The peasant disorganization of the corn growers of Huandacareo Michoacán: reasons and significance

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Abstract

Corn is the most researched cereal of agricultural products in Mexico. In the country, the crop is sown mainly under the temporary modality and in the spring-summer productive cycle. Corn (Zea mays L.) is an essential component of the diet of Mexicans, with an average per capita consumption of 120 kg, which is why it is important to observe the interconnections that exist between corn producers and how they have contributed significantly very important in the first instance to that of your family, community and regional scope. The research was carried out in the winter 2019-2020 in the municipality of Huandacareo, Michoacán. The objectives of this work was to analyze the problem of peasant economic organization; as well as show the costs of the precarious organization for the corn producer. 68 semi-structured interviews were conducted with conventional corn producers, which represented 100% of the sample. The results show that the problems of the existing peasant organizations are the client relationship, the short time of the producers, demagoguery, favoritism in the support, differences of interests and the smallholding. Likewise, the barriers that prevent the emergence of new organizations are the lack of resources and an organizational culture, envy, indisposed leaders, bad experiences from the past, incorrect public policy, little information and the search for short-term benefits. Indirect costs for the producer of the precarious organization are the purchase of expensive inputs, sale of products at market prices, little technical advice and a slow technology adoption process due to the scarce use of credit.

Keywords: associativity, economic organizations, productivity.

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Introduction

Due to its very nutritious and versatile nature, corn (Zea mays L.) is the staple food par excellence in Mexico (Guerrero and Fiscal, 2015). The production figures reflect the importance of the crop, it occupies 37% of the total planted area in Mexico in 2018 (SIAP, 2019). In the country, the crop is sown mainly under the temporary modality and in the spring-summer productive cycle (SIAP, 2019). The production of grain corn in Mexico is concentrated in eight states: Sinaloa, Jalisco, State of Mexico, Michoacán, Guanajuato, Guerrero, Chiapas and Veracruz (SIAP, 2018).

Grain corn is produced in two varieties, the white and the yellow, the first is used essentially for human consumption and the second is intended for animal consumption and industry and is in which there is a deficit. Despite the fact that corn production in Mexico has grown steadily since 2011, the national demand for yellow corn has not been met, so this product has had to be imported (SIAP, 2018). The imported quantity is equivalent to around 40% of the volume consumed and is the result of the low levels of internal production.

One of the peculiarities of corn production in the state of Michoacán is the heterogeneity of the yields. In irrigated corn, the disparities are very marked, with differences of almost 6.5 tons between the districts with the highest yields and the least productive (Toribio and Kelbach Baer, 2017).

González (2017) estimated that in the municipality of Huandacareo corn was planted in the agricultural cycle S-S 2016 in an area of 285 ha, of which 225 are in irrigation work and 60 in rainfed conditions. It is estimated that, in the municipality, 140 producers are dedicated to the production of grain corn. The average grain corn yield in irrigation work in 2017 was 6.26 t ha⁻¹ (SIAP, 2019).

Corn is indisputably the most researched cereal of agricultural products in Mexico. It is possible to affirm that most of the studies of the social sciences on the subject include at the same time the economic dimension, the political dimension and the social dimension (Appendini, 2001). Within the investigations on the economic dimension of corn in the study municipality, González (2017) carried out an economic analysis of the various corn management systems based on field work and direct semi-structured interviews with producers. In this research, it was determined based on a financial analysis of each maize management system that the high cost of renting agricultural machinery and agro-inputs, the choice of low quality germplasm, the use of inadequate fertilization doses, the leasing of agricultural land, as well as smallholdings, represent the main constraints on corn productivity.

In this research, once a productivity problem in corn was detected, it was decided to deepen its study and look for the causes of this situation. One of the main ones is the peasant disorganization of the corn producers in the study municipality, a relevant research topic due to the scarcity of studies on agricultural economic organizations. In this paper, the barriers that impede the growth or emergence of peasant organizations and how this impacts the productivity of the corn activity in the municipality of Huandacareo, Michoacán, were examined.
Some of the studies related to the peasant organization are based on a historical-contextual review of its legislative framework and the government programs that were implemented to promote it or during its emergence. Some of them are those made by Blanca (1996); Bruno-Lutz (2007); Damian-Huato et al. (2008); De Grammont and Mackinlay (2006). Research focused on analyzing locally the problem of peasant organization as a case study is almost nil. Against this background, this work’s main objectives are to scrutinize the real problems regarding peasant organization of a typical Mexican corn community and how these negatively impact the productivity of the crop.

Agricultural economic organizations in Mexico

The peculiarities of the rural sector increase the need for its inhabitants to have organizations (Gomez, 2017). The peasant movement that emerged in the 1970s was born rooted in two structural processes: the crisis of the peasantry and the rise of neoliberalism. In response, the peasants promoted a movement that became the struggle for territory, productive self-management and autonomy. This struggle promoted the number of peasant organizations (Blanca, 1996).

The associative model pursues the creation of value through the solution of common problems fundamentally originated by lack of scale (Liendo and Martínez, 2001). FAO (2017b) mentions that an associative organization is understood as that voluntary and unpaid organization of people or groups that establish an explicit link, in order to achieve a common objective, monetary or non-monetary. For Robles (2018) the main types of economic organizations, regardless of their legal personality, are: cooperatives, unions, social solidarity societies (SSS), rural production societies (SPR), local agricultural associations (AAL), work groups, federations and civil associations constituted by economic organizations (FAO, 2017a).

Economic organizations of corn producers in Michoacán

The economic organizations of the corn product in the State of Michoacán are listed in Table 1. The main service they offer is the collection and commercialization of grain corn, followed by the sale of inputs, technical assistance and financing (productive credits). It should be noted that none of these peasant organizations has direct influence on the study municipality.

Table 1. Economic organizations of the corn product in Michoacán.

<table>
<thead>
<tr>
<th>Organization</th>
<th>Product or activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultores Unidos de Ixtlan, SPR de RL</td>
<td>Corn and wheat</td>
</tr>
<tr>
<td>Agricultores Unidos Región Guayangareo, SPR de RL</td>
<td>Corn</td>
</tr>
<tr>
<td>Grupo de Innovación Regional Indaparapeo, SPR de RL</td>
<td>Corn</td>
</tr>
<tr>
<td>Impulsora Agropecuaria Chavinda, SPR de RL</td>
<td>Corn</td>
</tr>
<tr>
<td>Productores Rurales del Bajío, SPR de RL</td>
<td>Corn</td>
</tr>
<tr>
<td>Red de mujeres y Campesinos de Michoacán</td>
<td>Corn</td>
</tr>
<tr>
<td>Servicios Agropecuarios La Guaracha, SPR de RL</td>
<td>Corn</td>
</tr>
<tr>
<td>Sociedad Cooperativa Meseta Purépecha</td>
<td>Corn and derivatives</td>
</tr>
<tr>
<td>Temascales Los Huichachales, SPR de RI</td>
<td>Corn</td>
</tr>
</tbody>
</table>

Prepared with information from Robles (2018).
Due to the scope of this research, it is difficult to measure for sure what the significance of each organization is and its impacts on corn productivity in its area of influence. However, when knowing the functions of a corn organization, the benefits of these for the unionized producers are glimpsed.

**Peasant associations in the municipality**

At present, there are two peasant organizations in operation: the common that, although they are not economic organizations as such, are voluntary organizations of people who pursue common objectives (that is, they meet the definition of organization) and an association of livestock producers.

**The common**

Within the territorial limits of the municipality there are six commons: El Jaripal, San Nicolas, La Estancia, San Cristobal, El Marino and Huandacareo. In total, in the five common within the municipality there are 708 ha parcels, of which 551 are destined for agricultural activity (INEGI, 1999). INEGI (2009) reports that 444 ha have irrigation and 107 ha of seasonal agricultural activity. Likewise, 313 common owners are reported in the municipality (INEGI, 2007). As such, the common do not have as their main objective to carry out actions that increase agricultural productivity through economies of scale, rather they function as an agrarian structure with merely bureaucratic functions.

**The Huandacareo livestock producers association**

The livestock association, as it is commonly known, is a peasant organization that provides a supply of agro-inputs to local producers at competitive prices and helps in the legal management of livestock activities in the municipality. However, the scope of this organization in terms of promoting agricultural productivity is low, given that it does not have the solvency to supply in time and form the variety of agro-inputs that the municipality needs. This causes many producers to purchase them from other distributors. However, it is undeniable that this association contributes to meeting the productive needs of corn farmers in terms of agro-inputs.

**Materials and methods**

The municipality of Huandacareo, Michoacán, is located 46 km northwest of the state capital, comprising a land area of 95.11 km². The hydrological region in which the municipality is located is Lerma-Santiago. The study area belongs to the Lago de Patzcuaro-Cuitzeo-Laguna de Yuriria hydrographic subregion (INEGI, 2009).

Once the study area had been delimited and the questionnaire to obtain the information had been elaborated and validated in the field, semi-structured interviews were carried out with conventional corn producers at the study site using simple random sampling.
The equation to calculate the sample size was the following.

\[ n = \frac{NZ^2_{\alpha} (p \ q)}{(N-1)d^2 + Z^2_{\alpha} (p \ q)} \]

Where: \( n \) = sample size; \( N \) = size of the population; \( d \) = precision expressed as a percentage (5\% = 0.05); \( Z \) = value of the Z distribution with a reliability of 95\% (\( Z_{0.05} \approx 1.96 \)); \( p \) = probability of success (50\% = 0.5) and \( q \) = probability of failure (50\% = 0.5).

In the present study, around 100 producers of grain corn were found with a homogeneous management, so the sample size was defined in 79 producers, of which for extraordinary sanitary reasons it was only feasible to interview 68. Each producer interviewed who belonged to an association was asked about their benefits and those who did not belong to any were asked about the causes of it. The survey period was during the winter 2019-2020, however, the information collected in them was referred to the S-S cycle, 2018-2019.

**Results and discussion**

In order to know the idiosyncrasy of the average corn producer in the study municipality, it is necessary in the first instance to try to understand the reasoning of the producer, its origins and its repercussions on their daily work. The field results showed that 81\% of the producers do not belong to any peasant organization and the causes of this are shown in Figure 2. The rest of the producers who do belong to a peasant organization point out that the main benefits that this membership brings them are the stockpiling, credit and support for the purchase of machinery and supplies.

In Figure 2 shows the current problem in the field of local peasant organization for the purposes of this research, it was divided into two large groups, the problem presented by current peasant organizations and the barriers that prevent the emergence of new organizations. The analysis presented here is not intended to judge local producers in any way, but simply to show a current
x-ray of the subject under discussion. It should be noted that some reasons for the disorganization incorporated into the discussion were not explicitly declared by the interviewed producers but rather these were glimpsed by the researcher given his position as an external agent.

![Figure 2. Reasons for peasant disorganization in the municipality of Huandacareo.](image)

**Problems of current organizations**

**Client relationship**

The typical purchasing process consists of the following sequence of events: problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior (Kotler and Keller, 2006). In this last section where the problem lies, since corn producers, throughout their trajectory, have established clientelistic relationships with the few local organizations; that is, there is only an approach when they need support in managing a problem, at the moment that the problem is solved they abandon the link with the organization that supported them. This dynamic, which we call patronage, prevents the consolidation of a stable long-term relationship between the producer and the organization.

**Lack of time for producers**

When a producer approaches an organization in search of support for the solution of a problem (client relationship), its needs to invest a great amount of time to find said solution, due to the generalized bureaucratic inefficiency of the institutions in Mexico. The average producer has a busy schedule, either because he is busy carrying out his agricultural activities or because he has other economic activities to attend to, seeing limited his available time that he can invest in the search for a solution to his problem. The little free time of the producer generates an increase in their opportunity cost (Lozano-Rodríguez, 2016), which limits the possibilities of local organization and generates a general lack of interest.
Demagogy of organizations

The word demagoguery serves to negatively qualify the way of doing politics of one who seeks only easy consensus (Paze, 2016). Local organizations, such as commons and the livestock association, periodically have meetings to discuss the agenda. The attendance to them is not obligatory for the producers, however, those who do not attend argue that in these meetings there is too much talk and little is agreed upon, where they also fall into demagoguery; that is, things are promised (which are rarely kept) to reach easy agreements. These meetings are considered by many producers as a mere formalism, where they simulate doing something productive for the common benefit.

Favoritism in government subsidies

The dynamics of government subsidies or support are totally beyond the reach of local organizations, since the resource of these comes from the federal and state level, which implies that the guidelines to be able to access resources, in the same way, are established by the corresponding federal and state institutions. Thus, local organizations only act as managers or facilitators of the bureaucracy. In the guidelines of the various programs, the series of requirements necessary to access resources are established, requirements that are only fully satisfied by a very limited number of producers year after year, which is why the idea that subsidies permeate they reach the same people by favoritism. This situation causes the ordinary producer to feel mistrust towards organizations and decide not to approach them for help.

Idea that organizations respond to political or personal interests

It is difficult to escape the idea that an organization, whatever it may be, responds to certain personal or political interests, since as Schmitter (1974) mentions, social organization is often subordinate to the political party. Similarly, when there is a conflict of interest, it is difficult to perform the duties that are given to a person and their legitimacy in the eyes of the public is reduced (García-González, 2015). In this society, there are few people who help selflessly. The producers themselves think that local organizations respond to political or personal interests and that, to receive any benefit from belonging to it at some point, you will have to return any favor received in some way or another. The fact that producers perceive local organizations in this way prevents them from building a better organization.

Corn production in small private property (smallholding)

The defunct Banco Nacional Agropecuario (1975) pointed out that smallholder exploitation of land represents the main obstacle to the development of the agricultural sector. In this sense, most of the corn production in the study municipality is carried out on common lands, however, an important part of the production is carried out on small private property. The production of corn in this type of land tenure generates a kind of isolation for the proprietary producers, leading them on a path that only seeks to maximize their personal benefit. In the commons, there is constant communication between all producers since collective decisions have to be made, so these producers, in addition to seeking personal benefit, also seek long-term collective benefit. In this
way, for purposes of peasant organization, it is argued that a common producer is more willing to participate in an organization that fosters common benefit than a small private property producer, since the latter has not experienced any benefit from the organization.

**Barriers that prevent the emergence of new organizations**

**Lack of financial resources**

Organizing has a cost, which no one is willing to face today. The greatest cost of the organization is the opportunity or indirect cost, because a producer or group of producers who take the initiative to create a new organization must or must invest, mostly at the beginning, a large amount of time and material resources. Today, no one is willing to incur that cost and no one wants to suffer the physical and emotional wear and tear of taking the lead in starting (or at least trying to start) a new organization.

**Lack of an organizational culture**

The organizational culture allows the members of an organization, certain behaviors and inhibits others. When this exists, little resistance to change and shared values are observed in its members, such as honesty, professionalism, discipline and solidarity, which in turn leads to better conflict resolution (Charon Durive, 2007). The lack of association in the municipality could be explained in part because there are no natural resources for common use except for the water from the ‘San Cristobal’ dam, which is used to irrigate corn in the study municipality. For the administration of this resource there is an informal organization of producers, which arose due to need. At this point it is presumed that if there were more resources for common use, there would also be more peasant organizations, formal and informal, and therefore one could speak of a ‘culture’ of the organization.

**Unwell peasant leaders**

Those who would be most likely to start a new peasant organization are the local peasant leaders; however, there is a problem with them: the high opportunity cost of their time given their daily work activities. For this reason, it is practically impossible for them to decide to put aside their work that generates income and dedicate part of their valuable time to an activity, which, as already mentioned in the previous sections, generates large direct and indirect costs. This initiative to organize could come from an external agent, but to date there is no public policy that tries to promote organization, furthermore, in the present work there was no glimpse of an interest of the producers themselves to organize themselves, an essential requirement for them to reach adopt an associative figure, this according to the Banco Nacional Agropecuario (1975).

**Envy**

The RAE defines envy as sadness or regret for the good of others, or desire for something that is not possessed. In short, envy is the desire to obtain something that another person possesses and that one lacks, mainly achievements and rewards. In organizational matters, Jimenez (2016) says
that envy can generate a negative attitude in people (indisposition) when they do not perceive a situation of equity. In this sense, if envy is a feeling that permeates among corn producers in the municipality, it is possible that they may have the indisposition to help each other in advance, since they are perceived in different situations or realities, a situation that is detrimental to peasant associations.

**Bad experiences in past personal associations**

To understand the functioning of rural organizations, we must give importance to micro-stories and the relationships between people, families and groups (Gómez, 2017). It is common to find that groups of two or more corn producers at some point in their lives were associated in the search for mutual benefits, whether they have shared agricultural machinery implements, planted together, bought inputs together, etc. However, the vast majority of these personal associations have failed due to disagreements, mainly derived from economic misunderstandings, leaving an unfavorable experience in the minds of the producers who were involved, which is why it would be unlikely that they would be motivated to start or participate in a new association, even if it is of another nature and with different objectives.

**Search for benefits in the short term**

The fundamental reason why the producers of the municipality could one day organize is, in practical terms, the search for profits in the short term. This can be explained with the figure of the rational maximizing individual, since expecting benefits in the long term represents a higher opportunity cost (Lozano-Rodríguez, 2016). However, the organizations' efforts are delayed, for this reason, any peasant organization would be in a position to report benefits to producers only in the medium and long term. It is precisely this difference of interests in the terms, one of the main causes that prevents the creation of a new organization.

**Lack of a public policy that encourages the organization**

The current public policy does not have the main objective of promoting the creation of peasant economic organizations. By historical nature, local peasant organizations were born from the own initiative of the producers involved, where they themselves take the first steps towards organization and once they have laid the foundations, they seek some kind of organizational advice that allows them to grow. However, to facilitate this process, the presence of a person who acts as a promoter of the peasant organization (agent of change) would be necessary and for this, the presence and support of the State is undoubtedly required or, failing that, a patron or political party interested in promoting local peasant organizations. Either way, the idea is that the latter will mostly absorb the cost of the organization.

**Lack of information**

The fact that the municipality does not have an agent of change, promoter of peasant associations, means that the average producer does not have the possibility of being duly informed about the possible benefits of belonging to a peasant economic organization where common objectives are
pursued. As already mentioned, the fact of having incomplete or asymmetric information reduces the possibilities of making adequate decisions (Varian, 2010). This element is the last link in a vicious circle: firstly, there is no general interest of producers to organize themselves, secondly, the State does not have as a priority to promote peasant economic organizations and, lastly, it does not exist in the municipality an independent agent of change that seeks to improve the conditions of producers; through associativity.

**Feasibility is not displayed**

All the above points mean that the average producer does not consider the creation of an organization possible (feasible), so he will hardly endeavor to fight for something that he believes in advance impossible. This general reasoning could also be seen as a barrier to peasant organization, since it has become a prejudice today.

**Benefits and costs of the organization in the production of corn**

In this section, for the analysis of the benefits that result from associativity, those reported by Quintana (2014) were used. This author proposes as main benefits of associativity the reduction of production costs, economies of scale in marketing and production, technical advisory services for increasing production, financing and better living conditions for rural families. On the other hand, the opportunity costs for the average producer are interpreted as those benefits that are lost due to not being organized and their importance lies in the fact that they negatively impact the corn productivity (Figure 1) of the municipality (Quintana, 2014).

![Figure 1. Corn cultivation in the study area.](image)

In this research, emphasis is placed on the costs for the average producer, since it is one of the objectives pursued and given that they represent the reality of the corn activity today. The benefits and costs of the organization in the production of corn are presented in Table 3.
Table 3. Benefits and costs of the organization in corn production.

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Benefits</th>
<th>Opportunity costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profitability</td>
<td>Cost reduction for the purchase of agro-inputs at a lower price, derived from the implementation of economies of scale</td>
<td>Acquisition of expensive agro-inputs, since these are purchased individually, which translates into higher direct production costs per hectare and a decrease in the profitability of the crop</td>
</tr>
<tr>
<td>Income</td>
<td>Better selling price given that the organization collects the product and there is only one marketing channel</td>
<td>Sale of the product to local buyers or hoarders, so the sale price is the market price or even lower</td>
</tr>
<tr>
<td>Technical consulting</td>
<td>Sufficient technical advice given that the union regularly hires corn experts at critical moments</td>
<td>Insufficient technical advice since the average producer does not have the means or the contacts to pay for quality advice</td>
</tr>
<tr>
<td>Technology adoption</td>
<td>The adoption of new technologies is good since they remain at the forefront of technology</td>
<td>Slow technology adoption since each innovation requires a local validation process, which is a time-consuming process</td>
</tr>
<tr>
<td>Credit</td>
<td>Through the credit managed by the peasant organization, producers have the opportunity to buy better quality inputs and adopt innovative technology</td>
<td>There is no peasant organization that manages credits for the average peasant. The credit available to the producer has a high financial cost, making it inaccessible</td>
</tr>
<tr>
<td>Economic growth of the rural family and the municipality</td>
<td>The profits generated in the corn activity encourage investment in secondary industries and local consumption</td>
<td>The profitability of corn is unstable, so sometimes the local economy does not benefit from this agricultural activity</td>
</tr>
</tbody>
</table>

Elaboration with information from Quintana (2014).

The right column of Table 3 shows the list of opportunity costs or benefits that the average local producer loses year after year, due to the simple fact of not having the support of a solid corn organization. You will delve into each of them below.

**Purchase of expensive supplies**

The average producer generally purchases his agro-inputs individually in establishments within the same locality or close to the municipality for various reasons. In the first place, getting these agro-inputs in distant places is not profitable due to the costs of the transfer and its low volume of purchase, secondly, the local corn producer has a liquidity problem and finally, there is no organization that manages a collective purchase to obtain benefits from economies of scale, such
as a reduction in costs and an increase in productivity and efficiency of a company, this according to Trujillo (2011). This causes the producer to be unable to obtain reduced prices. Local establishments sell agricultural inputs at market prices and on many occasions, as part of a commercial strategy, they extend personal lines of credit to each producer they trust. It is difficult for the individual producer to be tempted to break with these dynamics and ties that, although it does not bring him benefits by price if it does so through credit with zero interest.

**Sale of the product to local buyers**

The municipality’s corn buyers could be divided into two groups, the first being simple hoarders; that is, those people whose objective is to do business with the sale of the product. The second group of buyers are those who use corn as an input to another production process, mainly the fattening of livestock and pigs. The problem is that both types of corn buyers use the regional market price to set their purchase price at harvest, which varies a few hundred pesos depending on the harvest season (which generally runs from November to January) and between buyers. In many cases, it is personal affinities and payment conditions that make a producer choose a specific buyer. According to Muñoz et al. (2017), when there are no adequate marketing schemes, producers become dependent on intermediaries and coyotaje, which results in low sales prices. The fact that each producer sells their product in isolation and that their market is mainly local hoarders means that they have little negotiating power, thus preventing them from reaching a competitive sale price that helps improve the profitability of their corn activity.

**Worst technical advice**

A technology is a combination of all management practices to produce a crop (Sangerman-Jarquín et al., 2009). The development of technologies depends on the institutions and the protagonists (Albicette-Batreri and Chiappe-Hernández, 2012). In this sense, it is more feasible for a peasant organization to hire expert technical advice than an isolated producer, the foregoing for a purely cost issue. For the isolated producer, it is unaffordable to hire the advice of an expert to advise him to increase his productivity. On the other hand, technical advice can also affect the quantity and quality of information that producers have about future corn prices on the Chicago Stock Exchange. In economics, it is assumed that the more information an economic agent has about a good or market, it will be in a position to make better decisions (Varian, 2010). In this sense, the corn producers of Huandacareo, by not having an organizational structure that provides them with reliable information on the future prices of their product, run the risk of making erroneous decisions or based on incomplete or asymmetric information.

**Slow technology adoption**

The adoption of technology is usually a slow process in Mexican agriculture and the municipality of Huandacareo is no exception. The theory of diffusion of innovations tells us that the adoption of new technology is a matter and an individual decision, therefore, it is affected by factors of knowledge, availability of economic and physical resources and to a large extent, by the disposition of the producer to partially or totally change their traditional form of production (Mendoza, 1987 cited by González, 2004).
Uddin (2006) refers to innovation when an idea (knowledge), product or process is incorporated into production or practice. In the study municipality, the main limitations in the adoption of technology is the limited availability of economic resources of the corn producers, given that conventional technological innovations are expensive, as well as the little willingness of the producers to change, since in its production logic incorporating an innovation into the corn handling system, in addition to increasing production costs, also increases uncertainty, since the efficiency of the new technology incorporated is unknown. The previous thing causes the process of adoption of new technologies to be slow, which prevents being at the technological forefront and ultimately impacting the productivity of corn.

Credit

Lack of access to formal credit and comprehensive financial intermediation services impede agricultural development (FAO-GTZ, 2001). The credit managed by some exemplary peasant organizations is a source of low-cost financial resources that producers use to buy inputs of sufficient quality to move towards a higher-yielding maize management system. With this technological package, it is possible to considerably increase, ceteris paribus, the productivity of corn and therefore, the economic benefits of the activity for the producer. The fact that the average producer does not have a reliable source of low-cost credit prevents the adoption of higher-yield technologies, which has a negative impact on the profitability of the corn activity, putting its sustainability at risk. In previous sections it was mentioned that producers have personal loans with local agro-input distributors; however, they do not have the backing of an organization that allows them to acquire better quality inputs, that is, this personal credit is used only to acquire low-cost and quality agricultural inputs for fear of over-indebtedness.

Reduction of the economic growth of the rural family and the municipality

The first and main beneficiary of a profitable corn activity is undoubtedly the producer and his family. The second big beneficiary is the municipality. If, due to the absence of an efficient peasant organization, the producers do not have the necessary conditions to maximize profits, due to the fact of not being able to solve financial or technical problems, money will be left on the table - this phrase comes from the world of poker and means wasting business opportunities to earn more money, which are there but are not taken care of, something detrimental to the producer’s economy and to the local and regional economy. According to Johnson and Mellor (1962), agriculture can make a net contribution to the capital needed for fixed investment and the subsequent growth of secondary industry, thus playing a very important role in the economic growth of a region.

Conclusions

Given its popularity and importance, corn allowed us to describe a typical Mexican organizational problem around an agricultural activity. It is difficult to mention which of all the problems explained was the most important given that they are all relevant, but at least if we can say which of all of them was the most frequent in the field interviews. The most frequently encountered problem were disagreements between producers, which originate in the past, but their repercussions permeate today in the form of a lack of interest and aversion to the organization. This situation does not preclude the existence of other psychological or sociological reasons behind the disagreements and of which the producers have refused to speak during the interviews.
It is also difficult to put in monetary terms what are the indirect costs to the producer due to the precarious existing organization, since to carry out this exercise, too many assumptions would have to be made. However, these costs negatively impact the producer in various areas, such as productivity, competitiveness, profitability and adoption of technology.

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