On a national level, southern Mexico is the region with the highest level of ecological as well as cultural diversity. This multicultural, multilingual region has produced many renowned intellectuals and politicians and is a center of artists and artisans. This present work addresses the persistence of poverty, repression, and rebellions in southern Mexico. The analysis takes place amid the scenario of a growing number of armed groups as well as an increasing number of peaceful movements seeking social, economic, and political change in southern Mexico. In understanding poverty and the reasons for an escalation of conflict, the use of Amartya Sen’s entitlement approach as the guiding methodology will become increasingly obvious to the reader. The leading analytical question is the following: What have been the main socio-economic and political conditions for the rise of past and more recent rebellions in Chiapas, and to what extent have these rebellions been driven by the search for the protection of collective interests and freedom? This analytical question is answered before considering questions of a more normative nature, namely the crucial question: Under which conditions could more positive outcomes (rather than violent uprisings) be feasible?

After reviewing reports on poverty and the activity of armed groups in the region, this work finds no direct correlation between levels of poverty or extreme poverty and the incidence of armed clandestine groups. A relationship is noted, however, between the formation of armed groups and the military repression of 1968 which ended with the massacre of students in Mexico City. According to this research the correlation of poverty and armed activity is of a complex nature. Evidence presented indicates the existence of a latent-open conflict, and it is argued that this cyclical conflict appears to be rooted in the fields of economics, polity, society, and culture. This latent conflict has emerged in the past and may continue to surface due to its nature of long duration. In looking back at the situation of colonialism, it is indicated that the use of violence, which may be practiced by the resistant collectivities to achieve liberation, self-esteem, and to protect identity, could not be the primary source of violence. Nor can a
situation of open conflict be solved by declaring peace or by calling for new elections while ignoring the roots of the conflict.

This thesis argues that rebellions (and more specifically the Chiapas rebellion) form part of an ongoing continuous latent conflict rooted in the colonial period. In the past rebellions in Chiapas appear to have been sparked by conflict over religious affairs, with collective rebellious movements taking the form of a cultural, economic, political expression as dissidents attempted to establish an Indigenous church and re-establish the local economic practices suppressed and disregarded by the imposed economy of extraction. It was at this stage that the rebellions were militarily crushed.

Historically rebellions have shared recurrent themes, such as identity, an erosion of the legitimacy of rulers, demands for restitution and autonomy, and the protection of rights to the land. The rebellion of Chiapas in 1994 in its own particular fashion also shares these recurrent themes. In exploring the economic reasons why people might opt for the use of violence to change the social and economic conditions in which they live, this analysis highlights the following main preconditions. Prior to the Zapatista uprising, human rights actors, the Catholic dioceses in San Cristóbal de la Casas, and indigenous movements, as well as the already established Zapatista army, testified of the social and economic deterioration of peasant and indigenous communities in Chiapas. The crisis was manifested with an obvious disregard for an economy oriented inward. Instead it demonstrated an aggressive implementation of economic policies geared toward the outside, including the stabilization of the Mexican economy, restoration of international confidence, competitiveness, economic growth, liberalization, and privatization. At a community level, the crisis resulted in an acute process of disengagement characterized by multiple deprivations and accompanied by a strong sense of humiliation.

Two dynamic elements are argued to be sources of marginalization and to lead toward disengagement and the disabling of people’s capacities. First, the evidence of a dynamic
process of enrichment and impoverishment is manifested in three types of exclusion of the Mexican economy at a global level. The first type, property-exclusion, is one in which Mexico is excluded from the monopoly and creation of international currency, experiencing an increasing debt, an urgency for international currencies to fulfill international obligations, and capital flight. The second is entry-exclusion, in which Mexico faces difficulties exporting to industrialized economies even though international financial organizations, which are mainly from the west, encourage Mexico to increase exports. The need to export has in many ways shaped the use of land in Chiapas, which is increasingly dedicated to this purpose, and less and less to satisfying basic needs. The third is scarcity-exclusion, impeding Mexico from fulfilling its scarcities. As foreign investment expands in Mexico, new scarcities are created due to the stronger presence of foreign products on the national market as a consequence of advertising and mass marketing. Foreign products overcrowd domestic products and elevate the cost of resources which are increasingly in greater demand. In general local companies and domestic markets lose their share of the market and the possibility for expansion. The process of impoverishment and enrichment needs to be seen as part of a larger process where certain actors gain double or triple shares while others are forced into exclusion from benefits.

The second source of marginalization has been the failure of entitlements which leads to a failure of acquirement. Evidence shows that peasant communities contain an extended system of entitlements rooted in the principle of reciprocity, which is more fragile than that of urban settings due to their close dependence on the land. As the removal of labor from a subsistence economy to a more productive sector was encouraged by the economic process geared toward productivity, peasants were removed without the protection of their entitlements and became subsistence workers. When their employment ceased, peasants were found to be in persistent marginalization. In 1992 the modification of the Mexican constitution, nullified the protected rights of communities over communal land, and was deemed a death sentence for those
who had held hope for a future improvement of their fate. It became clear that the removal of entitlements over the land would totally eliminate the possibility for people to carry out productive activities and gain access to dignifying livelihoods, constraining their ability to acquire satisfiers to fulfill fundamental needs. From this perspective, the rebellion was an attempt to protect entitlements from below.

Both the process of impoverishment-enrichment and the process of failure of acquirement are claimed to be part of a single general process of accumulation, where modification of legal entitlements and rights are carried out to accommodate the interests of powerful actors, pushing others to entitlement failure.

The alternative scenario, voiced by actors in the struggle, is one where people and their dignity remain at the center. Humiliation cruelly destroys the capacity of people to believe in themselves and act with confidence to modify their own circumstances, yet human dignity requires the respect of the right of individuals as well as groups to take initiatives and play an active role in the process of decision making when those decisions will bring about economic and political outcomes that will affect their lives.

This scenario can ease tensions and offer better outcomes instead of intensifying open conflicts. Recognition, assurance of entitlements and rights, human security, and human development are the focus of current struggles and cannot be avoided when an alternative scenario is considered. This alternative scenario grows out of the daily struggle of collectivities, to strengthen economic practices that prioritize livelihoods, local markets, and economic arrangements in tune with the regional and communal environment. In the past these economic and political expressions appear to have been disregarded, sabotaged or disabled. Nevertheless, this type of Mesoamerican economy has survived and remains vigorous. The concepts of true-to-culture economy, inner economy, and inner economic growth are proposed to describe a living economy--the expanding and flourishing economy in southern Mexico which is frequently found to be in resistance to
the mainstream economy, the *outer economy*. The inner economy process is mainly impelled by the initiatives of the poor (growth *by the poor*). It also embraces efforts from below and an upstream flow of rights, dealing with conflict in proactive ways through existing mediation mechanisms with the support of other actors and the state. This inner-economy route points to the realization of an economy guided by self-reliance and economic security, building on already-existing countable as well as non-countable resources.

Finally, this work argues that ignoring the urgency for a reorientation of the economy toward the protection of the dignity of people will perpetuate the current trend of events. Two principal tendencies will continue in motion if no action is taken. First will be the continued pursuit of stabilization and outer growth and the designing of economic policies accordingly, causing in the end a pressure on entitlements and a continuing tension in the region. Given that the first tendency of the economy is mainly oriented to external interests and the interests of powerful players at the national level, the second tendency is found in the growing number of negative effects on civil society due to the impoverishment and enrichment processes which in the end foster a failure of entitlements and failure of acquirement. Thus, as the failure of entitlements and the process of disengagement progress, attempts from below to protect entitlements or to stop unbearable levels of humiliation will continue. At this point the latent conflict is more likely to reappear as an open conflict. Consequently more counter-insurgency activity can be expected along with an increase in official assistance programs in an attempt to temporarily alleviate the symptoms of humiliation, and extreme exclusion, and to avoid an increase in the number of people contesting the state in an open armed rebellion.