not yet learned to manage them to contribute to improve our development.

For this reason, in this paper, which starts with the description and analysis of the big stages of the historical evolution of Mexico, and of their main administrative and organizational characteristics, we point out the paradoxes and conflicts, which had to be confronted, many of which are still present today.

The goal here is to contribute to the understanding of these phenomena, in spite of which, Mexico has been able to evolve significantly, even though much is lacking, in order to achieve the elimination of the great gaps, which exist among groups of our population. It is assumed that the advance in the study of these paradoxes and conflicts will allow for a better development of our society.

It would seem that since time immemorial in the history of our societies, management and organizations have been immersed in paradoxes and conflicts; that the evolution that we have achieved in spite of them would –one might think- have made us masters in the art of dealing with paradoxes and conflicts. However if this has not been so, and we have no such mastery, then we would do better to try to obtain it from now on, or we won’t have the capabilities to settle the problems which have thus far gone unresolved, nor to face the future.

\(^{(1)}\) Profesores-Investigadores del Depto. Producción Económica, DCSH, UAM-X mags4432@cueyatl.uam.mx y restrada@cueyatl.uam.mx, Universidad Autónoma Metropolitana, Unidad Xochimilco. Calzada del Hueso 1100, Col. Villa Quietud, México D.F. C.P. 04960, Tel. 5483-7100(01), Fax 5483-7235.

\(^{(2)}\) Profesor-Investigador del Depto. De Sistemas, DCBI, UAM-A, hjv@correo.azc.uam.mx, Universidad Autónoma Metropolitana, Unidad Azcapotzalco. Ave. San Pablo 180, Col. Reynosa Tamaulipas, México D.F. C.P. 02200, Tel. 5418-9532 (ext. 112), Fax 5394 4534.
SOME MANAGEMENT AND ORGANIZATIONAL PARADOXES AND CONFLICTS IN MEXICO

Germán S. Monroy Alvarado\(^{(1)}\), Héctor Javier Vázquez\(^{(2)}\), and Ricardo A. Estrada García\(^{(1)}\)

ANTECEDENTS

It is not until the emergence of interest in the social sciences of the study of the management of organizations that with its meaningful contribution, recognized as the movement of human relations, the consideration is born concerning the psychosociological and anthropological aspects of the persons involved in the phenomena, processes, organizations and management systems. It was this way that the efforts started to incorporate other dimensions beyond the mere physical or anatomic-physiological capacities that Taylor had been emphasizing (1911), but above all, it tried to go beyond of the mere consideration of the worker as “\textit{homo economicus}”.

Those first efforts established the initial foundations to built and expand the vision, to impel an expansionist vision and a first systemic approach to the phenomenon (Roethlisberg and Dickson 1976). Although those were the first steps, they were of significance, since they were directed toward a wider concern about human behavior, and toward a more humanistic vision in the study of the management of organizations.

\(^{(1)}\) Profesores-Investigadores del Depto. Producción Económica, DCSH, UAM-X mags4432@cueyatl.uam.mx y restrada@cueyatl.uam.mx, Universidad Autónoma Metropolitana, Unidad Xochimilco, Calzada del Hueso 1100, Col. Villa Quietud, México D.F. C.P. 04960, Tel. 5483-7100(01), Fax 5483-7235.

\(^{(2)}\) Profesor-Investigador del Depto. De Sistemas, DCBI, UAM-A, hjv@correo.azc.uam.mx, Universidad Autónoma Metropolitana, Unidad Azcapotzalco, Ave. San Pablo 180, Col. Reynosa Tamaulipas, México D.F.C.P. 02200, Tel. 5418-9532 (ext. 112), Fax 5394 4534.
It is in this way, that within the evolution of the human relations movement, among all its significant contributions related to the phenomena that occur also at the individual, group and/or social level, stands out the concern to have an impact on the solution of the problems produced by industrial society (Mayo 1933), considering that human relations and cooperation are the key to avoid social conflict, and that human relations can have an influence on the harmony that must be preserved through management, promoting an understanding and a therapeutic attitude.

Nevertheless, even E. Mayo (1947) himself, did not visualize possibilities to reach a positive and constructive solution for social conflict. According to him, that conflict is the germ of the destruction of the society itself: “Conflict is a social wound, whereas cooperation represents the social well-being”.

This concern about conflict, contrasts in a significant way with the one transmitted until then by the first theories, called classical theories of management of organizations, which acted as if only a great harmony between employer and employees existed.

After the contributions of the human sciences and relations, the so called structuralist theories considered that conflicts – although not all are desirable – generate change and organizational and social development (Blau and Scott 1962, Etzioni 1964).

In this way arose the concern about conflict as an indispensable and unavoidable factor within organizations, society and humankind. The so called behavioral (March and Simon 1958) and systemic (Chiavenato 1999) theories about management of organizations gave a major impulse to the concern about conflict. Additionally, the relevance to learn how to face conflicts became more evident, and, within the last decades, conflict justification became almost a fad or a concept “à la mode”.

Among other concepts related to conflict stands out the concept of “dilemma”, labeled that way because it represents situations in which it is desired that two incompatible interests be attended. In fact, additionally, often situations are observed, labeled “paradoxes”, in which the simultaneous existence of two states of inconsistency, for example, collaboration and competency, are present in the case of conflicts (Figure 1).
Even if since some time ago the concept of conflict has called attention, it seems that the paradox concept has just started being of interest to people studying the management of organizations (O’Neil 1993, Handy 1994, Clegg 2002).

Apparently, this has only occurred in the last decades, although paradox can be traced back, and is as old as the history of humankind itself. Nevertheless, it has been said that paradox is the orthodoxy of our age (Luhmann en Clegg 2002). But if we take that to represent the opinion based on the established usual beliefs or doctrines of what is proper, right, honest, sincere, normal or conventional, then it is not the unique result of our times, but it has pertained and will pertain to all ages of humankind.

Nevertheless, it was not until the last decades that conflict, dilemma and paradox appear to have become a fad, "á la mode" in the study of management of organizations, as indispensable concepts, to know and understand the great cultural, social, scientific and technological transformations that a good proportion of our modern or post-modern societies have experienced.

Although it can be discovered, scrutinizing in the past of humankind, in the past of our societies, in the past of its organizations, specifically in the history of Mexico, that those concepts have been determinant in our evolution as a society, and despite all that, like in many other places, we have not even learned to manage conflicts, dilemmas, paradoxes in such a way that they might contribute to a better way for our development.

Thus in this paper, which starts with a description and analysis of the great stages of the evolution of Mexican history, and its main management and organizational characteristics,
are underlined the paradoxes, dilemmas and conflicts that had to be confronted for the sake of the country's development, most of which persist into the present.

Here we try to contribute to the understanding of those phenomena, and the difficulties despite which, Mexico has evolved significantly, although there exists very much to be done to achieve the elimination of the existing gaps among groups of our population. We consider that the progress that may be achieved in understanding these paradoxes, dilemmas and conflicts would contribute to a better development of our society.

It seems that although since time immemorial our society, management and organizations have been submerged in paradoxes, dilemmas and conflicts, the evolution that we have achieved --with and despite the former-- could have been expected to have turned us into masters in managing them. However, this did not happen; we do not have that mastery. From now on we better try to acquire it, or else, we will not have the capacities to solve the problems yet unsolved and to confront the future.

Many of the critical situations and processes generated by conflicts, dilemmas and paradoxes have not germinated into crises; this has been perhaps due to the characteristic profile of our culture and to the little existence of cohesion among and within the different groups of our society.

CONFLICTS, DILEMMAS AND PARADOXES

Conflicts, dilemmas and paradoxes seem concepts strongly interrelated in phenomena as old as humankind, linked to decisions, actions, as well as to our own and natural forms of being of individuals, groups, organizations and societies.

One can begin by considering that conflict means the existence of antagonistic and counterpoited ideas, traditions, cultures, feelings, attitudes, actions or interests, that can crash or that can be detonators of efforts or crises to start the search for solutions. Although in both cases changes are generally produced, these changes precipitate conflicts and these can in turn originate innovation (De Bono 1986), and possibly even organizational and social development. Already Hegel (1949) had established an important
significance in considering conflict as the foundation of his philosophical proposal known as dialectics.

The conflict can be personal, interpersonal or between groups or coalitions or organizations or societies.

Nevertheless, in the face of the phenomena of conflict in humankind, those of cooperation also arise, which are associated with the gregarian characteristics proper and natural to human beings, giving way to the evolution of the individuals, groups, organizations and societies, which evolve within a dynamic between conflict and cooperation.

Even as the conflicts represent the crash of antagonistic interests, the dilemmas represent situations in which it is sought to attend two mutually incompatible interests.

The paradoxes represent the simultaneous existence of two inconsistent statuses, and as is the case in the two previous concepts, humankind has faced them since time immemorial.

While occidental culture has faced incompatibility and inconsistency by applying the principle of contradiction, whereby a thing can’t simultaneously be and not be the same thing, allowing for exclusion, distinction, the excluding “or”, in the case of the millenarian oriental cultures, in which one can already discover a holistic foundation to approach reality, these have approached incompatibility and inconsistency in a more pluralistic way with such as is the case in Taoist philosophy.

Within Taoism simultaneity is accepted: the including “and/or”. Therefore, it can be posited that those cultures already had a way to manage paradoxes by establishing the existence of the yin and yang, as proper and indivisible opposed parts, forming a whole that imprints all of nature; a more harmonious model (Capra 1975).

The Chinese used to represent the word crisis through two hexagrams that mean “danger and opportunity”. Always during a period of crisis a maximum tension is felt, where anguish and anxiety emerge in the face of the chaos of the system, the sensation of the rupture of the points of reference that put in danger the foundations of equilibrium.
Opportunity refers to change, it is the possibility to disrupt the homeostasis that carried us to the systemic crisis, redefining standards with the proposal of a new organization (Ceberio 1998).

By trying to start to understand the phenomena which are referred to by conflicts, dilemmas and paradoxes, we will explore three of the contributions that are considered the most significant in this regard. In the study of these phenomena it is recognized that the contributions with the major potentiality have been done by the systemic thinking and action approach.

The systemic concepts, such as those proposed by Ackoff and Emery (1972, 1999) have become a new way of interacting with reality, starting from the system concept as a functionally indivisible “whole”, and the consideration of the teleological, with which the importance of the ends is recognized, of the purposes as a relevant factor to distinguish the existence of different types of systems, and which by emphasizing the purpose, recognizes that this can only exist where there are the possibilities of choice, selection, deciding.

It was thus discovered that one of the most significant types of systems is the so called purposeful system, as one that in itself can choose both means and ends, in two or more contexts, which allows for the identification of persons, under certain circumstances, as purposeful systems themselves, and for the recognition that, under certain circumstances, societies and organizations can be considered likewise purposeful systems, containing elements which in themselves are also purposeful systems, also as a whole, which in turn form part of wider contexts, in which purposeful systems can also exist.

This characterization of persons and their contexts, establishes a way to recognize them both as having a great potentiality, considering in the former case human beings as full of possibilities, and in the later, spaces where elements with such characteristics also exist.

Hence the consideration that the characteristics of individuals, of human beings, of groups, of organizations and of societies, upon having the possibilities of choosing between cooperation and conflict as natural and proper forms, are doing nothing other than to choose, to decide among the alternatives that they have at their disposal.
Cooperation turns out thus strongly interrelated with conflict, and it's not because the former be an easy affair that certainly it is not, that we here will focus on conflict, together with the dilemmas and paradoxes, considering that conflict can be at the same time an obstruction for development as well as a change detonator.

It is necessary to recognize that it could be possible to create a conflict free system. To achieve this it would be sufficient to reduce the possibilities of choice, selections or decision making. An example of these systems is an organization within which all of its members could be reduced to simple robots, as in the fascist societies or within the autocratic organizations, which have tried to approach such a “conflict free” state.

Accordingly to Ackoff’s contributions (1999), conflict between two entities occurs when one party’s gains necessarily involves the other party’s loss. Conflict between ends occurs when the attainment of one of those necessarily means the failure to attain the other; the behavior of one party reduces the other party’s probability of attaining what it needs or desires.

In contrast, cooperation occurs when the gains of one party involve the gains of the other party and the attainment of one end involves the attainment of the other; the behavior of one of the parties increases the probability of the other party to obtain what it needs or desires. A scale that goes from “minus” 1.0 to “plus” 1.0 can be used, to measure the degree of conflict and cooperation. This way, the negative values signal a greater level of conflict and the positives values signal a greater level of cooperation. Conflict and cooperation are phenomena that can happen simultaneously, even if this could apparently represent a paradox.

<table>
<thead>
<tr>
<th></th>
<th>0</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooperation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conflict</td>
<td>-1</td>
<td>0</td>
</tr>
<tr>
<td>Conflict/Cooperation</td>
<td>-1</td>
<td>0</td>
</tr>
</tbody>
</table>

Figure 2
Even if sometimes they are treated as synonymous, conflict and competition are not, since they can be distinguished considering that a competition is a conflict involved, imbedded in cooperation; it is a conflict according to rules that assure that a more important objective is attended to with regard to which the conflict cooperates. The economic competition between two corporations is supposedly a conflict that attends, serves, cooperate, in benefit of the consumer’s interests.

Conflict and cooperation are not necessarily symmetric. One party A can be in conflict with another party B, but B can be cooperating with A –for example, in a master and slave relationship– or A and B can be in unequal conflict or cooperation between each other. Such asymmetric interaction constitutes exploitation. It must be noticed that a party can exploit the other party even without the purpose of doing it; for example, a sick person can, without any intention, exploit someone who provides care.

There are three types of exploitation:

“Benevolent”: In which each party “cooperates” with the other, but they do so unequally. This is the type of exploitation that most colonial powers have claimed for themselves, when they claim to have benefited more from their colonization than those who they have colonized. Many of the employer-employees relations are also characterized by this type of exploitation.

“Malevolent”: In which each party “conflicts” with the other, but they do so unequally. The one that suffers less can be said to be the malevolent exploiter of the other. Such an exploiter is willing to suffer in order to make the opponent to suffer more. This is usually the case when revenge is involved. Most wars are examples of malevolent exploitation.

“Normal”: One party is in conflict with another who cooperates with the first. This characterizes the historical relationship between master and slave.

Considering that cooperation is normally good and that conflict is normally bad is an issue that involves the discussion of the issue of ethics and morality, that for length reasons cannot be handled here.
In another one of the significant contributions, Rapoport (1960) defines and classifies conflicts and distinguishes three types and ways of treating or facing them: **fights**, **games** and **debates**; in a fight the urge is to eliminate the opponent, in a game the problem is to outwit the opponent and in a debate the goal is to convince the opponent. Thus in the face of conflicts, it is sought to intervene by intensifying them, as in fights, stabilizing them, as in games, and reducing or eliminating them as in debates. Nevertheless, there are other ways of classifying the treatment of conflicts.

Following Ackoff (1999) other ways of treating or facing conflicts is through interventions in the change of context or in the change of the behavior of one or both parties involved.

In the case of interventions by way of the change of context or environment, it is tried to physically separate the parties in conflict in such a way that precludes their interaction; this separation can range from the incapacitation of one of the parties or the elimination of the opponent, to the change in the environment in such a way as to eliminate the ability of one of the parties to affect the behavior of the other. An environment in which there is a scarcity of resources tends to generate conflicts.

In the case of the interventions to change the behavior of one or both parties embedded in a conflict, it can be reduced or eliminated. One can aim to change the choice alternatives that can be taken, change the efficiencies of what the parties make, or introduce a change of values that are assigned to the outputs. These are the changes that can be produce using incentives or communication.

Conflicts often arise within organizations because they have conflicting objectives that are imposed on the parties involved, and as a result of behavior that emanates from the structural characteristics and functions themselves, due to deficient definitions of what is wanted and of the behavior that must be observed, in order that on the whole organization performance be improved.

Nevertheless, the conflict can be an instrument to generate and create new alternatives, requiring the use of new ways of thinking, perceiving and interacting with the situation, until obtaining, sometimes, the dissolution of the conflict and/or reaching consequences in which everybody wins.
Another of the significant contributions in the study of conflict it is that proposed by Thomas and Kilmann (referred in Mitroff 2004), in which five ways to respond to conflicts are characterized. They are represented in the bi-dimensional space of a square, as in Cartesian space, in which the horizontal axis X represents what is called the GIVE, or “accommodation”, and the vertical axis Y, the TAKE/KEEP or “competitiveness” (Figure 3).

In each one of the vertices of the square, with (X,Y) coordinates, Thomas and Kilmann identify the following behaviors: Avoid (0,0), Compete (0,1), Accommodate (1,0), Collaborate (1,1); located in the center of the square is Compromise (0.5,0.5). These behaviors are explained in the face of the conflict of having to “divide the pie” among several persons:

- The **Avoid** vertex (0,0) represents the behavior of a person who avoids the possibility of the conflict altogether; thus he neither gives nor obtains anything of the pie.
- The **Compete** vertex (0,1) refers to behavior in which a person does not give anything and takes all the pie for himself, which could be represented by avarice, which contrasts with the previous definition given in which to compete means conflict under certain rules, under which a more important objective is attended to, with regard to which the conflict cooperates.
- The **Accommodate** vertex (1,0) is the case in which a person is willing or inclined to give its corresponding part, or the whole pie, to another person.
• The center of the square **Compromise** (0.5,0.5) occurs when a person gives and receives half of the pie.

• The **Collaborate** or **Cooperate** vertex (1,1) it is the most interesting case, because it is the situation where both parties simultaneously give and receive the “whole pie”, thus, the pie expands.

The diagonals of the square represent two dimensions that are identified: one of them with the size of the pie, the diagonal that goes from (0,0) to (1,1), and the other diagonal with the distribution of the pie --who obtains what--, the one that goes from (0,1) to (1,0).

With this framework for conflict, the possibilities to identify the interaction between cooperation or collaboration and competition are clearly established, although the later has been given another meaning respect to the previous one established; this framework helps to see, as well as, the possibility of coexistence and interrelation in positions or behaviors that represent **dilemmas**, such as positions incompatible for competing, wanting everything for oneself, and all other of positions; or positions that represent **paradoxes**, such as the inconsistent positions of collaborating, that try to generate a result where everybody wins, and the position of avoiding or competing.

Collaboration or cooperation represents, as has already been said, the most interesting situation, not only because it involves the conjunction of wills, but also because it considers the possibility of creative processes and of design that allow for making the pie grow.

From these concepts and reference frameworks about conflict, dilemmas and paradoxes, we will explore what has happened in the social, historical and organizational evolution of our country, Mexico.

**CONFLICTS, DILEMMAS AND PARADOXAS IN THE SOCIAL AND ORGANIZATIONAL EVOLUTION IN MEXICO**

This section starts with an exploration on what has happened with the social, historical and organizational evolution in Mexico, considering the phenomena in terms of conflicts, dilemmas and paradoxes. This will be presented very schematically, but characterizing the main stages of evolution, albeit leaving out the specificity of cultural richness that a
detailed study could provide. None of the authors is a historian, but we are persons concerned with our country, desirous that a more detailed study should be started to include the contributions, without doubt valuable, of specialists in the social sciences and humanities, and hope that this modest contribution serves to awaken their interest in order to expand and/or correct this exploration.

The historical evolution of Mexico (Cossio 1973) can be divided up, in a simplified way, integrated into four great stages: “Autochthonous or Pre-Hispanic”, “Conquest and Colonial”, “Independence and Reformation” and “Revolution and Modernity”. Let us describe each of these stages.

1) Autochthonous or Pre-Hispanic: this stage can be characterized by the significant contributions to humankind done by our great cultures, such as the Olmec, Toltec, Mayan, Mixtec, Zapotec, Teotihuacan and Aztec, just to mention some, characterized by their forms of production tightly linked to nature, fundamentally to farming, animal husbandry and craftsmanship.

Cultures that had a polytheistic religious sense and practice, that provided ways to comprehend and explain nature, but at the same time allowing people to display their interests and capacities in what, in a modern way, we know as the scientific attitude and way of proceeding, as has been recognized today, given their contributions to mathematics and astronomy, to mention just some, as well as in developing capacities as great builders of cities and works of architecture (religious temples and sites). Ever more as time goes by, we are surprised and proud of the achievements, as well as of the harmonious cosmovision that some of these cultures developed.

In general, during this stage social evolution led to the establishment of what could be called domains, empires or kingdoms, in which the kings and priests, with the help of the warriors kept the social order and/ or submitted other populations. The organization concept was adjusted mainly to the management of those affairs. The interchange of goods was made through barter, until cacao started to be used as a currency.

Through the force of their warriors, the Aztecs managed to expand their domain to almost all the current territory of our country, by means of what could be considered a very flat
organization, without many levels. Through tributes from other regions, kingdoms and cultures, the Aztecs kept their hegemony.

Nevertheless, within a good proportion of those societies and cultures, cooperation, collaboration was a conduct to which a dominant value was attached. Since then, and until today, it still subsists in some of our communities; the “tequio” as a contribution of individual work for the creation of social wellbeing.

Those characteristics allow one to assume that a good part of the relations between authorities, priests, warriors, people and the subjected population groups, was a “benevolent” exploitation in which each part “cooperated” with the other party, but it was done in an unequal way.

**Cooperation and collaboration prevailed in most cases** during this stage, even though, without a doubt, situations of conflict such as wars, battles, fights and confrontations happened, which occurred between population groups with very similar characteristics, where the main differences were cultural in nature.

The conflicts that occurred were not produced due to the existence of very great social inequality and by what now is considered as economic iniquity. Conflicts also habitually happened for religious ends; to have victims for sacrifices; “guerras floridas”, florid wars were organized. The Aztec institutions based on this type of ritual and the excessive centralization of power prior to the last Aztec king, whose policies were guided by fatalists religious beliefs, were without doubt the causes for the lack of vision to understand that the presence of the Spaniards was more than a religious event, a military event. Even though response to the Spanish attack took place, this failed because the tradition consisted more than in killing, in disabling the enemy for subsequent sacrifices (Wishart 2002).

On the other hand, what produced without doubt more malaise was the dependence and the lack of freedom imposed by the Aztec empire. A malaise that possibly carried certain peoples to the dilemma, when the Spaniards started the conquest, of supporting them or not in their war to conquer the Aztecs, leading some to take the decision of participating in the conflict actively, on the side of the Spaniards.
Those events are the base for the formation, which through subsequent centuries gradually configured the Mexican’s personality, his social culture and organizational ways. Here stand out the pride in our autochthonous roots and the value that we give to cooperation and collaboration.

2) The **Conquest and Colonial** stage is characterized by the significant contribution to humankind made by the emergence of the fusion of our autochthonous and European cultures, although in some situations extermination of the indigenous populations occurred, what prevailed more was the “mestizaje”, which gradually obtained human and world recognition, although nowadays there are still obstacles that impede the true integration of all our population.

Once the conquest was finished, our country became New Spain under the legitimate sovereignty of the King of Spain, Charles I. This marks the beginning of the colonial times which lasted around three centuries, which, in spite of the evangelizing character given by Charles I to New Spain, was a very difficult period in the evolution of our country. Although, as previously mentioned, even though the colonizers considered theirs acts a benevolent exploitation of the colonized, in the case of Mexico, with regard to Spain, it was rather a combination of normal and malevolent exploitation.

Life in colonial times was channeled between two main “cultural” tracks brought from Spain: the language and the religion. The conflict situation in the colony arose with the imposition of the European culture in detriment of the local autochthonous cultures, as well as by the giving of the status of slaves to the indigenous populations under the tutoring of masters, “commanders”, and Spanish authorities, viceroys, governors and religious authorities, and also by the exploitation of the natural resources, especially of the minerals, which only benefited significantly the hegemony of the Spanish crown. All this with the support and blessing of the Catholic Church.

Society became stratified into castes. Spaniards born in Spain and Spaniards born in the New Spain, Creoles, formed the “superior breeds”, while the “inferior breeds” were mainly formed by the indigenous population and for the “Mestizos”, born from a Spanish father and an indigenous mother. The indigenous population in its majority was enslaved or lived
under conditions similar to slavery. The distribution of wealth and work followed, obviously, this social stratification.

The interactions between the natives, the Mestizos, the Creoles and the Spaniards produced a new set of psycho-social phenomena, conflicts, dilemmas and paradoxes almost never experienced before. Among such phenomena stand out, for example, the emergence of the term "malinchismo", considered pejorative, applied to those who favored the conqueror's interests, as well as the denomination, also pejorative, of "gachupines", given to the Spanish conquerors. As “Mestizos” and Creoles were not entitled to the same rights as their Spanish parents, a rupture process began in diverse contexts of family and social life. The phenomena unleashed, carried strong doses of resentment, which produced dilemmas and conflicts with parents and with the image of the hated father, because in many cases, children were ignored by the Spanish father. However, paradoxically, children tried to imitate their father when they recognized and admired the power that they possessed. On the other hand, the “Mestizo” often also denied his roots rejecting his indigenous mother.

These experiences in the face of the actions to achieve the “acculturation process” raised a contrasting or paradoxical situation which confronted the cooperation and collaboration that existed in the autochthonous stage, with the phenomena of conflicts, dilemmas and paradoxes generated through conquest and colonization.

In this context emerged in New Spain organizations and companies specialized in the exploitation of the wealth of our country, operating under autocratic and paternalistic outlines imposed by the Spanish Crown, the conquerors and the Catholic Church.

“Since their origin, colonial organizations had the tendency to depress the spirit of the new race. The conquerors were soldiers, not working men, who had to exploit their new possessions by means of the conquered race. For that reason work was not conceived as a mean to be liberated of necessity, but of a suffered disgrace in the masters' benefit. The will and the initiative of the Mexicans lacked opportunity in which to practice. The wealth was not obtained by work, but by grace to an unjust privilege to exploit the lower classes. The main professions were reduced to two: that of priest and of lawyer. The best
opportunity that the middle class had was the bureaucracy. In this way the mass of the population, reduced to inactivity, became lazy and resigned to poverty, leaving only the hope to obtain the favor of God, manifest in lottery form" (Ramos 1934).

In this context, the development of innovating entrepreneurial activities was limited: first, due to the deep contempt for physical work which prevailed inside Spanish culture, since innovation required physical work; and second, by the prevalent mentality in Spain regarding technology, since technology was bought with the extracted wealth of the colony.

The processes of **conflicts, dilemmas and paradoxes prevailed permanently**. Conflicts in general were solved appealing to the paternalistic authority and their resolutions was accepted by the involved parts. Competition went under different conditions, since one of the parts alone took everything without giving part of the cake to the other parts. This was considered normal. The uneasiness that inequality and inequity produced was big, more so by having to **face the interests of other parties with strange and completely different cultures**. Therefore, the situation became untenable and unbearable.

All those situations of inequality, rupture and inequity, along with the situation lived in Spain as a result of the abdication of Charles IV, after Napoleon’s taking of Madrid, sowed the seeds for the beginning of the movement of independence among the Spaniards and Creoles in New Spain. Aware of the necessity for change, in search of freedom and independence, “Mestizos” and natives supported this movement, having been those most negatively affected by such situations.

3) The stage of **Independence** and **Reformation** during the 19th century represents the beginning of our country on the way toward freedom, autonomy and the search for democracy. This was a stage that, in comparison to the previous one, lasted just one century, during which our country had to face on its own numerous vicissitudes, both internally originated, as well as from abroad. One can say that the learning path of our country towards the construction of the democracy was difficult, but apparently short, although nowadays there is still lot of to do to reach it fully.
The beginning of the war of independence marked the beginning of the creation of a new national conscience. With this and with the abolition of slavery many interests were affected. There were frequent conflicts, fights and battles between those who defended their loyalty to the Spanish monarchy and those who fought to create a free Mexican State. Little by little a Mexican army was formed, with its own leaders and with a great base constituted by our own people, who fought to have a new homeland.

The 19th century was also characterized by the definition of political groups, mainly divided between conservative and liberal, which just after independence was achieved, disputed power to defend their interests. Changes of government and rulers were frequent, with those leaders prevailing who had come from the army ranks. During that century there were periods during which the establishment of republican governments was tried, but also periods during which someone tried to promote the establishment of an empire, like with Agustín of Iturbide in 1822.

Another example of all that instability and uncertainty was when, during the rule of another military leader, Santa Ana, eleven times president of the Republic, Mexico lost half of its territory due to the expansionist aggression of the United States.

France did not stay behind with aggressions against our country. It was invaded by the -- then so considered-- best army of the world, upon invitation of Mexican conservatives. France tried to establish an empire with archduke Maximilian of Salsburg, whom the people and president Juárez confronted and overthrew, restoring the republic and promulgating the so called Laws of Reformation, which prohibited the participation of the Catholic Church in the government matters of our country.

All this instability and uncertainty did not allow much for advancement. It is certain that the abolition of slavery was a great step forward; however, there was not progress in the process of land distribution among natives, who, from being slaves became wage earners, also exploited by the owners of extensive land properties, generally granted to military leaders and prominent personalities of social groups different from the natives, who had supposedly contributed to achieve independence. New landlords were born but the indigenous population’s conditions only improved marginally.
In the country, the increase in economic activities was very limited, and traditional agricultural activities prevailed, labored by the natives, with all the benefits going to the land owners. Mineral activities continued expanding, and in the second half of the 19th century an incipient textile industry began its development.

The industrial manufacture of wool and cotton developed within the framework of the interests of the “haciendas”, which means that a competitive disadvantage existed for the use of energy resources (hydraulic): very limited due to the recurrent water shortages and low water volumes of the rivers on the Mexican central highland, non navigable, and whose water sources and springs originated in the hillsides of mountains and volcanoes. The technological development of the Mexican textile industry was the result of the adaptation of the French pattern of industrialization based on the hydraulic régime, since the British pattern based on the use of the steam was economically inoperable (Morales Humberto 2002).

Between 1835-1880 the expansion of the textile manufacture sector occurred throughout the whole of the territory. As examples we can mention “El Tunal” in Durango, “La Fama” in Monterrey, Atemajac and El Salto in Jalisco, Bellavista in Nayarit, La Magdalena and San Angel in Mexico City, La Constancia in Puebla, La Aurora in Yucatan, in Chiapas, Chihuahua, Veracruz and Aguascalientes, all based on the hacienda-factory link.

However, the organizational development in the public and private spheres was limited by the constant changes and influences of the military, autocratic and paternalistic organizations.

During this stage the situations of conflicts, dilemmas and paradoxes and exploitation continued being considered normal and malevolent although no longer aimed against foreign interests. Rather, the confrontations prevailed against the interests of persons and groups of our own country, who through the events had gradually acquired more economic and political power. Although foreign interests were maintained under a certain control of the nascent Mexican State, inequality and the inequity continued to subsist. Freedom and independence did not change things a lot, as it continued being normal that one of the parts took everything without having to share the cake with others.
The end of this stage of the evolution of Mexico began with the presidency of another typical 19th century military leader, General Porfirio Díaz, who extended his presidency for 30 years. He knew how to take advantage of this period of stability, without a change in rulers, and he began the intense promotion of an incipient economic development.

The Porfirista régime adopted the French development model, founded on a modern, cosmopolitan and urban nationalism, which conceives the nation as a homogeneous and occidental construction, regulated and organized towards the international market. The white immigrants and the foreign investors were key components (Tortolero 2002).

Before the Porfiriato, the Mexican economy did not count with adequate transportation and communication systems. Neither were there banks, capital, technology and enough and adequate education. The achievements of the Porfirismo in these issues were important. An example of this impulse, was the construction of the main railroad network that grew from 640 kilometers of lines at the beginning of the period, to almost twenty thousand kilometers (19,748 km.) at the end of the régime, connecting about seven thousand kilometers of secondary railroads.

This railroad network configured a map of exchanges that not just linked Mexico with the exterior, but it was also the basis for the development of the internal market. The railroad system also stimulated internal migration, communications, the population's redistribution, and promoted an intense traffic of goods, which lowered the costs of transportation. But, to achieve this, General Díaz looked for and obtained the support of foreign capital, and began then to open the country to those interests. It was this president who upon the discovery of the existence of oil resources, allowed foreign companies their exploitation.

However, although the achievements of the Porfirismo, were outstanding, they were partial and contradictory, due to the high social costs and the creation of great inequality; social costs measured in terms of the concentration of property and the exclusion of peasants from the land. (Tortolero 2002). For example, it is notorious to ascertain that at the end of the Porfiriato 800 families owned 97% of the country’s land (Secretary of Programming and Budget, 1985). These families were, obviously, the owners of the haciendas and they constituted the elite of the private sector of Mexico. In spite of the privileged position of these families, the sustained economic growth of this period, and the facilities to import
technology, that used on the “haciendas” to produce for the domestic markets, was very obsolete. (Martínez 2002).

General Díaz, after being considered a national hero for his battles against the French invader, because of having perpetuated his stay in the presidency, for not favoring the process of democratization, and in contrast, favoring foreign interests and certain national groups, became a traitor to the country.

Then, after the first centennial celebration of independence, in September of 1910, the Mexican Revolution began in November of the same year as a demand of the people for the necessary political and social changes.

Before closing this historical chapter, it is important to present part of the study carried out by Aurora Goméz (Gómez 1998), with regard to Mexican entrepreneurial development, which underlines the important role played by the Barcelonetas, immigrants coming from the valley of the Barceloneta, located in the southeast of France at the foot of the Alps. At the end of the 19th century, the valley had approximately 17,500 inhabitants, and it was one of the poorest regions in France. The bases of their economy were the breeding of sheep and bovine livestock and wool manufacture in family shops. Despite its poverty, this community had a high educational level compared with that of the inhabitants from Mexico.

The first immigrants, the “Arnaud”, coming from the town of Jausiers, arrived in Mexico in 1821 and opened up a small business in Mexico City limited to a drawer of clothes, named “The Seven Doors”, to sell and to retail French textile. Gradually, other young immigrants from Barceloneta followed suit. In 1850 there were already nine drawers of clothes. Political circumstances, such as the establishment of Maximilian’s empire protected by France, between 1863 and 1867, and the Franco-Prussian War of 1870-71, allowed the Barcelonetas not only to appropriate commercial activities, but also the whole of textile business in most of Mexico. In 1890 there were already 110 Barceloneta commercial houses settled in Mexico, and 214 commercial houses in 1910. Worth mentioning among these are “El Palacio de Hierro”, “El Puerto de Liverpool”, “Las Fábricas Universales”, “El Puerto de Veracruz”, “El Correo Francés” “El Centro Mercantil”, “Las Fábricas de Francia”, “La Ciudad de Londres” and “Nuevos Almacenes”.
All the achievements of this community are explained by the:

- Important Investment Capacity in production facilities to exploit the potential scale economies and knowledge of new technologies.
- Administration of an investment and commercial distribution system at national level.
- High capacity to manage, supervise and to coordinate the production activities and distribution.

All this supported by important levels of education, even higher that those of the superior and middle classes of the time, by a high level of self-esteem and important ethnic cohesion. All of these, almost non existent elements in the great majority of the Mexican society of that epoch.

4) The stage of Revolution and Modernity extended almost through all the 20th century, and with the promulgation of the Constitution of 1917, the armed operations of the Revolution were almost over. The new Constitution included all claims for effective suffrage, no re-election, land and liberty, individual, social and nationals guarantees; all these were established and were considered by many as humanitarian advances never before reached. The Constitution also included worker’s rights and the possibility to constitute an instance to start the distribution of lands favoring the peasants. Thus, the existing large properties of land in a few hands started to be dismantled. Nevertheless, the peasants were neither organized nor qualified to produce more and better. Instead, little by little they were organized into an officially sponsored peasant confederation to serve solely as part of the instruments that supported a political party in the power.

Later on began a big expansion of the educational system, the social security system was established, as well as infrastructure built to face the population’s needs: roads, hydroelectric and irrigation dams, networks for water supply and residual wastes.

By the end of the Revolution, its military strong men, “caudillos”, continued in power as presidents. The last of them recognized the need to look for a certain unity among them, integrating the voices of other sectors as well, to promote a supposedly more democratic life, in the face of the appearance of opposition: the National Action Party (PAN),
representing the conservative voices and the Communist Party, with the socialist voices and the left. All this forced decision making to create a political party which would bring together the supposedly “living forces of the Revolution” that years later became the Institutional Revolutionary Party (PRI), the hegemonic political power, which perpetuated itself as the party in power, weakening the claimed democracy, by manipulating the electoral processes to win all the presidential elections and almost all the others, until little by little the opposition gained positions during the second half of last century.

The next to last military president, General Lázaro Cárdenas, in a patriotic act to enforce the constitution, expropriated the oil industry from foreign interests, who were taking advantages of the facilities granted by President Díaz, expanding operations.

At the end of the 1910-1940 period of political instability and the depression in United States, the General Cárdenas administration (1934-1940) characterized itself by confronting the private sector, which created an inappropriate atmosphere for economical growth.

Nevertheless, the State increased its role in the economy based on the model of import substitution, adopting protectionist rules, promoting imports of industrial machinery and issuing strict laws to regulate the activities of foreign enterprises within the country. According to those laws foreign companies should offer their services to the national market through companies located within the national territory. This motivated foreign companies to associate with Mexican companies. With this strategy foreign companies obtained access to the protected internal market, while their Mexican partners obtained access to new technologies. Despite considerable criticism of these policies, they contributed to reach a 6% rate of growth of GNP, and almost 4.8% for the period 1966-1982. This also contributed to create a quite large industrial sector, without the Mexican entrepreneurial sector having to invest in the development of technology.

In spite of this rapid growth, what characterized the internal market was the lack of competition and its relatively small size. The two main reasons for this lack of competition were: the strict protectionism and the reduced number of companies. The strict protectionism was an integral part of the model, and it was intentionally supported by the
producers as well as by the officials in charge of economic policies. The reduced number of companies was supposedly non intentional.

The first non military president was Miguel Alemán, considered, however, the “puppy of Revolution”, since he was the son of an officer, who had participated in the Revolution.

Before him the military in general had become the owner of the governmental power of the nation. Because of this, the arrival of a civilian president represented a great change towards modernity.

President Alemán took advantage of the end phase of the Second World War by means of an adequate policy of non discriminatory tolerance toward foreign investments, which came from the accumulation and expansion of capital generated by that time. This policy helped to achieve a spectacular growth of the national economy.

The organizations and manufacturing industries experienced growth as never before, although this was accompanied by the weakening of the wealth that popular groups had achieved before. Peasants and workers were manipulated, resulting again in marginalization from the economic growth that only the few and foreign interests enjoyed.

In spite of the several presidential changes, mainly military, during the first revolutionary decades of twentieth century, the country slowly recovered and returned to the ways of stability and growth, which allowed the government and industrial organizations to develop, although due to its military antecedents the autocratic and paternalistic characteristics did not change.

During the administration of president Alemán, a new class of entrepreneurs, supposedly nationalists, was formed who, protected by the government, increased the accumulation of their capital. Although they contributed to the growth of the industrial sector of the country, their style of administration and organization did not vary much: they continued being autocratic and paternalistic. During these stages, the phenomena of conflicts, dilemmas and paradoxes within government, “nationalist” entrepreneurs, workers, peasants and people, continued to exist, in spite of the stability and the power exercised by the party in power.
During the second half of the twentieth century the interests of foreign capital had to be confronted anew. Accordingly, the government started giving into international neoliberal and free market policies.

In spite of the economic growth achieved, the Mexican State started to go into a Process of loosing its capacity to regulate the economy and becoming prisoner of the great foreign economical interests. During the last two decades of the twentieth century this process has been accelerating due to the orientation of presidential economic policies of yielding to the world policies of neoliberalism and to the impulse of the supposed free trade.

During the first half of the last century the interests of Mexico were apparently defended with a nationalistic attitude, while during the second half, in spite of the advances achieved within the democratic process and the advance of political opposition to the party at the power, our country, more and more, has been kept under foreign economical interests.

During the year 2000, for the first time, the PRI was defeated by the PAN in presidential elections. It was not the same with congress representatives. It is said that an alternative choice was reached, but still there is a long way to go toward a better democracy. Unfortunately, the new opposition government lacks trained employees and experience to govern, which has caused the continuation of the same policies established by the PRI.

This has led to the great paradox of our country. It is acclaimed that the Mexican economy ranks ninth in the world economy, but has, at the same time, 60% of its population living below the poverty line. Apparently the Mexican economy is growing macroeconomically and becoming solid, but microeconomically it is weakening: the internal markets are in a process of dismantling, as is the case for the micro, small and medium national enterprises in the face of the fortified international ones. It is even worse in the agrarian sector, which is said to be degrading to levels that “cannot take it any more”. On the one hand, those who govern, organizations, national and foreign entrepreneurs, rich; on the other hand, native Mexican Indians, peasants, workers and population, poor.
CONCLUSIONS

In the first part of this paper a presentation of different approaches to the study the conflict, dilemma, and paradox concepts was made. Forthwith, an exploratory study was initiated probing into the reasons for their appearance along the History of Mexico, though, it is not possible to reach univocal conclusions.

Nevertheless, it has been underlined that in the Pre-Hispanic stage the spirit of cooperation and collaboration prevailed in most cases among the different cultures of the country, although conflicts and dilemmas existed between them. It has also been underlined that after such phase the triad “conflicts-dilemmas-paradoxes” took on significant relevance, given that since then new crises started to take shape, starting with the brutal and bloody conquest in which the indians were plundered not only of their spaces and material assets, but of their cosmovision, and even of their soul.

Since the beginnings of New Spain, the acculturation process, more than a balanced foundation of two cultures, as Samuel Ramos mentions (1934), is guided by two powerful vehicles of transplantation: the language and the religion. During the three centuries of domination with methods of wealth creation and exploitation based on slavery, that form of domination certainly generated, conscious or unconsciously, numerous passions and rancor, not only among the indians, but among the new inhabitants, product of the “mestizaje”, of which many are revealed even today in the profile of our culture.

Diverse studies have demonstrated that the culture is projected into human development and that it is manifest in different forms. For example, Gimenez Montiel (Vargas 2001) distinguishes three analytic dimensions:

1) **Culture as communication.** It is conceptualized as a “system set of symbols, signs, emblems and signals, among which are included, besides the language, habitat, food, dress, etc., considered not under their functional aspects, but as semiotic systems”.


2) **Culture as a stock of knowledge.** In this dimension culture is considered a heap of knowledge; not only scientific knowledge, “but also other ways of knowing such as beliefs, intuition, contemplation, practical knowledge, common sense, etc.”

3) **Culture as world view.** In this dimension “are included religion, philosophies, ideologies, and in general, all reflections on ‘totalities’ that imply a value system and in consequence, give sense to action and allow for interpretation of the world”.

Therefore, culture makes a community exist, “whilst it constitutes its memory, it contributes to cohering its actors and legitimates actions, what is tantamount to saying that culture is socially both determined and determinant, at the same time structured and structurant”. Culture is always located in close interrelation with the forms of production and organization that serve the foundation of the State. It becomes difficult unluck these three components: economy, organization and culture, because the three of them are in a continuous interaction and rest on a common base (Vargas 2001).

Therefore, the culture in our Mexico in its different dimensions has been **determined** through a long process of acculturation, by the multiform of relations of the Mexican with the modes of production and organization of the State (Rodriguez y Ramírez 1996); and has been **determinant** in the development of the social life, of the styles of government, of the types of production and wealth generation, etc.

It is true that since independence was achieved, in the face of the challenge of constructing a new nation, new cultural components germinated; however, the passions left a deep stamp in the life and development of Mexico. In Mexico, as in many of its sister republics, very few conflicts have an origin based on interests of an economic nature. Given the fact that throughout Post-Colombian history, as S. Ramos remembers, conflicts did not emerge due to the need to conquer markets, to destroy competitors, to recuperate territories,…instead, wars have been fought to defend them, and in some cases without success. The conflicts have been between monarchists and clerical and anticlerical “independentists”, between federalists and centralists.

Of course the elements mentioned are not the unique reasons for the mitigated economic development and slow development process of the State. After a slight exploration of the economic and technological development of the country, it can be observed throughout its
history that the participation and leadership has been very limited within the marginalized social classes. Today, as in “Don Porfiro’s” times and during the colonial times, wealth has been concentrated in the hands of people of European origin, mainly of Spanish descent (Derossi 1971, 1989 and Camp, 1989, cited by Rutilio Martínez 2002). This implies that a great majority of Mexican entrepreneurs are linked to Spanish social and economic traditions. One of those traditions is the one of importing technology instead of trying to develop it. This tradition, due to economic and social motives that go back to the time when Spain was a colonialist power, was consistently practiced by the Mexican government and by the Spanish private sector in Mexico until the end of the 1960’s. Therefore it is very feasible that culturally and socially the Mexican entrepreneurial leaders may never have had the inclination to dedicate efforts and money to technological development (Martínez 2002)

Through the historical tour we have presented, we can observe that our current state of affairs as a country is not a modern paradox of recent times, but that it has been a paradox that has been in force throughout the centuries of our post-Pre-Hispanic phase, and that it is already time to begin efforts to try to achieve a consciousness for change that may allow for the achievement of a harmonious development of all social strata.

Unfortunately the change is not only needed in our country. It is enough to look at any corner of the world to observe the inequalities and iniquities everywhere. Conflict is an obstacle for a more harmonious development. It is necessary to propel that generalized change of state of consciousness through which, without denying the impossibility of eliminating conflicts, we learn ways to confront them, and search for balance with cooperation, in order to be able to create better societies in full development, in harmony also with nature, which up to now it seems we have been engaged in destroying. Time is running out. We should learn to live better with ourselves, recognize the value of our cultural and racial diversity, and learn new ways to face conflicts, dilemmas and paradoxes!
REFERENCES


• Martínez Rutilio, Una explicación del nepotismo y del desdén por el desarrollo de Tecnología dentro de la empresa mexicana en base al pasado económico del país y a ciertas tradiciones socioculturales. XIII Congreso de la Asociación Internacional de Historia Económica Buenos Aires, Argentina, Julio 26, 2002.


• Morales Moreno Humberto, El régimen hidráulico de la industria textil mexicana en el siglo XIX. (De la industria rural a la urbana en algunas regiones del Norte, Centro y Sureste). XIII Congreso de la Asociación Internacional de Historia Económica Buenos Aires, Argentina, Julio 26, 2002.


• Ramos Samuel, El Perfil del Hombre y la Cultura en México, Col Austral, México, 1934.


• Wishart, David M. dwishart@wittenberg.edu *Aztec and Cherokee Responses to Colonialism: A Study in Contrasts*. XIII Congreso de la Asociación Internacional de Historia Económica, Buenos Aires, Argentina, Julio 26, 2002.