

Incidence of the COVID-19 Pandemic in the family economy of the toast producers in Huarumbo, San Pedro Mixtepec, Oaxaca Mexico (2019-2020)

Incidencia de la Pandemia COVID-19 en la economía familiar de las productoras de tostadas en Huarumbo, San Pedro Mixtepec, Oaxaca México (2019-2020)

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Abstract

In this research, it is considered that the main problem faced by the 52 micro-enterprises of women producers of toast in Huarumbo, San Pedro Mixtepec, Oaxaca in Mexico, in the period 2020-2021, is the decrease or loss of their subsistence income, leading them to remain weakly in the market, which affects the social welfare of their families. This problem is considered a product of the COVID-19 pandemic and the economic crisis generated, as well as the Mexican neoliberal economic model that no longer responds to the well-being of most of the society, but on the contrary, contributes to inequalities of the regional development; and on the other hand, due to the inefficient model of traditional individual organization in the production and sale of toasts, which limits the obtaining of income. The objective was to carry out a strategic analysis (SWOT) of the rural producers through field work, to arrive at the identification of a strategy that improves the organization of their economic activity. The results of the analysis made it possible to determine the existence in the external environment of four threats and six opportunities; meanwhile, in the internal environment, four strengths and six weaknesses were appreciated. Based on this, a strategic objective, a general strategy and six specific strategies were established. The conclusion establishes as necessary to promote the formation of a Cooperative under the social and solidarity economy approach for the 52 toast producers, to enhance their strengths and reduce their weaknesses, in the face of a hostile and threatening external environment.

COVID-19 pandemic and family economy, Strategic analysis, Toast producers

Resumen

En esta investigación se considera que el principal problema que enfrentan las 52 microempresas de mujeres productoras de tostadas en Huarumbo, San Pedro Mixtepec, Oaxaca México, en el período 2020-2021, es la disminución o pérdida de sus ingresos de subsistencia, orillándolas a permanecer débilmente en el mercado, lo que afecta el bienestar social de sus familias. Este problema se considera producto de la pandemia del COVID-19 y de la crisis económica generada, así como del modelo económico neoliberal mexicano que ya no da respuesta al bienestar de la mayoría de la sociedad, sino por el contrario, coadyuva a las desigualdades del desarrollo regional; y, por otro lado, por el ineficiente modelo de organización tradicional individual en la producción y venta de las tostadas, que limita la obtención de ingresos. El objetivo fue realizar un análisis estratégico (FODA) de las productoras rurales mediante trabajo de campo, para llegar a la identificación de una estrategia que mejore la organización de su actividad económica. Los resultados del análisis permitieron determinar la existencia en el entorno externo de cuatro amenazas y seis oportunidades; por su parte, en el entorno interno se apreciaron cuatro fortalezas y seis debilidades. Con base en ello, se estableció un objetivo estratégico, una estrategia general y seis estrategias específicas. La conclusión establece como necesario impulsar la conformación de una Cooperativa bajo el enfoque de economía social y solidaria para las 52 productoras de tostadas, a fin de potenciar sus fortalezas y disminuir sus debilidades, ante un entorno externo hostil y amenazante.

Pandemia COVID-19 y economía familiar, Análisis estratégico, Productoras de tostadas

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Introduction

Mexico is today in 2021 facing one of the most severe economic crises in recent decades triggered by the COVID-19 health pandemic and by the lack of response to the problems of inequalities of economic and social development of the neoliberal model of the economy, a phenomenon that distresses all Mexicans in general.

The confinement of the population for more than a year to avoid the contagion of such a lethal virus, has included the stoppage of non-essential economic activities, which has reduced the mobility and circulation of inputs, goods and services, causing the partial or total closure of micro, small and medium enterprises (MSMEs) mainly the weakest, and thus exacerbating unemployment, lack of income and the well-being of the majority of the population. This economic situation has caused a multidimensional negative social effect in which phenomena such as the increase in poverty and marginalization, insecurity, problems of gender abuse, family violence and the advance of environmental deterioration are observed.

In this research we set out to analyze this threatening environment, so we will mainly address the effects of the economic crisis generated by the COVID-19 pandemic faced by family microenterprises of women producers of corn toast in the town of Huarumbo, which is located in the municipality of San Pedro Mixtepec in the Region of the Oaxacan Coast, in order to make a proposal that will help to face this economic crisis that many experts envision will take a long time for the recovery of the economy (See Maps 1 and 2).



Figure 1 Map 1 Location of the state of Oaxaca
Source: INEGI, 2020



Figure 2 Map 2 Location of San Pedro Mixtepec
Source: INEGI, 2020

According to the INEGI Population and Housing Census in 2020, the Municipality of San Pedro Mixtepec had a total of 49,780 inhabitants of which: 25,772 are women, representing 52% and 24,008 men equivalent to 48%. The localities with the highest concentration of population are: Puerto Escondido with 29,903 Hab., Bajos de Chila with 6,694 Hab., San Pedro Mixtepec with 5,103 Hab. and San Andrés Copala with 809 Hab. It should be noted that although San Pedro Mixtepec is the municipal seat, the center of greatest importance as a pole of population concentration and economic and social activities in the region, it is the Municipal Agency of Puerto Escondido that has become a national and international tourist destination and a pole of regional development for its effects of concentration and economic diffusion (INEGI, 2020).

The units of analysis in this research are the producers of toast located in the town (Ranchería) of Huarumbo, which is located two kilometers from the municipal seat of San Pedro Mixtepec and has 604 inhabitants, of which 314 are men and 290 women. In Huarumbo there are 52 producers of corn toast, which like many businesses, have been affected in their sales, income and family well-being by the COVID-19 pandemic and by the generalized economic crisis in Mexico. These producers of this traditional food of the region, work individually in their homes, like many other rural women in Oaxaca (making tortillas, tlayudas or corn memelas) to provide this precious food, which is consumed daily, to the urban areas of their region, in this case to the municipal seat of San Pedro Mixtepec and the City of Puerto Escondido that are its main markets (SEDESOL, 2013).

The problem

Given this context, this research considers that the main problem faced by family microenterprises of women producers of toast in the town of Huarumbo, San Pedro Mixtepec, Oax., is the decrease or loss of their income and profits, forcing them to remain weakly in the toast market, which affects the well-being of women and their families.

It is considered that this problem is the product of three factors: the first has to do with the environment of the Mexican neoliberal economic model that does not respond to the well-being of the majority of society, but on the contrary, contributes to the inequalities of regional development; secondly by the impact of the COVID-19 Pandemic and the economic crisis generated in 2020; and the third factor, by the inefficient model of traditional economy of individual organization of the producers of toast in the production and sale, which limits their activity in the markets of inputs and final goods and exposes them to the abuses of intermediaries.

It is recognized that a solution to this problem is to have a new form of economic organization for this group of rural producers, which is more efficient in their processes of production and distribution of their toast, which is fair, social and supportive in its administration.

Impact of the COVID-19 pandemic

Referring to the economic and social impact of the pandemic, several researchers have been given the task of raising their views in Reports and Articles, among which is the *Report of Perceptions to Action: Gender equality after COVID-19*, this document is based on the policy report of the UN Secretary-General on the impact of COVID-19 on women (UN, 2020). This publication summarizes data on the impact of the pandemic on women and girls, including the impact on extreme poverty, employment, health, unpaid care, and violence against women and girls. The publication also highlights the paucity of gender data and calls for greater investment and prioritization of data on the gender effects of the crisis. However, so far there are no studies related to the impact of the economic crisis due to COVID-19 on women producers of toast in the town of Huarumbo, San Pedro Mixtepec, Oaxaca.

We consider this research to be relevant as it aims to:

- a) Formulate strategies that raise the economic productivity of family microenterprises of women producers of toast and thus contribute to the local development of Huarumbo, San Pedro Mixtepec.
- b) Promote the improvement of the standard of living of the families of women entrepreneurs in these microenterprises.
- c) Combat the abusive and unfair intermediary that is practiced in rural areas, through a social and solidarity economy to strengthen microenterprises in the process of marketing their inputs and final products.

Hence, the objective of this study is to make a strategic analysis of the external and internal environment of the toast producers of the town of Huarumbo, San Pedro Mixtepec, Oax., identifying the opportunities and threats of the external environment generated by the COVID-19 pandemic and the economic crisis manifested since 2020, as well as the weaknesses and internal strengths of the traditional economy model of the producers in order to identify the possible strategies to improve production and distribution processes, enabling them to efficiently face market forces for both inputs and goods and services.

The methodology used is based on strategic analysis which is a process that is carried out to investigate the threats and opportunities offered by the external environment within which women producers operate and the study of the strengths and weaknesses of their individual organization, in order to formulate a strategy for decision making and the fulfillment of objectives according to Fred R. David in the *Comprehensive Strategic Management Model*, which is divided into three phases: formulation, implementation and evaluation. This research is located in the formulation stage of strategic analysis (David, 2013).

Women as entrepreneurs in rural family microenterprises

In a country with low economic growth such as Mexico, with social inequalities, both in cities and in rural localities, the entrepreneurial option of an increasingly large proportion of women constitutes a path to subsistence and personal and family sustainability. Rural economies have ceased to depend solely on agricultural activities, so other sources of household income are secondary and tertiary activities, as is the case of women producers of toast in Huarumbo, San Pedro Mixtepec, Oaxaca. In this sense, although the characteristics of rural microenterprises have been little studied, those that are led by women have still been less explored within the research.

Women currently account for more than a third of the people involved in entrepreneurship in the world. This phenomenon has not been exempted in Mexico and it is observed how women take an increasingly important role in the generation of new companies. One of the most relevant demographic phenomena of the second half of the twentieth century was the increasingly frequent incorporation of women into the world of work. Women's entrepreneurial activity is diverse and covers almost all sectors of economic activity. In Mexico, according to INEGI (2015), 79% of women who participate in the workforce are mainly engaged in trade and services (Chong González, 2019).

Speaking of the rural area, it can be said that it has also been profoundly transformed in recent decades. Women are key in this transformation of the rural environment, because for years, in addition to carrying out the work related to the care of the family, they have carried out multiple tasks concerning agricultural productivity. And as a result, their incorporation into the labor market has grown considerably, such is the case of the deterioration in the living conditions of rural families, which led them to begin to create strategies to survive (Barrón, 2013).

In addition, international migration processes, mainly of men, have an important impact, since they favor the feminization of agricultural activity, as well as many other economic managements.

The potential of women entrepreneurs in the rural world is very high, since they are considered as the main precursors of entrepreneurship, not only related to innovation, but to the future that awaits them, however, more studies and public support are needed to promote that entrepreneurial culture.

As for the potential, it is considered to be considerable, by virtue of the fact that whenever one thinks of the rural one thinks of livestock, agriculture and possibly tourism; however, the processing sector also has ample potential to be harnessed to add value to primary sector products.

In the rural space, entrepreneurs now become protagonists of the new era that begins, as farmers once were. And in an ageing and almost youthless environment, the promotion of female self-employment and women-led enterprises is currently one of the pillars of rural development policies (Camarero, 2007).

Therefore, it is considered of the utmost importance to continue promoting women entrepreneurs who already have a rural microenterprise in the transformation sector with products such as food processing and other agricultural-based products. Next, we must promote the education of girls and generate a commitment to the development of their community, since currently every time a girl goes out to study, she no longer returns and that human capital of the rural world disappears. In spite of everything, the majority of rural entrepreneurship is taken over by women and therefore, these girls must be taught that the future is also in their rural world. There are many opportunities to research and develop new product lines, new ways of life. The internet is a powerful medium for this, so new technologies must be supported (Waiter, 2007).

Women play a key role in family businesses, whether they are actively involved in their operation (working or running the company) or not. Although they are not explicitly involved, women permeate family relationships by mediating conflicts, acting as "family glue", supporting the motivation of the entrepreneur and decisions related to the business.

More actively, women can participate in the family business with or without recognition of their contribution in terms of positions or salaries. Health or economic crises, such as the one we are experiencing in the world and in Mexico due to the Covid 19 Pandemic, increase the probability that families will consider the idea of incorporating daughters into the company. Many times, the entry of women into the family business is due to external factors such as the sudden death of the founder or the punctual need for labor. There are numerous advantages for women in family businesses including flexible hours, access to positions traditionally held by men, job security, professional challenges, and opportunities for personal growth (López Nicolás, 2014).

We know that Human Development is the process by which we seek to expand the same options for all people and not just for a few. The right to education, housing, decent work, health service, and equity, the recognition of the rights of women, ethnic minorities, the fight against gender discrimination, are challenges of the same magnitude as the abolition of slavery and the elimination of colonialism (UN, 2020).

In the case of indigenous women, there is a situation of double discrimination: by gender, and by their ethnic origin, in addition to poverty and social backwardness. The path to their empowerment is a political process that should be accompanied by an inclusive philosophy characterized by consciously and voluntarily assuming an active role (Coughlin, 2002).

To promote the empowerment of rural and indigenous women in Mexico, through their participation in social entrepreneurship projects and social microenterprises, it is proposed to build a process based on five components that are: 1) The critical review of cases in the world on women's empowerment from social entrepreneurship, 2) The definition of the concept of "women's empowerment", 3) The recovery of different cases of empowerment through microcredit, 4) The relationship between social microenterprises and productive projects and, 5) The review of successful cases in the world (Robinson et al., 2019).

Micro, small and medium-sized enterprises (MSMEs) represent the main engine of many economies around the world, as they are a fundamental part of economic units and generate most of the jobs and Gross Domestic Product (GDP). Rural enterprises play an important role of a social nature in Mexico, both for their role as creators of employment, buffers of social problems and as an instrument of cohesion and social stability (Góngora, 2013).

Although microenterprise does not generate high added value in Mexico, it is of great importance given its economic and social functions, since it represents an alternative to the problems of poverty and employment, which makes it an element of great potential for the regions (Díaz, 2018).

This importance justifies the need to promote the creation and survival of this type of companies since they are a source of employment, wealth and social welfare, there is a relationship between rates of business creation and economic growth, in addition to other important effects (OECD, 2013).

Human capital is one of the internal factors that has a high impact on the success of companies, this factor is reflected by teamwork and the prepared workforce that brings experience and creativity to the organization.

Rural microenterprises have strengths and weaknesses in relation to their survival or failure in the market. The strengths that favor the survival of microenterprises are: ownership, administration and entrepreneurship, as well as the basis of creating an environment that manages to distance the family, property and business environments to the right extent, a situation that is only possible through professionalization and the development of administrative protocols. The management of resources and human capital contribute significantly to the competitive success of companies. This factor is driven by entrepreneurship, the socio-cultural environment and individual interactions (Muñoz et al., 2014).

According to the UN (2020) economic crises hit women hardest. This is due to the following: women tend to earn lower wages; have less savings; the informal economy concentrates a much higher number of women; women have less access to social protection; women are more likely to be the ones to take care of unpaid domestic and care work and therefore have to leave the labour market and most single-parent families are headed by women.

In relation to its weaknesses, we can point out the lack in management and management skills, which implies fewer chances of survival within the market, since management structures are correlated with the longevity of the company.

Other problematic factors they face are deficiencies in internal management. It is stated that organizations face their main problem in being able to reach the stages of maturation that require the dissociation between control, management and administration and family control structures (Esparza, 2011).

The social economy and solidarity an alternative to capitalist neoliberalism

It is considered that the so-called neoliberal period was nothing more than a response to the crisis provoked by the "benefactor" or paternalistic states of the forties, fifties and sixties, which decayed into a defective free market, and which in the end was still based on the reductionism of the State-market formula (Montes, 2009).

This analysis shows the social economy or solidarity economy as a way to achieve a hybridization of the economy, that is, an articulation between the economy, the market, the non-monetary economy and society.

There are different definitions that vary according to the socioeconomic, historical, cultural and political context of each country or region; however, the National Institute of Social Economy of the Secretariat of Welfare of the Federal Government (INAES) defines it as "the economic activity carried out by Social Sector Organizations (OSSE), based on democratic decision-making, social ownership of resources, equitable distribution of benefits among its members and social commitment in favor of the community.

The OSSE are those organizations that adopt the form of a figure that complies with the regulations of the Law on the Social and Solidarity Economy, corresponding to: Ejidos, Communities, Workers' Organizations, Cooperative Societies, Companies that belong majority or exclusively to workers and in general all forms of social organization for production, distribution and consumption of socially necessary goods and services" (INAES, 2021).

This model of social and solidarity economy is an alternative to the neoliberal model of production, marketing, consumption and credit, since in addition to improving the living conditions of the popular classes, they constitute embryos of another more just, democratic and sustainable economy.

The concept of "Social Economy" (ES) emerged in Europe, probably in France in 1830, as an inseparable manifestation of popular associative movements. This year, the French liberal economist Charles Dunoyer published a Social Economy Treatise that advocated a "moral approach to economics." The definitive organization of the doctrine was carried out in connection with the practical development of the movement above all by the contribution of the "Pioneers of Rochdale", who precisely concretized the cooperative method and laid the cornerstone of the cooperative building (Izquierdo, 2018).

One of the main components of OSSES has been corporativism; the principles that regulate cooperatives, even today, are based on those of the Rochdale Cooperative of England, which were adopted by the International Cooperative Alliance created in London in 1895 (INAES, 2021).

In Mexico, an aspect of the Social Economy has historical origin in traditional forms of social organization and common land tenure, such as the calpulli and the tlamilli, the indigenous community and the ejido. During the Colony, the traditional forms of ownership of indigenous communities were recognized and ejidos were created that were lands of common use of the peoples (INAES, 2021).

Another historical aspect of the social economy has its origin in guilds, mutual societies and cooperatives. With antecedents in the colonial period, mutualism developed in Mexico in the nineteenth century, as a means for associates to cope together with eventual risks or raise their well-being. Also in the nineteenth century, artisan weavers of rebozos and hats, tailors and typographers formed the first Mexican cooperatives to carry out sales and other activities in common (INAES, 2021).

Currently in Mexico the organizations, of social economy and solidarity show great diversity and heterogeneity in terms of: organizational maturity, social composition, turn, size, economic and social results, Influence in the communities where they are located. Also, numerous organizations of social and solidarity economy, present deficiencies and / or problems, among others of: organization, economic and financial, ignorance of the market, information, infrastructure, permits, registrations and / or licenses, competitiveness (INAES 2021).

The benefits provided by the Social and Solidarity Economy are many, among others are: it brings together capacities and resources of many generating synergies; revitalizes rural and urban communities, strengthening local or regional development; generates social capital at the local level: relationships of solidarity and trust, community spirit, participation in society; promotes greater social cohesion; integrates excluded and marginalized people; develops entrepreneurial capacities in people who promote local development; favors processes of productive integration and creates networks to participate in markets in better conditions and contributes to reducing social inequalities (INAES, 2021).

Finally, as ECLAC points out, (2020) the solidarity economy represents an effort to rebuild society on the basis of something that has existed since time immemorial. The crisis of capitalism and neoliberalism have generated a disintegration and decomposition of modern society, which has had to find new ways to counteract these negative effects on its well-being.

The principle of self-management has become an important governing body of the economy. Likewise, mutual aid has become the greatest source of human progress. This seeks to rebuild and strengthen human communities, as a social foundation for the formation and development of organizations and companies, achieving improvement in the quality of life of their associates (ECLAC, 2020).

Methodology

To elaborate this research, we have based on the deductive method which starts from the particular analysis to reach general conclusions. For the strategic analysis we have relied on the methodology to elaborate a diagnosis proposed by Fred David in his book "Concepts of strategic management" and the proposal of José Luis Ramírez Rojas in the document "Procedure for the elaboration of a SWOT analysis as a tool for strategic planning in companies". These methodologies are based on an examination of the conditions in which the toast producers of Huarumbo de San Pedro Mixtepec, Oax. develop their activities. Therefore, it requires knowledge of the conditions of the external environment that surrounds them and the internal one related to the characteristics of their organization of the production and marketing of their product, to determine the possibilities of development of their family microenterprises. In order to identify these circumstances, documentary research was carried out supported by official and field statistics through the support of the observation and application of questionnaires to the 52 producers (David, 2013).

In this phase of the research, a descriptive and analytical research was carried out that aimed to identify the environment in which women producers of toast develop their economic activity.

This environment is divided into the macro and microenvironment. The first covered, in addition to the COVID-19 Pandemic and the economic crisis, the great macroeconomic, political, social, and cultural phenomena of the environment; and the microenvironment aimed to analyze the characteristics of the market faced by the organization under study.

Regarding the internal environment, its objective was to identify and describe the characteristics of the weaknesses and strengths that toast producers have in the face of the changing threats and opportunities offered by the external environment. After having carried out the SWOT analysis, we proceeded to establish the weighting of each variable to proceed with the calculation of the strategic balance, which allowed to define the main strategies so that these producers can make the most of their strengths and opportunities and minimize the impact of threats from the external environment and their weaknesses (Ramírez, s/f).

Results

The toast producers are located in the town of Huarumbo, belonging to the Municipality of San Pedro Mixtepec, which is located in turn in the Coastal Region of the State of Oaxaca, Mexico. This municipality is located at the coordinates 97°05' west longitude, 16°59' north latitude and at an altitude of 220 meters above sea level; it limits to the north with the municipality of San Gabriel Mixtepec; to the south with the Pacific Ocean; to the east with Santa María Colotepec; to the west with San Pedro Tututepec and Santos Reyes Nopala. (See Map 3).



Figure 3 Map 3 Location of Huarumbo, San Pedro Mixtepec, Oax.

Source: SCT, 2015

Regarding its government, organization and internal administration and in accordance with the Law of Territorial Division of the Free and Sovereign State of Oaxaca, this municipality is composed of a town, three municipal agencies (Municipal Agency of Puerto Escondido, Municipal Agency of Bajos de Chila, Municipal Agency of San Andrés Copala), a Police Agency (La Reforma) and 25 "rural nuclei" (INAFED, 2016).

According to the available census data, the Municipality of San Pedro Mixtepec had in 2010 a population of 4,453 Inhabitants, an average degree of marginalization and population in extreme poverty that is found in rural localities (INAFED, 2016).

The Municipal Agency of Puerto Escondido is a pole of urban development of the Oaxacan Coast Region and has a population of 25,902 Hab. with an average degree of marginalization. Its main activity is national and international tourism and trade, banking services and services of all kinds, to serve the regional area of influence (INAFED, 2016).

One of the "rural nuclei" is called Huarumbo, it is located north of the municipal capital, with a population of 504 Hab., with a high degree of marginalization, a traditional economy and have agriculture as their main activity (INAFED, 2016).

In this small town, 52 of its women have found themselves in need, (due to the precarious family income), to start family microenterprises as producers of toast (a tortilla roasted by fire), to obtain the necessary income for subsistence. The sale of these food products, typical of tradition and a pre-Hispanic culture, are carried out mainly in the head of the Municipality, in Puerto Escondido and other nearby towns, having to move outside their locality to these markets to acquire both their inputs and to sell their products.

The external environment

The economic activity of women producers of toast has been impacted like most of the economic activities in the world and our country, by an extremely difficult external environment due to the economic crisis of 2020, due to the closure of businesses or the decrease in demand, and the difficulty of obtaining inputs, as a result of the confinement of the population and the partial or total unemployment of economic activities due to the COVID-19 Pandemic, which generated in the family microenterprises of women producers of toast, a decrease in their income for family subsistence.

This is reinforced by what Moreno and Moreno (2021) pointed out when saying that "for the Colombian coffee agribusiness the pandemic was not only a limitation but was also the root of inconveniences that occurred this year, which hindered the free development of this economic activity and both producers and consumers were involved in the difficulty of producing and acquiring the product in a traditional way ..."

Another phenomenon that has contributed to the decrease in their income has been the increase in inflation in these times of crisis. The National Institute of Statistics and Geography (INEGI) reported that in the first half of April 2021 the National Consumer Price Index (INPC) registered an inflation of 0.06 percent compared to the previous fortnight; with this result annual inflation stood at 6.05 percent (INEGI, 2021).

If we add to this phenomenon the unequal exchange made by the producers of toast, when selling in the most developed areas such as Puerto Escondido their cheap product and buying in this city the most expensive inputs and services, we will understand the process of exacerbating their poverty.

Another threat faced by toast producers is related to the increase in competition for other women producers from other localities in the region who have also seen the need to earn a living by selling toast in the Puerto Escondido market, which is the largest in this region. Thus, affecting the income of the group of producers object of our study. Likewise, and as a result of the confinement of the population due to the COVID-19 pandemic, toast consumers have been forced to buy substitute products for commercial brands in convenience stores, thus reducing the income of toast producers.

In this sense, Almachi (2020) mentions that "in every business there is the risk of the proliferation of companies of the same nature and with it the latent danger of the loss of validity of the company, the proliferation of companies generates an aggressive increase in competition ... to which the company in creation must take new strategies to position itself in the best possible way in the competitive market."

However, despite the negative effects of the impact of the COVID-19 pandemic and the national economic crisis, there are opportunities that have been observed and that with a good strategy can be taken advantage of for the benefit of toast producers such as:

- The support that the federal government through its institutions such as the Ministry of Economy, with support programs for microenterprises, the Secretariat of Welfare with its social assistance programs and the National Institute for the Social Economy (INAES) for the support of social organizations of producers, and the Mexican Institute of Social Health (IMSS) to offer health security and retirement for workers, However, most of these financial, fiscal and social security supports that microenterprises can receive for their development by the government, can only be received as long as they are formalized and registered in the Ministry of Finance, a situation that toast producers currently do not want to do individually, because their income is not enough to be paying taxes or fees to the government (INAES, 2021).
- Another opportunity offered by the federal government is the support provided by the National Institute of Social Economy (INAES), to producers who wish to form a productive social organization, by virtue of the fact that its purpose is to implement public policies to promote the social sector of the economy, in order to strengthen and consolidate the sector as one of the pillars of economic development of the country, through participation, training, research, dissemination and support for productive projects in the sector (INAES, 2021).
- Likewise, the support offered by the municipal authorities of San Pedro Mixtepec, Oax., for any organization in the procedures carried out for the benefit of their economic activity by the producers of the Ranchería de Huarumbo is considered an opportunity.

- Another opportunity offered by the market is the existence of the regional custom of the consumption of toast for daily food, which ensures the permanence of the daily sale of the producers and their expansion to other localities in the region.
- Finally, another opportunity of the environment, is the recent introduction of lines of telecommunications companies in the town of Huarumbo, which allows them a more agile and expeditious access to the internet, cell phones and social networks in the region and with the world in general, which is allowing toast producers to expand their access to the market of inputs and the sale of their toast, which greatly benefits the horizon of its economic activity.
- In relation to the administration of their activities, we can say that there is no planned administration since, none of the 52 producers deliberately plans the development of their business, they do it, because it is part of their heritage and custom and above all because from there, they obtain economic resources for their subsistence. A weakness identified is that they operate in informality, that is, they are not registered in the Secretariat of Finance and Public Credit (SHCP) or in the Mexican Institute of Social Security (IMSS) so they do not pay employer contributions to the government, but they lose the financial, fiscal and social security support that they could obtain from the government.

The internal environment

To carry out the analysis of the internal environment, that is, of the characteristics of the economic activity carried out by the toast producers of Huarumbo, San Pedro Mixtepec; Oaxaca., we rely on a survey-interview applied to 100% of a total of 52 producers.

From this fieldwork the following characteristics can be noted:

- The average age of this group of workers ranges from 18 to 50 years, 61% have primary schooling and 39% secondary level.
- In terms of marital status, 20% are married, 76% are single mothers or mothers in free union and 4% are widows. Most women have between 3 and 4 children.
- The total number of women surveyed declared themselves heads of household, so they bear greater responsibility for obtaining income for family subsistence.
- The producers of Huarumbo, practice with their family a traditional economy, of subsistence dedicated to the agriculture of corn and the processing of this in toast, whose main objective is not necessarily to maximize their profits, but rather to generate income only for daily subsistence, which limits the idea of economic growth of their business.

As for the process for the elaboration of the toast, we can point out that this is basically traditional and individual and is carried out by the producer as a leader, with the support of the members of the family and consists of the following activities: first the selection of the corn is made, it is washed, it is put on the fire with wood, with water and lime in a bucket, after the corn was sewn, it is washed to remove the lime, then it is taken to grind in the mill of the town, (it should be noted that only 5 producers of a total of 52, has electric mills in their home. Then the dough is prepared to later make the tortillas and cook them in the clay or metal comal, which are left a little longer to acquire the toast that characterizes them.

It should be noted here that in most cases they use a traditional anafre and comal made of clay, there are very few that use comales made of sheet, which reflects the weakness of their technological backwardness in their tools and equipment used. It should be noted that, in this production process, a lot of firewood is used as energy, with the consequent damage to the environment of the region. As for the origin of the main input for the elaboration of toast, we can point out that the spouses or couples of the producers who have one or more plots of land, sow organic corn, which reaches them for eight months of toast production. In the applied survey, the majority of women commented that one of the strengths of their business is their toast, since they are large, of quality and at a good price because they use quality inputs (organic corn) and at the time of elaborating them they do it hygienically so that they are accepted by customers for their flavor.

However, the producers consider that one of their main weaknesses is when quality organic corn is scarce, since they often have to buy transgenic corn and that represents for them a decrease in the quality of their toast and an increase in their production costs. This purchase of corn, obviously more expensive, many times, is made in the National Company of Popular Subsistence (CONASUPO) of the municipality, with known farmers or if they have no other alternative, they are forced due to their organizational weakness, to negotiate with the intermediaries (or coyotes) that through barter, at this time, change, corn and firewood, for the finished product (toast) plus some difference in money, benefiting notably in this transaction the intermediaries.

Toast is a traditional product very appreciated for daily food by the majority of the population residing in the region of the Oaxacan Coast, hence its demand is assured, however the COVID-19 pandemic affected them in their sales since they were closed and prohibited from attending the markets and restaurants in Puerto Escondido and they could not go to sell at these places and only the bags were sold of toast to customers who came to look for this product to their homes or in some cases began to be offered in the stores of the municipality.

Toast producers in 2019 produced and sold on average between 30 to 50 bags of toast, which contained approximately 40 toasts per bag, at a price of \$25 each, which represented an average income of \$1,500.00 per week; however, as a result of the COVID-19 Pandemic in 2020, its production and sales fell on average to 20 or 30 bags of toast and its income was reduced to \$750.00 per week, thus also reducing the acquisition of goods and services to meet family needs. It is to be appreciated that with these low incomes, toast producers face the weakness of not being able to save and be able to invest in better means of production.

The main points of sale of the toast producers are: the sale at home, the sale in stores of the head of the Municipality of San Pedro Mixtepec, Oax.; the sale in the market and restaurants of Puerto Escondido, which is located 18 km. from Huarumbo.

To reach this market, producers must walk with their bags of tortilla chips about two kilometers to be transported in passenger vans that take them to Puerto Escondido in more than half an hour approximately, exposing themselves to accidents and vandalism on this round trip. However, there are more localities in this region that represent a market potential for the sale of toast from these producers.

The marketing process is traditional, since they do not apply any advertising technique, the sale is only carried out by direct exchange between customers and sellers. One of the weaknesses of the marketing process that the producers pointed out is the discomfort of moving by public transport to the point of sale, since then the toast breaks when the transport is saturated. However, they point out that the greatest weakness in this time of pandemic for the commercialization of their toast, has been the sanitary restriction to leave their homes to sell imposed by the municipal authorities, due to the closure of the market and restaurants and other establishments where they sell their product.

Another weakness that the producers consider for their business, are the diseases they get to have, due to the physical activity they perform and the contact with the fire to toast the tortillas; diseases that limit them to work and to obtain the income of daily sustenance with the sale of their toast. As for the support that the government proclaims so much for the poorest and most marginalized, in the interviews with these producers they informed us that "no woman receives support from the government, only in electoral periods have they supported them with pantries, supplies for the elaboration of toast and currently five of them received electric mills".

In order to obtain information about the associativity of these producers, he asked them if they belonged to any association of producers, and based on their answer it was possible to verify that no woman belongs to any association of producers, and about their opinion on the possibilities of associating as producers?, most women distrust because some groups and associations have approached only to deceive them and request documentation, with which they manage support before government agencies and these "leaders" never deliver them to this group of women, but they would like to and agree that their product could be sold at a fairer price and in better production conditions.

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SWOT analysis

Based on the results, the following list of Threats and Opportunities could be identified in the diagnosis of the external environment:

External Environment

a. Threats

- Permanence of the COVID-19 pandemic and its confinement effects.
- Economic crisis and inflation.
- Increase in competitive forces in the market.
- Unequal exchange in the regional development pole.

b. Opportunities

- Fiscal and financial support from the government to formal companies.
- Access to social security to formal companies.
- Promotion of the training and formation of cooperatives by the INAES.
- Support of the municipal government to the efforts of the producers.
- Use of ICTs for commercial use.
- Potential of the regional market.

On the other hand, in the diagnosis of the internal environment, the following list of Strengths and Weaknesses could be identified:

c. Strengths

- Experience in the family production of quality toast.
- Existence of a traditional demand for toast in the region.
- Custom of community support for social organization.
- Little need for capital, easy technological adaptation and job creation.

d. Weaknesses

- Persistence of a traditional subsistence economy.
- Informality of micro-enterprises producing toast.
- Operation with traditional and obsolete technology with high energy consumption and damage to the environment.
- High costs of raw materials, materials and components.
- Capital shortage and difficulty in accessing financial services.
- Lack of social security for producers and workers.

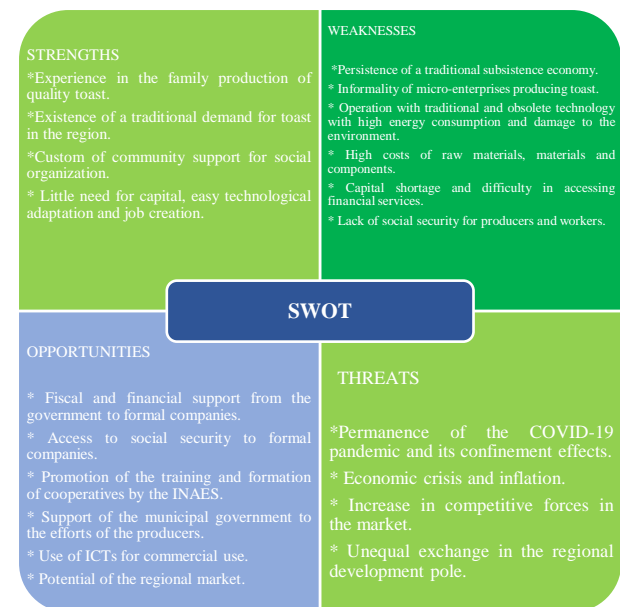


Figure 4 SWOT Analysis Matrix of Huarumbo toast producers

Source: Own elaboration

Weighting matrix

For the elaboration of this matrix, a weighting was considered for each of the strengths, opportunities, weaknesses and threats selected, at an established scale of 1 to 3, where 3 denotes the highest level of action, 2 the middle level and 1 the lowest level (Ramírez, s / f).

Strengths	Weaknesses	Opportunities	Threats	
Experience in the family production of quality toast. (3)	Persistence of a traditional subsistence and informal economy with low economic growth. (3)	Government fiscal, financial, social security and municipal support for producers. (3)	Trend of an economic recession in the short and medium term. (3)	12
Existence of a traditional demand for toast in the region. (3)	Operation with traditional and obsolete technology of high energy consumption and damage to the environment. (3)	Support programs of the National Institute of Social Economy for the formation of cooperatives. (3)	Tendency to continue with the spread of COVID in the short term. (2)	11
Community support for social organization in the town of Huarumbo. (2)	Lack of health care services for producers and their workers. (3)	Introduction of the ICT service in the municipality. (2)	Abusive intermediaries in the market for inputs and final goods. (3)	10
Low capital requirement, easy technological adaptation, job creation. (3)	Lack of capital and technology to improve the production and distribution of toast. (3)	Potential market for toast products and other corn derivatives in the region. (3)	Increase in the competitive forces of the toast market in the region. (3)	12
	Unequal exchange in the purchase of inputs and sale of final product. (3)		Demand of the Government in the formalization of microentrepreneurs to receive economic and fiscal support. (2)	5
11/50 = 22%	15/50 = 30%	11/50 = 22%	13/50 = 26%	50 = 100%

Table 1 Weighting Matrix

Source: Own elaboration

When applying the methodology proposed by Ramírez (s / f) to the case at hand, we find that the risk factor is greater than the optimization factor, which reflects that the entrepreneurs producing toast in Huarumbo are in a risk area, hence the need to look for alternative solutions to enable their permanence in the market in better conditions.

F+O (Optimization Factor)	D+A (Risk Factor)	TOTAL
44 %	56%	100%

Table 2 Optimization and risk factors

Source: Own elaboration

Strategies from SWOT Analysis

By being clear about the situation that the organization keeps through the analysis of the external and internal environment, the corresponding weighting and the calculation of the strategic balance, we are able to distinguish which external factors could affect economic activity and what is available to deal with this situation. Taking into consideration the result of the strategic balance, the strategies that will allow toast producers to face the future in the best way were defined.

For this, there are four types of strategies: offensive, defensive, adaptive and survival. The goal of survival strategies (D+A) is to make toast producers able to overcome a complicated situation.

On the other hand, adaptive strategies (D + O) that integrate the weaknesses identified with external threats, what they seek is to turn the weaknesses strengths to take advantage of the opportunities offered by the external environment.

As for offensive strategies (F + O), they must take advantage of existing strengths to benefit from the opportunities that exist in the external environment.

Finally, defensive strategies (A + F) will allow toast producers to take advantage of the strengths they have to face the threats present in the external environment.

Taking into account the result of the strategic analysis, we proceeded to the elaboration of strategies for the producers of toast of Huarumbo:

DA Strategies:

Promote a community program for access to social security.

Promote community purchases of inputs and final goods among producers to reduce expenses.

Establish new market niches for the sale of toast in the region.

Identify new forms of organization for the production and direct sale of toast, eliminating intermediary.

DO Strategies:

Select a training program for toast producers.

Move from the traditional economy of informal subsistence to a modern economy (Cooperative) to avoid unequal exchange and abuses of intermediaries.

Diversify corn products in the region.

OF Strategies:

Formulate an action plan for the creation of a women's cooperative for toast producers.

Define a community program of commercial, financial and fiscal support.

FA Strategies:

Organize a defense program against the spread of COVID-19.

Take advantage of the knowledge and experience in the elaboration of quality toast taking advantage of the Creole corn of the region.

Formalize the economic activity of women producers of toast to have access to government support.

Conclusions

From the strategic analysis it can be concluded that in order to face the threats and take advantage of the opportunities offered by the current external environment that is distinguished by the COVID-19 pandemic, the economic crisis and the neoliberal model that benefits a few, it is necessary to take advantage of the strengths and minimize the weaknesses of women producers of toast, through the social and solidarity organization of a Cooperative, whose objective is governed by the principles of democratic participation in decisions, autonomy of management and the primacy of the human being over capital, for the benefit of the community and the environment. These Cooperative aims to be the bridge for toast producers to move from a traditional economy to a more modern economy that is fairer, more productive and with greater social welfare.

Strategic Objective: To create the Cooperative of Women Toast Producers of Huarumbo, San Pedro Mixtepec, Oax.

General Strategy: Promote the formalization of the Cooperative of Women Producers of Toast of Huarambo, San Pedro Mixtepec, Oax.

Actions:

- Train the members producing toast in corporativism.

- b) Promote the legal process for the integration of the Cooperative.
- Manage financial and fiscal support from the Federal and State Government.
- Facilitate the incorporation of members to the IMSS.
- Formulate a Competitive Improvement Program for Sustainable Production.
- Design a Commercial Improvement Program to cover the regional market.

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