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ECONOMIC COMMISSION FOR LATIN AMERICA
Fifth Session
Rio de Janeiro, Brazil

COMMITTEE IV (Agriculture)

SUMMARY RECORD OF THE FIFTH MEETING

Held at Rio de Janeiro on Monday 20 April 1953 at
10.50 a.m.

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Problems of land reform in connection with the
economic development of Latin America (continued)

/PRESENT:

PRESENT:

<u>Chairman:</u>	Mr. CRESPO ORDOÑEZ	Ecuador
<u>Rapporteur:</u>	Mr. GLOWER	El Salvador
<u>Members:</u>	Mr. BILLARD	Argentina
	Mr. ALCAZAR	Bolivia
	Mr. PINTO MACHADO	Brazil
	Mr. ACCIOLY BORGES	
	Mr. BERTENS	Chile
	Mr. MEJIA	Colombia
	Mr. GARRIDO	Dominican Republic
	Mr. DE TINGUY DU POUET	France
	Mr. SANTA CRUZ	Guatemala
	Mr. RIGAUD	Haiti
	Mr. ROBLES	Mexico
	Mr. CANTARERO	Nicaragua
	Mr. RADHAKISHUN	Netherlands
	Mr. CAVERO	Peru
	Mrs. WYLIE	United States of America
	Mr. WEISS	Uruguay
	Mr. CASAS BRICEÑO	Venezuela

Also present:

Representatives of specialized agencies:

Mr. MARRAMA	Food and Agriculture Organization
Mr. FORCART	United Nations Educational, Scientific and Cultural Organization

/Mr LARSEN

Mr. LARSEN

International Bank
for Reconstruction
and Development

Secretariat: Mr. AQUINO

Secretary of the
Committee

Mr. BARR

Chief, Agriculture
Division

PROBLEMS OF LAND REFORM IN CONNEXION WITH THE ECONOMIC
DEVELOPMENT OF LATIN AMERICA

Mr. CASAS BRICEÑO (Venezuela) commented that although the Economic Survey of Latin America 1951-52 (E/CN.12/291/Rev.1) mentioned his country among those which were pursuing mechanization programmes, no reference was made to the Governments agricultural development activities. It was especially important to point out the long-run progress that had been made with regard to transportation and the introduction of modern methods of cultivation in fulfilment of the national motto "sow the petroleum", because statistics published by international organizations suggested that Venezuelan agriculture had become stagnant.

He described some of the programmes carried out by the Government in mechanization, agricultural extension work, credit, irrigation and the cultivation of cotton; in the case of the latter imports had been completely replaced by domestic production. Of the numerous problems encountered in the programmes, the concentration of agricultural holdings was among the most serious, and consequently the Government had given much emphasis to the formation of agricultural

/cooperatives. He

cooperatives.

He proposed a resolution recommending that ECLA study the problem of land tenancy and distribution in each country of the area, taking into consideration specific local conditions.

The CHAIRMAN said that the Venezuelan representative's proposal should be submitted in writing.

Mr. CANTARERO (Nicaragua) said there was a general value in the specific ECLA statistics on agriculture; the report on the agricultural credit seminar (E/CN.12/305) and the study on Ecuador (E/CN.12/295) were very useful. He referred to the low investment in agriculture, and the difficulty of finding private interests willing to finance agricultural credit. That meant that governments had an important part to play. His country has experienced serious inflation for some time due to the expansion of agricultural credit, but nevertheless farming output had doubled as a result, with concomitant expansion of the cultivated area. He gave specific instances of such increases.

Nicaragua's main farming problem was the low level of wages and productivity, due to excess rural labour.

ECLA should not be asked for individual country studies on land tenure, and any specific recommendations on the matter were beyond the scope of the Committee, as they involved questions of individual domestic policy. He recommended however that the Secretariat should study land distribution in general and means for utilizing the land to the full. He agreed that both "latifundios" and "minifundios" should be viewed in terms

/of production

of productions rather than land area. Farms of up to 14 hectares were productive units in countries such as France, but not in Nicaragua, due to lack of capital investment and training.

Mr. DE TINGUY DU POUET (France) said that the divergence between the view points put forward at the previous meeting by the representatives of Guatemala and Ecuador should not be underestimated. The latter had defended the higher labour productivity of large units, as against the former's argument in favour of the social and political merits of small holdings. France had considerable experience in the matter, both at home and in the overseas territories and there was truth in both statements, which he felt to be complementary rather than contradictory.

France was the typical example of a country with small holdings, but it had been found that the larger units were more productive a circumstance which had to be reconciled with the desire in overseas territories to ensure that the maximum number of citizens owned their land.

The ECLA study on Chile (E/CN.12/306) showed clearly that the output per worker increased in direct ratio to the size of the unit, whereas the yield per hectare fell as the area increased. There were however cases where the yield per worker and per hectare grew simultaneously with the area. He referred to the situation in countries within the Soviet orbit, where the primary stage of re-distribution of land had been followed by re-grouping into larger units.

/France had

France had enacted legislation to protect the metayer and tenant farmers, and that had been followed by comprehensive educational programme, the improvement of cultural practice and the fostering of agricultural shows.

France had also laid stress on the co-operative principle in farming, with the setting-up of supply and sales co-operatives, and farm machinery co-operatives. Similar measures had been adopted in French overseas territories. Immense irrigation projects had been undertaken, together with others for rural electrification, provision of water, and road building.

France manufactured great varieties of agricultural machinery and tractors, many of which would be very useful to Latin America. His country was willing to provide all technical assistance requested in the field of agriculture.

Finally, he stressed that the social aspect was the most important one in agricultural development. The problem was how to give due prominence to social advancement and to improve the population's standard of living without a decline in output.

Mr. WEISS (Uruguay) said that land reform had not been on the agenda distributed before the session. Furthermore, the subject was very technical involving numerous other questions related to agricultural techniques, credit and investment, transport, alternative forms of organization and markets, accordingly it was inappropriate for the Committee to treat the subject in detail because the delegates had not come prepared nor was sufficient documentation available to consider all its aspects. The coming seminar on land reform was going

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to meet to consider just these issues, and ECLA's next Session could take up the seminar's report.

He recognizes that there was much need for further study of land reform in connection with overall economic planning, and that vague generalizations on the "latifundio" and "minifundio" should be replaced by specific information on minimum and maximum economic units appropriate in each activity and country.

The CHAIRMAN in reply to the Uruguayan delegate, agreed that the Committee could not arrive at any precise solution to the problem of land reform, which was complicated by the need for formulating a modern concept taking into consideration both capital and labour.

Mr. RIGAUD (Haiti) agreed with the foregoing speakers;; he and the other delegates were not experts on land reform and hence the Commission should await the results of the FAO seminar before pursuing the matter further.

Mr. ALCAZAR (Bolivia) recognized the value of ECLA's work, and outlined the special problems of agriculture in his country. Agriculture was largely on a subsistence basis and had been subordinated to mining in government policy. As a result, in many respects conditions in Bolivia were still typical of colonial economies, such as the concentration of land holdings, the failure to integrate the mass of the farmers into the national economy, low wage levels and the bad distribution of income. The Government was working intensively on the problem of linking the eastern and western parts of the country so as to integrate the food production areas with the

/consumption centers

consumption centers.

Many problems urgently required a solution; owing to the lack of state funds and the deficit in the production of foodstuffs had to be imported, through some progressive steps had been taken by his Government. Land reform was a national problem affecting 80 per cent of the population and involved expropriation of unproductive farms, the grouping of small farms, the redirection of some of the mining capital to agricultural investment the reform of rural and technical education and the organization of co-operatives. The dual economic and social function of land reform should be recognized. Incentives would also have to be given to domestic production by means of the liberalization of taxes and the lifting of ceiling prices. He recommended that ECLA's study of the subject should be broadened, and assured the Committee that his Government was intensely interested in carrying the revolution forward in the field of economic development.

The CHAIRMAN said that the representatives of Uruguay and Haiti had pointed out that the Committee could not properly discuss the question of land reform; he invited comment.

Mr. AQUINO (Secretary of the Committee) summarised the proposal of the Uruguayan representative: first, the question of land reform should be postponed until the São Paulo seminar; second, the ECLA delegation to that seminar should voice ECLA's concern in the question and its interest in the reports to be produced by the seminar.

/Mr. ROBLES

Mr. ROBLES (Mexico) agreed in principle with the suggestions put forward by the representatives of Uruguay and Haiti, but stressed the serious nature of the whole problem of land reform, which, in Mexico, had led to a violent revolution. His delegation could not, therefore, view the matter lightly or academically. He emphasized the technical implications of the problem, such as the capital formation required for a given level of productivity. He referred then to "latifundio", and to the Chairman's statement that small-holdings were unprofitable and that the large estates should not be put into the hands of the Indians. With regard to Mexico, which had poor agricultural lands and a growing population, the Indian or peasant had proved to be an active, valuable element. The Chairman had indicated that countries which had embarked on land reform had later repented, and since Mexico had been the most active Latin-American country in that respect, he stressed that his country was by no means repentant, and was in fact very satisfied with the progress of its land reform, which had marked the beginning of a new era. Co-ordination with FAO was very necessary, but should be on a permanent basis, along the lines of an Institute for Agrarian studies like the one in Italy. Such an institute would not make recommendations to governments, but would assist them on a scientific basis. Furthermore, the idea of the dignity of man should be included in any forthcoming resolution.

The CHAIRMAN speaking as representative of Ecuador, said he was fully aware of Mexico's work on land reform; much of Ecuador's legislation was based on Mexican models. He had

/not intended

not intended to indicate repentance but modifications, such as those introduced by President Aleman of Mexico in his inaugural address, when he had indicated that new rules were necessary.

Mr. ROBLES (Mexico) paid tribute to Ecuador's attitude to the problem of land reform, but pointed out that President Aleman's recommendations had been of a procedural rather than a substantive nature. There had, however, been no question of repentance, as land reform was permitted under the Mexican Constitution, subject to safeguards of individual rights.

With regard to the points raised on procedure, there was the short-term question of co-ordination between ECLA and FAO. There was also however a permanent problem. ECLA had formulated a theory on the development of under-developed countries, and since land reform was intimately associated with that development, ECLA had to take the question of land reform into consideration. Questions of domestic policy should be avoided, but a formula should be found, beginning with a statement of ECLA's interest in land reform in relation to economic development, followed by the question of the São Paulo seminar, and ending with exploration of the possibility of conducting permanent research work on the matter.

Mr. GARRIDO (Dominican Republic), on a point of order, enquired whether, in view of the Uruguayan proposal, the question of land reform was to be discussed or not. There were many subtle questions involved and therefore the Uruguayan proposal was a reasonable one, the point being to decide whether or not to defer the discussion to the São Paulo seminar.

/Mr. ACCIOLY

Mr. ACCIOLY BORGES (Brazil) said that his delegation's aim in requesting the inclusion of land reform on the agenda was not made with a view to reaching solutions, but in order to consider all important factors having a bearing on agricultural problems, so that a comprehensive draft resolution might be submitted.

His delegation would not therefore support the Uruguayan representative's proposal, but rather that made by the representative of Venezuela. However, no decision could be taken on suggestions not distributed prior to the meeting.

After discussion on the exact procedure to be followed, and on the specific proposals made by the representatives of Uruguay, Haiti and Venezuela, it was agreed finally that the preliminary draft resolutions should be circulated to delegations and a drafting sub-committee appointed composed of the representatives of Uruguay, Brazil, Mexico, Argentina, Venezuela and Ecuador, to prepare a joint resolution incorporating the main points of the various proposals, with a view to reconciling the points of view.

The meeting rose at 2.10 p.m.