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SOCIAL TRENDS AND PROGRAMMES IN
LATIN AMERICA

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/PRELIMINARY NOTE

PRELIMINARY NOTE

The following paper on "Social Trends and Programmes in Latin America" is one of four chapters intended to provide roughly comparable pictures of major regions of the world now undergoing social and economic transformation. These studies are to be published in the 1963 Report on the World Social Situation, the sixth in a series of reports prepared since 1952 by the Bureau of Social Affairs of the United Nations Secretariat in co-operation with the specialized agencies; the same report will also include general chapters on world trends in health, education, employment and other social questions. The regional chapters (concerning Africa, Asia and the Middle East in addition to Latin America) are directed primarily to an audience not intimately acquainted with the situation of any one of the regions and are intended to further inter-regional analysis of the problems of social development. Because the text of the complete Report on the World Social Situation is not yet available, the study of Latin America is being presented separately to the 1963 session of the Economic Commission for Latin America. It is hoped that it will prove useful in itself, as an attempt to provide a common context for questions that are more often discussed separately and from more specialized viewpoints, and also that it will stimulate interest in the still broader context that will be provided by the full Report when this is published in the near future.

The past two decades have seen a continual reiteration of the terms "economically developed" and "under-developed" and a search for general explanations of the "under-development" of the greater part of the world. The users of these terms may not, in general, have been under any illusions to the effect that the regions lumped together as "under-developed" are uniform in characteristics or needs, but the inadequacies of information and the demands made upon the international organizations for worldwide generalizations imply a continuing danger that conclusions will be oversimplified and stretched to cover situations that in reality are very far apart. For this reason, among others, the reports on the world social situation have, from the beginning, combined summaries of social trends applying to the world as a whole with examinations of separate regions.

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While each major region presents a bewildering variety of local situations and problems one can also detect certain generalized "regional" traits that make regional descriptions and comparisons meaningful.

In Africa, one sees the unprecedentedly rapid emergence of a large number of new States, most of them relatively small in population and limited both in natural resources and in trained manpower; the rapid emergence of new elites and transformation of traditional social relationships; and a general preoccupation with questions of national identity, political organization, and the expansion of education.

Asia shows a preponderance of States with very large populations, more rural than the populations of other regions and more crowded upon the land, with national traditions and class systems of great antiquity and complexity. In that region one finds the most formidable problems of population pressure and of generalized poverty, but also more comprehensiveness and continuity in development planning than in other regions of "underdevelopment". National policies directed toward change of social structures and class relationships are more clearly defined and also more diverse than elsewhere, ranging from the systematic adaptation of traditional forms to new needs (Japan) to the systematic uprooting of traditional forms and their replacement by new forms (mainland China).

The Middle East is a region with strong unifying bonds of history, culture, and geography, but with a peculiarly uneven process of development in modern times that has resulted in very wide disparities of many kinds - in distribution of population, in land tenure, in incomes, in political forms - and thus in a self-contradictory mixture of regional cohesiveness and conflict. The Middle East has a longer tradition of urban dominance than any other region, the gap between urban and rural living conditions is particularly wide, and the problems of rapid and concentrated urbanization are as serious as in Latin America.

The above are no more than sketchy indications of the regional differences relevant to social change that will be discussed in the Report on the World Social Situation. The present foreword will not attempt to summarize this report. Before proceeding to the study proper, however, it may be worthwhile to point out that the generalizer on Latin America enjoys important advantages over the student of conditions in the other regions, in the relatively long period during which the Latin American situation and development requirements have been the subject of study and technical meetings at the regional level.

INTRODUCTION^{1/}

Trends in Latin America over the past decade can be set forth in two apparently contradictory pictures. On the one hand, per capita incomes have risen and important gains have been made in education and public health; a few of the larger countries within the region may have entered a stage of sustained economic and social growth; the term "under-developed" is now less appropriate than "unevenly developed". Political leaders and social scientists in the region are closer than ever before to a consensus on the broad policy prerequisites for sustained development. The meetings of regional agencies have evolved an increasingly detailed and consistent set of principles for action, and many of the countries have strengthened their technical capacity to plan for development. Agrarian reform; diversified industrialization; reduction of extreme inequalities in income; channeling of a larger share of income into productive investment; curbing of inflation; expansion and redirection of education; social measures to enable the alienated and impoverished lower classes to function as responsible citizens, producers, and consumers, are now accepted as essential elements of a co-ordinated national policy by sectors of opinion that once either disregarded them or seized on one or two of them as panaceas. The trends towards comprehensiveness of programming and towards closer policy relationships between economic development and human welfare received a remarkable regional endorsement in the Charter of the Alliance for Progress, adopted by the Punta del Este meeting of the Inter-American Economic and Social Council in August 1961. The same meeting received assurances of external funds on an unprecedented scale to support comprehensive programming over the entire decade ending in 1970.

1/ Social conditions in Latin America have been discussed in two previous reports in this series. See Chapter X of the Preliminary Report on the World Social Situation (United Nations publication, Sales No.: 1952.IV.11 and Chapter VII of the 1957 Report on the World Social Situation (United Nations Publication, Sales No.: 1957.IV.3). The present chapter attempts to distinguish the most important regional trends and prospects, but leaves the presentation of detailed social statistics and descriptions of social programmes to the 1961 Economic and Social Survey of Latin America, to be published by the Organization of American States and the Economic Commission for Latin America.

/On the

On the other hand, a high degree of social tension, a combined feeling of urgency and frustration, pervades the region. Since the mid-1950's, most of the countries have seen an ominous falling off in the rate of increase of income. In spite of the apparent consensus on broad policies there are long delays in the translation of these policies into practical programmes, bitter arguments over details, and an evident lack of confidence among classes, political groups and regional interests in each others' good faith and capacities. Accusations are heard from different quarters that reforms are being circumvented by the drafting of unenforceable laws or the limitation of action to pilot projects, that they are being distorted to serve vested interests, or that they are being used as pretexts for violent subversion of the social order.

Below the apparent agreement on the nature of the social problems of Latin America - many of which are obvious even to the casual observer - there are also wide areas of disagreement about the basic facts. Are the levels of living of specific classes and occupational groups rising or are they deteriorating? Although statistical information has improved considerably in recent years, it gives only ambiguous answers to many such questions, and different sectors of opinion can select figures that support wildly discordant preconceptions.

The older élites in the Latin American countries are being challenged or shouldered aside by much larger urban strata (the so-called "rise of the middle classes"), and the masses of the population are simultaneously transforming or abandoning their traditional ways of life, becoming aggressively conscious of the gap between their "social rights" and their place in society, joining political movements, trade unions and peasant leagues, sometimes erupting in seemingly aimless outbursts of violence. The broad outlines of this process are well known but intensive sociological field research to find out what the different groups make of the changes to which they are subjected, what they hope for and how they relate themselves to national life, is only beginning. Some observers fear that present trends indicate failure to evolve patterns of living and class relationships that will be compatible with rapid economic growth in a democratic political framework, and point to the relative economic stagnation /and political

and political stalemates of some Latin American countries formerly the most dynamic of the region as illustrations of the dangers ahead. The occupational roles that must be filled in the course of development - ranging from the governmental policy-maker and private entrepreneur to the factory worker and small farmer - are also beginning to be scrutinized in relation to the social structure. It is generally agreed that up to the present candidates for many of the key roles are insufficient in numbers and deficient both in formal training and in motivations.

To sum up, Latin America has progressed both materially and in its ability to co-ordinate regional action; but this progress is simultaneously stimulated and threatened by the rapidity of social change and the failure of social relationships to adapt themselves to such change.

/I. POPULATION

I. POPULATION TRENDS

The population of Latin America is now growing by about 2.9 per cent annually, according to the most recent estimates. This rate, which has been rising over a long period and is higher than that of any other major region, is expected to exceed 3 per cent during the coming decade. From about 200 millions at present the population should reach 300 millions before 1975 and 600 millions by the year 2000. The countries of Middle America and the Caribbean are growing faster than the regional average, several of them having rates around 3.5 per cent. Only two countries, Argentina and Uruguay, have annual rates of increase below 2 per cent. The rapid growth of population and the lack of any prospect that such growth will slacken in the foreseeable future underlie the desperate urgency of present demands for economic development. The demographic situation has been analysed, future trends forecast and the economic and social implications discussed in a series of United Nations studies.^{2/} The present chapter will limit itself to a brief recapitulation.

The region as a whole does not face any immediate threat of over-population, in the sense that some of the Asian countries feel themselves threatened. Latin America has about one-seventh of the land area of the world and only one-fourteenth of the population. While much of the land is not cultivable, all except two or three of the smallest countries have ample unused land that could be brought under cultivation. Most of the countries look on the prospect of populations much larger than the present as a challenge but not as a burden.

Their "population problems" derive from the age structure associated with very high rates of increase and from the heavy investment requirements if the growing population is to be productively employed and enjoy rising income levels.

^{2/} The most recent information may be found in "The Demographic Situation in Latin America", Economic Bulletin for Latin America, Vol. VI, 2 October 1961, and in "A Demographic Analysis of the Educational Situation in Latin America" (UNESCO/ED/CEDES/8; ST/ECLA/CONF.10/L.8; PAU/SEC/8). Since 1957, a regional Centre for Demographic Training and Research, set up at Santiago under the joint auspices of the United Nations, the Government of Chile, and the Population Council, Inc., has promoted and conducted regional demographic studies. Information from the most recent round of national censuses indicates that the rate of population growth is rising even higher than demographers had previously forecast.

The national populations are extremely youthful, with the high average ratio of 84 dependents (persons under 15 and over 65 years of age) to 100 persons between 15 and 64, the conventionally defined "working age". Such a dependency ratio means that both the family and the State must assume very heavy burdens if the youth are to attend school long enough to receive the kind of education called for in a modern society; in practice, most of the youth enter the labour market at an undesirably early age because they must contribute to the family income. Moreover, owing to the nature of the population trends, the number of children annually reaching school age, the numbers of youth looking for their first jobs, and the numbers of families seeking homes increase even more rapidly than the total population, so that the numbers of places in schools, of jobs, and of dwelling units must rise by more than 3 per cent each year simply to keep present deficiencies from growing.

Between 1945 and 1955 Latin America as a whole maintained an annual rate of growth of per capita income of 2.7 per cent; since then the rate has slipped to 1 per cent, while food production is barely keeping up with the population increase. The Economic Commission for Latin America estimates that if the higher rate of economic growth is to be regained while population growth continues at a rate even higher than the present, the region by 1975 must expand its industrial production by 400 per cent and its agricultural production by 120 per cent. It must find jobs for a labour force increasing by 35 million and only 5 million of the new jobs can be expected from agriculture.

This forecast implies a continuing large-scale movement of population out of the older agricultural regions that cannot use more labour productively, and a need for heavy investments not only in sources of employment elsewhere but also in urban housing and services. Up to the present, the countries have not found means to channel internal migration according to any conception of desirable geographical distribution. The urban population is growing at a rate of about 5 per cent annually, and the larger cities are growing at even higher rates. The metropolitan area of some of the national capitals have doubled in population during the past decade, while the gap between their resources and the investments

/that would

that would be required to provide an adequate physical setting for all of their people has become ever wider. In the majority of countries, even the very high rates of urbanization have not been sufficient to reduce the population on the land. The latter continues to grow, although slowly, and only a few of its excess workers find their way to new agricultural lands.

One finds in all of the Latin American countries a large lower stratum in the population that has not benefited from economic progress up to the present and is suffering from multiple deficiencies; lack of employment at wages permitting a tolerable level of living; lack of education and of skills and working habits that might help it obtain such employment; levels of housing, sanitation, and diet that reduce working capacity; unstable family life contributing to and fostered by the other deficiencies. The more rapid the population growth and the accompanying redistribution of population, the greater the probability that this stratum will persist and grow in numbers despite industrialization, rising per capita incomes, and improving conditions for the remainder of the people. Such groups, both urban and rural, have persisted even in countries at the highest levels of development, and the increasing efficiency of industry and agriculture, with a stationary or declining demand for unskilled labour, decreases their opportunities for steady employment.^{3/}

Up to the present, none of the Latin American countries have even considered the adoption of a policy aimed at slowing down the rate of

3/ The implications of present trends in population growth and geographic distribution are to be discussed in a study now being prepared by the secretariat of the Economic Commission for Latin America. This study will emphasize that the rate of urbanization to be expected and the accompanying difficulty of absorbing the marginal population into productive work increase very sharply and ominously the higher the rate of population growth. Projections which start by assuming that one third of the urban population belongs to the marginal groups, that the rural population will continue to grow at a fixed low rate, and that urban remunerative employment will increase by 5 per cent annually, indicate that with a 2 per cent rate of national population growth the marginal population would be completely absorbed into remunerative employment within twenty years, while with a 3.5 per cent rate of population growth it would rise from one third to half of the urban population.

population increase, with the partial exception of Puerto Rico, and it is unlikely that such policies could in the foreseeable future command either governmental or popular support. The continuation of high rates of increase is therefore taken for granted in development plans; an eventual slackening of population growth as a result of urbanization and changes in family life may be expected, but even this is only a remote possibility at present.

Policies for the redistribution of population, or rather for a diversion of part of the flow of internal migrants away from the big cities to smaller towns and to vacant land, have received more attention, but in practice have not progressed beyond the stage of pilot projects; some of these policies will be discussed later.

II. THE CHANGING SOCIAL STRUCTURE AND PROBLEMS OF SOCIAL INTEGRATION ^{4/}

Social scientists have made several attempts to construct typologies of Latin American countries, using various combinations of statistical indicators of per capita income and its rate of growth, levels of consumption, diffusion of educational and other social services, size of the middle strata in the populations, degree and rate of urbanization, etc. in order to assess the balance (or lack thereof) in their socio-economic growth or the degree of integration of their national societies.^{5/}

The inadequacies of the statistics and the unevenness of distribution within countries of many of the factors measured through the indicators are such that a complex typology can at present be little more than a risky experiment, and even if these problems could be solved, the countries would not fit neatly into groups. They do reveal some interesting affinities, however, if one considers the statistical groupings in the light of broader, less quantifiable information on present trends.

^{4/} The following pages lean heavily upon "El desarrollo económico de América Latina: Consideraciones Sociológicas" by José Medina Echavarría (to be published by UNESCO in Social Aspects of Economic Development in Latin America, II). (See also E/CN.12/646.)

^{5/} See, for example, Roger Veckemans and J.L. Segundo, "Synthesis of a Socio-Economic Typology of the Latin American countries" in Social Aspects of Economic Development in Latin America, I (UNESCO, Paris, 1962); T. Pompeu Accioly Borges, "Graus de desenvolvimento na América Latina", in Desenvolvimento y conjuntura, V, No.2, February 1961; Gino Germani and Kalman Silvert, "Politics, Social Structure and Military Intervention in Latin America", in Archives Européennes de Sociologie, II, 1, 1961; and Pedro C.M. Teichert, "Analysis of Real Growth and Wealth in the Latin American Republics", in Journal of Inter-American Studies, I, 2, April 1959. See also Chapter III of the 1961 Report on the World Social Situation (United Nations publications, Sales No.: 61.IV.4).

/Three countries

Three countries with annual per capita incomes between US \$550 and US \$325 ^{6/} (Argentina, Uruguay and Chile) are also predominantly urban, have large middle strata and rank well above the remainder of the region according to most indicators of consumption and social services. In these countries, however, per capita incomes and levels of living have remained stationary or declined since 1945. A fourth country, Cuba, falls into a very similar pattern according to pre-1960 statistical indicators, but in Cuba revolutionary change has deprived these statistics of more than historical interest.

In one country, Venezuela, a per capita income estimated at US \$1,000 in 1955-59 is far above that of any other country in the region and far out of line with indicators showing relatively small middle strata in the population and levels of living well below those of the four countries mentioned above. Venezuela, with its economy concentrated on oil exports, has long been the most obvious example of unbalanced growth in Latin America. Since 1959, a higher proportion of the oil income has been utilized for educational and other social services, but at the same time per capita income has ceased to grow, and social tensions have become increasingly acute.

Three large countries (Brazil, Mexico and Colombia) stand near the Latin American average according to per capita income (US \$250-300 in 1955-59) and most other indicators; the first two show high rates of growth of income, the third a moderate rate. These (with Venezuela and Peru) are the countries in which the national averages conceal the widest ranges of local situations, with some areas and some occupational groups prosperous and dynamic, others impoverished and static. Two of the smallest countries, Costa Rica and Panama, are also in the middle range or somewhat above it in per capita income. In their cases the statistics can be assumed to reflect a more generalized middle position.

^{6/} 1955-59 average in terms of 1950 dollars. Estimates made by the secretariat of the Economic Commission for Latin America; see "The Demographic, Economic, Social and Educational Situation of Latin America" (UNESCO/ED/CEDES/4; ST/ECLA/CONF.10/L.4; PAU/SEC/4).

The other ten republics (Bolivia, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Paraguay, and Peru) fall below the ten already listed according to most indicators (their 1955-59 per capita incomes ranged between US \$200 and US \$75), and show a number of resemblances among themselves if compared with the countries above them. First, with the exception of Peru, they are much smaller in population; they include nine out of the twelve countries in the region with fewer than five million people, and total less than 15 per cent of the regional population. Second, their populations are much more rural; they include nine out of the eleven countries in which the urban population in 1960 was estimated at less than 40 per cent. Third, they include all four of the countries (Bolivia, Ecuador, Guatemala, and Peru) in which a majority of the rural population is Indian, separated from the rest of the population by linguistic and cultural barriers. Fourth, they rank below the other countries in the relative size of their upper and middle strata, assessed by occupational criteria. In rates of growth of per capita income, they show no uniformity; one of them, Nicaragua, had one of the highest rates in the region between 1945 and 1958, while two others, Bolivia and Haiti, have increased little if at all. In these countries, however, to an even greater extent than in most of the larger countries, the rates of income growth depend on the market for a few export products and it must be emphasized that such reported rates of growths may have little immediate relevance to the lot of the masses of the population.

The above groupings cannot be correlated with the degree of social tension now visible in the different countries, but it can be assumed that the origins and forms of tensions differ considerably in the first group of countries, where a process of development that aroused high hopes in the past has slowed down or become paralyzed; in the large countries in the middle group plus Venezuela, where the unevenness of growth has meant a widening gap between different sectors of the population,^{7/} and in the last group.

^{7/} A leading Brazilian economist asserts that economic development has as yet brought "no benefit whatever to three quarters of the population off the country. Its main characteristic has been an increasing social and geographical concentration of income". (Celso Furtado, "Reflexiones sobre la prerrevolución brasileña", El Trimestre Económico, Mexico, July-September 1962, p.373.)

Studies of social structure and social mobility in the Latin American countries have made some progress during the past decade, and are beginning to move from the analysis of occupation and educational statistics to field research using sampling methods. The conceptual and practical problems that arise cannot be discussed here. The authors of these studies are asking anxiously whether the traditional nearly static two-class society, now obviously disrupted, is really going to be replaced, as might be hoped from the history of countries now economically advanced, by a society with a continuum of many social strata, with considerable movement from one to another, with a widely diffused sense of participation in national affairs, and with a generalized expectation of continuing socio-economic change.^{8/} They point to the existence of similar social groups and problems of transition throughout Latin America, although the relative importance of the different groups and their adjustment to their present roles are widely divergent in the different countries.

The traditional landowning and mercantile upper class no longer enjoys unchallenged power anywhere in Latin America, although its members hold many leading positions, and family ties and family rivalries within the upper class are still of considerable importance. While individuals from this class may be found in a wide range of occupations and as spokesmen for all kinds of political and social doctrines, the class as a whole is inevitably on the defensive, under attack for opposing land tenure reforms and more equitable tax systems, accused of transferring much of its wealth abroad

8/ Germani and Silvert, op.cit., Medina Echavarría, op.cit., and Gino Germani "Estrategia para Estimular la Movilidad Social" (UNESCO/SS/SAED/LA/B.4; ST/ECLA/CONF.6/L.B-4) discuss these questions and contain references to earlier studies. Social Change in Latin America Today (Council of Foreign Relations, New York, 1960) contains particularly informative discussions of the changing social structures of Bolivia, Brazil, Guatemala, Mexico and Peru from the viewpoint of anthropologists. Sample surveys concerning social mobility have recently been carried out in four Latin American capitals under the auspices of the Centro Latino-Americano de Pesquisas em Ciências Sociais, Rio de Janeiro; the Boletim of the Centro (IV, 4, November 1961) reports some preliminary findings. The Centro together with the Pan American Union sponsored a seminar on social structure, stratification and mobility in June 1962.

as insurance against upheavals and inflations. Traditional upper class values and ways of life are also blamed for influencing the rising middle groups to avoid the roles most needed for economic development and to prefer luxury consumption to saving. ^{9/}

The degree of truth in the widely accepted stereotype of a reactionary, selfish, frightened upper class cannot be assessed here, but the prevalence of accusations along these lines - some of them coming from irreproachably moderate sectors of opinion - is one indication of the lack of social consensus, the exceptional degree of mutual distrust between groups that endangers healthy growth in the region. Although in recent years important new elements have entered the upper classes, through the avenues of industry, politics or professional eminence, in general the newer elements have not replaced the older groups as a cohesive and widely accepted leadership in political life, economy and culture.

Among the newer elements, the industrial entrepreneurs have received most attention for their strategic developmental role. It is well known that a few Latin American cities (São Paulo and Medellín are usually mentioned) have produced dynamic entrepreneurial groups that have not appeared in other cities offering apparently similar opportunities. It is also well known that a high proportion of the entrepreneurs in Latin America as a whole (although not in Medellín) are of recent immigrant origin. Some recent studies have sought in family upbringing and in the psychological makeup encouraged by the local societies the explanation for the appearance of entrepreneurial drive in certain groups rather than in others. ^{10/} It may be, however, that the real problem in Latin America is not the failure

^{9/} The latter criticism was made in a recent study of inflation in Mexico, a country in which the traditional upper class lost most of its power years ago. See Barry W. Siegel, Inflación y desarrollo: Las experiencias de México, Centro de Estudios Monetarios Latinoamericanos, Mexico, 1960, pp.139-146.

^{10/} Professor Everett E. Hagen of the Massachusetts Institute of Technology has made a comparative study of community leaders in Medellín and in the relatively unprogressive city of Popayan, using psychological tests. See chapter on "The Transition to Economic Growth in Colombia" in his book on the Theory of Social Change (Dorsey Press, Ill., 1962).

of entrepreneurial talent to appear and to respond to real opportunities, but its diversion from industrial production by the larger rewards and greater degree of security offered by non-productive or mainly speculative enterprises such as urban real estate dealings.

Recent analyses of Latin American society single out the "emerging" or "rising" middle groups as the strategic elements in socio-economic change. Definitions of the groups in question differ; some writers treat them as a class; others prefer terms such as "middle sectors", "middle strata" or "middle mass" in order to underline their heterogeneity or to avoid a misleading implication of common traits and class consciousness. The middle classes (using the word loosely, as no more inadequate than the alternative terms) range from entrepreneurs and professionals, among whom the distinction between "middle" and "upper" rests on family ties and wealth, to small shopkeepers and the lower grades of public and private employees. They include some of the most conservative (and even parasitic) groups in society as well as the most innovative (or even disruptive). They have in common education at least to completion of the primary course and a high valuation on education for their children, incomes well above the subsistence level, a striving for higher status combined with a well-defined fear of loss of status, and a consciousness of opportunities to participate in national political and cultural life. The overwhelming majority of them live in the cities; in only a few countries can one find an appreciable number of farmers or other rural inhabitants who can be considered part of the middle classes in terms of education, income and civic consciousness.

The more restrictive definitions limit the middle classes to persons whose occupations do not require manual labour, and the low prestige accorded to such labour is certainly an important element in status distinctions. However, the relatively skilled and stable workers in manufacturing, mineral production, power, transport and communications as well as the better-off self-employed artisans are in fact in a middle position in the Latin American social structure. Some groups of organized workers have attained incomes well above the average for the characteristically lower-middle-class occupations, setting them far apart from the lower class that is described below, and technological change has opened wide opportunities for new

/occupations requiring

occupations requiring a combination of manual skill and commercial initiative - particularly garage operators, owner-drivers of trucks and buses and repairers of electrical appliances. These groups no doubt differ widely from other middle groups in their social origins and political coloration but they have many aspirations and anxieties in common.

There are discrepant estimates for the size of the middle groups; but it is safe to say, however, that these groups, including the better-off workers and artisans, range from a majority of the population in Argentina and Uruguay to less than a tenth in some of the smaller Central American, Caribbean and Andean countries.

The experience of the first two countries, and of Chile and Cuba, indicates that the presence of large middle groups does not guarantee sustained economic growth or attainment of a satisfactory degree of consensus on national goals. Some analysts blame the difficulties of these countries on the failure of the middle groups, after a promising beginning, to continue to offer dynamic leadership and fill the roles of producer and investor. Whatever the case, it is clear that once opportunities in the occupations associated with such growth dwindle, the self-protective efforts of the middle groups may help to frustrate the recovery of economic health: pressure for expansion of public employment becomes more irresistible, private workers and employees strive for inviolable job security, professionals and businessmen seek legislative safeguards against competition. Such pressures are notorious in all of the countries that have large middle groups and lagging economic growth. Elsewhere, and particularly in Brazil and Mexico, shifts in the composition of the middle groups are responding to healthier stimuli, and managers and technicians are rising in relative strength. Throughout Latin America, however, the heritage of social relationships has left a typical dependence on sponsorship (whether by relatives, friends, or a political party) rather than on open competition for advancement. This background, combined with the primary importance of public employment among the opportunities open to middle-class youth, has contributed to a pervasive reliance on government action for the solution of all problems that inhibits the innovating spirit otherwise to be expected of rising middle classes.

/At best,

At best, the middle classes are undergoing various stresses that make their future behaviour hard to predict. Their material aspirations have been rising faster than their incomes or levels of living. Some important groups, such as the school teachers, have shared hardly at all in the gains in national per capita incomes. In most countries, the lower-middle groups and even the better-paid workers are barely able to afford the consumer goods that they have come to think of as essential to a "decent" way of life, and the widening appetite for television sets and other costly manufactured products indicates that this strain on their incomes will be even greater in the future. Indebtedness is widespread; and any lingering propensity to save money is likely to have been killed by experience with inflation. For the middle classes as for the lower, regular investment in lottery tickets has become a sort of substitute for saving. The middle classes find it hard to obtain housing meeting their standards of decency, and many of them are struggling to meet the high costs of buying and building on a plot of land in the chaotic suburban expansion characteristic of the larger cities. The burden of educating their children beyond the primary level is very heavy, and the resulting opportunities for upward movement in occupation and income are likely to be disappointing. While the middle groups are the main beneficiaries of the social security systems, the benefits they receive are often meagre in relation to costs. The degree of satisfaction with present levels of living is therefore low. It is significant that groups falling within the narrower definitions of the middle classes, such as bank employees and school teachers, have been among the most frequent and militant participants in strikes in recent years.

Other sources of insecurity, harder to assess, lie in changes in personal relationships and in beliefs concerning the social order. Increases in the freedom enjoyed by women and adolescents, probably more rapid than the changes experienced by the middle classes of other regions, have not yet led to generally accepted new codes of behaviour and family life.

The middle classes, including the better-off workers and artisans, belong to the "modern" world. The "lower classes" which make up a majority of the population of the region, are becoming ever more inextricably involved with the modern world, but as yet have derived few advantages from this

/involvement. The

involvement. The forms taken by their struggles to participate more fully in national life may well determine the lines of regional development during the next few years.

The rural population remains the largest element within the lower classes in almost all of the countries. Its problems are discussed in detail in a later section of this chapter, and need not be mentioned here. The urban lower class - to repeat a well-worn generalization - has transferred many of the characteristic features of rural poverty to the cities, particularly to the peripheral shantytowns in which, according to one estimate, four and half million families in the region now dwell. In the cities, no clear-cut dividing line can be drawn between this lower class and the lower-middle strata of employees, workers, artisans and small shopkeepers. The last two occupational groups, in particular, include many persons at the extreme of poverty and under-employment as well as others who are prospering. The urban housing shortages mean that relatively well-off families are usually found in the same slum neighbourhoods and shantytowns as the indisputably "lower class" unskilled and casual labourers.

The material aspects of the plight of the urban lower classes have been often described, but we have little evidence on the ways in which they are adjusting to urban society. Observers in some localities report apathetic misery and little or no upward mobility. Other local groups are reported to be striving desperately to better their lot through education, acquisition of skills, and self-help organization. Among many of them, occupational preferences, family life, and residence seem to be equally unstable; the men may try to relieve their burdens by shifting from job to job, by deserting their families or by moving to another town. They are less likely to be active members of formal organizations of any kind than are the groups above them in the social scale. Many of them are frequent cinema-goers, and have radios in their homes; in the largest cities a few of them have even managed to acquire television sets. Newspapers and other periodicals appealing to the semi-literate have grown in numbers and in circulation. We know very little, however, of the nature of the influence exerted by these media on the masses of the urban (let alone the rural) population, or what these groups make of the diverse political and social appeals directed to them, mainly by would-be spokesmen from the better-educated /middle classes.

middle classes. Observers point to a continuing rejection of impersonal urban institutions and work relationships, a yearning for person-to-person guidance and aid replacing that once expected from the patrón, the paternalistic landowner. It is well known that a few leaders in different countries offering personal magnetism, sympathy and simple solutions to their problems have had remarkable success in drawing large previously alienated sectors of the population into active participation in national life, while at the same time fostering among them expectations and hostilities that can hardly be reconciled with present developmental needs.

From the beginning of Latin America's independent history the more foresighted national leaders relied heavily on education to bring forth a productive citizenry capable of working republican institutions. The appearance of a dynamic educator as president, minister or university rector has initiated a major new stage in the growth of many of the republics. Present preoccupations with the role of the school systems in promoting economic development and assisting in social integration have only given a new urgency to the long-continued struggle to universalize education. The majority of the countries now consider universal primary education attainable within the next decade, and their secondary and higher enrolments are, if below their real needs, quantitatively impressive.

The growth of the school systems within a social structure such as that discussed above has, however, given them certain characteristics that clash with the new demands made upon them. The school systems at present are simultaneously conservative and revolutionary, in self-contradictory ways, promoting at the same time social inertia and social disruption. They are also extremely wasteful, in terms of the thousands of pupils who drop out year by year, all the way from the elementary schools through the universities, without deriving advantage from their incomplete courses. At the same time, the schools have become associated with an over-emphasis on formal qualifications at all levels of employment, often confirmed by legislation, so that the possession of a certificate or degree is more valued than the education attested by the degree. The severest criticism of

/these defects

these defects are heard from Latin American statesmen and educators; they are agreed that the quantitative expansion of the schools envisaged for the coming decade must be accompanied by carefully planned reforms of the school systems and by a clearer conception of the purposes of education.^{11/}

The difficulties go back to the dual origin of the school systems. One system, much the older, was organized from the top downwards. The universities qualified members of an élite to practice a limited number of learned professions; more important, they granted the status symbols of membership in the élite. To a large extent, the universities organized their own secondary and even primary schools to prepare youth for entrance. The other system, of negligible importance before the mid-nineteenth century, consisted of elementary schools intended to generalize literacy and of a limited number of vocational schools. The dividing lines between the two systems have become blurred and they have influenced each other in many ways, without fusing into a single system with coherent purposes.

The free public elementary schools acquired curricula crammed with subjects unrelated to the backgrounds of the children, taught mainly by memorization and repetition; their holding power was naturally limited. Even today, practically all rural children and the great majority of children from the urban lower classes drop out of school before completing a six-year primary course. The educational authorities are only beginning to face understandingly the formidable problem of devising methods of primary education that will help children from these classes (including Indian children unable to speak the official language) towards a lasting sense of identification with the national society and towards motivations compatible with present developmental goals, while imparting the techniques that will enable these children to progress further up the educational or occupational ladder.

^{11/} Both the achievement and the shortcomings of the school systems are discussed exhaustively in the background papers prepared for the Conference on Education and Economic and Social Development held in Santiago in March 1962, and in the reports submitted to the Conference by national ministries of education. The frank criticisms of the present schools to be found in the latter reports are particularly interesting.

Secondary education has until recently concentrated almost entirely on preparation for the universities. To a large extent, it has been left to fee-charging private schools receiving state subsidies. One of the most significant trends of recent years, however, has been the overwhelming of this limited system by the educational demands of the urban middle classes and, to some extent, of the better-off workers. In many places the demand has been met by diluting the standards and shortening the classroom hours in the schools, with little change in their curricula. Many of the students are unable to complete the course (usually of six years) and are left frustrated and resentful, with an education occupationally worthless. At the same time, some of the cities have seen a mushroom growth of private commercial and other vocational courses, usually without much official control over their standards, and presumably drawing their enrolment from somewhat lower strata of the population. Present plans call for diversification of the secondary schools and for an educational content at once more applicable vocationally and more contributory to social integration. The change most commonly envisaged is to split the six-year course into self-contained two-year periods, with the first two years offering a general introduction to vocational and university-preparatory courses of differing lengths.

Meanwhile the rising tide of youth with secondary school certificates is pressing upon the universities. Some of the latter have resisted the pressure, frustrating thousands of youth unable to find a place in them, while others, by admitting all applicants who have completed the secondary course, have acquired enrolments so inflated as to preclude any supervision of students and to limit the educational process to huge lecture classes. New Universities are springing up in provincial towns, usually very short of both funds and qualified professors. The structures of the universities have become extremely unwieldy, as new courses, research institutes and extramural activities have been added piecemeal to the semi-autonomous faculties preparing students for the traditional professions. The larger universities in the national capitals, while for the most part legally autonomous, are extremely influential forces in the political leadership of the countries, and their inevitable involvement in ideological contests complicates their attempts at self-adaptation to the new demands on them. Their students are well known to be among the most dynamic and
/insecure elements

insecure elements in the Latin American societies; their organized pressures on the universities sometimes contribute to reforms, sometimes to a partial paralysis of the educational process. The intensity of student protests in secondary schools as well as universities is often out of proportion to their immediate occasions, but unfortunately there have been practically no intensive explorations of the social and psychological roots of their unrest. Most of the students come from the urban middle classes, and it is likely that they are torn, consciously or unconsciously, between a natural desire to safeguard the special privileges they hope to derive from their education (often acquired with painful sacrifices) in a highly stratified and class-conscious society, and a more generous urge to struggle for a really democratic social order.^{12/}

^{12/} See Roberto Munizaga Aguirre "The Latin American University" (UNESCO/ED/CEDES/21-A; ST/ECLA/CONF.10/L.21-A; PAU/SEC/21-A) and Rudolph P. Atcon, "The Latin American University", Die Deutsche Universitätszeitung, Frankfurt a.M., February 1962, for differing interpretations of the present needs of higher education in Latin America. Social scientists have pointed to the present lack of information concerning the motivations of the youth, including the students, as one of the most important gaps in present knowledge of the Latin American social situation, but their recommendations for research have not yet been acted upon. See "Final digression on youth" in Medina Echavarría, op.cit.

III. RURAL TRENDS AND PROGRAMMES

The rural policy problems now coming to the fore in Latin America are not new; many of them have been debated since the Mexican Constitution of 1917 first declared the rights of peasants and rural workers to own land. Up to the past decade, however, the urban bias of Latin American culture, reliance on industrialization as the key to development, and the political power of groups determined to maintain the rural status quo combined to insure that rural reform proposals had only a slight and intermittent influence on national policies. In fact, various social critics have detected a tacit understanding by which urban middle-class leaders have secured the tolerance of the landed interests for advanced social measures by limiting their application to the cities, or even by discriminatory restrictions of the rights of the rural population, as in the case of laws favouring unionization of urban workers but prohibiting agricultural unions. For several reasons, this neglect is disappearing:

(1) Economic policy-makers, alarmed at the slackening of the regional rate of economic growth, the persistent inflationary pressures and balance-of-payments crises, have become convinced that the low rate of growth of agricultural production - in particularly of foods for domestic consumption - and the inability of the rural population to contribute to the market for domestic industry are incompatible with their economic goals. At the same time, they have begun to take into account the impact on productivity of deficient food consumption, and to include targets for higher per capita consumption in their development plans.^{13/}

^{13/} For example, Chile's recent ten-year development programme singles out insufficient food production, with the accompanying rise in food imports and negligible purchasing power of the rural population, as being among the main obstacles to development. This programme presents standards for minimum per capita consumption of staple foods, compares them with actual consumption, and sets targets for 1970. Bolivia's ten-year plan envisages an increase in daily caloric intake from 1,800 at present to 2,400 in 1971 and an increase in protein consumption from 52 gr. to 65 gr. National and regional nutrition institutes, active in some countries for a number of years, are gradually building up a body of data making it possible to take the dietary situation and needs into account in programming. The FAO Freedom-from-Hunger Campaign has also exerted an important influence in bringing these questions to the attention of the programming agencies.

(2) The contradiction between the present situation of the rural population and national ideals of democracy and social justice has become more obvious as the isolation of this population has decreased. The rising rate of natural increase of the rural populations indicates that the traditional tenure systems and methods of production cannot be continued without a deterioration in their already intolerable levels of living; their accelerating movement into the big cities makes their poverty more conspicuous and alarming to the better-off groups.

(3) The rural population is beginning to organize and show capabilities for effective political action. This is true even among the Indians. The nearly spontaneous movement of the Bolivian Indian peasants following the 1952 revolution, which dictated the sweeping character of the Bolivian land reform, is the most striking example. More recently the Cuban peasants have been effectively mobilized in support of a revolutionary programme. Venezuela has had an important organized peasant movement since 1959. In Brazil and Chile, peasant organizations held their first national congresses in 1961; the congress in Brazil was attended by 1,500 delegates and 3,000 observers from local peasant leagues and rural workers' unions. Such movements have not yet been objectively studied, some of them are torn by leadership struggles linked with national party politics, and the extent to which the rural population is actively involved in them cannot be determined, but most observers agree that there is an explosive unrest in large parts of the countryside. Forcible seizures of land, rural terrorism directed against landowners and against peasant leaders reported from many areas, suggest that if present opportunities for planned and peaceful agrarian reforms are not seized, the land will be redistributed under pressure of violence in the countryside.

While the objective of raising agricultural productivity and the objective of redistributing land in a manner acceptable to the rural population are logically quite compatible, it appears that under the conditions prevailing in much of Latin America land reform can be expected to cause a short-term

/decrease in

decrease in agricultural productivity. Even if this is true, the reforms cannot be postponed or evaded; they are an essential step in the incorporation of the rural population into national life as full citizens.^{14/}

Up to the present, three Latin American countries have carried through agrarian reforms that have changed the ways of life of the majority of their rural people: Mexico in a process that has continued for nearly forty years and is still evolving, Bolivia since 1953, and Cuba since 1959. A fourth country, Venezuela, is in the midst of a reform that is intended to be as far-reaching as its predecessors. A fifth, Guatemala, embarked upon an ambitious agrarian reform programme in 1952; this was for the most part abandoned after the revolution of 1954, but has had an impact on the rural population that cannot yet be assessed. Colombia enacted a comprehensive agrarian reform law in 1961; Chile, Honduras and Peru did so in 1962; at least four countries (Brazil, Ecuador, Nicaragua, and Panama) have draft laws in various stages of preparation or discussion by their legislative bodies. Most of the Latin American countries already have laws of more limited scope providing for distribution of public lands and, in some cases, for expropriation of unused private lands. Many of them have created commissions or institutes of agrarian reform, usually as semi-autonomous public bodies. These range in attributes from the powerful Instituto de Reforma Agraria (INRA) of Cuba, which manages plantations, markets crops, and has assumed other functions (such as retail sales to rural workers) that permit it wide intervention in the economy, to bodies that limit themselves to the drafting of legislation. The newer legislation is generally both comprehensive and complicated; this stems both from the efforts of special interests to protect themselves and from the aspiration to take full advantage of the lessons of earlier reforms and deal with the rural problem

^{14/} These conclusions were endorsed by a group of experts meeting in Mexico in December 1960 under the sponsorship of UNESCO, The Economic Commission for Latin America, and the Pan American Union. See Appendix I to Social Aspects of Economic Development in Latin America, op.cit.

in an integrated way. One experienced observer comments: "The preoccupation with 'legalism' and with legislative details is striking. Land reform laws are invariably long, complicated and detailed. This makes their implementation very difficult. Only a fraction of the laws have actually been carried out... In addition, the many detailed provisions are not only hard to implement but are equally hard to change if they prove unworkable. The tendency to complicated laws resulted frequently in a veritable jungle of previous legislation which must be cleared away".^{15/} The progress of the draft laws through the legislative bodies is often very slow. President João Goulart of Brazil recently declared in urging Congress to pass an agrarian reform law, that more than 200 draft laws had been presented to Congress since the creation of the Comissão Nacional de Política Agrária in 1951 without overcoming the resistance of those interested in preserving the old Brazilian rural structure.^{16/}

Both the reforms that are now in progress and the draft laws envisage some combination of the following policies:

(1) Colonization of vacant lands is usually one of the first practical measures to be undertaken - often long before it is presented as one element in agrarian reform. The over-crowding of many of the older agricultural areas under existing conditions of tenure and production techniques and the availability of huge areas of empty land make colonization an essential part of rural policy in most Latin America countries, but colonization schemes are over-emphasized by some sectors of opinion, and looked on with suspicion by others because they do not involve interference with present tenure arrangements and are not resisted by large landowners. It is probable that in most Latin American countries, the opening of new lands will have more immediate importance as a means of increasing agricultural production than as a means of meeting the land hunger of the rural workers. The opening of new lands for commercial farming requires very heavy investment in

^{15/} Thomas F. Carroll, "The Land Reform Issue in Latin America", in Latin American Issues: Essays and Comments, The Twentieth Century Fund, New York, 1961.

^{16/} Centro de Estudios Monetarios Latinoamericanos, Boletín Quincenal, 25 November 1961.

roads, clearing of forests, building of houses and schools, and provision of health services to combat tropical plagues. It also requires experimentation and instruction in new agricultural techniques. The men best fitted to pioneer in such areas are those with experience of commercial farming, and with capital to meet at least part of their needs until the farm becomes productive. Countries such as Brazil and Venezuela have in the past followed this reasoning by trying to secure for colonization projects immigrants from Europe or Japan rather than local cultivators. For the same reason some of the reform projects envisage optional compensation in vacant land for landowners whose holdings are expropriated since, it is hoped, they will have capital and initiative to exploit such land.

Mexico during the past decade has been more successful than any other Latin American country in expanding its cultivated area, largely through irrigation; this has enabled the country to attain the region's most outstanding rate of production increase but has done practically nothing to relieve the situation of the small cultivators in the densely populated areas.

Most of the national agrarian reform policies now envisage the planned resettlement of small cultivators, under supervision and with fairly elaborate agricultural and social services. The few experiments that have been made, however, indicate that such colonies are slow to succeed and expensive in relation to the populations involved. In Colombia, according to a recent estimate, it would be unrealistic to expect more than 15,000 to 20,000 families to move to the llanos, the lowland areas of colonization, within the next five years; this would not compensate for population increase in the densely settled rural areas. In Chile, a colonization programme in operation since 1955 resulted in the settlement of 76 new landowners by 1961, all on relatively extensive holdings in the extreme south of the country; the programme envisaged the granting of smaller family farms, but as yet only 56 of these have been "contemplated".^{17/} In Ecuador,

^{17/} Reply of the Government of Chile to United Nations questionnaire circulated in connexion with the preparation of the 1962 Report on "Progress in Land Reform" (E/3603).

the one colonization project started since the creation of an Instituto de la Colonización in 1957, at Santo Domingo de los Colorados in the lowlands, had settled only 17 families on small 15-hectare farms and 37 on larger holdings by 1961. This pilot project is now being reorganized "so as to end a policy of totally directed colonization, which up to the present has not given favourable results, either economic or social, because of high costs and excessive paternalism towards the settlers".^{18/} Venezuela's land settlement programmes prior to the present agrarian reform have also been criticized as excessively expensive and paternalistic: "The model villages created were designed for a level of living which far exceeded that prevailing in surrounding areas... Everything was being done for the settlers, and in many cases they were even given prolonged cash subsidies".^{19/}

Small scale colonization projects in other countries have encountered the same difficulty; a commendable eagerness to make sure that the colonists adapt to new ways of life without hardship has made the projects both too expensive to be duplicated on a large scale and too paternalistic to help the colonists complete the transition into self-supporting farmers.

While organized resettlement of small cultivators is thus still at the stage of pilot projects, a great deal of spontaneous resettlement is going on without any cognizance, help or control from official agencies. This movement has been on a much smaller scale than the cityward migration, and only guesses can be made as to the numbers involved, but it affects some of the rural groups reputed to be most conservative. Andean Indians are moving down the eastern slopes of the mountains into the sub-tropical river valleys. About 5,000 families are believed to have settled in the Tambopata Valley of Peru over the past 30 years, and the Government expects a flood of migrants with completion of a road into the area around 1963; 40,000 to 50,000 Indians are believed to have moved spontaneously into the Bolivian lowlands over the past 15 years. Meanwhile, Brazilian, Colombian, and Central American

^{18/} Reply of the Government of Ecuador to United Nations questionnaire in land reform.

^{19/} Thomas F. Carroll, op.cit., based on evaluation made by the Ministerio de Agricultura y Cria in co-operation with the Instituto Agrario Nacional (La colonización agraria en Venezuela 1930-1957, Caracas, 1959).

peasants have been drifting into new areas of settlement. Such migration often precedes the construction of roads but rises rapidly as the roads are extended. The partial conquest of malaria, which previously made some of the valleys most uninhabitable, has removed one of the most important barriers to resettlement.

Such a movement has both promising and ominous aspects. On the one hand it goes far to disprove opinions formerly advanced to the effect that highland peasants could not adapt themselves to tropical settlement for both physical and psychological reasons. On the other hand, it threatens an extension of the minifundio patterns since the settlers clear only the small plots they can cultivate with hand implements, have only limited access to markets, and live so thinly scattered that it will be hard to bring schools and health services to them. At the same time, it means an enormous waste of forest resources through slash-and-burn cultivation, and much of the land now being cleared may eventually be left eroded and worthless. In Brazil, where penetration of the interior has not been deterred by abrupt changes in altitude and climate, this process has gone on for a long time, leaving a "hollow frontier": that is, much of the land near the coast has been exhausted and abandoned, and urban food supplies come from newly cleared areas hundreds of kilometres distant from the coastal cities.^{20/} Another unfortunate aspect of the penetration of parts of the interior of South America is the continuing displacement of previously isolated Indian tribes by the new settlers, usually without any effective intervention from the distant national authorities.^{21/}

The countries may find the provision of guidance and assistance to spontaneous resettlement more effective than the more formal colonization

^{20/} See Kempton E. Webb, "Problems of Food Supply in Brazil", Journal of Inter-American Studies, III, 2, April 1961.

^{21/} Darcy Ribeiro, "The Social Integration of Indian Populations in Brazil", International Labour Review, April and May 1962. This authority estimates that about 87 Brazilian tribes have become extinct during the past 50 years and forecasts that if the present lack of effective protection is not remedied another 57 out of the present 143 tribes will disappear by the end of this century.

projects on which they have concentrated. The Government of Peru, with the assistance of the Andean Indian Programme, has begun to provide services for the Tambopata settlers, and is receiving aid from the United Nations Special Fund in a pre-colonization survey intended to guide the expected flow of migrants into the valleys near Tambopata. This survey is to be co-ordinated with pre-colonization surveys in Bolivia and Ecuador; these will be the first large scale attempts to study the experiences and needs of spontaneous settlers as a guide to action. In Brazil, the Superintendencia de Desenvolvimento do Nordeste (SUDENE), the agency responsible for development of the depressed states of the Northeast, envisages an assisted movement of 20,000 families a year from the chronically drought-stricken zone to the empty and more humid lands of Maranhão and norther Goiás, already the scene of considerable spontaneous migration and of a few formal colonization projects.

The unaided migrants are, at least in the beginning, squatters on public land or on private holdings that have not been exploited by their owners. Most of the countries have legal provisions by which such squatters can obtain titles to their plots, but this is usually a procedure too complicated and expensive for the scattered subsistence cultivators, especially as land titles are likely to be confused and reliable maps lacking. Where rising land values are expected from new road construction the situation is further complicated by the efforts of speculators, who are better able than the settlers to cope with legal procedures, to acquire large tracts for resale. Statistics for a few countries indicate rather small numbers of title grants to squatters: in Chile, 1,500 between 1957 and 1960, in Colombia, 2,600 since the beginning of the colonization programme.

(2) The reform of tenure in the older agricultural regions is the most controversial aspect of rural policy, and its unanimous endorsement by the Latin American Governments in the Punta del Este Charter sums up one of the most remarkable changes in recent years. As indicated above, the reasons for this change have been mixed, and the practical results vary widely.

/The high

The high degree of concentration of landholdings in Latin America, probably exceeding that in any other major region, is well known and illustrative statistics can be found in a number of sources. The following table summarizes the situation around 1950 for the region,^{22/}

<u>Size of farms</u> (hectares)	<u>Percentage</u> <u>of farms</u>	<u>Percentage of</u> <u>land area</u>
0-20	72.6	3.7
20-100	18.0	8.4
100-1,000	7.9	23.0
Over 1,000	1.5	64.9
Total	100.0	100.0

In general, the very small holdings (minifundios) are intensively cultivated, but can hardly afford their owners subsistence, let alone a surplus for the market. The cultivators' primitive techniques and their inability to give their land fertilizer or adequate rest from cropping mean inevitable soil depletion and declining ability of the minifundio lands to support even their present population. The very large holdings (latifundios) are not intensively cultivated and include large areas of land held idle for speculative purposes. The reform policies envisage a combined attack on the two extremes. The latifundios are to be induced or compelled to give up part of their land and to farm the remainder more efficiently, while the minifundio cultivators are to receive holdings large enough to enable them to function as efficient family farmers. The two problems that arise immediately are the financing of land expropriation and the transformation of subsistence cultivators into true farmers.

Land in most of the countries is over-valued in relation to the income that is derived from it, partly because of the traditional prestige of land ownership, partly because of its usefulness as a hedge against inflation. Government purchase of land voluntarily offered for sale is thus not practicable, and laws authorizing this method of acquiring land for distribution have been ineffective; where such sales have been made the landowners have simply unloaded their poorest land. In Chile, the law authorizing land purchases prior to passage of the 1962 agrarian reform

^{22/} Thomas F. Carroll, op. cit.

law prohibited payment at a rate exceeding the taxable value of the land by more than 10 per cent, while market value commonly exceeds assessed value by two to five times.^{23/} The few countries that have carried out large-scale reforms through expropriation (Mexico, Bolivia, Cuba) have all adopted systems of compensation unacceptable to the landowners and enforceable only after the latter had lost all influence over government policy. These systems usually involve compensation in long-term bonds rather than in cash and at the low tax valuation of the land rather than the high market value. In several countries the constitutions require cash compensation; Brazil and Chile are now proposing constitutional amendments permitting compensation in bonds.

A more indirect method of changing the tenure system has been attractive in theory but ineffective in practice. A few countries, Colombia in particular, have provided for graduated land taxes with higher rates for idle or under-utilized land. It was hoped that such taxes would force the landowners either to sell part of their land or bring the whole into production. In practice, the Governments have lacked basic data and administrative machinery for enforcement of such laws. "The powerful landowning groups seem to be unwilling to submit to a graduated land tax which is of sufficient magnitude to mobilize the labour market and improve the tenure distribution. By the time the balance of power has shifted away from them it is too late for such evolutionary and gradual measures and the pendulum invariably swings over to expropriation and confiscation".^{24/}

In the case of the traditional large estates there is no question that a transfer to family farming can increase production. The modern plantations producing export crops such as bananas and sugar present quite different problems. Here, operation of very large units, with ample capital and able to use heavy machinery efficiently, may be more productive than any alternative system. The main objections to the plantation system have derived

^{23/} Reply of the Government of Chile to United Nations questionnaire on land reform.

^{24/} Thomas F. Carroll, op. cit.

from the plantations' extensive powers over their workers, the heavy seasonal unemployment associated with the system, and the concentration of production on one crop, to the neglect of food production.

In Cuba, where agriculture prior to the land reform was dominated by large modern plantations, the need to maintain the productive efficiency of these enterprises was one reason for the conversion of the greater part of the land expropriated into "People's Farms" managed by the Instituto Nacional de Reforma Agraria and worked by wage labour, or into co-operatives.^{25/} In Puerto Rico also, sugar cane land expropriated under a law prohibiting holdings in excess of 500 hectares is operated by a public corporation, the Puerto Rican Land Authority, and is worked by unionized wage labour.

Elsewhere, unionization, minimum wage laws, and the extension of social security are bringing some plantation workers a status roughly equivalent to that of urban industrial workers, although agricultural workers are commonly excluded from the pro-union provisions of national labour legislation. A recent study of the sugar plantations of Northeast Brazil concludes that the typical modern technically efficient usina now incorporates eight to twelve formerly separate old-style plantations, with at least 6,000 hectares of land serving a central refinery, with 4,000 - 6,000 workers living within its borders, and with its own schools and other community services. At the same time the freedom of action of the management has become narrowly circumscribed by government regulation of production and marketing, and by labour laws and union organization.^{26/} Banana

^{25/} Reply of the Government of Cuba to United Nations questionnaire on land reform. Out of the first 400,000 caballerias of land expropriated (about two thirds of the total area expected to be affected by the tenure reform one caballeria equals 13.42 hectares) about half has been organized into People's Farms; 75,000 caballerias have been distributed in small holdings to 30,741 families; the remaining area has apparently been granted to co-operatives. More recent policy statements indicate that the co-operatives are to be converted into People's Farms, but that medium-sized farms (15 - 30 caballerias) are to be left under private management.

^{26/} W.W. Hutchinson, "The Transformation of Brazilian Plantation Society" Journal of Inter-American Studies, III, 2, April 1961.

plantation labour in most countries is now unionized, and in some of the Central American countries the banana workers constitute the strongest element in the trade union movement. The growth of responsible unions of plantation workers and their acceptance by the employers, trends that have appeared within the past decade, may prove an acceptable alternative to breaking up of the plantations, although this is not yet clear. A difficult process of three-sided bargaining is involved: - plantation owners, workers and Government must agree on a wider range of issues than usually appear in urban collective bargaining, and in the typical situation of mutual distrust such bargaining is likely to break down in violence. (The situation in company-owned mining towns in the region is quite similar.)

The plantation system, moreover, depends largely on seasonal labour, although mechanization is reducing the need for it. The permanent labour force enjoying full benefits of job security, housing, etc. may amount to less than half the labour force at peak seasons; many of the workers are employed only 80 to 100 days in the year. An adequate year-round livelihood for such workers cannot be found within the plantation system.

In most of Latin America the dwarf holding (minifundio) has long co-existed with and supported the latifundio. The small cultivators with one or two hectares of poor hillside land have formed a convenient reserve of seasonal labour for the large estates occupying the fertile valleys, and even for distant mines and tropical plantations. The position of these cultivators has naturally tended to deteriorate as their holdings have been divided into even smaller plots through inheritance, as erosion and over-cropping have ruined fertility, and as the large estates have continually encroached on them through such devices as monopolization of water for irrigation.^{27/} In many areas, also, seasonal work opportunities have declined with modernization of the estates. In Chile, minifundio owners are reported to have turned to petty trade, particularly the selling of alcoholic beverages to estate workers.^{28/}

^{27/} At the extreme, the average Indian family holding on the Peruvian side of Lake Titicaca has been estimated at about half a hectare; such a holding is split up into as many as 15 or 20 widely separated plots (Alfred Metraux, "The Social and Economic Structure of the Indian Communities of the Andean Region", International Labour Review, March 1959).

^{28/} Oscar Dominguez Correa; La Tierra es la Esperanza, Instituto de Educación Rural, Santiago, 1961.

In the present reform policies, the elimination of minifundios is regarded as just as important and difficult as the breaking up of latifundios. Fragmented holdings need to be consolidated, a good deal of eroded land needs to be retired from cultivation altogether, and some cultivators must find land or employment at long distances from their traditional homes. Most of the reform laws set standards, varying with type of land, for minimum size of economic holdings. The Cuban law sets a basic minimum of 26.8 hectares of non-irrigated productive land distant from urban centres. The Chilean law prohibits the sub-division of farm lands below a size considered the minimum for efficient production (15 hectares of irrigated land, 50 hectares of other land) without special approval by the Ministry of Agriculture, and provides for expropriation of minifundios and their consolidation into economic units, with the owners who are squeezed out to receive preference in distributions of other land; the Peruvian draft law has a similar provision.

On this point, however, national policies are ambivalent. Immediate social and political pressures conflict with the requirements of raising productivity, and there is a well-known danger that in practice the land reforms might increase the prevalence of minifundios. This has already occurred in the Mexican and Bolivian reforms, and is threatened in Venezuela. In Chile and Peru the legal provisions for compulsory consolidation of dwarf holdings have given rise to natural fears that the reforms will be used to take from the poor the little land they have, and will be hard to enforce. Even in Cuba, nothing has been done to consolidate existing holdings that are smaller than the legal minimum. The example of Haiti, the only Latin American country in which small peasant holdings have been the dominant form of tenure since the beginning of the country's independent history, shows the extreme poverty and deterioration of land that can come about when such tenure prevails under conditions of high population density and without the technical and educational prerequisites for transition to efficient farming.

In the first place, the most urgent demands for land distribution come from the most densely populated rural areas, in which there is not enough land to give each family a plot of economic size. In the second place, most

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of the beneficiaries, with their lack of capital and primitive techniques, cannot cultivate more than a subsistence holding. In Venezuela, a study of small cultivators concluded that "the majority of the conuqueros who possess from five to twenty hectares of land... are not using all the land they have to its full capacity... More commonly than is thought, the limiting factor is not the size of the unit, but the technical knowledge of the cultivator, and the lack of facilities for working the land".^{29/} For these two reasons, the Venezuelan Government, in the early stages of its reform, is deliberately distributing holdings smaller than it considers ideal, and smaller than the holdings that have been granted to European immigrant farmers. The same thing happened in practice in Bolivia in the rather disorderly land division that occurred in 1953. In Mexico, while present policy considers ten hectares the minimum for a satisfactory ejidal holding, the 1950 census showed that 42 per cent of the 1,500,000 ejidatarios had parcels of less than four hectares. It is generally agreed that the correction of this deficiency in the reforms will require long-term programmes of technical assistance to the beneficiaries combined with the opening up of new areas, but that tenure reforms cannot be postponed until such prerequisites can be met.

For another reason, some of the land reform programmes contain separate provisions for the granting of very small holdings. The reforms commonly assume that large holdings requiring wage labour will continue to operate, as long as they are productively efficient and do not monopolize unused land. Ownership of a house and garden would give the rural worker some protection against the power associated with such large holdings, and a better opportunity for stable family life. The Chilean law mentioned above exempt "huertos familiares" from the general prohibition of minifundios and provides for small land allocations of this type. Such a policy was also present in the Mexican reform. Home ownership for rural workers is clearly a desirable objective, but careful planning and supplementary measures such as enforcement of minimum wage laws will be needed if the very small holdings are not

^{29/} G.W. Hill, J.A. Silva Michelena, and Ruth O. de Hill, Vida Rural en Venezuela, Caracas, July 1958.

to perpetuate the present relationship between latifundios and minifundios, in which the former can pay wages below subsistence level because the workers grow most of their own food.

In the tenure system most widely found in Latin America up to the present, the majority of rural workers lived on the estates and received part of their remuneration in kind - mainly through permission to cultivate a plot of land for subsistence and occupy a hut. As stated above, minifundio cultivators on the fringes of the estate often furnish supplementary labour at planting and harvest time. The number of workers solely dependent on cash wages has been growing, in part because of changes in production methods, in part because population increase has produced an excess unable to find a place either on the minifundios or within the estates. In many areas the landowners have begun to abandon the old system for reasons of efficiency, or to forestall claims by the resident workers to ownership of their plots of land in case of a tenure reform. In parts of Guatemala, for example, the collapse of the policies of land reform and unionization of rural workers initiated prior to 1954 was followed by a shift to "speculative farming", with a new readiness to change crops from year to year to meet expected market demands. One consequence has been "the growth of new relationships with labour and new attitudes towards property. The ownership of vast areas of land may no longer be desirable; it may be more profitable to rent land for a single year to raise a quick crop, and then forget about it. In this new situation, labour has no permanent attachment to the hacienda and its owner, and very likely, cannot count on a predictable amount of seasonal work".^{30/} Such a change not only makes the rural worker's subsistence more precarious and his family life more unstable, since he cannot even count on a shack to live in, but also breaks the old paternalistic tie with the employer, which formerly gave a certain amount of psychological security.

The landless worker is found also in the few areas in which small farms predominate, and here he may be even worse off, since the small farmers need

^{30/} Richard N. Adams, "Social Change in Guatemala and U.S. Policy", in Social Change in Latin America Today, Council on Foreign Relations, New York, 1960.

only occasional help, most of which they can obtain from their neighbours. A recent study of rural life in Costa Rica finds that the landless workers make up a distinct group at the bottom of the rural social scale. The working capacity of the men in this group is lowered by malnutrition and apathy; they are the last to be hired by local farmers for seasonal work. The cultivators with very small holdings in the same neighbourhoods are both more productive at such work and show more initiative at finding supplementary income outside farming (in particular, by illicit distilling). The landless workers are excluded from most community activities; because of their inability to contribute dependably to the support of a wife and children their family life is more unstable than that of other groups in the community. Most of them are descended from several generations of workers in the same plight.^{31/}

Even in the Mexican ejido communities, groups are found that did not share in the distribution of land, and are without rights in the community. These men ironically known as libres (free), "sometimes are allowed to work by the day in the peak of the season. Generally, they attempt to 'hire out' to the remaining private properties, to find occasional work in neighbouring ejidos, or to get jobs in one of the urban areas and commute".^{32/}

A good many of the landless workers can be expected to meet the needs of economic development by shifting into non-agricultural occupations. Unfortunately, as the Costa Rican example suggests, there is likely to be a residue that is low in initiative, poorly adapted to either urban or rural labour, unlikely to be absorbed even by a rapid increase in urban employment opportunities, and unqualified to receive an allocation of land under any reform system that takes potential productivity into account. This problem has been mentioned above in relation to population trends; the special social techniques needed to deal with it are only beginning to be experimented with in the Latin American setting. Brazil and some other countries are now planning to extend social security to all rural wage workers; but contributory social security schemes have many shortcomings even among the

^{31/} Victor Goldkind, "Sociocultural Contrasts in Rural and Urban Settlement Types in Costa Rica", Rural Sociology, December 1961.

^{32/} Clarence Senior, Land Reform and Democracy, Gainesville, University of Florida Press, 1958, p.180

urban workers. Rural casual labourers can hardly be expected to contribute enough towards their own social security even to meet the administrative costs of collecting their contributions and the Governments cannot at present meet the costs of effective social security for them.^{33/}

The present rural policies envisage a social and political as well as an economic transformation in the countryside. The often-described rural passivity and neglect are no longer general, but in most of Latin America there are no satisfactory recognized channels through which the rural population can express its demands, through which tenure reforms can be adapted to local needs and desires, and through which the local population can join forces with the national agencies to make effective the services that are needed to complement tenure reforms.

The smallest political sub-division in most of the countries is the municipio, comprising an administrative centre and a surrounding rural area, which may be quite large and contain a number of hamlets. The municipio's powers of self-government are usually limited and rather ineffectively exercised, but whatever powers it has and whatever governmental services trickle down from the national or state capital, are in practice monopolized by the municipal centre. This centre, however small and poor, thinks of itself as urban and superior to the rural hinterland.

Most of the small cities, towns and villages that are municipal centres are poorly integrated with the countryside economically as well as politically and socially. Their functions as marketing centres for rural produce and suppliers of goods and services to the rural people are carried out lethargically and at high cost. They provide few jobs for the surplus rural workers, and the more ambitious among their youth continually leave for wider opportunities.

The surrounding rural people sometimes have their own traditional leaders and forms of organization, but these have been partly channels for transmission of orders from above, enforcement of army conscription and collection of taxes, and partly systems for the performance of traditional

^{33/} These problems are discussed in detail in a recent International Labour Office document prepared for the Sixth Meeting of the Inter-American Conference on Social Security: Social Security in Agriculture (Mexico 1960).

religious ceremonials. Some sectors of opinion have invested a good deal of hope in the adaptation of the traditional rural groupings to new needs, but there is little evidence that this is happening on an important scale. More commonly, rural community organization is very weak or non-existent; the families live either on scattered holdings or in tiny settlements with few organized functions; in Venezuela the average rural population nucleus (excluding the municipio capitals) has only 13 houses and 73 people.^{34/} Community cohesion, both in the municipal centres and in the rural hamlets, is commonly further weakened by family or neighbourhood feuds, often hereditary but now increasingly complicated by the rival appeals of national political parties.

This weakness or absence of rural community organization and the traditional tendency to disregard rural opinions introduce a serious danger that land reform and other rural programmes, whatever their stated principles, will continue to be managed from the top and distorted to serve the interests of groups that can reach the ear of authority - whether the authorities in the national capitals, the politicized national leadership of peasant organizations, or the lowest echelon of government officials and the judges of land courts operating in the municipal capitals. Ideals of local self-government are not lacking in Latin America, and many advisers have persistently urged its strengthening. In Brazil, according to a leading authority on administration, local governments constitutionally and theoretically enjoy a degree of autonomy perhaps unsurpassed in any other country in the world.^{35/} Such autonomy, however, cannot make the working of land reform more flexible as long as it is at the disposal of a clique of landowners and officials in the municipal administrative centre.

A considerable number of local rural projects intended to stimulate community initiative and thus raise levels of living can be found throughout Latin America. Some of them, particularly in Mexico, have long histories, and here and there rural communities have attained a high level of co-operative action without such external stimuli. It is common to find in a

^{34/} G.W. Hill, op. cit.

^{35/} Diego Lordello de Mello, in comments submitted to the United Nations Working Group on Administrative Aspects of Decentralization for National Development, Geneva, 16-27 October 1961.

single country similar projects operated in different localities by Ministries of Health, Education, and Agriculture, by publicly-financed autonomous agencies, and by voluntary agencies. In recent years the inter-governmental agencies as well as bilateral mutual assistance arrangements have entered the scene, both through their promotion of community development and fundamental education techniques, and through the Andean Indian Programme. None of these programmes has as yet been given the resources to operate on a national scale, though many of them are envisaged as pilot projects leading to such national programmes. Commonly there is insufficient co-ordination or even awareness of each others' experiences among the projects sponsored by different agencies. Most of the projects of this type have been directed to groups of small cultivators; they have not been able to influence the workers settled on the large estates or the landless labourers with their minimal opportunities for community organization. Few of them have been integrated into the prevailing structure of local government; they have had some success in making the services located in the municipal centres more accessible to the rural people, but rarely have built up easy working relationships with the municipal authorities. A few recent national laws granting limited functions of self-government to rural communities that organize themselves and apply for recognition may be traced to their influence.^{36/}

* The imminence of large-scale land reform has given these projects new meaning, and should enormously increase the ability of the rural communities to benefit from them. Up to the present, many of them have found the limited ability of minifundio cultivators dominated by neighbouring latifundios to improve their living conditions by their own efforts a frustrating situation. The present land reform policies generally envisage co-operation with the existing community development

^{36/} Such projects in Latin America have been reported on through a series of study tours and working groups sponsored by the United Nations. See, in particular, Programas de Desarrollo de la Comunidad Rural en el Brasil el Ecuador, y Peru: Informe presentado por los participantes en una gira de estudios de las Naciones Unidas, Mayo y Junio de 1959 (ST/SOA/SER.O/34; ST/TAO/SER.D/34); and working papers of sessions of the Regional Inter-Agency Working Group on Community Development in Mexico, Central America, Panama and the Caribbean Region.

/generally envisage

generally envisage co-operation with the existing community development projects, both at the national level and locally, the use of personnel trained in them in the planning and execution of the reform, and the organization of the land reform in such a way as to stimulate community organization and initiative.

The system of land allocation can itself be made a powerful influence in this direction. In Mexico's pioneering land reform, particularly during the most active period of distribution of land during the 1930's, high hopes were placed on the system of distribution to ejidos (organized local groups that petitioned the Government for land) as an avenue to wider collective social action, even to a new social order. For the most part, these hopes were not realized, but similar aims reappeared in the Bolivian reform.^{37/} In both instances, the State was unable to supply technical aid and credits on a scale meeting the needs of the new landholders and, as stated above, many of the new landholdings were too small to give the recipients scope for a prosperous community organization. In Cuba, popular participation in the reform has been sought through national mass organization of rural workers and through administrative councils elected by the workers

^{37/} The ejido policy has for several years been a subject of controversy among Mexican economists and rural specialists. It is clear that the ejidos have not contributed very much to the raising of rural levels of living, and that medium-sized private holdings are a more dynamic element in the rural economy, with a continuing disposition to encroach on ejido lands despite official protection of the latter. Their defenders point out that the ejidos have enabled their members to enjoy a larger measure of human rights and that they have mitigated the effects of rural underemployment when the State could not afford investments to meet this problem. For differing assessments of the system see Victor Alba, "The Mexican Economy: State Action and Private Initiative", the World Today, Royal Institute of International Affairs, London, November 1959; Jacques Chonchol, "La Agricultura Mexicana", Cuadernos Latino-Americanos de Economia Humana, 1, 4, 1959, pp.35-48; and Marco Antonio Duran, "El Desarrollo de la Agricultura Mexicana", Journal of Inter-American Studies, III, 1, January 1961. Present national policy calls for the strengthening of democratic leadership in the ejidos through the enforcement of laws requiring periodic election of their authorities, and for the provision of more adequate social and technical services. (Departamento de Asuntos Agrarios y Colonización, Memoria de Labores 1960-1961, Mexico 1961.)

on People's Farms and co-operatives rather than through community organization among recipients of individual landholdings, but in Venezuela the Agrarian Reform Act of 5 March 1961 returns to the ideal of collective action by recipients of land, and this is also present in the draft laws of some other countries.

Under the Venezuelan Act land is to be distributed to more than 400,000 small cultivators and rural workers - practically the whole of the rural population needing land - during the present decade. The Act provides for allocation of land either to individual petitioners or to groups, but gives more attention to the latter method. Members of rural population groups are to elect temporary committees to represent them during the processing of the request; after the group is granted land, it is to meet in a General Assembly, organize into an Agrarian Centre, and elect annually an Administrative Committee of the Centre. The Administrative Committee, which may be advised by a Technical Director appointed by the National Agrarian Institute, is to maintain liaison with the Institute; make plans for production, credit, and marketing; and co-operate with the Institute in developing technical assistance, health and educational programmes. Such a system, beginning with the encouragement of joint action among the families who seek land and continuing as a channel for common action and relations with official agencies, will, if successful, create a new type of rural community among rural people with only a weak tradition of community organization.

Reforms of land tenure and community organization imply simultaneous improvements in rural education, health practices, and housing, in the organization of production and marketing, and in the supply of credit.

The Latin American countries, like many in other regions, have long relied heavily on the school as the main stimulus to change in the countryside. The geographical distribution of schools has gradually widened and rural enrolment increased, so that today the rural teacher is often the only public servant (aside from the policeman) who actually lives in the rural areas and has a continuing contact with rural people. The typical shortcomings of the rural schools, however, have not been overcome. The educational level of their teachers remains very low: "...the rural teacher in Brazil is a person (a woman) who can scarcely read and write and who has

had no adequate pedagogic training, earning a minute salary".^{38/} The typical school curriculum, specified to the pettiest details in national regulations, is quite unrelated to the capacity of the teacher, the time the children will spend in school, or the rural environment. Most rural children pass through only one or two grades of schooling, not enough to secure functional literacy; in fact, most of the rural schools do not offer a complete primary course, fixed at six grades in the majority of countries. Teachers working under such conditions have sometimes been called upon in national programmes to organize adult literacy classes, promote better community health habits, and even provide agricultural advice; the results have naturally been limited.

Programmes of research and experimental pilot projects seeking methods by which the rural teacher can meet the heavy responsibilities placed on him are now found throughout Latin America. Rural normal schools and arrangements for in-service training of rural teachers have been created. Several countries have introduced nuclear school systems, in which a central team of specialists, including a social worker and public health worker, aids several teachers in scattered one-room schools, and the children have an opportunity to complete their primary education at a central school. Educators are also pointing to the practicability of complete primary courses in one-teacher schools, on condition that the regulations are made more flexible and the teachers given adequate guidance. In most countries, the new methods have as yet benefited only a handful of rural children; the difficult next step is to find (and pay) enough dedicated teachers and supporting specialists to move out of the pilot project stage.

The programmes for land reform and community development have brought both a new urgency and new opportunities to rural education. Previously the schools were working in an apathetic or even hostile environment. The rural workers and minifundio cultivators did not see enough to be gained from education to motivate them to dispense with the labour of their children for more than a year or so, and the landowners were either uninterested or

^{38/} J. Roberto Moreira, Educação e Desenvolvimento no Brasil. Centro Latino-Americano de Pesquisas em Ciências Sociais, Publicação No. 12, Rio de Janeiro, 1960, p.185.

suspicious of the potential influence of literacy on their labour force. Consequently the rural school was more likely to be stultified by its environment than to change it; instances have been cited of rural groups remaining 100 per cent illiterate after a school had been functioning for several years among them.

Observers agree that this indifference to education disappears wherever the rural population envisages land reform as a possibility. Education is then seen as a means of defence against exploitation. It is no accident that the first Latin American country to make important progress in new techniques of rural education was Mexico, and that the most rapid increases in rural school enrolment in the past few years have been in Bolivia, Cuba, and Venezuela.

The prospect of continuing movement of youth from farms to cities strengthens the rural demand for education but complicates the task of reforming its content. The school should not encourage the children to reject rural life, as it is often accused of doing, but a schooling narrowly adapted to rural needs will only perpetuate the present handicap placed on rural youth who must compete for urban jobs and adapt themselves to urban ways of life.

The need is not only to raise the general educational level of the rural population but also to enable qualified rural youth to reach the higher rungs of the educational ladder, and to do this in such a way that an adequate proportion will return to provide leadership and technical guidance to the rural masses. Up to the present rural youth have been almost entirely excluded from secondary and higher education by the incompleteness of the primary courses offered in rural schools; the exceptions have naturally entered urban occupations. Agricultural education at the secondary level has been offered only on a very small scale, and the few institutions of this type have been sparsely attended; such education was incompatible with the social structure in the countryside. The larger landowners were not interested in such an education for their children and the rest of the rural population either could not qualify to enter or saw no advantage in doing so. The Federal Government of Brazil created a system of agricultural secondary schools in 1940; by 1958 they had a capacity of /20,000 students

20,000 students but an enrolment of only 5,000. An inquiry conducted in five of them indicated that the students were looking forward to jobs as government agricultural technicians or as managers of large estates; they did not envisage using their training as farmers.^{39/}

Agricultural education at the university level naturally shows similar weaknesses.^{40/} While government agricultural agencies have devoted considerable effort to the creation of faculties and institutions, enrolment in them averages only 57 per cent of capacity, while most other branches of higher education are overcrowded. In 13 countries in 1958, enrolment in agricultural courses ranged between 6.0 per cent and 0.4 per cent of total higher enrolment, for an unweighted average of 3.1 per cent. A large majority of these students come from the urban middle classes and try to find work in the cities after graduation, especially in the central offices of government agricultural agencies. Meanwhile, the region is equally short of qualified agricultural extension workers and of the detailed information on local soil types, plants, insect pests and many other matters needed for a sound agricultural policy. These deficiencies, in countries of remarkable topographic and climatic diversity, are bound to cause unnecessary waste and disillusionment once large-scale resettlement is undertaken. Such questions of technical information fall outside the scope of this chapter, but their importance cannot be over-estimated. The numerous agricultural specialists needed for the present rural plans can be obtained - and persuaded to go where they are most needed only - if the educational opportunities of rural youth at the primary and secondary level are greatly improved.

The inter-connected rural deficiencies in education, economic opportunities, and institutions for collective action have limited the effectiveness of a number of other rural programmes that are receiving a new impetus from the imminence of agrarian reform.

Several Governments have promoted rural co-operatives over a number of years. The inefficiency of the present urban marketing systems and the hardships worked on the small cultivator by his inability to hold his crop off the market to wait for a favourable price indicate their potential value. Successful co-operatives, however, imply competent and dedicated advisers, local officers with some education, and a certain amount of mutual trust

^{39/} Roberto Moreira, op.cit., p. 186.

^{40/} See Alvaro Chaparro, Un Estudio de la Educación Agrícola Universitaria en América Latina (Colección FAO - Estudios Agropecuarios No.48, Rome, 1961).
/and disposition

and disposition to co-operate. The lack of these prerequisites in much of Latin America has prevented rural co-operatives from attaining a mass membership. In Mexico, where co-operatives have been promoted over a longer period than elsewhere, a recent survey indicates that fewer than half of the more than 10,000 farm co-operatives set up have survived, and that many of these are in poor shape.^{41/}

Farm credit institutions in most of Latin America have served only the larger landowners. Even the few public credit institutions specifically designed to meet the needs of smaller farmers have not been able to reach the minifundio cultivators. The Mexican Banco de Crédito Ejidal, for example, set up to assist the beneficiaries of land reform, after many years of operation by 1959 extended credit to only about a quarter of the ejidos - the more prosperous among them.^{42/} In fact, even if funds were ample and the administrative difficulties of lending money to persons with minute and precarious cash incomes, who are also illiterate and remote from the lending agencies, could be overcome, the small cultivators are more likely to use credits for non-economic purposes than to increase their production.

The supervised credit system initiated in Brazil in 1949 and since extended on an experimental basis, usually with the support of funds from abroad, to a number of other countries, is designed to overcome these difficulties. Under this system, credit is supplied to selected cultivators who agree to follow a production plan. The beneficiaries receive assistance in improvement of home life as well as in agricultural practices and marketing. The costs of such a method, in terms of trained supervisory personnel, are too high for it to be applied to very large numbers of farmers, and its proponents rely partly on the demonstration effect. That is, it is hoped that the success of the first beneficiaries will stimulate their neighbours to imitate them, and that gradually it will be possible to extend loans with less supervision. The method is still in process of evolution and experiment, as its promoters attempt to broaden its influence at lower costs per beneficiary. Some programmes combine more limited

^{41/} Marco Antonio Duran, op. cit.

^{42/} Ramón Fernández y Fernández and Ricardo Acosta, Política Agrícola, Ensayo sobre Normas para México, Fondo de Cultura Económica, Mexico City, 1961, p.126.

supervision by technicians with the organization of local committees of cultivators to administer funds, decide on loan applications, and see that the loans are used for their stated purpose. In Brazil in 1959 the local affiliates of the Associação Brasileira de Crédito e Assistência Rural (ABCAR) had 170 local offices with more than 500 technicians, each technician attending about thirty families. A recent report by the ECLA/FAO Joint Agricultural Division comments: "By its very nature, 'supervised credit' is costly. But as the importance of its educational and formative aspects is appreciable, the educational costs of credit should be set apart, so that they are imputed not to the loan, but to special items in the national budget or to international funds that might be earmarked for this purpose".^{43/}

^{43/} "An Agricultural Policy to Expedite the Economic Development of Latin America", Economic Bulletin for Latin America, No. VI, 2, October 1961. The experience of the Brazilian supervised credit agencies is summed up in Associação Brasileira de Crédito e Assistência Rural, Reformulação da Política de Aplicação de Crédito Rural em Articulação com a Extensão Rural. Conclusões e Recomendações da I Reunião Nacional de Especialistas em Crédito dos Serviços de Extensão Rural e Representantes de Entidades Financiadoras. Rio de Janeiro 1960.

IV. URBAN TRENDS AND PROGRAMMES

Some proponents of rural social reforms see such reforms primarily as a means of keeping the people on the land. Ominous as many aspects of urbanization in the region may be, however, it would not make sense either economically or socially to aim at immobilizing the growing numbers of underemployed peasants on subsistence holdings, even with the meagre improvements in living conditions that could be attained by self-help on these holdings. In Mexico alone "it is probable that two million peasants could leave agriculture without decreasing either the volume of production or its rate of growth, while permitting those who would remain in the countryside to raise their employment and income levels".^{44/} Some of the present surplus farm labour can be absorbed into new agricultural areas, but the greater part of the rural population increase can be expected to continue to move out of agriculture, into the towns and cities. This does not mean that the mushroom growth of the national capitals need be accepted as inevitable; the problem is to vitalize and to improve the holding power of the smaller urban centres, without falling into an artificial and over-expensive propping-up of regional economies.

The present chapter has little to add to the discussions of the rapid growth of cities in Latin America presented in the 1957 Report on the World Social Situation and the report of the 1959 Seminar on Urbanization in Latin America. The prospect of large-scale external aid for urban programmes suggests that the countries will be able to cope with the social consequences more adequately than in the past, but there is little agreement on the share of resources that should be devoted to the urban infrastructure and urban social services, and little progress towards a healthier distribution of the urban population in cities and towns of varying sizes.

Recent studies confirm earlier warnings that industrialization is not absorbing a satisfactory part of the growth in the urban labour force. The surplus labour continues to take refuge in service occupations of low

^{44/} Edmundo Flores, Tratado de Economía Agrícola, Fondo de Cultura Económica, Mexico City, 1961, p.367.

productivity. This continuing trend is reported even from Mexico, with its relatively high rate of economic growth.^{45/} In countries where such growth has lagged, the failure of industry to utilize more labour is naturally more pronounced.

The hindrances to industrial expansion stemming from the present characteristics of the urban labour force have been often described. The common pattern continues to juxtapose a shortage of qualified foremen and skilled workers with an excess of persons seeking employment who are not only unskilled but practically debarred from acquiring skills by low educations levels, poor physical condition and lack of steady work habits. Even if the educational reforms and other social programmes that are now envisaged throughout the region result in a better qualified labour force, it appears that industry will face a continuing dilemma between increase of efficiency with only slow increases in employment and increases in employment with only slow increases in productivity.

The absorption of surplus labour into the service occupations has kept visible unemployment in most of the Latin American cities at a fairly low level. In some instances, however, the anti-inflationary readjustments of economic policy that have appeared since 1957 have brought about a decline in employment in industry and construction, sometimes accompanied by a reduction in public employment, which could not be absorbed in this way. In Venezuela the President's Message to Congress of March 1962 estimated unemployment at about 280,000 or 12 per cent of the labour force. More than a third of these unemployed were in the metropolitan area of Caracas. Under such circumstances the highest unemployment rates are usually found among construction workers, since the first consequence of an austerity policy

^{45/} According to a recent analysis, the Mexican economy up to 1955 absorbed the increase in the labour force "as it will continue to absorb many more millions in future years - in semisubsistence agriculture, trade, domestic and personal service, and other types of marginal employment... much of the increase in the so-called service and white-collar industries in Mexico and elsewhere, simply reflects the fact that the population of working age has increased more rapidly than have the job opportunities in industries producing physical goods". (A.J. Jaffe, People, Jobs, and Economic Development: a Case History of Puerto Rico Supplemented by Recent Mexican Experience, The Free Press of Glencoe, Ill., 1959.)

is likely to be a collapse in the building boom that has occurred in the larger cities during periods of inflationary economic growth. In Santiago in December 1960, while 7 per cent of the total labour force was unemployed, unemployment in construction reached 20 per cent.^{46/}

The actual composition of employment within the services sector, the economic productivity of the activities carried on within this sector, and the experiences of the workers in it remain very little known. The frequent shifts from one type of job to another and the numbers of persons pursuing more than one occupation at the same time indicate that not only sample surveys but also intensive case histories of single families may be needed to obtain a clear picture of the situation.^{47/} The large employment in petty trade, home industries, etc. is not solely or simply a result of the inability of industry proper to absorb the available labour. A good many workers undoubtedly prefer the freedom from industrial discipline, the ability to fix one's own hours and rhythm of work associated with the former occupations; a kind of embryonic and undisciplined entrepreneurial spirit may also enter in. A study of factory workers in São Paulo indicated a common aspiration among them to set up small businesses; many of these workers after several years of factory work became intentionally inefficient so as to provoke the management to discharge them and give them the legally-fixed severance pay as capital for such businesses.^{48/}

Hardly any of the major cities have as yet made substantial progress in eradicating the peripheral shantytowns or in improving their housing conditions. The number of persons living in shantytowns has probably increased, although the exhaustion of waste areas open to such settlement and police action to prevent the appearance of new shantytowns have meant that increased overcrowding within them has been more common than expansion of their area. A few cities have experienced new instances of organized occupation of land by large groups of families under political leadership. Low-cost housing projects have, as in the past, done something to alleviate

^{46/} Instituto de Economía, Universidad de Chile, Ocupación y Desocupación, Gran Santiago - Iquique - Antofagasta - La Serena - Coquimbo - Concepción, Diciembre de 1960 Santiago, 1961.

^{47/} See for example the recent studies by Oscar Lewis reported in Five Families (The Free Press of Glencoe, Ill., 1959), and The Family of Sanchez (Random House, New York, 1961).

^{48/} Juarez Rubens Brando Lopes, "Aspects of the Adjustment of Rural Migrants to Urban-Industrial Conditions in São Paulo, Brazil", Urbanization in Latin America, UNESCO, Paris, 1961.

overcrowding among the lower middle classes and better paid workers, but very little for the populations of the shantytowns. In some cases, inflation has brought windfall benefits to the minorities who have managed to receive new housing, by wiping out the value of their fixed rentals or amortization payments. In Chile, according to an official source, housing financed through social security funds has permitted "many employees to enjoy dwelling completely out of range of their real capacities to pay. This is basically a subsidy which the mass of employed persons has paid to a relatively few lucky ones".^{49/}

While recent observers find some evidence of improvement in other aspects of living conditions among the urban working classes, particularly in the range of durable consumers' goods they possess, it is generally agreed that their housing, on the average, is becoming worse.

In Venezuela, a country previously able to afford more low-cost housing construction than any of its neighbours, the results of the policy followed up to 1959 - construction of huge apartment blocks for rental to low-income families - have not been encouraging. It has proved nearly impossible to collect rents from the occupants; the expected funds for further construction have thus dried up; new shantytowns have appeared around Caracas; and the apartment houses have become fortresses of the most aggressively discontented part of the city population, including many unemployed.

The urban housing situation offers some hopeful aspects. In the first place, pilot projects have provided considerable experience in the adaptation of self-help housing methods to urban conditions, and housing agencies now envisage a considerable expansion of such projects as one method of spreading their resources to meet the needs of families who cannot afford amortization payments for the types of housing provided up to the present. In Mexico City, a large-scale programme has been envisaged that would offer the many thousands of families who have housed themselves in colonias proletarias the alternatives of improving their present dwellings or of demolishing them and building better houses on the same sites, using materials supplied by

^{49/} Corporación de Fomento de la Producción (CORFO), Programa Nacional de Desarrollo Económico 1961-1970, Santiago 1961, p.108.

central workshops at costs they can afford. Up to the present, however, shortages of funds and questions relating to division of responsibilities among public agencies have delayed action on this promising initiative.

In the second place, the Inter-American Development Bank now offers to the countries housing loans that are to be linked to the adoption of long-range programmes relating construction targets to housing deficits; in practice, a number of loans have preceded the adoption of programmes. The first programmes along these lines that have been announced do not promise any reduction in the numbers of families now living in sub-standard housing. At best, they are expected to keep the deficits from growing. In Colombia, estimates made by the ECLA secretariat indicated a quantitative urban housing deficit for 1961 of 272,000 dwelling units, with a need for construction of 369,000 new units during the period 1961-65 in order to regain even the unsatisfactory relationship of housing supply to urban population existing at the time of the 1951 census. The Colombian development plan, however, envisages only 226,100 new urban units during this period, half of them to be built by the principal public housing agency the Instituto de Crédito Territorial. In Chile, a need for 448,000 new urban units during the period 1961-70 has been forecast if the housing levels of 1952 are to be regained. The Chilean ten-year plan calls for construction approximately matching this figure.

Neither the employment nor the housing problems of the big cities can be solved within their own boundaries. The potential scale of migration to them is so great that any increase in jobs or in dwellings is likely to be overwhelmed. In fact, a major housing programme, unless it depended mainly on self-help techniques, would increase the demand for unskilled construction labour and thus the attractiveness of the city to migrants. If present trends continue, the Federal District of Mexico and adjoining localities within the metropolitan area will have 15 million people by 1985 and will account for 60 per cent of national industrial production. Other national capitals may grow in similar proportions. The problems of physical organization of such super-cities - provision of water, transport, sewerage, food supplies - will be formidable at best. Most of the countries now favour some degree of industrial decentralization, and several have called in

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advisers on regional planning. The main factor promoting a limited amount of decentralization at present is the growth of steel industries whose location depends on sources of ore and power rather than on proximity to the concentrated urban market of the capital. Broader plans for decentralization, however, are still on paper.^{50/} The forces making for concentration of manufacturing (of consumer goods in particular) in the vicinity of the capital cities - closeness to the richest market, to financial institutions, to official agencies, to a large and varied labour reserve, to the ways of living preferred by the managerial class - are very powerful.

The past decade has been a period of rising consumer prices in almost all countries, of rapid inflation in a few. The wage earners have in general lost ground in the struggle to maintain their share of the national income, but through most of the period the impact of inflation on them has been mitigated by policies keeping down the prices of basic foodstuffs (by permitting imports at favourable exchange rates), freezing rents, and freezing transport fares. In more recent years a partial abandonment of such measures, as part of the process of freeing the economies from excessive controls, has led to hardships and some violent protests.

At the same time, some of the Governments have encouraged consumer resistance to price increases, either by publicity (denouncing shops that have raised prices and disseminating names of shops selling at approved prices) as in Chile, or by direct sales to the consumer, as in Mexico. In the latter country an official agency, the Compañía Nacional de Subsistencias Populares (CONASUPO) has the double function of stimulating food production through purchases from small farmers at guaranteed prices and of raising urban consumption levels (CONASUPO represents a reorganization and expansion of an earlier agency with similar functions). A subsidiary of CONASUPO sells food and clothing directly to the public from trucks touring the low-income parts of the Federal District, at prices half or less those in retail shops.

^{50/} A systematic survey of the implications and prerequisites of decentralization in Mexico has been made by a United Nations adviser. See Paul Lamartine Yates, El Desarrollo Regional de Mexico, Banco de Mexico, S. A., Investigaciones Industriales, Mexico City, 1961.

CONASUPO has also announced the organization of an administrative council representing all government organizations and decentralized institutions, state as well as national, concerned with improving the standard of living of the poor.^{51/}

The distribution system for foods and other consumer goods in Latin American cities commonly involves a high mark-up between producer and consumer, and a great deal of waste and deterioration of food along the way. High profits by middlemen are only a part of the reason. The crops of the small cultivator are often bought by village shopkeepers or truck owner-drivers who operate on a small scale, and eventually sold to the consumer by petty shopkeepers or market-women in the cities who must sell at a high mark-up because their turnover is so small. The proliferation of small shops with low turnover is one of the most obvious characteristics of the poorer quarters of Latin American cities. They meet the needs of consumers who are living from hand to mouth, by selling goods in very small quantities and sometimes by extending credit. At the same time they constitute one of the ways in which under-employment is disguised. These small shopkeepers now face difficulties, on the one hand from official action to protect the consumer and, on the other, from the rapidly spreading competition of super-markets and chain stores, organized along United States lines and sometimes by subsidiaries of United States companies. Protest strikes and demonstrations by small shopkeepers are reported here and there and it seems likely that an inevitable improvement in efficiency of the distributive system will sharpen the problem of unemployment and reduce the range of alternatives now open to the city-dweller of the poorer classes.

^{51/} The mixture of agricultural price support and urban social assistance functions has been severely criticized. See Ramón Fernández y Fernández, op. cit., pp.200-246.

V. INTEGRATION OF SOCIAL AND ECONOMIC DEVELOPMENT

Regional endorsement of an agreement such as the Charter of the Alliance for Progress, adopted at the Punta del Este meeting by representatives of nineteen out of the twenty Latin American republics together with the United States, would hardly have been conceivable ten years ago. It reflects a gradual growth of insight into the problems involved in programming, a disillusionment with onesided solutions, and a fear that the uneven and intermittent economic growth that has been secured up to the present, impressive though it has been in parts of the region, may be violently interrupted because of failure to satisfy the needs of the majority of the people. In this approach to a consensus of informed opinion on the prerequisites for sustained development, the influence of international organizations, in particular the United Nations Economic Commission for Latin America, has been felt in many ways: primarily through studies throwing light on the realities of the region and testing economic theories against these realities, and through the provision of a common background of experience for the increasing number of policy makers who have served both at the regional and the national level.

The Charter of the Alliance specifies that "progress" shall be evaluated not only through the economic yardstick of per capita national income but also through such social yardsticks as infant mortality rates, literacy rates, and per capita calorie intake. It sets forth the economic target of a 2.5 per cent annual increase in national income per capita together with some quite specific social targets to be reached by 1970: a minimum of six years of primary education for every school-age child, and a five-year increase in life expectancy. Other social targets are presented in more general terms: the national income is to be more equitably distributed; unjust systems of land tenure are to be reformed; productive and well-paid jobs are to be provided for the workers now unemployed; the deficit of housing for low-income families is to be reduced; secondary, vocational and higher education is to be modernized and expanded. Regional meetings of specialists are envisaged to prepare more specific social targets and timetables. The Latin American countries agreed to implant or strengthen systems for the preparation, execution, and periodic revision of national economic and social development programmes compatible with the terms of the

Charter. They were to submit such long-term programmes within eighteen months after the meeting if possible. The Charter envisages both a mobilization of internal resources for development through fiscal reforms and other measures, and the provision of at least US\$ 20,000 million from sources outside the region during the decade ending in 1970.

The programming goals and techniques that are now winning general acceptance in Latin America have evolved through several decades of trial and error. State intervention and regulation of the economy increased sharply during the 1930's as a reaction to the catastrophic slump in exports that accompanied the world economic depression. Policies of stimulating industrialization through public investment directed by autonomous public corporations appeared a little later. By the late 1940's national "development plans" began to be published. During this period, however, State intervention responded to contradictory pressures and motives. The plans did not in general rest on any clear conception of priorities, available resources, or the inter-relations of different programmes. Even plans that purported to be comprehensive usually consisted of unco-ordinated projects. This was particularly true of their social elements, which were often limited to construction of school buildings, hospitals, and housing. The ideal of planning continually conflicted with a tendency to seek protection or freedom of action for specific projects by allocating them to semi-autonomous public bodies with resources not subject to central budgetary control. The result was sometimes an excessively complicated administrative structure and a jungle of regulations not responding to any unified policy. In Argentina, in particular, it is now generally agreed that governmental insistence on "planning" in the period up to 1953 coincided with a disregard of the increasingly serious structural maladjustments in the Argentine economy and the decline of productivity in most sectors. The quality of public administration deteriorated while State intervention in the economy increased, "resulting in the bureaucratic perversion of important aspects of the economic system".^{52/}

^{52/} Raul Prebisch in Economic Growth: Rationale, Problems, Cases, Proceedings of the Conference on Economic Development sponsored by the Department of Economics and the Institute of Latin American Studies at the University of Texas in 1958. University of Texas Press, Austin, 1960.

Over the past decade administrators and economists have subjected pseudo-planning and over-regulation to continual searching criticism. Since 1955, economic difficulties and the evident shortcomings of earlier policies have caused the majority of Latin American Governments to move in the direction of "austerity", involving a curbing of public expenditure and an elimination of controls. As the Punta del Este decisions indicate, however, this trend has not led to a rejection of long term planning and large scale public investment. Rather, the prerequisite and implications of effective planning are now better known, and it is agreed that such planning calls for administrative simplification and decentralization rather than the reverse.

It is also agreed that planning is a continuing process, requiring adequate information, clearly formulated principles and techniques and a permanent technical staff. The attempts to meet these prerequisites have taken several forms. In some countries the autonomous bodies handling public investments in industry have created their own research and planning divisions, as the Chilean Corporación de Fomento has done. In others, the Central Bank has done so. In Mexico, responsibility for planning has been assigned to the secretariat of the Presidency. The organizational form that has appeared most widely, however, is the autonomous advisory planning agency staffed by technicians, reporting directly to the President or to a permanent planning committee of ministers concerned with economic and social questions. Some of these advisory bodies now have nearly a decade of experience.

International co-operation has strengthened the national planning bodies and encouraged them to widen their interests. Teams of experts from the International Bank, the Economic Commission for Latin America, and other intergovernmental bodies have studied the national economies, usually in co-operation with local planning personnel; advisers from the same sources have assisted in the creation of planning bodies and have worked within them. Advisory Groups set up by ECLA in Bolivia and Colombia, some years before the Punta del Este meeting, assisted in preparation of the two ten-year plans which became the first long-term development programmes submitted under the terms of the Alliance for Progress and similar groups are now being organized in other countries under the joint

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auspices of ECLA, OAS, and the Inter-American Development Bank. More than 1,000 persons have participated either in short courses on the techniques of development planning offered by ECLA experts in the individual countries or in more intensive courses held since 1952 at ECLA headquarters in Santiago.

One important sequel to the Punta del Este meeting has been the expansion of regional training through the creation of a Latin American Institute for Economic and Social Planning, to be financed by the United Nations Special Fund and the Inter-American Development Bank. This Institute took over in July 1962 the intensive courses previously offered by ECLA. It is expected that the number of annual participants will rise to at least eighty and possibly to one hundred within two or three years. While the courses up to the creation of the Institute concentrated on over all development programming and on economic questions, in the second half of 1962 special three-month courses on educational planning and health planning were undertaken, and a course on the sociology of development was for the first time included in the general curriculum.

Such an institution promises an unprecedented cross-fertilization of thinking on planning problems, both regionally and between specialists in different economic and social fields. A series of regional meetings dealing with broad policy problems has already made important progress in this direction. The 1959 Santiago seminar on urbanization in Latin America brought together administrators, economists, sociologists, and experts on housing and city planning. The Mexico City Expert Working Group Meeting on the Social Aspects of Economic Development in Latin America also brought together specialists from different disciplines to reach joint recommendations and proposals for future lines of research. The March 1962 Santiago Conference on Education and Economic and Social Development helped economists and educators to develop a framework of ideas on the relationships between their fields and also produced detailed plans for progress toward the educational goals set forth in the Punta del Este Charter.

An Inter-American Committee for Agricultural Development jointly sponsored by FAO, ECLA, the Organization of American States, and the United States Agency for International Development is now undertaking a regional programme of studies that is to begin with national programmes worked

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out in collaboration with Governments. The latter programmes are to give priority to projects implying improvement of the living conditions of the lowest-income groups; measures for improvement of rural education, housing, sanitation, and nutrition are expected to be included as well as measures for improvement of systems of production and marketing, agricultural extension, and credit. In its final phase the programme is to seek a co-ordinated agricultural policy for the whole of Latin America in line with the hoped-for regional economic integration.

A few of the Latin American countries have created agencies for the development of specific regions, either because these regions offer exceptional promise for large-scale investment, as with the various river basin development commissions of Mexico and the Cauca Valley Corporation of Colombia, or because they are lagging conspicuously behind the rest of the country, as with the Northeast of Brazil. The terms of reference of such agencies are generally in part social, but their budgets have up to the present been too limited to permit them to embark on important social programmes; such programmes are left in the main to the national agencies responsible for them throughout the country, with some help from the regional agencies in construction of buildings. The Superintendencia de Desenvolvimento do Nordeste (SUDENE), however, in 1962 received approval from the Congress of Brazil for a large-scale rural resettlement and industrialization programme, and has been given joint responsibility with the United States Agency for International Development (AID) for the spending of more than US\$ 200 million in the first two years of a five-year plan comprising social as well as economic projects. At the same time, SUDENE is to control an emergency work-relief programme to alleviate the destitution resulting from the latest of the droughts with which the Brazilian Northeast has been plagued. Such regional agencies can be expected to gain in importance and in the real scope of their social activities; in view of their partial autonomy co-ordination of their activities with those of national agencies and with national plans is likely to be difficult.

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It might be over-optimistic to conclude that the ability to programme effectively has kept pace with the growing urgency of the need to do so. In the early stages of the Alliance for Progress grants are being made for short-term projects - in particular for urban housing - where deficiencies are particularly conspicuous, before it is possible to determine the place of such projects in comprehensive plans. Inadequacies of information have not been overcome; the basic field research needed for an appreciation of social trends is progressing only slowly. The gradual improvements in coverage and accuracy of decennial censuses visible around 1950 has been followed by some faltering in 1960-1961; several countries have postponed their censuses owing to economic or political difficulties. The obstacles to planning inherent in the social structure, in the public administration, and in political instability are formidable, and the temptation to overcome them by extreme political solutions is ever present. The extent to which the policy-makers can summon up a "will to plan", an acceptance of the sacrifices implied by planning, and a feeling of common interest in different strata of society remains to be seen.

