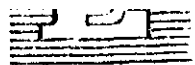


UNITED NATIONS



ECONOMIC
AND
SOCIAL COUNCIL



GENERAL
E/CN.12/URB/5
UNESCO/SS/URB/LA/5
12 October 1958

ENGLISH
ORIGINAL: SPANISH

SEMINAR ON URBANIZATION PROBLEMS IN LATIN AMERICA

Jointly sponsored by the United Nations Educational, Scientific and Cultural Organization, the United Nations Bureau of Social Affairs and the secretariat of the United Nations Economic Commission for Latin America, in co-operation with the International Labour Office and the Organization of American States.

Santiago, Chile, ~~3-20 December 1958~~ **6-18 July 1959**

URBANIZATION AND PHYSICAL PLANNING IN PERU

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/Synopsis

Synopsis

1. The urbanization process. Administrative centralism and industrial development. The lack of genuine local Government.
2. Urban and area development programmes. Their usefulness for guiding and supervising the urbanization process so as to prevent overcrowding and slums. The need for a domestic policy to encourage economic development throughout the country and thereby improve population distribution.
3. Planning bodies in Peru. The National Office of Planning and Urbanization (Oficina Nacional de Planeamiento y Urbanismo) and the Ministry of Development and Public Works (Ministerio de Fomento y Obras Públicas). Report by the land Reform and Housing Commission (Comisión para la Reforma Agraria y la Vivienda (RAV)).

1. The urbanization process

Urbanization in Perú, in the sense that the population tends to live in urban areas, has been concentrated in a few places during the last 20 years, thereby creating all the familiar problems that arise from an influx of migrants into towns that are ill-prepared to receive them, such as the rapid formation of slums, and undue increase in population density in much of the existing housing and "squatting" on vacant lots where temporary dwellings are put up in the most insanitary conditions. In the case of Peru, the process is aggravated by special social and economic factors, which will be described later.

During an 18-year period, from 1940 to 1957, population growth in some of the most important Peruvian towns and certain rapidly-developing urban centres was as follows:^{1/}

During the same period, Peru's total population rose from 7 023 000 to 10 213 000 inhabitants, i.e., by 45.4 per cent.

The largest population increment was that registered in Lima, the capital city. This is attributable to the over-centralization of the country's administrative system, which, far from being remedied, is intensifying, despite clamorous protests from the provinces, where the effects of such a situation are naturally most prejudicial. Living

^{1/} Ministry of Finance, Statistical Department (Ministerio de Hacienda, Dirección General de Estadística).

conditions in the capital may perhaps be more comfortable for a very small number of families, but for the great majority of the population they are deteriorating daily. Housing statistics show that in the Greater Lima area only 45 712 dwellings were built between 1949 and 1956, while the population increased by 76 000 families.^{2/}

Urban centre	1940	1957	Percentage
Lima	540 000	1 135 000	110
Callao	72 000	126 000	75
Arequipa	70 000	120 000	71
Piura	20 000	31 000	55
Cuzco	46 000	66 000	43
Puno	16 000	22 000	37
Huánuco	13 000	18 000	38
Chimbote	4 000	25 000 (x)	525
Ilo	1 000	10 000 (x)	900

(x) = Recently-developed industrial towns.

Although the last census was taken in 1940, its data on public utilities are still valid for most of the highly-populated centres, despite the fact that work on public health projects has recently been intensified in some parts. In 121 departmental and provincial capitals, which accommodated 34.7 per cent of the Peruvian population, only 52 per cent of the houses had water, 47 per cent drainage and 37 per cent electricity. There was also a striking lack of such community services as markets, schools, first aid posts and recreation grounds. Since it is natural for Departmental and provincial capitals to have the best public utilities and community services, it can only be assumed that the remaining 65.3 per cent of the population, living in rural areas, is worse off.

^{2/} National Office of Planning and Urbanization.

HOUSING WITH AND WITHOUT PUBLIC UTILITIES IN 121 DEPARTMENTAL AND
 PROVINCIAL CAPITALS, ACCORDING TO THE 1940 CENSUS

Utility	Housing with utilities	Housing without utilities	Total
Water	136 565 52%	126 051 48%	262 616 100%
Drainage	123 868 47.2	138 747 52.8	262 615 100%
Electricity	98 646 37.5	164 151 62.5	262 615 100%

The situation represented by these figures is aggravated by the fact that systematic speculation in clearing land for urbanization is rife, and by the lack of a Government policy designed either to provide low-cost housing, or, at least, to control speculation. Mortgages are so complicated to obtain and carry such high interest rates that they are resorted to only in the case of very expensive or luxury buildings and therefore long ago ceased to have any social usefulness.

The principal educational and cultural institutions, economic and industrial activities, entertainments, recreation centres, etc. are to be found in Lima, but relatively few people, even in the capital itself, are able to benefit from these facilities, owing to the under-development of Peru's social and economic structure. The following table depicts the situation in the province of Lima, where the total population amounts to 1 188 600:

NUMBER OF SCHOOLS AND PUPILS AND AVERAGE COST OF ENROLMENT AND TEACHING, IN THE PROVINCE OF LIMA

	State schools			Private schools		
	Schools	Pupils	Average cost (Soles)	Schools	Pupils	Average cost (Soles)
Primary and secondary schools	528	166 500	360 (Secondary)	328	68 800	4 000
Technical education	34	9 843	— (Free primary)	26	2 481	—
Teachers' training colleges	3	871	—	6	439	—

/For purposes

For purposes of assessing these data at their true value, the following figures may be taken as averages over-all: day wages, 28 soles; monthly salaries, 1 500 soles; monthly rent, 1 200 soles per apartment.

In spite of the disequilibrium apparent in the foregoing table, it should be remembered that the number of families enjoying typical urban facilities is even smaller in the provinces, although there is less disparity between the high- and low-income groups in the more remote districts.

Centralism has not only come to absorb all specifically local income, but, obviously as a means of self-reinforcement, has succeeded in destroying all the autonomy of the Peruvian municipal authorities in flagrant contravention of the provisions of the constitution.

The lack of municipal authorities elected directly by the townspeople, and endowed with sufficient funds and enough genuine autonomy to enable them to meet the need for community services, and promote the people's welfare through public works and adequate guidance - and hence control - of individual activities, is one of the biggest obstacles to the efficient development of urbanization in Peru.

Several decades ago, the central Government instituted the system of direct nomination of all local councils and municipal authorities by the Ministry of the Interior (Ministerio de Gobierno). The townspeople concerned have no voice in the matter, and, as a result, the local authorities tend to feel that they are answerable only to the Ministry which appointed them. The logical outcome of this situation is that local authorities usually have no programmes of any kind for improving conditions in the areas under their jurisdiction, their *raison d'être* consisting mainly in public appearances and the observance of protocol, with a view to enhancing the prestige of the central Government. For its own part - and this is one of the most unfortunate consequences - the public has ended by believing that the State alone is responsible for improving urban living conditions; it therefore makes no demands of its local authorities and the provinces are left to languish undisturbed. Their inhabitants are intent on moving to the capital so as to raise their level of living; and their only interest lies in acquiring the necessary funds for doing so.

The case of Lima, which, as the seat of the central Government, might have constituted the base for a fairly important local authority, has been dealt with in a special way. A number of District Councils have been set up (amounting to 17 at the present time) but the only effect of this has been to weaken their individual organization. Even the public utilities, whose upkeep should be a purely local affair, have been transferred from the hands of the municipal authorities to those of the central Government, which neglects questions of national or regional import to supply drinking water, install drains and pave roads.

An intensive anti-centralization campaign, launched by one of the leading local newspapers, has been carried on during the last few years. The central Government has appointed a commission to prepare a report on the matter and make recommendations, but to judge from the tenour of discussions during its two years of existence, many sectors would clearly prefer to maintain the status quo, and it is highly likely that no decision will ever be given effect. The paternalist spirit with which the Peruvian administration has been imbued by the State has evidently infiltrated a large sector of public opinion, and the possibility of some degree of local autonomy is viewed with fear and mistrust.

2. Urban and area development programmes

(a) Urban development programmes. These programmes, preparation of which has been undertaken in the last ten years, are concerned with physical planning, and are based on an analysis of the physical, social and economic conditions prevailing in each urban centre. Their recommendations usually relate to the expansion or improvement of public utilities, extension of the urban area, zoning, location of markets and open spaces, and road-widening operations or the opening of new thoroughfares to facilitate traffic.

The preparation of sites for urban development purposes should in principle conform to the programmed recommendations, and can be officially authorized only when it complies with all the requirements of the regulations on urban sites and the division of land into plots (Reglamento de Urbanizaciones y Subdivisión de Tierras). As a rule,

/these regulations

these regulations stipulate the prior laying-on of water, drainage and electricity and the putting-down of road surfaces and pavements. If, however, the zone bordering on the ground to be prepared, or on the urban nucleus in which the latter is situated, lacks such utilities, the obligation to provide them for the new sites may be waived; in other words, the Regulations allow the State, in exceptional cases, to authorize the formation of a built-up area without public utilities, always provided that a topographical ground plan showing contour lines and a sketch of the road system are submitted and ruled as adequate for the new urban sector's future needs.

Up to 1955, the regulations were so exacting and so far removed from economic reality that urban development projects outside the capital were scarcely ever able to comply with them. As a result, much of the urban construction over a large part of the country was illegal or clandestine up to that year, and transactions in real estate were handicapped correspondingly. The regulations consisted basically in the obligation to set aside for open spaces - streets, avenues and parks - 45 per cent of the total area to be developed, and to instal water, drainage and electricity and lay road surfaces and pavements before the land was sold. The fact that most urban centres are still without these utilities owing to the difficulty of laying them on the majority of the new housing estates, is sufficient witness to the impracticability of the regulations. They were detrimental to urban development not only in all the provinces but in Lima itself, where it was equally impossible to supervise all preparation of sites, since it was just at that time that the so-called marginal suburbs (or mushroom settlements), which now house more than 130 000 people, began to spring up.

The normal development of urbanization in Peru is usually handicapped, in addition, by the following factors:^{3/}

1. Low income levels. The extreme poverty of the Peruvians is undoubtedly one of the main causes of the present situation. Per

^{3/} Report of the Land Reform and Housing Commission.

capita income is minimal and among the lowest in the world. Even more eloquent than the figures themselves - annual per capita income was 2 200 soles in 1955 - is the fact that nearly 50 per cent of the country's total population consists of indigenous inhabitants whose living conditions are penurious in the extreme. Hence, one of the most urgent problems is to raise family income, but as yet no programme to this end exists. On the contrary, all the economic development programmes carried out in Peru, whether financed by domestic or foreign capital, have specifically turned the low economic level of the population to account.

2. Rapid population growth. Although the death rate is very high among the rural and indigenous population, vegetative growth is also high in comparison with the figures registered in other countries. As employment in rural areas is not sufficient to absorb the population increment, people have to migrate to the larger urban centres in search of work.

3. Ill-conceived housing criteria. Because of the climatic conditions characteristic of Peru - especially in the coastal areas where the weather is mild, there is little rain and the high winds, hail, etc., common to other parts are unknown - very flimsy building materials can be used. The combination of this circumstance with the lack of proper information and of any attempt on the part of firms of constructors to standardize their materials and construction methods has given rise to mis-conceptions on housing, which, added to the social prestige mistakenly attaching to architectural ostentation, restrict most people's idea of housing to one of two extremes: a poverty-stricken hut or a costly mansion.

4. Monetary devaluation and rent controls. Fiscal deficits the last 20 years have led to an undue increase in the amount of money in circulation, which, in its turn, has precipitated devaluation. This has raised the value of real estate, both land and buildings, and often placed them almost beyond the reach of families with a modest income. The situation has been aggravated by the freezing of rents.

(b) Area development programmes. One of Peru's most pressing problems is the need to impose some check on centralism, which as already pointed out, is one of the factors responsible for the want of any proper supervision of development in many urban centres. Although it is true that centralism derives from the same criterion on which the whole administrative system is based, and that any substantial change would therefore require a completely new approach on the part of the central Government, which would be difficult to achieve in present circumstances, an over-all policy aiming at the preparation and development of area programmes would provide a firmer basis for the effective improvement of family incomes.

A country such as Peru offers many possibilities for area programming. Both mining and agriculture depend on the prior execution of a number of public works projects over extensive areas, giving rise to population shifts and the subsequent establishment of permanent towns. Moreover, Peru is rich in archaeological remains, which are to be found in all parts of the country, and especially along the edges of the coastal valleys. These, if properly exhibited, would constitute very valuable assets for the tourist industry - an economic activity as yet unexploited in Peru.

The operation of the northern oilfields provides an example - although of a very special kind - of the benefits to be reaped from area programming. The oil companies have made every effort to look after the welfare of their workers' families, not only enabling them to reach a satisfactory economic level, but instituting a system under which, in return for payment of reasonable administrative costs they can obtain without difficulty all the services and other urban facilities required for a comfortable life. For instance, they are provided with suitable housing unaffected by speculation, as well as schools and hospitals; and, in addition, in order that they may be able to buy essential foodstuffs in optimum conditions as regards price and quality, estates and farms are purchased by the companies and run exclusively for the benefit of their employees.

/The development

The development of copper-mining in the south, on which preliminary work is already in full swing, will probably follow the same lines as that of the petroleum industry, since an integrated programme of modern facilities to be offered to the new communities, not only at the mines but also at the port and intermediate sites, is already being put into effect.

Unfortunately, the same results have not been achieved by other bodies large enough to have carried out integrated area development schemes. A case in point is the Corporación Peruana del Santa. This represents an economic enterprise of far-reaching importance: an iron and steel industry based on large-scale production of electric energy, treatment of iron ore from the Marcona mines, and the availability of modern port facilities to simplify exportation. Nevertheless, for want of the necessary foresight, the township of Chimbote undoubtedly constitutes the most acute problem facing Peruvian town-planners today. In the original plans, priority was given to the human factor. To this end, the whole port area was to be expropriated, re-planned and adapted to the new requirements. But subsequent political changes prevented these plans from being carried out.

Much can be done in the way of area development through the farming of new land along the coastal belt. This entails the construction of sluice-gates and dikes for the supply and control of irrigation water, which must be preceded by the necessary road-building. The demarcation and allocation of sites, as well as the location and formation of built-up areas, possible groups of farms and plots of land for the intensive cultivation of certain crops, must play a very important role in the development of integrated planning projects designed to improve the levels of living of the population and at the same time create new sources of wealth for the national economy.

3. Planning bodies in Perú

As a result of the concern then beginning to be felt in professional circles for the spread of theoretical knowledge of town-planning so that urban centres might be developed in accordance with properly worked-out plans, the Urbanization Institute (Instituto de Urbanismo) was set up in 1944. Subsequently, laws were promulgated in 1947 for the establishment of the National Office of Planning and Urbanization (Oficina Nacional de Planeamiento y Urbanismo (ONPU)), the National Urbanization Council (Consejo Nacional de Urbanismo) and the National Housing Corporation (Corporación Nacional de Vivienda). Support has generally been lacking for town-planning studies in Peru, because such activities have only recently been introduced there, and because, moreover, basic town-planning concepts and general procedures are still being built up, as witness recent trends in study programmes in the main academic institutions in the United States.^{4/} On this account, and to a still greater extent for reasons of a political nature, the above-mentioned organizations have not received all the official backing which they needed. Thus new bodies with similar functions have been set up, the public have been left in the dark and the formulation of programmes has been complicated, the net result being that, as already described, the urbanization process has become an acute problem throughout the country. Hence, in 1956, the Government decided to appoint a Land Reform and Housing Commission (Comisión de la Reforma Agraria y la Vivienda (RAV)). Composed of appropriate experts and representatives of the various political groups, it was requested to prepare reports to help formulate national policy in this field. In 1957, the RAV brought out its first report - on housing - which is undoubtedly the fullest study of the subject that has ever been made in Peru. Some idea of its content will be given later.

(a) The National Office of Planning and Urbanization (ONPU) is an organization set up by special decree and entrusted with the preparation of town-planning schemes throughout the Republic. It began its work

^{4/} See Harrey S. Perloff, Education for Planning.

at the end of 1947 and has by now drawn up 45 town plans, 38 of which have been approved by the central Government. Ten plans are at present under study.

These studies are submitted for the approval of the National Urbanization Council, set up under the same legal decree as ONPU. The Council is under the chairmanship of the Minister of Development and Public Works and is composed of the mayors and public works inspectors of the towns for which plans are being dealt with in the respective sessions. Under the terms of the decree the plans approved by the National Urbanization Council are in the nature of recommendations to the central Government and the municipalities. In practice, the latter do not carry them out until the central Government has authorized them.

ONPU is empowered to organize in the provinces any subsidiary offices which it considers necessary for the more efficient preparation of studies. At the moment, there are two offices, one in the north, at Piura and another in the south, at Arequipa. It is hoped that two others will soon be set up in the central sierra and in the Amazon area respectively. Including town-planners, engineers and architects, the permanent staff at headquarters and the two branch offices numbers 17. This number is not enough to carry the full work-load of the Office, since, besides the preparation of town plans, requests for partial or special studies have constantly to be met. Additional professional staff are therefore engaged on short-term contracts or for specific projects.

The decree stipulates that the National Urbanization Council is under the obligation to approve a series of administrative measures which the ONPU must adopt with a view to improving its efficiency. For this purpose, a standing advisory committee has been established. Its Chairman is the official town planner attached to the Development Department (Dirección de Fomento); its members are the Director of the Development Department, the Director of the Public Works Department (Departamento de Obras Públicas) of the Municipality of Lima, the

/Director of ONPU,

Director of ONPU, and two members of the National Urbanization Council who serve in monthly rotation, by alphabetical order. Although this procedure is not envisaged in the legal decree setting up ONPU, it has proved very useful in practice, in that formerly it was a difficult and delicate matter to convene the National Urbanization Council at frequent intervals and to deal with questions of relatively minor importance.

This system for the preparation of town-planning schemes could be an effective means of controlling the process of urbanization. Unfortunately, the following obstacles are encountered:

1. The municipalities have no technical control offices. As a result of the situation described at the outset, the communal authorities, having no income of their own, cannot organize technical offices in acceptable condition nor recruit personnel to exercise effective control.

2. The field of jurisdiction of the municipalities often does not include areas where "squatting" is taking place. As a rule, their territorial bounds are very narrow. Moreover, they have no land at their disposal, nor do they seek to buy any in order ultimately to implement some sort of housing programme or extend the urban area.

3. The various administrative dependencies of the Government often ignore the recommendations embodied in the town plans. As already pointed out, the construction of public buildings (schools, hospitals, etc.) is the exclusive responsibility of the central Government. Decisions as to their location and specifications are taken in the offices of the ministries in Lima. While, in theory, such an arrangement might seem advantageous from the point of view of co-ordination, in practice, it is not, since a centralized system also gives too much scope for the play of vested interests. Nevertheless, the desirability of planning is gradually being realized, and this obstacle is tending to disappear, albeit slowly.

(b) Ministry of Development and Public Works. Control of the preparation of building land or its division into sites, known in

Peru as urbanizaciones, is in the hands of the Town-Planning Department of the Ministry of Development and Public Works. A series of general regulations indicate the requirements which must be met in developing any land for urban purposes. Their most outstanding feature is the flexibility which permits minimum requirements to be established in accordance with the conditions existing on each site. In order to avoid any appearance of too arbitrary an exercise of such discrimination, or the laying of too embarrassing a responsibility on the authority submitting the pertinent report, the regulations (adopted in 1955) made provision for the creation of an Assessment Committee (Comisión Calificadora) with the specific function of determining the rating to be accorded to the various projects for which authorization is requested. This Committee must meet at least once a week. Its Chairman is the Secretary-General of the Ministry of Development and Public Works and its members are the same as those serving on the ONPU Advisory Committee. Close co-ordination is thus maintained between the work of ONPU and the Ministry.

Besides supervising blue-print and public utility requirements, the Ministry of Development and Public Works reviews the title-deeds of the properties which it is proposed to split up into sites, and accepts bank guarantees in cases where the intention is that sale of the plots shall begin before a start is made on the engineering and construction works involved. Finally, it takes official charge of the latter; only recently has it become the custom for control of new urban projects to be handed over to the municipal authority, once official approval has been obtained.

The Public Health Section (Sub-Dirección de Obras Sanitarias), Highways Department (Departamento de Pavimentaciones) and the Department of Industry and Electricity of the Ministry of Development and Public Works are responsible for the revision and approval of the projects concerned.

The regulations make provision for intervention by the municipalities.

/The initiation

The initiation of the administrative formalities gives them an immediate opportunity of expressing their opinion on the suitability or otherwise of a given site or on the necessary specifications. Alternatively, they may put forward their views, before the plans are finally adopted, when the time comes for approval of public street names. In practice, however, apparently because of the inertia of the administrative system, they do not intervene.

(c) The National Housing Corporation is the body responsible by law for planning and building low-cost housing. Since its creation in 1947, it has only been able to build a few thousand dwellings in Lima and a few hundred more in other parts of the Republic, because its funds have been considerably reduced. However, it has acquired a great deal of experience, particularly in the construction of complete districts equipped with all public and community services. Its funds derive from the sale of bonds. The State undertakes to buy a certain proportion and the remainder are disposed of to the public. Although the interest is low they have a certain commercial attraction, being, inter alia, exempt from taxes and embargos. However, devaluation and the lack of State support have helped to aggravate the difficulty of placing these funds; moreover, the very fact that private capital has made its contribution from the outset has compelled the Corporation to build only that type of dwelling whose sale or rent can yield full return of the capital outlay. Although it is clear that the residential buildings constructed by the Corporation are relatively few in number, they have represented a useful contribution to urban development in the districts concerned because of their comprehensive installations and the guiding principles in accordance with which they have been planned. The Corporation is thus destined to play a very important role in the process of urban development in Peru.

/(d) The National

(d) The National Health and Social Welfare Fund (Fondo Nacional de Salud y Bienestar Social), established by law in 1951, has the basic aim of providing financial resources for the implementation of social welfare programmes in so far as they relate to public health and housing. It has financed important public health projects and certain housing estates, of which the first were designed as an integrated whole by the National Housing Corporation. Subsequently, through its technical department, the Fund has assumed direct responsibility for programming, design and finance. It has thus become an additional body concerned with the provision of low-cost housing and has inevitably duplicated the work of the Housing Corporation. Besides undertaking these activities in respect of housing, the Fund serves as the financial and executive body for such public health programmes as preventive medicine, construction and enlargement of hospitals and economic assistance to Welfare societies. This sort of work is not done by the Housing Corporation, and undoubtedly represents an effective contribution to the development of urban centres. Significant advances in this field have already been made in various parts of the country.

(e) Economic Development Fund (Fondo de Desarrollo Económico). In order to decentralize to some extent urban public works programmes, which were previously the responsibility of the Ministry of Development and Public Works, the Economic Development Fund was created by legislative decree in 1957. During the period of little over a year, in which this new body has been in operation, it has been functioning exactly like a department of the Ministry of Development, although somewhat more expeditiously, because of the relative independence with which it handles its funds. While really too short a time has passed for the results of its work to be assessed, it may already be expected to need additional supervisors offices as it increases the number of its operations outside Lima. Hence it will be obliged either to use the technical dependencies already established by the Ministry of Development in the provinces, or to recruit its own staff, thus giving rise to further duplication.

It is assumed that the Fund is under the obligation to collect and systematically invest the resources necessary for the planning and

/execution of

execution of socially important public works of a reproductive nature. Such projects are defined as "those which by their nature or aim contribute to the economic development of a locality or area or to the improvement of the levels of living of the population".^{5/} They include the construction or improvement of communications between districts, provinces and departments, with priority for those traversing areas of demographic or economic importance; the construction or improvement of irrigation systems, as well as drainage and flood control projects; any other projects designed to secure the more efficient utilization of water from any source and the conservation and improvement of farm land, with the proviso that they are on a small or medium scale and not already included under the Ministry of Development and Public Works National Irrigation Programme and confer collective benefits on farmers working small and medium-sized holdings; the laying-on of drinking-water, installation of drains, road-building and the establishment of supplementary public sanitation services for urban centres; the construction of markets, especially in district capitals; the purchase and installation of electric power stations, preferably in population centres where they may be utilized for industrial purposes; the building of first-aid posts and clinics, and other public health services; formation of urban development zones and new population centres, preferably in areas in process of settlement, irrigation or industrial development; increased encouragement of agriculture; and other similar schemes. Projects executed pursuant to the Act setting up the Fund for the establishment of public services will be handed over for administrative purposes to the appropriate public bodies or to private enterprise.

As a general rule, the resources of the National Economic Development Fund must be distributed in proportion to the number of inhabitants of each department, as estimated by the National Department of Statistics, on the assumption that in no case can the population of any one department be more than double the departmental average.

^{5/} Act. N° 12676, under which the Economic Development Fund was set up.

The Fund will be administered by a Supreme Council, under the chairmanship of the Minister of Development and Public Works, and composed of a delegate from each of the Ministries of Finance, Development, Public Health and Agriculture, and one from each of the four geographical divisions of the country - Centre, South and East -, chosen by their respective Departmental Public Works Boards.

The same Act decrees that all departmental capitals are to organize Departmental Public Works Boards (Juntas Departamentales de Obras Públicas), to be responsible for drawing up and executing the respective departmental programmes, which must be submitted to the Supreme Council of the Fund (Consejo Superior del Fondo) for approval. The Boards will be composed of the Mayor of the provincial council of the departmental capital, a delegate from each of the provincial councils, a delegate appointed by the institutions representing agriculture, stock farming and mining, two delegates nominated by employees' and workers' associations respectively, and, lastly, two delegates designated by professional bodies. The Chairman will be elected from among the towns' people at the first meeting of the Board.

(f) Report of the Land Reform and Housing Commission. Although the sole aim of this report was to offer guide-lines for State action in respect of possible remedies for the housing problem, it is the best study that has been made of urban conditions and offers the most comprehensive solution. The report took more than a year to prepare. During that time, both foreign and local experts and international technical institutions, as well as their Peruvian counterparts, were consulted, large-scale surveys made and partial censuses taken.

In analysing the causes of the present situation, the Commission infers from the different aspects of the problem and their inseparability from other basic elements of life in Peru, that "it is impossible to solve the problem, and, in general, take the first steps towards raising the Peruvian people's level of living, until public administration has been reformed and genuine local governments established, and - a fundamental prerequisite - until the country's basic economic activities have been set on a definite course by a steady, logical and consistent Government policy which would both guide and co-ordinate them".^{6/}

^{6/} Report of the Land Reform and Housing Commission.

The Commission passes in review the organizations which were essentially involved in the housing problem but which, if they were grouped together and their work duly co-ordinated, might provide the best bases for real progress in respect of urban centres. It suggests the creation of an autonomous body, the National Housing Administration (Administración Nacional de la Vivienda), comprising four basic organizations, each with a considerable degree of independence, so that responsibility for the execution of their programmes could be placed in the right quarter, and a controlling body to unify, co-ordinate and design the integrated projects. The organizations would consist of the ONPU, the National Housing Corporation and the Technical Assistance Service, all of which already exist, and one to be created, the Housing Bank (Banco de la Vivienda). The National Housing Administration would be run by a National Housing Board with the assistance of a Co-ordinating Committee. The report has recently been submitted by the Government to the legislature, together with the bill included in the original text.