This study examines the expropriation of American-owned land in Mexico during the Cárdenas and Roosevelt administrations from the "top down" and "bottom up" by tapping previously unused archival material. Focusing on Baja California's Mexicali Valley and Sonora's Yaqui Valley, this work illustrates that the loss of American-owned land in these regions was precipitated by agrarista movements led by landless rural workers. Striving to create a better life for themselves, most field-workers wanted their own plot of land to end a life marred by chronic unemployment, underemployment, low wages, poor working conditions and frequent migration in search of work.

In the Mexicali Valley, Cárdenas expropriated 420,000 acres of land owned by the Los Angeles-based Colorado River Land Company following the invasion of the company's holdings by 400 armed agraristas. Cárdenas seized the company's property to transfer control of the Valley's agricultural development from a group of U.S. businessmen to the Mexican government. While economic nationalism led to the loss of American-owned land in Baja California, in Sonora, domestic politics instigated the expropriation of dozens of individually-owned, medium-sized American farms in the Yaqui Valley. To gain the backing of Sonora's rural workers and the Yaqui Indian tribe, Cárdenas expropriated millions of acres of land in Sonora to broaden his base of political support against the state's conservative faction led by Governor Yocupicio.

The U.S. did not respond in a heavy-handed manner to the loss of American-owned land in Mexico because Roosevelt and Ambassador Daniels were sympathetic to Cárdenas's attempt to improve the living and working conditions of Mexico's rural masses through land redistribution. Also, many U.S. policymakers believed that Cárdenas's socioeconomic reform program would increase U.S. exports to Mexico and facilitate Mexican repatriation, thereby benefiting a depressed U.S. economy.

The Cárdenas administration also played an integral role in ensuring that the bilateral conflict over land was settled peacefully by employing the diplomatic "weapons of the weak." Mexican officials avoided precipitating hard-line U.S. policies during the agrarian dispute by frequently promising to compensate American landowners and halt the expropriation of American-owned estates. Foot-dragging, evasion, and noncompliance enabled Mexican officials to outmaneuver their U.S. counterparts and obtain substantial economic assistance from Washington in exchange for compensating American landowners.