

THE AGRARIAN SECTOR IN COLOMBIAN DEVELOPMENT

by

EDWARD LINDARTE

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Approved by:

Wayne Rohrer

Major Professor

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CHAPTER I

ECONOMIC DEVELOPMENT, SOCIAL DEVELOPMENT AND THEIR TACTICS

The concept of economic development eludes precise definition or application. Perhaps in its most common usage it designates the phenomena of economic growth by an indicator or operationalized definition, the Gross National Product. Some economists merge the concept with the empirical indicator and economic development is simply a secular increase in gross national product. The indicator becomes the concept.

At least three terms, "modernization," "industrialization," and "development" are sometimes used interchangeably (Horowitz, 1969:15-16). However, Horowitz notes: "these words not only mean entirely different things, but are often at odds with one another" (ibid.). This perhaps depends somewhat on the disciplinary standpoint of the analyst. While Moore (1963:89) uses modernization to designate total transformation, others mainly use it as surrogate for the urban process. Similarly, development often is surrogate for industrialization. Horowitz adds that a more comprehensive conceptualization would encompass a double exchange--..."the interaction of modernization and industrialization forming the core problems of developmental processes and strategies alike" (1969:16-17).

The problem of specifying development lies not only in identifying its boundaries but in spelling out precisely its content. Experience indicates that variables included and their mix are in themselves historical and variable. Analysts have pinpointed many common empirical features of the developmental process (Kuznets, 1965 and 1966). Until this time, no one has

isolated those indispensable processes that in each and every case of development necessarily take place. The idea advanced here is that a development process always includes social development and is never only economic development. In this sense, development represents plural factors some of which are substitutable and/or variable within ranges, and that, in the aggregate, produce a kind of organic unity, metaphorically speaking. The aggregate transcends a summation of the parts. The difficulties of comprehending that totality require a limited methodological stance.

A first conceptual step involves using what Manning Nash calls the "index method." In essence it consists in contrasting the general features of a developed economy abstracted as an ideal type with the corresponding ideal typical features of a poor economy. Within that view, the problem concerns transformation of one type into the other which comparison of polar types by static measures does not inform of. Static analysis provides a level of characterization; a grounding for beginning and ending points of analyzing a process, but does not observe process per se. However, this level of characterization is, in principle, independent of the level of causality.

Given the above, a second step followed is to provide a minimum working definition or characterization of development. It is not assumed that the bases for defining development apply universally within the society observed or to every one of its groups or institutions. Two general models describing social structures are suggested as bases. They are "models of structure" (Dahrendorf, 1959:40) not Weberian "ideal types." Neither model represents "pure" conditions but each refers rather to a common factual skeleton. The first model characterizes development as involving the extensive application of science to problems of economic production and activity. It involves the

increasing use of a means-ends schema, the validity of which is defined by a community of scientists. The second model relates to the first and characterizes development as involving a long term sustained increase in human productivity through real output increases per capita. Taken together, these two models provide necessary characteristics for development so that it could not occur in their absence. Such models of course, raise no claim to constituting sufficient conditions, much less of providing a complete characterization of those societies against which they are arrayed. They are supplemented by the following empirical characteristics:

1. Shifts in sectors of economic activity. The three major economic sectors are agriculture together with such activities as mining, fishing, forestry and trapping (extractive industries); industry proper (manufacturing industries); services not generating tangible products (service industries). These sectors are often designated as primary, secondary, and tertiary, respectively. Two certain generalizations can be derived from the history of the process of development: First, development is characterized everywhere by significant shifts in the proportion of output generated by the three sectors--a decline in the share generated by extractive industries (or at least, a decline in agriculture) along with growth generated in the other two (or growth in non-agricultural sectors) sectors (Kuznets, 1966:86-159; Kuznets, 1965:24-29); and, development reflects the fact that the total range of commodities and services increases by adding new commodities or services as the proportion generated by extraction (or only agriculture) declines; second, the labor force shifts in its distribution among sectors (Clark, 1957).

2. A second historical characteristic of social development is increased urbanization. In Western societies, the Industrial Revolution involved urbanward migrations that drastically altered traditional rural-urban population distributions. Furthermore, the world trend is toward even greater urbanization (McKee, 1969:213). For example, the proportion of world population in cities over 100,000 shifted from 1.7 percent in 1900 to 13.1 percent in 1950.

3. A third historical characteristic of development is increased labor specialization. This characteristic assumes two forms: individual role differentiation and organizing enterprises around highly particularized functions (Moore, 1963:108-109). Both manifest phenomena relating to increasing size and complexity of economic organizations.

The opposite of development is not necessarily underdevelopment, but rather undevelopment. Underdevelopment, as viewed here, refers to a process of grossly uneven or distorted growth. In general terms, I agree with Stavenhagen (1970c:10) in defining underdevelopment as the consequence of capitalist penetration of traditional (pre-capitalist) structures. The definition only offers a broad conceptual background since a number of capitalist forms may interact with an even greater variety of traditional structures. However, I believe there is an advantage in dealing with underdevelopment as the result of superimposition, mingling, and interdependency of essentially very different and even incompatible social arrangements, rather than "primitiveness" per se.

Any definition of "underdevelopment" in terms of the impact of a system on another begs the question of what impact or what consequences. Three categories I believe are relevant. One refers directly to unevenness of

change. Some of the characteristics of the model of development are given in the absence or the retarded occurrence of others. Urbanization prior to industrialization constitutes an example. The major hypothesis of this study deals with one such type of unevenness.

A second category includes changes erupting as unanticipated consequences from the alteration of previously ecologically stabilizing forces or conditions, but that are not related directly in their origin to competitive or conflictive situations among social groups. Accelerated population growth rates resulting from diffusion of medical and/or food increasing technologies is an example.

A third category is structured inequalities and privileges arising from changing conditions of access to socially scarce and valuable resources of different kinds. A capitalist economy, where the dynamics for appropriation of socially scarce and valued resources takes place and follows individual and class patterns, has a strong potential for inequality--which in a fully developed state may be partially checked by other processes and power centers. Consequently, capitalist penetration of a traditional society whether by internal innovating groups or by external forces--colonialism or foreign trade, reflects efforts to secure a privileged allocation of socially scarce and valuable resources of different kinds: status, power, income, consumption goods, means of production.

Processes of development tend to be non-cumulative and non-continuous because cumulative and circular mechanisms of causation often perpetuate underdevelopment. New and previously existing arrangements of privilege may become mutually supporting structures inhibiting further social development. A developed and uniformly modernized capitalist society provides at the very least a propitious structural setting for forces and conditions

acting to countervail elite monopoly over power and benefits of economic growth (Mannheim, 1940).

Those models outline a framework of guiding master assumptions. Situated in that context, the following hypothesis is explored.

The Colombian agrarian problem may be viewed as resulting from a lack of synchrony between economic organization and social organization, as both are affected by modernization.

While technological change and modernization in the countryside transform the rural economy and gradually reduce labor needs, the rural population continues to grow. The lack of synchrony arises because social forces accounting for each are relatively independent. For example, rural marginality and poverty have historically constituted the outcome of social processes in which elites were the primary acting units. At the present time these processes are aggravated by distorted growth or lack of synchrony.

Agrarian reform alone in a country such as Colombia cannot solve rural marginality and poverty because it cannot bring about social structural patterns harmonious with modern economic organization. While the preceding notion contaminates to some degree the thesis problem, it remains cogent to examine Colombia's agrarian problem in the context of overall national economic and social organization. At any rate, the thesis does so examine.

Economic development and social change have in recent decades become legitimate fields of theoretical and practical academic inquiry. The present thesis attempts achievement of a dual justification: Theoretical reference insofar as it tries to provide an intellectual model for comprehending social and economic change in an existing nation state; practical

relevance insofar as knowledge constitutes a prerequisite for determining and implementing goal-oriented programs of change.

To look at the historical origins of the present problem raises the claim that understanding its genesis offers insights into the nature of old forces perpetuating it, without disregarding the contribution of new variables and modified conditions.

A methodological tactic used in assisting this purpose is a kind of structural functional perspective: meaning only that social reality is perceived as a whole with parts that are mutually related to the whole and to each other. As Russell has remarked:

An analysis of structure, however complete, does not tell you all that you wish to know about an object. It tells you only what are the parts of the object and how they are related to each other; it tells you nothing about the relations of the object to objects that are not part or components of it. (Dahrendorf, 1959:120).

Resorting to that notion of structure and its components requires linking those static categories with the dynamic elements of a societal system. Structural-functionalists supply this link in their use of the concept of function. The approach, however, may lead to a one-sided concern with problems of order and integration.

Thus, in tracing the consequences of specific social phenomena, the functional structuralist does not have to make assumptions about their net result--he may allow this to be freely determined by empirical investigation. But when he observes that some larger social organization of which the specific phenomena seem to be parts persists longer than they do, and that that whole may originate after its several parts do, he can be led to assume that the net result or function of the parts must be to generate and/or maintain the whole. The analytic problem then becomes one of devising a classification of the minimum functions that can possibly yield such results. (Wallace, 1969:26-27).

A central problem of much structural-functional theory arises because theorists attempt to locate the dynamic agents of change within the system; that is by subordinating the category of function to that of structure

(Dahrendorf, 1959:122-123). While the functional relations among parts and the whole of a structure are certainly important:

It is rather the first requisite of a dynamic analysis of structure to...look for the dynamic variables that, though operating within given structures, are in principle independent of their (constituted) functional integration...elements which are independent of these without being necessarily external to them and which determine relative stability as well as kind and degree of change of structural patterns. (Dahrendorf, 1959:123).

Social classes are examples of these elements. Dahrendorf recommends replacing the Marxian conceptualization of class as relating to the means of production with class as relating to authority exercised in imperatively coordinated associations (1959:136-205). He holds that authority constitutes the general case of which property is particular (ibid., 137). Also, he notes that Marx's theory of class loses its analytical value when legal control and factual control (in industry) are separated (ibid., 136).

Pierre van der Berghe (1963) rejects this modification as arbitrary and calls for developing a more general theory of group conflict, one where:

...authority would not occupy a privileged position, but would rather be one of many desirable "goods" (along with material rewards, control of the means of production, power, prestige, spheres of cultural, linguistic, ideological, intellectual, or religious influence, etc.) (ibid., 701).

I suggest distinguishing between the categories of "control" and of "scarce and socially defined desirable resources." In a general sense, that allows the analytical distinguishing of control as "resource" from control as "possession." The advantage is not only terminological but allows a conceptualizing of different resources independently of their possession. The tendency or "impulse" to control resources ties into a model of man because all human groups attribute explicit desirability to particular resources. Starting from this base, study involves identifying relationships among categories of resources; the Marxian model constitutes

one particular analysis. And it might be added, a model with explanatory value regarding Colombian industrial development of the Nineteenth Century, while not wholly applying to modern conditions.

CHAPTER II

HISTORICAL AND CONTEMPORARY CIRCUMSTANCES OF AGRARIAN INSTITUTIONS

"Social science deals with problems of biography, of history, and of their intersections within social structures" (Mills, 1959:143). To comprehend social development implies mastering its formation in an historical context. History is the dimension of social structure in its change.

History, industrialization and reform efforts constitute the three master processes intersecting Colombia's agriculture today. Industrialization and reform are variables of change impinging upon the contemporary scene of agriculture. Their nature and significance in turn can be grasped by identifying the historical character of their specific formation and impact as the product of socially acting units through time.

Conquest of the 16th Century and colonial consolidation created the agrarian structures characterizing Colombian society to recent times. The King of Spain assumed title to all lands of Hispanic America by virtue of discovery and conquest (Smith, 1967:90). The Crown established and maintained strict control over trade and migration to the colonies (Gomez, 1958). Still, the conquest did not involve a monolithic public policy but implemented private mercantile ventures under the State's auspices (Stavenhagen, 1970a:6).

The Spaniards initially migrating to Latin America were predominately impoverished nobility and former landowners (CIDA, 1966:321). Searching for gold provided the main driving force of settlement (Frank, 1969:32). Some elite members of the Spanish government hoped to build a missionary Utopia in New Spain. Once the ornamental gold of the Indians had been collected,

new sources of wealth were discovered. These were silver and gold deposits in the central highlands of Peru and Mexico, and cultivatable tropical lands to grow sugar cane for the expanding European market (Stavenhagen, 1970a:6).

Stavenhagen notes:

Three main factors were thus involved in the need to develop an agrarian policy: reward and compensation for the soldiers who took part in the conquest; the organization of production in tropical and subtropical sugar plantations (later joined by other export crops); and the provision of adequate supplies of foods and fibers to the mining and urban centers. The agrarian structure that evolved during colonial times in answer to these three needs had two main ingredients: a system of land tenure and distribution, and a number of rural labor policies (ibid).

Colonial policies discriminated in favor of Spaniards and against Indians residing there when Europeans arrived.

The Spanish Crown did not finance the conquest. However, it was carried out in the name of the crown and the cross. The crown contracted with conquerors who were rewarded with land and other benefits upon successful occupation. The Church was given grants of land as well. Land grants (capitulaciones and mercedes) conceded large holdings to expeditionary leaders for themselves and for distribution among their followers. Capitulaciones constituted private property that could be inherited or sold; and, furthermore, they granted recipients the services of resident-Indians (CIDA, 1966:317-318).

...there early developed at least four varieties of property rights to the land: (1) that in which the right to the land was acquired by the conquistadores through a concession from the King; (2) that in which those participating in the conquest received one or more grants of lands...from the leader of the expedition by virtue of the fact that he was explicitly authorized to divide the new lands among his followers; (3) that acquired by villages, towns, or cities as sites for public buildings and plazas, for communal pastures or ejidos, and as proprios or community-owned property that could be rented out or otherwise employed, with the receipts being used for community purposes; and (4) that which was distributed among the conquistadores as building lots or solares and for garden plots (Smith, 1967:92).

It is obvious that land for agricultural purposes was pre-empted under a variety of controlling arrangements.

Privileges of the grants were not absolute, however. Recipients were required to occupy and work (his own labor or that of other Spaniards and Indians he acquired) a grant for at least four years. Those strictures were important because they gave rise to later conflicts concerning the legitimacy of tenure, legal titles, or effective occupation and use by owners. Violations, land grabbing, defective surveys, titles, and records, ignorance of procedures, eventually resulted in enormous conflicts and difficulties over property rights.

Various arrangements--"repartimiento," "encomienda," "mita," and "resguardo"--gave conquerors advantage over Indians. The first three involved labor tributes to benefit conquerors. "Resguardo" designated Indian communal properties or reservations comprised of lands acquired through donation or purchase for Indian occupancy. Indians had a right of usufruct to such lands for their sale of "resguardos" was prohibited in the seventeenth century. Crown legal measures and policies attempted to protect and defend Indians from extreme exploitation. Such attempts met with little success, however, due to enforcement difficulties. In the eighteenth century, the Throne of Spain changed from Hapsburgs to Bourbons and the crown's Indian policy gave priority to private economic expansion rather than to protecting Indian rights (Londono, 1965:11). The ban against selling resguardo territories was lifted. Through various procedures, Indians lost much communal land and became wage-laborers (CIDA, 1966:322).

The different forms of land and labor appropriation set the foundations for a seigneurial hacienda system of both very large (latifundi) and very small (minifundi) units. A seigneurial system made getting and holding farm

labor fundamentally important. Throughout the centuries, land-labor institutions maintained a common core of repressiveness while evolving through various stages.

(1) the corporal ransom was replaced by (2) the imposition of labor as a duty on a legally defined social stratum and enforced by state power, and by (3) African slavery; (4) the republican period is marked by the use of coercive state power against potential laborers by means of the legal contrivance of debt; (5) the monopolistic occupation of lands and the consequent exclusion of an adequate quantity of peasants from independent subsistence; and finally by (6) the buying of labor from the landless or land-poor peasant in a buyer's market (Pearse, 1970:17).

What is historically found in the land tenure patterns of Colombia and most of Latin America is land ownership concentrated in large units, along with coexisting smaller-parcel owned units. As indicated above, public policy made labor historically available to owners of large units. There was, however, a gradual movement from physical compulsion and slavery to other legal and institutional forms of dominating farm laborers.

Agrarian legislation during the colonial period mostly concerned controlling, regulating, and legalizing land appropriation to benefit interests of the Spanish government and large landowners. As Colombia approached its national period, no substantial changes in land or labor policies occurred.

To what extent was feudalism the predominant outcome of the Spanish Conquest and colonial policies? The answer is not straightforward. Feudalism, following Dobb (1967) is a socio-economic system under which status and authority are affiliated with ranking according to land tenure. Its main differentiating feature is that a feudal lord appropriates a share of labor, produce, or money from producers by using extra-economic compulsion (Dobb, 1967:2-3). At the same time, Dobb notes that trade as antinomical to feudalism is incorrect historically speaking. There was more trade in

the heyday of the European mediaeval period than was believed formerly. Trade and production for the market were not opposed to or dissolvent of feudal serfdom but rather even intensified feudalism as in Eastern Europe with the growth of export trade in grain (Dobb, 1967:6-7).

There is, I believe, a fertile misconception associated with the idea that growth of trade necessarily leads to Capitalism: namely the idea that the presence of a bourgeois element in society (in the sense of persons using money-capital in trade) implies the presence of bourgeois methods and relations of production. As soon as one reflects upon the matter, it becomes clear that nothing could be more mistaken. All societies since the very primitive have been characterized by trade...such trade nourished traders: in other words a social stratum of commercial bourgeoisie. But these were generally remote from production: they were excrescences upon the mode of production, not part of it, and their presence in no way altered the character of this mode of production whatever it might be (Dobb, 1967:7-8).

Using "extra economic compulsion" to appropriate an agrarian surplus value has been manifest for most of Colombia's history and, in this sense, the agrarian economy has been feudal. On the other hand, many writers characterize Latin America as largely based on subsistence, closed, and isolated economies. Such a conception, in turn, assigned a progressive role to merchant capitalism. As noted before, this was not quite the case in some areas of historical Europe. Advocates of a "dependency approach" have recently stressed the negative role trade has played in Latin American development. They contend that foreign trade interests in coalition with landowners were historically decisive in impeding the development of national and independent industrialism. From an extreme position, Frank (1969) contends that Latin American economies were constituted as capitalist rather than feudal in character since they were incorporated into the world market from colonial times. Latin American economies were organized as satellites dependent on metropolitan centers.

...the regions that today are most underdeveloped...have been characterized by the exploitation of their natural resources, and specially of their human ones, in terms of an export economy...The crucial factor of the economic and class structure in Latin America is to be found in the degree and type of dependency from the metropolis of this worldwide capitalist system (ibid., 136).

From analyzing a variety of cases, Frank concludes that land tenure patterns had nothing to do with Spanish feudalism or with the original institutions of the conquest (ibid., 141). Land patterns appear later in the colonial period in response to conditions of a metropolitan market. Following what he calls a Marxist line of analysis, modes of production appeared in response to the conditions of dependency, giving rise in turn to particular economic and class structures. For instance, the modes of production that appear and disappear in Mexico never developed in Chile (ibid., 138).

Mining, tropical agriculture, fishing, hunting, and forest exploration (all in direct exploitation terms) were the industries that developed in colonial economies and, that consequently, attracted available financial and labor resources...The groups with interests in export activities were merchants and proprietors with high income levels and high officials of the Crown and Church. These population groups ...constituted the internal colonial market and the source of capital accumulation...Insofar as wealth concentration grew in the hands of a small group of proprietors, merchants and influential politicians, the propensity to obtain manufactured consumer goods from abroad increased...This way, the export sector, by its own nature, would not allow the transformation of the system as a whole constituting the main obstacle for the diversification of the internal production structure, and, consequently, for raising the technical and cultural levels of the population, the development of social groups in relation with the evolution of internal markets and the search for new export lines free from the metropolitan authority. (Ferrer 31,32) Of the remaining potentially investible capital, the structure of underdevelopment channeled it mostly into mining, agriculture, transportation and export commercial enterprises, almost all of the surplus into sumptuary imports from the metropolis and only very little into manufacturing and consumption related to the internal market. Due to foreign trade and capital, the economic and political interests of the mining, agricultural, and commercial bourgeoisie were never oriented to internal economic development (ibid., 136).

How true was the above and how did it apply specifically to Colombia if such were the case? In the first place, Frank is defining "capitalism"

and "feudalism" in the realm of "commodity exchange" and not as "modes" of production (Laclau, 1971). Trade was not inimical to feudalistic agriculture. Dobb's point that trade and feudalism supported each other is followed.

Second, Spain followed mercantilistic policies at the conquest and throughout the colonial period. Consequently, it organized its colonies on a mining and fiscal basis (Montana, 1963:35). A maze of taxes, duties, and levies affected all orders of life. Agriculture and mining paid tribute to the crown and had to support the colonial administration and Church. Both agricultural and manufacturing production were contained through taxes, duties, and direct controls. Labor and trade, and to a lesser degree capital, were taxed. Spanish colonial policy replicated at the national level the extra-economic compulsion used by individual feudal landowners to appropriate surplus value from laborers.

Mercantilism, however, did not mean that Spain lacked interest in trade. Indeed, the colonies were to benefit Spanish trade. Spain monopolized imports of manufactured goods for the colonies. In terms of imports from New Spain, precious metals and specific raw materials were in the Spanish interest (CIDA, 1966:322). Agricultural production was controlled. For example, growing grapes and olives were forbidden to colonists; tobacco production was regulated by number of tobacco plants cultivated according to districts (Montana, 1963:53).

Spain was interested in importing specific raw materials. Initially, Colombia exported gold, cotton, and leather (Montana, 1963:74). Exports provided income to the elite, who imported manufactured goods and luxury items from Spain, of course, and at high prices. While exporting Colombian manufactured goods was forbidden, the option of using imported manufactured

goods was economically out of the reach of non-elite classes. Local industries manufactured textiles, leather goods, and ceramics catering to the internal market. This took place in eastern Colombia where no mines and few Indians were found. A relatively prosperous agriculture developed based on small-medium-scale owner-operators without latifundia. Mining was in the west and latifundia, based on slavery, in the central region (Nieto, 1962). The overall picture of Colombian colonial society involves two different economies, one, eastern, the other in central Colombia. Different social groupings and elites parallel this: in the east were small commercial agriculturists, artisans, and manufacturers; in the central region were large landowners and clergy operating slavery-based latifundia. The western mining region had not yet become a focus of power.

Within this picture, the national independence movement of 1810 to 1820 represented two main thrusts:

1. Insurgency of slowly growing trade, artisan, and manufacturing groups against the economically asphyxiating arrangements of the colonial regime.
2. Insurgency against the Spanish elite and its monopoly of privileged positions.

Colonial mercantilistic arrangements eventually became intolerable to merchant manufacturing and artisan groups attempting to ascend. Independence was largely a movement whereby these ascending groups struggled and mobilized against Spanish hegemony. Spain's decline in the worldwide economic and political scene weakened its ability to enforce and maintain legitimacy of former trade policies. Gaining independence essentially made Colombia dependent on Great Britain, that time's main industrial and commercial center, in place of its dependence on Spain. Later Colombia became dependent

on the United States of America.

During the thirty years following independence, artisan, manufacturing, and trade groups made no headway against the old order. Some anticolonial legal reforms, mainly fiscal, were enacted by the beginning of the 1820's but most were repealed a few years later (Montana, 1963:69-70; Bushnell, 1954:127-165, 356). Opposing the groups who moved up with Independence were traditionalists holding claims of nobility, caste conscious high ranking military officers, slave owners, men grown wealthy under the old system, most clergymen, and titled professions. In brief, latifundistas, clergy, and the military elite (Nieto, 1962:76).

From 1821 to 1850 merchants, artisans, manufacturers, and non-latifundia agriculturists joined forces in a struggle for freedom from the constrictions of the colonial economy (Nieto, 1962:110-111). Close to the middle of that century they began to carry out what Fals calls the liberal subversion (1969). In 1847, adopting free trade and manufacturing changed economic policy--the state tobacco monopoly was abolished and taxes and duties were suppressed or reduced. The change intended to maintain the country's latifundia agrarian organization by expanding exports. Correspondingly, local industries developing in eastern Colombia since the later colonial days were threatened with industrial imports. This alienated artisans and petty manufacturers (Fals, 1969:78).

In 1849, a young counterelite began intervening in national politics. They were backed by artisans and organized Democratic Societies of the Republican School.¹ These liberal subverters challenged the seignorial order and the Church. They were not communalists--they respected private

¹For an interesting discussion of the liberal subversion, see Fals, 1969: 78-92 from which most of the above was taken.

property but they challenged and questioned the seignorial ethos in the countryside. By 1853, the young counterelite was coopted. In the interim, however, their activity had instigated some substantial changes. Most important for this argument were laws providing alienation rights of Indian reservation lands, ending Indian tribute (1850) and freeing slaves (1851).

The liberal subversion ended by 1854. It was defeated by an alliance of landowners and merchant bourgeoisie. Artisan and manufacturing groups definitely lost out (Montana, 1963:77).

The above laws influenced the agrarian sector and class structure of the country. The right to alienate reservation lands resulted in dividing those lands among resident families whereby most Indians lost their land through trickery, or coercion. More land was concentrated under large ownership. More important, the enlarged rural wage labor force aided the development of plantations and strengthened haciendas (CIDA, 1966:325-326; Londono, 1965:14).

Abolishing slavery initially produced an opposite effect on land tenure. Latifundia requiring labor forces of 500 or 1,000 slaves were broken up. Many ex-slaves became semi-serf renters. That crisis was only temporary for latifundistas because freed slaves enlarged their labor supply (Montana, 1963:76).

A decree of 1861 expropriated lands owned by the Church. Those lands were auctioned and largely were bought by powerful private interests (Hirschman, 1963:98).

Finally, the road opened to agricultural monocultivation for foreign markets. That pattern generally increased dependency of Colombia and of Latin America. Furthermore, monocultivation maintained and strengthened the alliance between landowners and traders. Eliminating the State monopoly

on tobacco in 1847 and other duties resulted in increased production and exports of tobacco; from 63,462 in 1864 to 82,250 bultos in 1878 (Montana, 1963:77). Fals notes that plantation production and trade of these products attracted sons of the nouveaux riches (Fals, 1969:100). Competition in European markets brought about a crisis and tobacco production declined. Tobacco was replaced by growing quinine and anil. Only short-lived booms occurred because high prices abroad were due to temporary conditions (Montana, 1963:77-78). Fals adds about the tobacco crash:

...the active group of agrarian entrepreneurs was not discouraged by this crash. Their plantations were converted into pasture lands for cattle, into sugar cane, or coffee-growing lands, or were kept as farms for recreation purposes. Land was already seen as an asylum for capital and as security in times of civil war. The new hacienda-owning aristocracy then took over uncultivated lands, exploiting the new export products of their forests such as cinchona, indigo, and rubber. They began to buy at low prices and consolidate the lots received by the Indians when reservations were partitioned, and they acquired the lands that the state had taken from the Church by means of disamortization decrees. New latifundia were formed in this way (1969:100).

Tobacco, quinine, and anil were grown in eastern Colombia; when coffee emerged as the main and most stable monocultivated crop, agricultural economic primacy shifted west (Montana, 1963:79). The last century's Antioqueno colonization movement southward and westward was associated with cultivating coffee.¹ This region of Colombia had freed slaves in 1781. That nineteenth century colonization movement, with help from the liberal subverters when they were in power destroyed regional latifundia. A rural middle class with an acceptable level of prosperity was created there. More importantly, this middle class man worked hard and educated himself. The Antioqueno movement was by no means the only counter-force seeking smaller holdings. Earlier

in the eighteenth century, natives and new Spanish settlers increasingly exerted pressure both to gain access to reserved Indian lands and to break the large landowners' control of the tenure structure. As Hirschman notes:

The moving of an agrarian middle class into the interstices of the bi-polar feudal system laid the basis for the eventual subdivision of much of the Colombian highlands in the East (Santander and Boyaca) and the Southwest (Narino) into small holdings (Hirschman, 1963:98).

Much of Colombia was relatively static while specified changes occurred. For example, traditional cattle raising haciendas characterized many regions. The tropical flatlands and cool savannas, from which Indians had been driven or were few in number, were characterized by large estates. Certain mountainous areas were predominantly held in large blocks. Eventually, many of those blocks became coffee plantations (Hirschman, 1963:100).

The tendency to concentrate agricultural lands persisted. Fals Borda (1969:100-104) says that only technological innovation prevented a full-scale return to the seignorial order. New technology facilitated the ascendance of the bourgeois. Developing plantation agriculture resulted in improving transportation and communication (navigation, railroads, telephones, international cable connection, telegraph) facilities. Those improvements facilitated foreign trade, the source of prosperity for the dominant groups. In 1882, farm work was changed by increasing inputs of agricultural technology, a few mowers and threshers for haciendas, motor powered apparatuses, or vehicles (Fals, 1969:101).

Agricultural, transportation, or communications innovation were brought in by the dominating groups for their own benefit. Such improvements made them wealthier but only marginally benefitted the lower classes because vertical mobility was not enhanced.

Also in the last decades of the nineteenth century, the bourgeois

accumulated savings allowing them to reap and to invest savings. As the bourgeoisie improved their position social differentiation advanced. The first serious attempts to develop a national industry began at the time (Fals, 1969:101-102).

At mid-century, the merchant and trading interests ascended and allied with the older elite of large landowners. That alliance persisted and was strengthened as the second half of the century advanced. Fals notes the older nobility lost out because they were incapable of business administration (Fals, 1969). The older nobility mixed with the nouveaux riches through marriage. Another element was that successful traders became landowners (Fals, 1969:101).

All the rich and the aristocrats kept their basic attitudes of the seignorial order; but the parvenus rose above the crowd with their commercial ventures, their new world outlook, and also their hunger for profit which was quite impressive, according to the visiting French botanist Edouard Andre (Fals, 1969:103).

The agrarian elite was reasonably open to financially successful traders; that elite bridged, to some degree, the primary and secondary economic sectors. However, new elements of the elite adopted traditional views of those families that had long held elite status. Exploiting lower classes to benefit those in elite positions was adopted by recruits to the elite.

The changes of the latter half of the nineteenth century had implications for socio-economic development. An economic system where land is the population's main source of livelihood affords a central position to land tenure; social justice and development relate to the structure of land tenure. Under these conditions, income distribution is largely a function of the appropriation of land--the means of production. Concentration of land ownership is the Colombian historical pattern. Historically, most Colombians had marginal political, economic, and social citizenship. The

history of Colombia and its economic development is truly a history of elites.

Relationships of alliance and complementarity between feudal landowners and the rising traders were another variable bearing on social development.

Most relevant to interpreting this is a distinction Dobb (1967) makes:

This seems to be the point at which to remind you of an illuminating distinction to which Marx first drew attention between what he called "two roads" of transition. According to the first of these "the producer becomes a merchant and capitalist." This he calls "the really revolutionary way." According to the second, it is the merchant who "takes possession in a direct way of production": a way which though it "serves historically as a mode of transition", "nevertheless cannot by itself do much for the overthrow of the old mode of production, but rather preserves it and uses it as its premise"; and eventually becomes "everywhere an obstacle to a real capitalist mode of production" (12)

.....
the key to such contrasts in the development and character of capitalism is, I believe, to be found in the extent to which feudalism had disintegrated and the petty mode of production attained a substantial degree of independence before some form of capitalist production first took the stage (13)

The course taken by Colombia was the second. A crucial point in this evolution was the final accomodation of the liberal subverters to the regime in 1854. The petty manufacturing of artisans and craftsmen was doomed and condemned to disappear under foreign competition. Foreign trade interests consolidating with latifundista overwhelmed the interests of , artisans and handicraftsmen. Post-colonial reforms from 1824 onward strengthened latifundia. Reforms of the liberal subverters and petty manufacturers enacted between 1849 and 1854 aimed to transform the agrarian structure but actually strengthened latifundia by making more lands and labor available to their owners. In repressive forms, the transformation was from slavery and serfdom to subsistence wage labor and semi-serfdom. The only positive change was an increase of production for the market by the latifundia. However, benefits of increasing production flowed to a small elite, and the monocultivation pattern adopted cast Colombia's economy and society as dependent on non-Colombians. The potential transformation of artisans and

handicraft manufacturers into capitalist industrialists was thwarted.

Industrialism did not emerge until later and then only as an economic differentiation of merchant capital. Relevant to the Colombian experience, Marx's observation that the second road of transition uses the old mode of production as premise and is antagonistic to transforming the mode so that feudalistic-capitalism becomes "everywhere an obstacle to a real capitalist mode of production."

INDUSTRIALIZATION

Industrialization as a process is the outcome of action by certain social units whose identification is critical in order to assess patterns of social development. Quantitative and qualitative industrial growth on the one hand, and the social groups involved on the other, constitute the main reference elements.

Toward the end of the last century, first efforts to develop industry took place in Colombia. Those efforts were made by an element of the elite that had accumulated wealth from foreign trade and plantation agriculture. Yet only around the mid-1920's does industrialization acquire significant dimensions. Colombia lagged behind other Latin American countries. Perhaps one reason is that foreign capital only began flowing in during the later 1920's (ECLA, 1957:248). Even so, during 1925-1929 foreign investments amounted to about 15 percent of the country's total capital stock (*ibid.*, 11).

During 1925-1929 public infrastructure investment and private investment in improved productive capacity allowed for the fastest annual rate of Gross Domestic Product growth in Colombia's history--5.2 percent. Exports were increasing at the time.

During the Depression of the 1930's and until the end of World War II, as in other Latin American countries, investment shifts took place. Foreign investors, like the oil industries, invested money back home. Agricultural production to some extent, and prices and imports dropped. However, Colombian industrialization became a sustaining process (ECLA, 1966:11). Public infrastructure investment speeded up and diversified urbanization and national integration (ECLA, 1957:12). Export volumes grew although their proceeds nearly halved (ibid., 31).

Industrial production had only grown at less than three percent for 1925-1930 while for 1933-1939 it grew at a yearly average rate of 10.3 percent. During the preceding period, though, investments had enhanced potential productive capacity by more than 50 percent (ibid., 250). During the thirties industrial production grew but as a consequence of increased private investments, since a reduced amount of dollars restricted capital goods imports, rather than as the result of public investments and more intensive utilization of existing facilities (ibid.). It was a case of substitution whereby domestic industry produced what had previously been imported consumer goods. However, only limited industrial diversification occurred. Industrialization was concentrated mostly in food production and processing agricultural products (ibid.).

After World War II coffee prices and dollar proceeds (coffee generated around 80 percent of exports value after 1950) increased significantly. Foreign investments also rose, though not at the rate of 1925-1929. Gold and dollar reserves increased during the War.

After the War and particularly during the first half of the 1950's Colombia sustained a high level of general investment, expanded productive capacity and consumer goods imports. Since the second half of the fifties

declining world prices of coffee paralleled increasing prices for imported goods which set limits on the rate of overall and industrial growth.

Import substitution substantially diversified industrial production since the twenties. In 1968, food, beverages, and tobacco industries generated 37.8 percent of the value of gross manufacturing output: textiles generated 11.8 percent, and chemical products and petroleum derivatives, 15.2 percent (DANE, 1971:6-7).

Industrialization that substitutes domestic production for imports generates some diversification of consumer goods but fails, in the Colombian case, to create massive internal markets. That failure associates with low levels of income and its grossly unequal distribution. Colombian industry caters to a limited elite market. Those industries are heavily protected and operate on small scales of inefficient productive systems. Alternatively, industries based on large scale technology only partially use their plants. One consequence is high relative and absolute costs for the consumer; another is comparatively low quality levels.

The result of depending on coffee exports with declining prices in relation to import prices was blockage of industrial expansion because dollars needed to purchase capital goods were not available. In 1969, coffee amounted to 62 percent of the value of products exported (*ibid.*, 47). On the other hand, imports of goods and services in 1968 constituted 11 percent of the total supply (ECLA, 1970:69). While apparently a small percentage, the latter is crucial as it comprises mostly capital and intermediate goods imports. Colombian industrialization decreased imports of end goods but increased imports of intermediate goods for making consumer items.

Trends make it difficult for both small- and medium-sized, and new and established enterprises. Limited dollar quotas restrict imports so that

TABLE 1
COMPOSITION OF IMPORTS OF GOODS BY COLOMBIA, 1965

Category	Percent
<u>Consumer Goods</u>	11.1
Non-durable	7.2
Durable	3.9
<u>Fuels</u>	0.7
<u>Raw materials and intermediate goods</u>	38.1
<u>Capital goods</u>	48.0
For industry	29.4
For agriculture	5.3
For construction	4.8
For transport	8.5
<u>Miscellaneous imports</u>	<u>2.1</u>
Total	100.0
Total (millions of dollars)	470.0

Source: ECLA, 1967:204.

smaller firms are disadvantaged in comparison to large national and foreign firms. Red tape and related measures perform the function of "filtering out" less "important" interests. Increasing Colombian indebtedness abroad maintains buying capacity but servicing the debt becomes an increasing burden. Transfer financial flows abroad for reasons of safety or speculation or payments for a variety of "invisible" services such as technology will not be discussed.

International economic strictures suggest that dynamic industrialization of Colombia will arise from internal efforts rather than from forces abroad. Unlikely changes in world conditions would alter that view. Hence, industrial output and employment increases will mostly draw on existing productive capacity through fuller utilization. Additional capital goods requirements will be financed through enhanced national production.

There is evidence of unexploited potential in the form of unutilized productive capacity (ECLA, 1971:111). Giving consideration to problems of balancing supply and demand by sectors and activities, the importance of programs aiming at increasing production, income, and employment in industry needs to be underscored. The immediate impact and direct multiplier effects are only one side of the picture. Social circumstances including optimistic attitudes and feelings that change and development will occur appear essential for a long term and self sustaining process of cumulative industrial growth.

Only a few basic industries such as food, beverages, tobacco and certain textile branches cater to a national scale mass internal market. Industrialization and correlating activities have as yet largely failed to create a massive internal market on the one hand, and to provide massive employment on the other. As the historical section made clear Colombian industrialization was an elite creation and at the same time, necessarily an elite-aimed-at-process as only elites could constitute significant customers for industrial products.

As industrialization has proceeded, however partially, it has implied labor division, role differentiation, and labor specialization processes as enterprises organize around highly particularized functions. This has taken place not only in industry and economic sectors but in government also

as a consequence of problems of integration, coordination and administration of a more complex world. As a result, expanded new occupational roles and positions transcending elite circles have become necessary. What has emerged can perhaps be described more appropriately as intermediate strata rather than middle classes if the dual functions of owner-operator joined together are taken as basic criteria for existence of the latter. Owner-operator groups do exist to an extent, mostly I believe in service industries, then second in agriculture and perhaps last of all in manufacturing enterprises. However, I would estimate them to constitute only a small fraction of the total number of people at intermediate levels.

An important point that needs to be stressed is that "intermediate strata" have so far acted as a buffer rather than a counterforce to elite power. Intermediate strata perform functional services for the elite and identify with them. Widespread diffusion of elitist attitudes has been noted by various writers (Smith, 1967:341-342; Payne, 1968:28-33). No conclusive explanation of why this is so can be offered. One hypothesis might be that these groups have "emerged" or "erupted" directly into hierarchical roles within bureaucracies without a transition, like in other countries, from previous genuine middle class positions as owner-operators. That is they would have lacked a historical experience and conditioning in "autonomy" leading to the creation of middle class identifications and culture. Another hypothesis might be found in Smith's belief that intermediate strata in Colombia have originated mostly in the downward mobile of a rapidly reproducing elite rather than in the upward mobile from lower placed groups (1967:338-343). Whatever the source, the conclusion is that halfway economic modernization has not only been socially regressive in that it has created greater privileges for a few but is also regressive

because it has broadened elite power. This, however, is a very general statement that has not taken into account actual conflict elements and the reasonable possibility of "greater autonomy" as the intermediate level broadens.

Finally, analysis places the bulk of responsibility for further industrialization on elite initiative. This poses a question of "elite autonomy" in relation to the integrated world system on which Colombian economy is dependent. Are elites autonomous enough to carry out a broad program of national industrialization aiming at raising and democratizing benefits from the economic system? Not unrelated is the similar question of elite willingness to undertake such a program. Is not a limited economic growth rate satisfactory to them providing that its benefits in the main are satisfactory to them? In the face of possible collapse and disaster do not elites prefer to "run" rather than redouble efforts?

REFORM EFFORTS

Reform reflects efforts at introducing relative social changes in the countryside and as such directly concern issues of rural poverty and marginality. Nature and magnitude of efforts involved, social groups affected, consequences and implications all constitute elements of analysis.

During the twenties, social unrest in the Colombian countryside mounted. Population growth since the turn of the century and changes in agriculture were among its immediate antecedents (Gilhodes, 1970:411-412). Labor-landowner conflicts in the central region coffee plantations became frequent. Owners would not allow peons to grow coffee along with traditional crops on their plots; owners feared that peons who grew cash crops would obtain income and thus not remain in wage labor (Hirschman, 1963:102). Anarcho-syndicalist

unions organized agitation against the United Fruit Company on banana plantations (Gilhodes, 1970:412). Violence and counterviolence spread. The 1929 Depression worsened conditions by shrinking farm incomes and increasing unemployment (Hirschman, 1963:101). Most acceptably located public lands had already been occupied by previous migration and settlers. Many tenants stopped paying rent and squatters moved in on private lands. From the late twenties through the middle thirties, landowners attempted or actually evicted tenants, settlers, or squatters (ibid., 104).

The first land reform effort of the century was Law 200 of 1936; one of several reform measures pushed through Congress by Alfonso Lopez, a Colombian New Deal type of president.

Viewed against the background of this intensive struggle, the purposes of Law 200 of 1936 become clear: it attempted primarily to bring security of tenure to squatters with uncertain titles, to increase the bargaining power of the lower rural classes and to reduce the number and intensity of conflicts in the countryside (Hirschman, 1963:108).

The first article of Law 200 favored claims to property by those who occupy and use the land over owner's only holding titles. This was in accordance with a constitutional amendment establishing that private property fulfills a social function.

Under specified conditions, lands could be retained even though they were not in economic use. This depended on whether they had been invaded. If there were no squatters, title could be validated through documentary proof of ownership twenty years prior to the law. If there were squatters, documentary proof was required back to 1821 (Hirschman, 1963:109). Even so, to evict a squatter of more than two years, the landowner had to begin legal procedures no later than 90 days after the issuance of the law and reimburse a squatter by 30 days after the court decision. If the landowner failed to do so the squatter gained title rights to the land by paying its value to

the former owner over a five-year period. Improvements to be settled included additions to land value and to what was on it. Special land judges were appointed to enact the law, taking off the job police and judicial authorities (ibid.).

Article 6 established that all lands remaining uncultivated for the following ten years would revert to the public domain. Properties under 300 hectares were excluded (ibid., 111).

Law 200 had various effects. Positively, it legalized a de facto situation by recognizing established squatters. Most owners were unable to put forth their claims under the terms required. Many knew they could not get their lands back without violence. The Law provided them with a graceful way out of a thorny situation (Hirschman, 1963:110).

Negatively, the reform set forth a strong movement to get rid of all tenants and sharecroppers by landlords who anticipated trouble (Gilhodes, 1970:418-419; Hirschman, 1963:112-113).

...landowners expelled tenants, burned their houses, replaced labor-intensive crops by cattle grazing, hired only unmarried laborers for short periods and housed them communally instead of giving them plots and so on (Hirschman, 1963:112-113).

By the late thirties and early forties, the wave of agrarian reform was over. Moreover, counterreform trends emerged. With Lopez back in power, under different conditions, Law 100 of 1944 extended for five years the ten year grace period preceding automatic reversion of uncultivated lands. Conservatives gained office in 1946.

From 1948 to 1960, Colombians played around with alternative possibilities to reform, mainly land taxes and colonization. International World Bank missions in 1949 and 1956 recommended land taxation with progressive rates according to degree of underutilization (International Bank, 1950, 1956). They were never adopted. Such measures are difficult politically besides

they involve administrative and physical obstacles that prohibit realistic assessments and enforcement. Perhaps, such a taxation scheme ties so intimately into the position of the socially powerful that elitists worst fears of revolution and a rising lower class are credible.

From a study on the economics of property tax in two rural municipalities of Colombia, Davis (1967) found that the effectiveness of property taxes was low because of weak administration, low rates and assessments were eroded by inflation (112). Moreover, villagers, not farm people, benefit from the few services provided (114). Weak local government absorbs most resources generated in administrative overhead. Reform by property taxation schemes is difficult because the political elite would lose.

Davis found an inverse relationship between use of land and tax valuation (ibid., 121). Smaller farmers are more highly taxed although their land was more intensely used than that of large farms and though their yields per hectare of land cultivated were lower than those of larger farms due to more primitive technologies (ibid., 98-107). Property tax is a relatively small percentage of cash farm income, especially among larger farmers. The author concludes it is an unrealistic prospect to use property taxes in Colombia to change land use and occupation (ibid., 124).

Colonization of unused public lands was a second attractive alternative considered during the period. Colonization holds for elitists an easy way out of rural problems. It reduces the likelihood of class conflict and is attractive politically in comparison with schemes of taxation. However, after a dozen years and various attempts at colonization, few families were located. First, colonization is expensive because opening new lands requires heavy infrastructure investments. Second, that way is paved with technical and administrative difficulties. Third, and ironically, colonization gives

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rise to new land concentration patterns. For example, Havens and Flinn (1970:49-50), examining more recent plans, note that as colonization proceeds numerous forces and difficulties displace the less successful and as a result, latifundio-minifundio forms of tenure emerge.

By mid-1960, there was again an interest in agrarian reform. Peasant movements and invasions began again. New political forces inspired by the Cuban revolution triggered fears; and a left-wing Liberal faction (MRL), organized as an independent party, made a good electoral showing (Hirschman, 1963:142). Dissatisfaction with the economic performance and/or social arrangements in the countryside was mounting in various groups: industrial and commercial entrepreneurs, urban proletariat, small farmers and landless rural workers, intellectuals expressed discontent. The President was a practical and internationally oriented politician aware of needs for new agricultural policies. Since 1959 he had been trying to push an agrarian reform program through Congress (Duff, 1968:34). In the mid-1960's, the President constituted a National Agrarian Committee representing various political groups and interests. That committee was headed by Carlos Lleras, a Liberal Party champion of agrarian reform. At the time, a shift of attitude by the United States favoring reform programs under the Alliance for Progress encouraged domestic reforms.

For eighteen months prior to 1962, bargaining issues of expropriation and compensation took place in the legislature. Legislation and the constitutional amendment of the 1930's were discovered so that an existing legal base for reform was available.¹ On December 31, 1961, agrarian reform was

¹ See Hirschman, 1963:145-146. The fact that a reform, although limited, was more feasible in the sixties with less effective opposition and bitterness than during the "agitated" thirties is a good indicator of the magnitude of changes in the interim.

sanctioned by the president and became Law 135.

Urbanization and industrialization had proceeded to a much greater extent. It meant that urban and nonlanded elites had become more important; landed elites did not tend to coincide with the "total elite" as was more the case during the thirties. Urban elites, despite connections with landed elites, would tend to be less hostile to reform or to put it differently, their situation could allow them a more detached position.

Law 135 followed a middle course allowing expropriation with compensation in varying proportions of cash and bonds according to degree of land utilization. An administrative entity, INCORA, within the government would carry out the legal program of action.

During the decade, INCORA shifted emphasis in response to changing political conditions. Most land purchases and expropriation took place in 1969 and 1970. To December, 1970, INCORA had acquired 598,871 hectares, of which 280,472 were bought or expropriated and 318,399 obtained through donation or transfer, presumably very poor quality lands (CELPICRA, 1971: 90-91).¹ Of the total, 335,000 hectares had been distributed and approximately 40,000 families received land between 1962 and 1968 (*ibid.*, 95). However, each year a net addition of 30,000 families to the rural subsistence population indicates the distance between accomplishments and needs (*ibid.*, 113).

Among other activities during the period, INCORA issued titles to 97,042 colonists; provided credit to 45,000 families; affiliated 20,000 persons to Land Reform Cooperatives; and gave legal recognition in 48,000 instances of tenants. Legally recognizing tenants refers to Law 1 of 1968 which gave

¹ CELPICRA: used here in abbreviation for Comité para la Evaluación de las Labores y Programas del Instituto Colombiano de la Reforma Agraria.

established small scale sharecroppers and tenants the right to claims over their plots. One effect of Law 1, however, was to start large scale, hasty, arbitrary evictions of tenant and sharecropper by landowners which reduced tenants or croppers to wage laborer status (ibid., 129).

Another activity was land reclamation. An examination of INCORA's investment expenditures shows that it focused primarily on rural credit, land reclamation and to a lesser degree on land acquisition (ibid., 97-103). Land purchase expenditures amounted only to 9.3 percent of total expenditures, over the last nine years (ibid., 102).

INCORA faced a number of financial, political, administrative and technical difficulties. As a consequence, reform proceeded slower than some observers expected (Duff, 1968:206). Duff says that political opposition constitutes the most important obstacle in combination with a failure of commitment to its implementation (ibid., 205-206). Since then, the situation has probably worsened. An anti-corruption campaign by opposition groups in 1969 toppled the Minister of Agriculture. A presumably less propitious Conservative president replaced the former Liberal one in 1970, although on an official bipartisan ticket involving agreement to support reform programs. The change coincided with the aftermath of the corruption, scandal and mounting attacks on land reform programs.

Undoubtedly, Colombia's land reform has been an elite program. Since the time Law 135 was under legislative consideration, peasant indifference and apathy was total (Duff, 1968:55-56). Agrarian reform leaders have remained extremely reluctant and fearful of systematic appeals for full peasant mobilization and support. Recent reports suggest peasant associations created by land reform are radicalizing unorganized peasants (Bermudez, 1970:1, 41).

Virtually all observers regard accelerating land reforms as the solution to agrarian problems. The question is: Does land reform constitute an adequate answer. That discussion is in a later chapter.

In examining processes of industrialization and reform within a historically situated context, one conclusion is clear. Almost without exception the acting social unit is the elite. Masses for the most part have remained marginal. Incipient forms of conflict reflect anarchic and defensive actions often leading nowhere rather than emergence of participation and conformation of truly plural (non-elite) centers of power. Even where instances of limited change have occurred they remain essentially elite-initiated and directed as anticipatory of further potential conflict. The emergence of intermediate strata with industrialization and concomitant phenomena has not seriously challenged elite power but served rather to broaden and strengthen it. Rhetorical anti-elitist positions among intermediate strata members, when existent, often encover profoundly elitist attitudes, feelings and values in a kind of schizophrenic personality split.

While the structural setting for mass participation may be steadily becoming more potentially propitious, mass mobilization, aside from sporadic anarchic outbursts, is still largely the outcome of elite-initiated action or of internal intra-elite conflict. Plurality of positions and issues reflects elite pluralism. Masses are instruments in elite conflicts. Colombian agricultural policy benefits clientele limited to the large and medium holders and "costs" small holders.

In another sense, agricultural policies disturb rural social systems. For example, modifying the mode of production by changing technology without changing structures tends to accentuate marginality and poverty of small-holders. Indeed, technological modernization may displace peasant opportu-

ities for production and employment. The problem is not with modernization per se but is that those displaced lack alternative opportunities. This issue is discussed in the concluding chapter.

This chapter has attempted to illustrate a number of points referring back to the social development model and hypothesis laid out in Chapter I. The elite was identified as the principal acting unit of social causality using a structural-functional conflict tactic of analysis. An illustration of Colombian underdevelopment as uneven and partial capitalist modernization was provided. Perhaps the main point, however, drawn out in latent form is that modernization and industrialization by themselves do not constitute social development. In the absence of social organization patterns consistent with the former processes the result is underdevelopment, not development. Marginality and poverty in the Colombian countryside are largely the consequence of processes of industrialization and modernization both there and in the cities without corresponding adjustments in the social fabric. Technological development of productive forces require new structures of social organization and new patterns of social relations. This is not an argument for assigning the priority of social causality to technological change. It must be borne in mind that the level of causality lies in the socially acting units adopting and stanging technological change. Explanations of this can be found with appeal to a structural-functional conflict or class model. Once the decisions for technology are made, however, the question of induced social change becomes relevant. Discontinuities between technological and productivity changes on the one hand and social organization on the other, constitute sources of dysfunctionality for the integration of the society as a whole.

CHAPTER III

PRESENT STATUS OF AGRICULTURE AND THE RURAL SECTOR

An attempt was made to establish the genesis of contemporary social and economic patterns and identify the acting social units. Industrialization and reform were discussed as processes affecting the countryside. Attention is focused next on evaluating the nature and dimensions of a selective set of conditions concerning rural life and in particular, of the problems of poverty and marginality, a focus of this thesis.

Present-day Colombian agriculture involves a myriad of varied forms, patterns, and practices. Old and new blend together as in a mosaic. But in other instances, old and new remain separate, coexisting as an agrarian whole. Most predominant are old and partially modern agricultures but the new version has a foothold.

Although technological innovation in agriculture initially occurred in the nineteenth century, major technical changes took place in the first quarter of the twentieth century. Those occurred in growing sugar cane in the Valle del Cauca region and in cultivating bananas in Magdalena. Despite their importance, these technical advances remained specific and did not diffuse to other agricultural enterprises or regions (Currie, 1966:155).

Spaniards from the conquest showed a preference for the milder and cooler climates of mountain slopes and high savannas. Although, at least one half of Colombia's surface includes tropical lowlands, urban and agricultural settlement took place mostly at high elevations. By the middle of the present century:

the long-withdrawn-out occupation of the mountainous and hilly lands by settlers in the central parts of Colombia had been virtually completed and most large estates in these areas had been broken up; on the other hand, the process of introducing mechanized agriculture in the flatlands had not yet started in earnest (Hirschman, 1963:118).

As a rule until recent times, fertile valleys were ranges for extensive cattle grazing, while paradoxically, the steep and sometimes eroded mountainsides were used for cultivated cropland (International Bank, 1950:62-63).

Two developments of the 1950's accelerated and influenced agricultural modernization. Technical innovations were applied to additional agricultural enterprises and transportation improvements were constructed--highway networks and the Atlantic railroad (1961). Currie notes a break with history as agriculture shifts from the hills to the flatlands in both new and old regions of Colombia (1966:155). Improved transportation created for the first time a single national market for industrial and agricultural products (Bix, 1967:23). Until most recently, Colombia included regional or sectoral markets which had more or less autonomy. National development per se is now an option which was unrealistic so long as Colombia's structure involved separate regions or sectors.

According to one early source, more than one half of the total land surface is outside the national economy, and less than one fifth is actively farmed (CIDA, 1966:18). A later preliminary INCORA study classified the soil condition of 39,228,000 hectares in populated regions, according to their "potential aptitude." Estimates of Table 2 are based on topographical and drainage conditions, assuming existing levels of technology and given price relationships. Probably, they underestimate the percent of lands suitable for intensive agriculture (CIDA, 1966:22-23). This figure of 14% presumably would be exceeded in the unpopulated regions although no statistical evidence to this respect was found. Perennial cultivation, for which almost half of the populated area is suitable, accounts for the bulk of production of Colombian agriculture.

As indicated by an average annual production increase of 3.3 percent

TABLE 2
POTENTIAL APTITUDE OF LAND IN POPULATED REGIONS

Type of Soil	Percent
Lands suitable for intensive agriculture and cattle raising	14.0
Lands suitable for extensive cattle raising or for perennial crops and forestry	46.0
Lands suitable for forests	35.0
Lands unsuitable for any of the above	<u>4.5</u>
	99.5

Source: CIDA (1966:21).

over the past two decades, Colombian agriculture seems to have performed relatively well. The interesting point is that increase occurred in spite of heavy rural-urban migration. Production increases match the 3.2 percent annual rate of population growth (1951-1964). During the past three years, an annual agricultural production increase of 5.2 percent was achieved (CELPICRA, 1971:18). Between 1958 and 1967, crop production increased 30.2 percent and cattle production 36.19 percent (*ibid.*).

Production increase has been irregular. The modern sector of agriculture, including relatively large units, accounts for much of the increase. That is particularly so during the last decade, and for such products as sorghum, soybeans, ajonjolí, cotton, rice, and sugar cane. Other foodstuffs,

grown mainly by small holding, traditional farmers, have not fared so spectacularly. Some increases match population growth; other production appears to lag (CELPICRA, 1971:19). However, statistics for subsistence crops are unreliable (Currie, 1966:170-171).

Prices paid for such crops as corn, wheat, potatoes, beans, and coffee have steadily decreased over the years (INCORA, 1971:61). Price decreases occurred due to shifts in production and consumption--soybeans and other crops replaced beans (CELPICRA, 1971:19). Second, modernization and price decreases threaten to displace traditional small scale producers of these products (INCORA, 1971:61). This relates to the competitive struggle between the old and the new agriculture (Currie, 1966:155-156). Third, minifundia and subsistence producers engage in a fierce competitive struggle (INCORA, 1971:61). Small producers receive reduced prices for their produce and pay higher prices for industrial products so that their income situation has worsened (ibid.).

That agricultural production appears to have met overall demand does not indicate satisfactory performance. Irregularity has meant that imports of specific products often continue to be necessary. Efficiencywise, agriculture has approximately one half (47 percent) of the national labor force but contributes slightly more than 30 percent of the gross domestic product. In contrast, manufacturing has about 22 percent of the labor force but produces 20 percent of the gross domestic product. Unity prevails in manufacturing in that one fifth of the labor force contributes one fifth of the gross national product. The remainder of the labor force, approximately 30 percent mostly in the tertiary sector of services, contributes approximately one half of the gross domestic product. The Colombian economy handsomely rewards services industry, but does not reward agriculture.

The agricultural sector has low productivity as related to its labor force.

Productivity per hectare, within agriculture, is greater on the smaller farms (Table 3). This indicates small holders practice labor intensivity while latifundistas choose not to cultivate all their land.

TABLE 3

PROPORTIONAL DISTRIBUTION BY VALUE OF AGRICULTURAL PRODUCTION
ACCORDING TO THE GROUPS BY SIZE AND RELATIVE PRODUCTIVITY
BY UNITS OF SURFACE IN EACH GROUP

Tenure Group	Value of Production (percent) (1)	Number of Families (percent) (2)	Surface (percent) (3)	Coefficient of Partici- pation per Family (1:2)	Coefficient of Produc- tivity per Hectare (1:3)
Sub-Family	20.8	64	5.5	0.33	3.80
Family	45.0	30	24.5	1.50	1.85
Multifamily Medium	19.1	5	25.0	3.80	0.76
Multifamily Big	14.9	1	45.0	15.00	0.33

Source: CIDA, 1963 as reprinted in CIDA, 1966:201.

Table 4 suggests that agriculture has become slightly more productive in relative terms which perhaps reflects technological modernization. Tertiary activities appear to be getting less productive, perhaps due to increasing urban disguised unemployment. The trends seem clear even allowing for error.

The above analyses are accurate but limited in application to human affairs. Indeed, such analyses may be flawed as to their accounting for

TABLE 4
SECTOR PROPORTIONS OF THE GROSS INTERNAL PRODUCT
AND ECONOMICALLY ACTIVE POPULATION

Sectors	Gross Internal Product (%)			Economically Active Population (%)		
	1925	1951	1964	1925	1951	1964
Primary	59.6	38.9	33.9	70.1	64.7	48.9
Secondary	13.1	19.0	22.6	13.1	14.2	17.1
Tertiary	<u>27.3</u>	<u>41.0</u>	<u>43.5</u>	<u>16.8</u>	<u>21.1</u>	<u>34.0</u>
Totals	100.0	98.9	100.0	100.0	100.0	100.0

Source: For 1925, calculated from estimates by ECLA, 1957:14, 17. For 1951 and 1964, adapted from Banco de la Republica, n.d.:36; and DANE, 1967:122.

human conduct. Gross National Product or Gross Internal Product or other aggregations of serial statistics involve inventories, prices, production figures, wages or salaries, taxes, labor forces, hours or days of operation--variables that are countable and counted. Commercial or industrial firms, including some latifundia, or even educational or religious organizations collect such evidence describing their own performance. Moreover, outside analysts (as in this thesis) collect such evidence to describe performances and to account for human conduct. Outside analysts aggregate data collected about individuals belonging to reporting units, then aggregate reporting units into classes--economic groupings of related enterprises--to comprehend complex economies.

Serial statistics include counted and countable materials. Some occu-

pations--cost accountants, demographers, tax assessors--have no real place in an uncomplicated economy. What is being said is that no economic value can represent an owner's cost of benefit of choosing to leave farmland uncultivated (an outside analyst can measure that economic cost but that is the analyst's not the owner's assessment), nor can economic values be attached to the option a farmer's child has to play in or to work in fields near his home, nor that the farm wife alternates as a member and nonmember of the farm labor force. What is being said is that serial statistics suitably describe economic affairs of industrialized, and of certain parts of semi-industrialized economies, but that such statistics do not suitably describe human affairs of uncomplicated economies.

Finally, above analyses and critical discussion represent serial statistics as concerning economic affairs but those data do not often translate into sociological situations. Sociologists can go only so far with economic indicators. When that point is reached, sociologists require additional data collected from populations that suitably describe their conduct. In the absence of collecting such data systematically, sociologists are required to use available and accessible data and to analyze to their best abilities. We must recognize that a methodological gap exists between the real world and that version of the world reported in serial statistics.

The only source of information of Colombian land tenure is the 1960 agricultural and stockraising census. Another complementary but less reliable source is the records on property tax.¹ Table 5 shows a

¹For a discussion of the 1960 census see Smith, 1967:105-146, and on property tax records, CIDA, 1966:74, 79-81.

distribution of units constructed from that 1960 census. The data manifest both property concentration and fragmentation. Many small units are urban plots.

TABLE 5
STRUCTURE OF HOLDINGS

<u>Farm Size</u>		<u>Farm Units</u>		<u>Hectares</u>	
Hectares	Number	Percent	Accumulated Number	Percent	
Less than 1.0	298,071	24.7	132,000	0.5	
1.0 to 2.9	308,352	25.5	546,000	2.0	
3.0 to 9.9	319,327	26.4	1,726,000	6.3	
10.0 to 499.9	277,020	22.9	13,881,000	50.8	
500.0 and larger	6,902	0.5	11,053,000	40.4	
Total	1,209,672	100.0	27,338,000	100.0	

Source: DANE, Directorio Nacional de Explotaciones (Censo Agropecuario).
Bogota, 1964 as printed in CELPICRA, 1971:17.

The 1961 land reform law ordered all proprietors of tracts over 2,000 hectares to register them at INCORA. The high degree of concentration suggested by Table 6 is misleading if applied to agriculture because some large units are mining, oil, or lumbering enterprises; others are actually occupied by small holders, some with valid titles; much of the land is marginal and lies outside the perimeter of the populated zone; and, many unified properties belong "pro indiviso" to large groups and families (CIDA, 1966:78-79).

TABLE 6
OWNERS AND AREA OF LARGER TRACTS, 1962

Size Categories (Hectares)	Owners (Number)	Total Area (Hectares)	Average Size (Hectares)
From 2,000 to 5,000	433	1,297,416	2,996
From 5,000 to 10,000	100	756,566	7,566
From 10,000 to 20,000	50	720,193	14,403
From 20,000 to 50,000	30	931,774	31,059
50,000 and over	23	3,368,121	146,440
Totals	636	7,074,070	202,464

Source: Data supplied by INCORA as compiled and printed in CIDA, 1966:77.

In 1964, approximately eight million people depended on agriculture for their livelihood of which about 2.4 million comprised the active labor force. INCORA estimated that approximately one half that figure held full time farm employment (CELPICRA, 1971:79).

The rural population includes a small percentage of large landowners. Most numerous are small holders and wage workers. Some small holders work for wages part-time and some have full employment on their own unit. T. Lynn Smith (1967), working with the 1960 agricultural census, makes some crucial estimates. Combining Smith's material with data from other sources it is possible to identify the main features of the agrarian structure (Table 7). Farm laborers represent wage workers. Determining their number with precision is difficult but they constitute the largest single occupational category of the Colombian working population. The 1938 population census

TABLE 7

ESTIMATES OF NUMBER OF FARM FAMILIES AND TYPES OF FARM OPERATIONS

	Smith 1960	CIDA 1960	CIDA (1970 estimate)
Number of farms	530,000	-----	-----
Number of families dependent on agricultural and stock- raising activities	1,530,000	1,370,000	-----
Families headed by farm operators	530,000	430,000	-----
Families headed by farm laborers	970,000	940,000	1,300,000

Source: Smith, 1967:114 and CIDA, 1966:133, 299-301.

reported 780,152 men, 32 percent of the entire male labor force in this category; the comparable figures for 1951 were 794,075 and 26 percent, respectively (Smith, 1967:114). The 1964 census does not allow the same comparison, as farm laborers are aggregated with another minor occupational category. Those latest census figures were 1,295,450 and 32 percent (DANE, 1967:116, 118). Furthermore, all censuses fail to identify many wage earners who work for wages and also own or "rent" small tracts of farm land. Thus, agricultural wage workers represent at the minimum one fourth to three tenths of the male labor force.

Wage-working peons occupy the bottom of the Colombian social scale. They are socially, politically, and economically powerless; their level of living involves subsistence. Furthermore, as will be indicated later, there is evidence that their financial circumstances are deteriorating. They work in

all types of agricultural and pastoral activities but they are especially important to cattle ranches (Smith, 1967:114-115).

A second important subcategory of farm laborers are the arrendatarios, euphemistically called renters. Essentially this arrangement assigns the peasant a small tract of marginal land from which the family gains subsistence. Access to that land is in exchange for his paid or unpaid work for a specified number of days per week on the landlord's holding. The 1938 population census reported 278,765 males as arrendatarios, agregados, or colonos, of which at least 200,000 were arrendatarios (Smith, 1967:115). Later censuses have not reported this category.

The passage of the 1968 law conferred property rights to sharecroppers or renters who had worked particular lands for a long time. An already noted consequence of the law was the removal of sharecroppers and arrendatarios by owners (INCORA, 1971:129). It is reasonable to believe that many of those former renters or sharecroppers shifted to wage labor. A new census count would probably show increases of wage laborers as a result of the 1968 law.

Another subcategory includes "minifundistas" or small holders. As Table 5 shows, 63 percent of the units occupy 4.5 percent of the land. (An unknown proportion of the small units are urban plots.) Those minifundistas provide inadequate employment and income for a family. Most of them are so small as to require outside employment of their owners and this justifies classifying them as laborers rather than operators.

There are fewer farm operators than there are farm laborers. Operators include subcategories of owner-operators, administrators, or managers, renters, squatters, and colonos.

Smith (1967:132) estimates from the 1960 census that there are between

107,000 and 312,000 depending on whether a lower limit of 20 or five hectares is used. This subcategory includes most Colombian agriculturists contributing goods to the market. Those old elite families with large estates, especially the cattle haciendas, range in number from 5,000 to approximately 10,000 (*ibid.*). Administrators or managers of larger estates manage almost two-thirds of the land in places of 1,000 hectares or more (*ibid.*, 137). A small number (6,456 in 1960) of renters operate places over 40 hectares (*ibid.*, 138). Those are profit-oriented and use modern agricultural practices.

Colombia has a considerable number of squatters. They are important because squatters (untitled occupants) have been active in social conflict situations since the 1920's. Such occupied 46,961 tracts in 1960 of which most were small holdings (*ibid.*, 140-141).

Finally, remnants of the old agrarian Indian collectivist communities existing in 1944 were 29 in number and an additional 13 were dissolving (*ibid.*, 144-145). These communities were in the populated area of the 16 states. A number of aboriginal tribes and communities reside beyond those states.

The rural active labor force is estimated at 2,808,000 for 1970 (CELPICRA, 1971:27) and the number of jobs at 2,087,000 (INCORA, 1971:93). If agricultural production increases at its present rate (3.8%), under existing levels of productivity and technology, the number of jobs in 1985 would be 2,134,000 (INCORA, 1971:93). I. L. O. estimates that to obtain full employment in Colombia by 1985 would require creation of five million more jobs than in 1970 (Seers, 1971:114). The same source estimates 50,000 as the annual number of jobs added to the agricultural labor force and 800,000 as the number required in the next fifteen years (CELPICRA, 1971:28). Of all new jobs, nearly four of ten would be in agriculture.

Concentrated factor ownership and differences in income distribution generally characterize Colombia. Those characteristics manifest the operation of the land tenure structure whereby large owners control the destinies of wage laborers and smallholders. Disparities are more acute in the countryside than in cities and towns. A nation having a tiny elite of well-to-do and a large mass of poor people includes an agrarian population featuring even greater disparities--fewer elite families and proportionately more poor families. Table 8 displays a rural-urban income comparison indicating the greater disparity of rural as contrasted with urban areas.

TABLE 8
ESTIMATES OF PERSONAL INCOME DISTRIBUTION
IN AGRICULTURE (1960) AND URBAN CENTERS (1964)

Percent of Population	Cumulative Percentages of Income	
	Agriculture 1960	Urban Centers 1964
50	14	12
60	21	17
70	26	26
80	34	37
90	46	53
95	57	67
100	100	100

Source: Albert Berry. The Distribution of Agricultural Base Income in Colombia 1960 (mimeographed), tables I and II; M. Urrutia Montoya y C. E. Villalba. "La distribución del ingreso urbano para Colombia en 1964." Revista del Banco de la Republica. As printed in INCORA, 1971:63.

In Table 9, estimated average incomes realized by different types of farmers and the origin of their income indicate disparities mentioned.

TABLE 9
ESTIMATED DISTRIBUTION OF GROSS AGRICULTURAL INCOME, 1960

Category	Number Occupied	Income per Occupied Person	ORIGIN OF INCOME	
			Work	Proprietors and Administrators
	(000)	\$ (1967)	Percent	Percent
Wage worker	873	3,024	100.0	----
Smallholder (0-5 Hectares)	564	6,718	45.0	55.0
Family size agriculturist (5-50 Hectares)	703	9,081	33.3	66.7
Medium size agriculturist (50-200 Hectares)	120	25,147	12.0	88.0
Large size agriculturist (200 and over)	40	57,234	5.3	94.7

Source: PREALC. Antecedentes para politica de empleo en Colombia, Chapter IV. Table IV-23, page IV-41. Table taken from Boletin Mensual de Estadística of DANE, No. 227, page 139. As printed in INCORA, 1971:64.

In spite of changes, traditional latifundia agriculture is profitable, presumably because of the supply of cheap labor. In a study of economic decision-making, Grunig (1969a) found that traditional large landowners achieve satisfactory, although not maximum, levels of income, in relation to their needs; a conclusion supported by CIDA (1965). Large landowners have other interests and income sources. High productivity and mechanization while profitable generally does not pay too well. Changes intended as limited and technological in nature generate other kinds of

social change. Pure economic rationality constitutes one criterion for decision; it is generally recognized that land ownership protects against inflation, and has a status and power element. In other words, the "economic rationality" criterion is not autonomous but a function of the social context in which it is placed. Nevertheless, it is important to keep in mind that traditional latifundia remain profitable operations.

There are links between the structure of agrarian communities or economies and agricultural policy. Barraclough (1970a:98-99) classifies the broad groups interested in agricultural policy in Latin America in the following main categories:

1. Large landholders and the commercial, banking, and bureaucratic groups with associated interests
2. Small low-income producers and landless workers
3. Urban interests: consumers, agricultural raw-material users, manufacturers
4. Development planners

Groups may be defined by their common economic and social interests and positions. Those groups most able in articulating interests and influencing policy are represented by parties and associational groups. Agrarian reform aims to improve the situation of the second class above. Some among other classes oppose reform efforts.

In Colombia, the influential Sociedad de Agricultores de Colombia represents the large landowners. Also, there are Federations representing particular commodity interests--coffee, cotton, sugar. The Conservative Party represents powerful landowner influences as evidenced by its opposing land reform (Duff, 1968).

Small producers and landless workers have few and weak associations so their interests are not articulated. During the past ten years, urban stimulus and support has helped "users leagues," communal action organizations, and cooperative movements, to represent peasant interests, but these are still incipient and cover only a small fraction of the rural population. Reports from 1970 show radicalization trends among leaders of "users leagues" (Bermudez, July:1, 41). Formation of associations representing consumers renders the position of the unorganized farmer more disadvantageous. The third class Barraclough identified registers some influence on agricultural policies. Urban labor unions demand "reasonable" prices of foodstuffs. Manufacturers and users of raw-materials are represented by the National Association of Manufacturers (ANDI). Most elements of the Colombian economy are organized in special interest groups except for the rural mass population that remains largely unorganized.

In 1968, government agencies concerned with agriculture were coordinated in the Ministry of Agriculture. Those agencies and private associations form the Superior Council which advises, helps, designs, and coordinates agricultural policy and programs (CELPICRA, 1971:62-68).

The gross social impact of policy, even though analysis is cursory, can be comprehended by briefly surveying specific programs. The distinction is to compare the class of medium and large owners on one hand with that of the smallholders on the other. Credit, infrastructure inputs, education, price policies, and adopting technologies will be examined in turn as to their relevance for large land owners in contrast to smallholders or farm wage workers.

More than one half of the credit supplied to Colombian agriculture channels through the publicly-owned Agrarian Bank (*ibid.*, 43). Apparently,

most funds go the large and medium scale producers. Only the most modern of the smaller producers obtain public credit. Concentration indexes of bank credit in general for 1968-1969 were 0.686 and 0.564 in government banks and credit agencies (*ibid.*, 77). Loan guarantees work against the smallholders (*ibid.*).

Colombian subsistence farmers and smallholders tend to borrow only from private lenders (Grunig, 1969b:6). Other evidence supports this conclusion; several reports cite the need to extend public credit to small and medium scale operators (CELPICRA, 1971:45; Nisbet, 1971).

Projects of irrigation, rehabilitation, and developing new agricultural lands are manifestly aimed at smallholders. INCORA set up such projects in the Eastern Lowlands. However, as colonization proceeds on these projects, structural changes occur giving rise to concentrating land ownership and a minifundio-latifundio pattern develops (Havens and Flinn, 1970: 44-50).

Peasants' marginality is most evident and easily identified in educational public policy. Proportions of school age persons are reasonably comparable in the countryside (47%) and in urban areas (53%). However, in 1968, 18,678 elementary rural schools had 1,040,796 students and 17,000 urban schools had 2,461,476 students. Two-thirds of the urban schools offered a complete five-year elementary education program in contrast to six per cent of rural schools doing so. Most rural schools (59%) offered the first two years of that program. In 1964, nine per cent of the rural boys completed five years, while 29 per cent did so in urban areas. The contrast is more drastic in secondary education. At present no community under 2,000 inhabitants has a high school (CELPICRA, 1971:56). About one-fourth of government expenditures for elementary education goes to rural

schools although rural elementary schools reported approximately 30 percent of total students. Urban educational supply is augmented by private schools, virtually non-existent in rural areas.

The literary and educational gap grows between rural and urban areas. Children from low income, marginal rural families, which comprise the rural majority, fare less well than children from better-off, well-to-do rural families who go to school in towns or cities. However, problems of rural education concern more than factors of supply; marginality and poverty of the peasantry affects demand for education. Children can contribute work at home which conflicts with school attendance. Education's usefulness is questioned in terms of meeting needs and living of the traditional countryside.

Educational policy constitutes a process generating social inequality of opportunities. In addition, the educational situation is positively dysfunctional to rapid development in terms of the skills and abilities that this process calls for. In an uncomplicated economy the peasant is a low level generalist; occupational maturity tends to match biological maturity. Industrialization and development call for more advanced generalist skills (literacy, for example) plus specific skills and abilities beyond those provided by the family as socializing unit. Such a call is based on the requirements of operating more complicated technologies and on the processes of role differentiation and labor division generated by those technologies. For these reasons labor specialization in general associates with advancement of the developmental process. The educational system is strategic. At least in known historical development processes, widespread diffusion of abilities and skills for a technological era has required a differentiated agency, the educational system to take increased responsi-

bilities for socialization. Of course, perhaps other social models for the diffusion of knowledge are conceivable and even in present western experience further technological advancement and social development are vastly transforming and may ultimately totally change the nature of existing arrangements. This is a different subject though. Returning to the role of education in the process of development one must note that there is a long and largely unbridgable period of maturity for what economists refer to as "investments in formation of human resources." Consequently, a crash program of industrialization might be limited by uneducated numbers, a condition that cannot change in the short run. So far nothing has been said of the political dysfunctionality or anti-integration effects of having large masses of relative illiterates in a modern society.

Underdevelopment of educational facilities in rural Colombia reflects not only "lack of funds" but more important, the order of priorities of decision-making elites for the countryside. It also reflects the effectiveness of institutional controls in binding the peasant to traditional roles in which education is irrelevant.

Beyond class differences, gaps between rural and urban are enlarged by the growing awareness of urban populations that education has mobility value and that urban population translates this awareness into political demands. The rich grow richer, the poor grow poorer.

Agricultural policy concerning prices and markets involve conflict between urban and rural interests. The Ministry of Agriculture and some of its agencies and private associational groups seek to increase production, insure profitable farm prices, promote exports and subsidize inputs. On the other hand, the Ministry of Economic Development and some agencies of the Ministry of Agriculture emphasize low food and raw fiber prices, perhaps

representing the influence of urban consumers, labor unions, industrial processors or others. The latter combination has won contests so that food imports and price controls benefitting urban population have damaged rural interests. Low income urban populations are sensitive about food prices and pricing food has political implications. The Colombian system involves a labyrinth of price controls, import and export subsidies, prohibitive tariffs, exchange rate manipulations, official monopolies and concessions, quotas and assorted mechanisms which have grown like topsy. Barraclough asserts the system retains character of the mercantilistic policies of Spain and Portugal (1970a:109).

New policies pile on old without policy makers establishing coherent relationships in the patchwork policy. However, when elite interests conflict with rural nonelite interests, the elitists win without a contest. Urban organizations register enough political pressure to make demands and achieve gains in spite of latifundistas interests. Even then, however, if latifundistas are allied with powerful urban interests, those allied powerful groups can mutually benefit by exploiting the organized rural powerless, or unorganized wage workers.

The 1950's connected local areas into a nationwide market. Commercial bourgeoisie link local markets to the larger whole. The bourgeoisie obtain the lion's share of the profit available from local markets (Garcia, 1970:69). Although they render a valuable linking service they also exercise power and exploit the peasant. Large operators, on the other hand, are often able to sell directly in larger urban markets under conditions more favorable to them.

In terms of agricultural exports, only larger operators are in position to have knowledge, connections, and organization to benefit from governmental

subsidies or changes in international markets which affect exported products. A similar situation holds for public subsidies or stimuli to use modern or imported inputs--only a small proportion of larger producers know about and are favored by those policies (CELPICRA, 1971:33-42).

Tables 10 and 11 provide some evidence and data on the use of other inputs that are quite similar. Some worry that agricultural modernization tends to strangle producers because input costs rise. Fertilizer prices, for example, increased 218 per cent during 1958-1967 while the price level for agricultural products rose 167 per cent (*ibid.*, 37). Increasing size of units associates with decreasing manpower inputs and increasing uses of technology.

Technical assistance and extension services to producers likewise have been limited. Barraclough (1970a:108) notes that those programs typically serve only large landowners. The social distance between illiterate peasants and technicians is so great that even those technicians specifically assigned to work with low-income groups tend to select for assistance the more educated among small holders (*ibid.*, 109). This tendency appears similarly in the land reform program. Grunig (1969b:12) notes that among the successful entrepreneurial small holders helped by INCORA in Colombia:

In contrast to most campesinos, they are also young, fairly well-educated, and literate...In short, for them the situation was favorable to begin with and thus they have been frequently chosen as participants in the limited type of agrarian reform carried out in Colombia (*ibid.*).

TABLE 10

PROPORTIONS OF AGRICULTURAL UNITS REPORTING ONLY MANPOWER,
BY SIZE, 1960

Size of Farms (Hectares)	Percent of Farms Using Solely Manpower
Less than 0.5	87
0.5-0.9	73
1.0-1.9	68
2.0-2.9	65
3.0-3.9	61
4.0-4.9	60
5.0-9.9	56
10.0-19.9	53
20.0-29.9	53
30.0-39.9	54
40.0-49.9	54
50.0-99.9	55
100.0-199.9	52
200.0-499.9	46
500.0-999.9	37
1,000.0-2,499.9	28
2,500.0 and over	12
Total	65

Source: Departamento Nacional de Estadística, "Resumen Nacional (Segunda Parte), Directorio Nacional de Explotaciones Agropecuarias (Censo Agropecuario), Bogotá: Multilith Estadinal, 1964 as reprinted in Smith, Lynn T., 1967:209.

TABLE 11
FARM SIZE AND USE OF TRACTORS, 1960

Size of Unit by Hectares	Percent Using Tractors
less than 5	7.4
5 to 50	23.6
50 to 200	27.2
200 and over	<u>41.8</u>
	100.0

Source: DANE, Censo Agropecuario 1960. As printed in CELPICRA, 1971:78.

Examining Colombian agricultural policies and programs indicates that when smallholder or laborers' interests are paramount the actual outcomes, if plans are implemented, work to favor large- or medium-sized farmers and to disfavor the rural mass. Supplementary public policies, for example, education, are largely irrelevant to the peasantry. Aggregating outcomes of public policies suggest a classic instance of rich getting richer and poor getting poorer prevails in the Colombia countryside. Reform or development programs are considered next to determine their applicability to Colombian agricultural problems.

CHAPTER IV

THE AGRARIAN PROBLEM: REFORM OR DEVELOPMENT, AND A PROPOSED SOLUTION

This chapter's purpose is integrative: to evaluate and interpret problems and potentialities in respect to limits of and solutions to the Colombian agrarian problem. Barraclough's penetrating observation distinguishes agrarian reform from development while recognizing that they are nevertheless closely tied and related (Barraclough, 1970a:128). A third element, agricultural policy, has already been discussed from the viewpoint of its present status and effects.

AGRARIAN REFORM

Perhaps oversimplifying, reforming an agrarian problem concerns political and socio-economic issues of distribution and participation while developing agriculture concerns production forces which change social structures. Agrarian reform involves tension or conflict (latent or manifest). The notion of problem implies an emergence or tangible configuration at some point in time. In other words, an emerging social problem constitutes an issue of social change. "Seeing" the problem involves a change from views of the past; discussing the problem provides it social credibility; proposing solutions for the problem specify means; implementing solutions, even inexpensive means, manifests social-political concern with a problem. These dimensions will be discussed in following pages.

Smucker and Zijderveld (1970) suggest that functional analysis of changing institutions conceptualizes change of structure or meaning or of both structure and meaning. Both categories are useful in examining

Colombia's agrarian problem.

The rural social system is the "structural setting for change" (Smelser, 1968:205-209). Traditional agrarian structures include distinctly stratified political, economic, cultural, and social relations commonly anchored in the forms of land tenure and use. Distinct institutionalized inequalities manifest serious divergences between perhaps latent interests of peasant communities or quasi-groups and landowners' definitions of "their" peasants interests. Normative orientations of landowners support and implement traditional means of social control. A structural setting involving these divergences contains potential or actual internal strains or imbalances. Given these conditions, if changing the institutional meanings of agrarian situations is sought, that effort results in change of structures because manifest interests to some degree move by reference to latent ones. In this case, agents of change are peasant interest groups. To the present, peasant interest groups are notable by their absence. Needless to say, similarly-oriented change agents reside outside the farm sector (Petras and Zeitlin, 1967), as Chilean miners radicalized peasants residing near the mining districts.

Barraclough lists four causes or sources of independent change that act upon traditional agrarian structures in Latin America (Barraclough, 1970a; Barraclough and Domike, 1970). Rapid rates of population increase; Colombia's overall annual intercensal rate for 1951-1964 was 3.2 percent. The rural population grows in absolute numbers, although its proportion of total population decreases. Consequently, strains occur: rural population pressure on land increases--marginally-occupied workers and subsisting farmers increase in numbers requiring more food in the countryside; urban population increase requires more food in cities. Population increases largely are a consequence

of decreasing mortality rates (particularly among the young) through diffusing medical technology and preventive medical services. The source of change is internal; it occurs among rural or farm people. For the most part, its "origin," however, lies outside the rural sector.

Technological change impinges on the countryside in other ways as well. Improved transportation and communication, introducing labor saving machinery, declining employment in and use of handicrafts affect occupational, economic, and social lives of farm or rural residents. Moreover, new technology redefines relationships between peasants and owners or managers (Barracclough, 1970a:125). Transportation changes result in different competitive arrangements and restructures markets from their traditional alignments. Furthermore, rates of technological change increase. Technological transformation is largely an external source of change in that as it occurs it modifies the social structure of the rural world.

Barracclough argues value changes occur in the Latin American countryside as consequences of the above (1970a:125; Barracclough and Domike, 1970:46). Value changes change meanings. Perhaps changing values is too limited a conception: views of the world change--new universes of symbolic perception enter farm or rural scenes. For example, maintaining traditional social controls relied on distinguishing owners from peasants by hierarchically allocating persons in a particular and ascriptive social structure. Each and every owner was positioned above each and every peasant; both parties were aware of and observed that social ordering. Dress-styles, work-styles, household-arrangements (form and content), educational-arrangements (form and content), marriage-forms, in short, owners' and peasants' world views and experiences were drastically different (Berghe, 1967:9-41). Those differences were intentional. Evidence of

disparities have been offered above. Traditional relations unerringly allocated owner and peasant to different social worlds, different world views. But each needed the other as well. Hence, the world and view were different, but each complemented the other. There could be no peasant (client) without an owner (patron).

Modernization precisely impacted the "stability" of that symbolic universe which simultaneously included patrons and clients as it distinguished patrons from clients--modernization incorporated both owners and peasants in a single social world comprised of the nation-state. The traditional world represented two complementary social sectors which reciprocally fit together in a larger agrarian social world. Development has occurred partially in the countryside and somewhat more so in cities and industries although not fully so there either. Modernization and development have sectorized Colombia somewhat as colonial policies did. In some respects, today's and yesterday's Colombia are replicas.

Stavenhagen (1970c:73) notes that industrialization usually preceded urbanization in Western Europe and the United States while the opposite sequence is the case for present-day underdeveloped countries. Urbanization and industrialization, therefore, may be viewed as sources of change, or alternatively as origins of change. They introduce strain, tension, and change into the traditional agrarian structures, but even more they constitute an alternative life or world view to traditional agrarians or rural people. Migration to urban places constitutes escape from the oppressiveness and conditions of the countryside (Horowitz, 1966:338); that was established factually for Colombia (Flinn, 1966). Likewise, industrialization and its complex of supporting services promise alternative occupational and economic roles. On the other hand, Garces (1970:23)

believes that rapid rural-urban migration, encompassing mostly young people, has diminished substantially the possibilities for rural leadership in Colombia. Overall rural to urban migration was particularly accelerated in Colombia during the fifties by processes of political violence in the countryside (Fals, 1969:146).

Urbanization, as one element of the model of social development, is sociologically involved in the rural world largely through impacting agrarian social classes. While classes constitute parts of social structure they also constitute social means to change that structure (Dahrendorf, 1959:123).

In a traditional agrarian society, control or possession of the means of production--land--controls access to other resources. Ever since the Spanish colonization of Latin America, although there was an unlimited supply of land, all accessible lands promising an economic surplus were privately appropriated by a small minority. The remaining rural population was deprived of ownership and controllership of the resource basic to income. No land market developed because nonowners of land, whose source of income was only their labor, were unable to accumulate wealth or capital to purchase land. Their lacking control also meant that peasants or laborers could not use their supply of labor for bargaining. Consequently, although land was abundant and required labor to be exploited, labor was peculiarly situated. "Labor becomes a scarce factor and its supply-demand relationships do not contribute to increasing real wages above subsistence levels" (Furtado, 1970:76). A variety of work arrangements--tribute, day-wages, sharecropping--ended alike in generating only subsistence. Control of land perpetuated control of labor and incomes, and, derivatively, resources of consumption and social prestige were also controlled by large landlords.

The analysis is extended. As landowners skim off surplus value beyond subsistence of their labor force, they support the state apparatus thus gaining control of official political power, coercion, and military force. They control education, which peasants are unable to demand or use. Other factors, physical isolation and conscious social discrimination reinforce power to control. Landowners were not isolated from one another. They frequented the capital city and provincial centers. Peasants were isolated.

Day-to-day living produced social psychological consciousness of peasants so that they subjugated themselves to the institutional order and they perpetuated that order through socializing their children to be subjects, workers, nonowners. The powerful influenced the powerless to regard their lack of power as so compelling that survival was a sufficient, indeed the only, objective. Aggregating factors generates "circular and cumulative causation," in Myrdal's (1957:11-22) terms. In the classic traditional agrarian community, control of land implies control of most other socially desirable resources. For the present, let us admit that the argument is one of "land determinism."

Consequently, when external or internal sources of change influence rural social systems and cause latent interests to become manifest, it is credible to define the agrarian problem in socially conscious terms as a land tenure issue.

Since land possession determines class structure of rural Colombia, landowners and landless workers are the fundamental classes. However, varying relations to means of production yields a three class order which best reflects images of the social consciousness, corresponds to actual

empirical clustering, and has analytical merit. The categories are landlords, smallholders, and wage workers or laborers. This does not deny the relevance of gradation by amount of land held. Furthermore, it is possible to establish associations between degree of modernization and size-classes of landlords and smallholders.

The impact of change on rural classes has altered prevailing types of consciousness, activated a dialectic of conflict, and modified the structuring of relationships. Demographic change and migration alters the number and composition of communities or classes. Technology introduces urban entrepreneurs to the countryside, displaces some employment or alters work for other residents. Transportation and communication facilitate socio-politico-economic articulation and organization. A growing nonrural sector allows for incipient integration between the peasantry and new urban power groups. New governmental organizations may favor disposing of resources to underprivileged groups. However, most agricultural policies benefit the already better-off class.

Summarily stated, reform involves political and socio-economic conflict which roots in the agrarian problem; consequences of the agrarian problem are poverty and powerlessness for those not owning land and profit and power for those who own land.

AGRICULTURAL DEVELOPMENT

Agricultural or agrarian development involves substantive economic change as a part of national development. It involves introducing structural changes of the technology of production that enhance the productivity of the different factors. As capital accumulates, the relative availability of factors is changed as is the factor mix of production. Total production

increases and national income, the other side of production in the accounting scheme, is enhanced in the aggregate.

The relation between productivity-production and group income, however, is neither so simple nor automatic. Production occurs in a context; its level and composition relate to socially effective demand patterns. Allocating factors to specific production tasks is a function of the composition of effective demand; when those two match, increased productivity and technological efficiency enhance the national product and income and real incomes of those sectors involved in the increase.

The crucial point, of course, is that misallocation of factors may occur; sectoral surpluses (or deficits) of production over demand may arise. If producers for a market are unable to increase their production, they may suffer decreased income or some share of their income is captured by others in the market because those others produce at lower prices. This is particularly important to agriculture because price and income elasticities of demand for food are low--national demand for food remains relatively stable in per capita terms in spite of price or income changes, although demand's composition may shift.

On the purely economic side, agricultural development involves technological modernization and factor productivity increase. The implications of agricultural development require one social structural change: drastically reducing proportion and numbers of farmers or rural persons producing for the market. Occupational opportunities for those the transformation displaced are sought in urban places or service employments and this provides the connection between agrarian development and national development. That connection illustrates why agricultural development is not isolated. Those remaining in farming or rural places change

occupational roles and social relationships. If both economic and social advance occur as parallels, those remaining acquire bargaining power and the total production-income possibilities of agriculture is enhanced. Thus, a solution of the agrarian problem occurs. On the other hand, incorporation into the market relates to greater political participation and a corresponding reduction of the marginality of citizens.

It is possible to speak of development as solving the agrarian problem. However, it does not constitute an "ultimate" solution. Neither agrarian nor national development answers the issue of structured inequality. Moreover, development fundamentally alters conditions previously defining the agrarian problem; the transformation may be said to represent a relative "solution."

LAND REFORM

Curiously, land reform proposals are offered as parts of reforming or developing agriculture. Thus, it has panacea-like qualities of wide appeal. Many arguments for reform have been given. The most comprehensive position views the agrarian problem as resulting from "a multiple system of social domination" exercised by the elite based on land tenure. To solve the many sides of peasant powerlessness, it is necessary to carry out an exhaustive reform of land tenure with fullscale assistance of the State. This position views development as the global outcome of a broad and revolutionary process of strategic social change, liberating national energies and in no way reducible to mere formal rules of economic rationalization (Garcia, 1969:21). Most developers, however, would choose to emphasize the latter aspect only. For Garcia, land reform is assessed by strategies and means and by its depth as well; its objectives and the degree to which it effectively modifies the power relations of a traditional society (Garcia,

1970:10). Reform involves social power issues and domination. Developers can speak of "economic man," reformers speak of "social man."

At a slightly less general level, is the political argument that peasants do not participate in politics because the land tenure structure prohibits them from land ownership. The structure of a poor rural society is synonymous with its land tenure system (Barracclough, 1969, 1970a; Barracclough and Domike, 1970; Feder, 1969; Stavenhagen, 1970c). Therefore, land reform is prerequisite to improving life for the rural masses. The issue is not one of development, it is an issue of changing relationships and improving conditions for those who have been bypassed in history.

Oftentimes creating a rural middle class is the objective. This argument is founded on the notion of the family-sized land holding (Smith, 1967a:29). Another political argument views land reform as necessary to appease peasants:

the fact that peasant goals are concrete means that if the government is strong enough to compel some redistribution of land, such action will immunize the peasant against revolution (Huntington, 1968:376).

If land reform is not carried out, a revolution may follow; if land reform occurs then development can proceed elsewhere.

As a minimum, a land reform which would take power from the traditional rural elite and grant land to the peasants could be expected to secure their passive acquiescence to a period of continued deprivation, while development proceeds in other areas. This apparently was one of the great accomplishments of the Mexican ejido--buying time (Barracclough, 1970b:116).

Also, economic arguments reflect variety: efficient use of land and labor, achieving of larger agricultural production, or obtaining higher average farm incomes. The public participates by offering incentives to

invest and adopt new technologies (Dorner, 1968:22). All agree that adequate land reform involves land distribution and complementary policies to support those benefitting. Many who advocate land reform do not analyze the real functions of the structure of land tenure. Many offer superficial evidence, rhetorical support but hard facts are not marshalled. It was noted earlier that INCORA had placed 40,000 families on their own land in a period of several years but the annual need for new units was almost at that same level.

Most of those themes are manifest reasons given for Colombian land reform. For example, the objectives of law number 135: to give land to those who could work it; to alter land concentration inequalities; to bring unused land under cultivation; to raise agricultural production and productivity; to raise the living standards of the rural population; to guarantee rural workers' rights; to preserve the country's natural resources (Morales, 1962:408).

Can land reform solve an agrarian problem? The answer is historically conditioned. If today's world were agrarian, land reform would redistribute power, wealth, income, opportunities, and incentives. The focus of contemporary development of productive forces, however, lies outside the rural sector and that limits what land reform can accomplish. From the point of view of this focus, the primary value of land reform lies in its constituting a pre-condition to development. Land reform would have been sufficient in nineteenth century Colombia.

THE COLOMBIAN AGRARIAN PROBLEM: DEVELOPMENT WITH REFORM

This section compares reform and development as competing alternatives and as complementary possibilities for Colombia. The conclusion tentatively drawn in favor of a crash developmental approach stresses the problems of

population, limited resources, and, primarily, an inadequate amount of time to organize a peaceful and gradual transition.

Colombia's skewed distribution of land, following which rural power and status are closed monopolies, requires thorough land reform. Previously mentioned reasons are important. But even more, land reform creates opportunities and incentives for national development. This appears similar to the case of the Mexican Revolution of 1910-1917. As to skewed land distribution--one percent of the population owned 97 percent of the land, while 96 percent of the population owned only one percent of the land (Stavenhagen, 1970b:227). Under such conditions, rapidly accelerated non-agricultural development was impossible because the latifundio system was above all a total system of social domination encompassing all but a tiny fraction of the nation's population. It is not said that a latifundio-based society is hostile to industrial development. As Colombia's history indicates, industrialization may be a step in economic differentiation taken by merchants, if they are strong enough. However, this "second road" apparently becomes bound by its own limits. Capitalistic development by the "first road," the direct transformation of a class of petty producers into industrialists appears to create a mass market while expanding, and to diffuse or, at least, to share, benefits. On the other hand, industrial development through differentiation of a merchant class, the Colombian mode, monopolizes the benefits of industrialization and does not transcend the limits of its class base which is also the class it serves. Hence, the second road fails to create massive market participation. Feudalistic capitalism appears limited similarly as the feudalistic farm community is limited.

Political liberation and redistributing resources and facilities of

the countryside substantially increase levels of living of a rural population. Achieving a high and modern level of living in the countryside is a most often sought fundamental goal. Increased agricultural production by technological modernization is a dangerous one-sided argument because it ignores social structural changes that technological change requires, if technology's benefits are to be widely diffused.

New agricultural technology allows increased production with a decreased labor force. But demand for food is relatively inelastic. (Of course, when people forego consumption because they lack income to purchase food, actual total demand has some elasticity.) Potential increases of demand for food in underdeveloped countries for such a reason is important. However, there is a biological limit to how much people can overeat. (That limit is achieved only in rare cases of individual pathology.) Increasing demand for a particular nation's agricultural production becomes largely a function of effective increases of population, of markets, of demands for food, and of industrial demand for farm-production. Agricultural surpluses translate rapidly into low prices and, thence, into low incomes for their producers, unless, of course, public policies support stockpiling surpluses as in North America.

If a country's population is large in relation to its available land, as is the case for some Asian countries, maximum agricultural production is called for. This does not represent today's situation of Latin America or Colombia. Consequently, agricultural modernization most often calls for releasing population from farming. In the West, this was historically achieved through long but steady rural to urban migration.

An economically interdependent world features international trade of agricultural production, thus, agricultural development could suffice as

the national development pattern for some countries. Existing sufficient lands could use the existing rural population (assuming they are trained to use new technology) in such a scheme of international division of labor. The increased agricultural output would not apply to local consumption but through foreign trade balances would purchase consumption and investment. Land reform and agricultural modernization support that orientation, and, hence, seem more feasible to an underdeveloped country than does industrialization. Agricultural development represents national development.

Such a model is inadequate at least on two counts. One is, that input-output analyses show a large modern agriculture is practically inconceivable without a supporting industrial sector. A second is, that specialization in producing primary products hardly seems desirable today.

The latter point connects to the Prebisch-Singer thesis--there is a structural long-run tendency whereby trade turns against primary producers. This thesis is controversial. According to Powelson, the controversy divides on national lines (Powelson, 1970:3). Latin American economists uphold Prebisch-Singer while United States economists argue against that thesis. Ironically, Powelson admits that by and large the terms of trade actually have tended to move against primary producers. However, the controversy and criticism concern whether the thesis is a "law-like" inevitable consequence or merely an empirical possibility (Higgins, 1968: 281). Reviewing trends indicates that underdeveloped countries exports are increasingly restricted to tropical foodstuffs which are noncompetitive with the agricultural production of developed countries (Cairncross, 1970: 271-275). Latin American petroleum products are mostly outside the case because production and distribution lie largely in the hands of foreign enterprises and proceeds from sales do not return to originating countries.

Most advocates of Latin American land reform are aware of these critical arguments. Many observers recognize now that solving the agrarian problem in the long run lies in providing nonagricultural occupational opportunities for large numbers of today's rural population. Barraclough and Domike consider farm income rather than production as the agrarian problem. Such a view was not so popular a decade ago. What troubles them is their fundamental pessimism about the short-run possibilities to increase nonagricultural employment in Latin America. Consequently, they argue that agriculture must provide support to a large proportion of the growing population.

Their position assumes an ambivalent and, occasionally, an inconsistent attitude toward the agrarian problem. The case of technology illustrates--one kind of technology increases land productivity while another raises labor productivity. The distinction is as important analytically as the kinds are closely related. Fertilizers and improved varieties exemplify the first; tractors exemplify the second. The distinction is similarly related to that between labor intensive and capital intensive technologies, but the two distinctions are not equivalent.

Observers are virtually unanimous in condemning land wasted by the latifundio system--where extensive unused or partially-used tracts are characteristic. On the other hand, they criticize dual patterns that "spontaneous" modernization creates in agriculture: the traditional latifundio-minifundio pattern coexists with a small sector of technified and mechanized agriculture with high productivity, returns, and efficiency. That small sector often captures a large share of production. For instance, only one half of one percent of Mexico's farm units produce 32 percent of the total value of agricultural production, while one half the farms produce four percent. Such a situation, those writers argue, eliminates opportu-

ities for production and employment of peasants.

Technology is a paradox in their accounts. On one hand, they criticize indiscriminate mechanization in the countryside (labor-productivity increasing technology) because labor is abundant, while favoring technological innovation that improves productivity of peasant land. They advocate yield-increasing technologies and oppose labor productivity-increasing technologies. Agricultural production in a traditional agrarian structure is bad because it benefits mainly a small elite, but increasing production is good if it results from reforming agrarian structures. Reform increases income and consumption opportunities of the peasants if redistribution of resources occurs. However, additional consumption opportunities appear small in comparison to increase of agricultural output which result from introducing technology where modern technology had not been used. Agricultural surpluses are not necessarily desirable, their occurrence could effectively depress small producers' incomes.

That schizophrenic attitude toward technology is particularly evident in the so-called Green Revolution. New high-yielding varieties of wheat, corn, rice, or other grains result in higher outputs per crop, additional crops from the same parcels per year, that enable yields to increase by three, four, or five times per land area. As a technological innovation, yields from land are increased as it increases output per worker. Green Revolution varieties require considerably more cultivation (labor) per acre but there is evidence that the labor increase is less than proportional to that of the output (Shaw, 1971:88).

Flores (1969) or Barraclough (1969) worry that technology impacts the peasantry and increases inequality. However, they accept the Green Revolution, providing that agrarian structures are reformed. Moreover,

they tend to believe that the Green Revolution provides the ultimate factor to accelerate readjustments.

The demonstration effects of progressive surplus stockpiling, the paralysis of international trade, and rising unemployment will corrode the status quo, as they did in the United States during the great depression of 1929, and sooner or later will lead to a redistribution of the productive land so as to unload on the farmers the food surpluses and, at the same time, improve their social status. This will be followed by full employment policies in industry and modern services and by the organization of societies based on true social equality. The abundance of food will permit the construction of the necessary overhead facilities, cities, schools, universities, and research centres without atavistic fears of rationing and inflation (Flores, 1969:21).

Dr. Pangloss would say: "tout est pour le mieux dans le meilleur des mondes possibles."

Perhaps the confusion relates to disagreement over optimum farm size. This much misunderstood topic perhaps rises from unclear guiding assumptions. Reviewing the literature, excepting Currie's work, indicates optimum size varies greatly; different sizes may be equal according to conditions (Barraclough, 1967; Bachman and Christensen, 1967; Heady, 1967; Flores, 1970). "Physical productivity," or more precisely "marginal productivity," approximately designates product with increase obtained by adding a unit of an output. Valuing the marginal product at the price it commands renders it the marginal revenue product, a monetary rather than a physical concept. "Returns to scale refers ...only to the relationship between changes in the physical quantity of output and changes in the physical quantity of all inputs simultaneously and in the same proportion" (Lancaster, 1969:75). Accordingly, one speaks of decreasing, constant, or increasing returns to scale. "Economies of scale refer ...primarily to the relationship between average costs and scale of output" (*ibid.*, 88); and that notion implies a long-run reduction of costs (Ferguson and Maurice,

1970:136). Economies of scale relate to increasing returns to scale but those are not synonymous. Increasing returns to scale constitute only a technological basis for economies of scale but the latter may occur from price, contractual, or financial effects. Thus, physical and technological factors, on one hand, and financial and price factors, on the other, generate economies of scale but it is possible for one set of factors to counter the other.

It is difficult to conclude anything at this time concerning farm size and returns to scale or economies of scale. That is so because additional inputs rarely relate in a fixed proportion. As resource-use and output quantities expand, resource-combinations change. The relevant case then concerns returns and economies of size rather than of scale.

In looking at this kind of efficiency the question becomes one of examining changes in the productivities of the various factors as size increases. The interest is with physical productivities and returns than with economies. The latter is monetary and reflects institutional elements and conditions of relative factor availability through its price component. It is, of course, fundamental to the entrepreneur and for various purposes of social analysis. However, the interest here is to evaluate the best pattern assuming that institutional conditions may change to accommodate a different pattern. Of course, physical aspects of technology occur in an institutional context; institutions limit using technology or may open a way to its use.

The large farm using modern technology strives to reduce labor costs or to increase labor productivity. The small farm applies technology to increase production per hectare. Bachman and Christensen tentatively conclude from numerous studies representing parts of the world that small farms have higher levels of output per land unit and large farms report

higher outputs per man (1967). Smallholders get more production from land; large estates get more production per man. Other observers report similar conclusions (Dorner, 1968:19; Long, 1970; Barraclough, 1967:265-266). Barraclough's conclusion manifests the decision of many large landowners to not cultivate their land. It is not known to what extent this influences other areas of the world.

Another question occurs: Does a technology aimed at maximizing output per man coincide or not with a technology aimed at maximizing output per acre? Does capital intensive mechanization (maximizing output per man) make less feasible labor-intensive methods (maximizing output per acre)? Or do large farms not integrate the full technological equation, rather stressing capital intensive means? Unfortunately, answers are not available.

An important aspect of land reform concerns the implications of technological requirements for land tenure. In developed countries, trends toward larger farms were principally based on mechanization and capital substitution for labor as scarce and more costly. However, this need not be the case. It appears that size or scale effects in agriculture associate with particular separable functions as plowing, planting, harvesting, marketing, transport, and processing; not with the farm as an indivisible operation (Barraclough, 1970a:156; Bachman and Christensen, 1967:251). A second reason is that large farms run into increased difficulties and costs concerning management, coordination, and incentives (ibid., 251-252).

Bachman and Christensen conclude the full range of modern technology is feasible with relatively small size units, in the context of an efficient operation (ibid., 252-254). What is required is providing supporting services and coordination for attending to operations requiring substantial

increases in scale. These may be public services or result from organized sponsorship.

The above specify concepts of output per acre and per man as relevant for development. Remembering that maximization of one does not imply maximization of the other, the developmental criteria are as follows: Where population presses land the relevant criterion is output per unit of land. Land is the structurally scarce factor. The population needs and demands the highest level of productivity. Simultaneously, a strong demand for agricultural production will result in higher farm incomes. International trade possibilities are not examined in the present work. In other cases of development, Colombia included, where population does not press on the land resource, the surplus of labor relative to land is an institutional rather than a physically limiting condition. If this insitutional condition is alterable, the criterion is agricultural production per man and not output per acre.

It is assumed that the most desirable land tenure pattern is that of the small or medium sized family-estate, insofar as it does not run counter to the stated criterion. In other words, in place of one large farm employing ten families as wage labor, it is desirable to have ten family-sized units. At least, rhetoric supports that view.

ICAD studies reveal a common tendency toward modernizing Latin American agriculture by private investment in large-size, mechanized labor-saving units. The motivation of substituting capital for labor when labor is abundant is not entirely comprehensible by analyzing cost and benefit margins. Explanation must be contained in the role technological change plays in a capitalistic economy. In that context, technology is an instrument of class struggle--a means owners use to control workers (Brenner, 1966:86).

Moreover, technology relates to a broader political context beyond that of the immediate profit margin. In that sense, technological adoption diminishes the owners' dependence on labor--labor is regarded as actually or potentially hostile. Technological change constitutes an anticipatory action to restrain workers before they become overtly hostile. In still an additional sense, the value of innovation enhances a symbol of class superiority.

Solutions to the Colombian agrarian problem need to be articulated within a global developmental framework. Large numbers of the farm population have subsistence incomes, they produce at inefficient levels, although farming supplies goods for existing demand. Because traditional agriculture has not substantially expanded, additional supply apparently originates in the small and recently established technologically modern sector. In a developmental framework, Colombia's agrarian problem has been transformed into a rural problem in that rural areas serve as suitable locales to hold surplus labor outside of the city. While recognizing that the roots of Colombia's agrarian problem embed in the socio-political structure anchored in the land tenure system, the transformed problem involves mallocation of population and resources with respect to possibilities afforded by the historical and contemporary development of productive forces.

The solution lies in creating productive and remunerative opportunities outside of agriculture for the mass population while the remaining agricultural population increases its productivity. This suggests not only a solution to the agrarian problem but constitutes an alternative solution to Colombian land reform. The landowner's unconditional hold of labor under traditional arrangements reflects the fact that land constitutes the means of production. Economic development outside of agriculture breaks this

monopoly and if pursued fast enough creates urban and rural job opportunities that effectively supersede traditional arrangements. While land in traditional systems has other values than its purely income generating capacity, the latter remains a fundamental element. Land without labor no longer focuses power nor does it generate income. Large scale migration of rural labor to urban jobs would encourage rapid technological modernization of the countryside. Colombia could have grown its total 1960 agricultural crop with one-fourth the rural labor force had agricultural productivity been as high as was that of its modern sector (Currie, 1966:183). Gunnar Myrdal says:

Land reforms have their significance in the national plan not only as a precondition for raising productivity in agriculture, but primarily as a means of shattering the foundations of the old class structure as a stagnating society (Myrdal, 1957:81).

This is correct in principle but it is insufficient. Shattering the old order's control requires constructing a new and better one.

There are three reasons for the desirability and urgency of using a developmental approach in Colombia.

First, Colombia's population doubles every twenty-two years or so (Currie, 1967:65). Where population is scarce in relation to socially demanded production, population increase contributes to economic expansion. However, when population is not scarce, it places additional claims on existing production and resources. As Ohlin put it:

Of all the possible consequences of the present population explosion that of catastrophic food shortage seems the most remote (143)... The population problem is not primarily a food problem but a general developmental problem (144) (Keyfitz, 1970:143-144).

The problem is that economic growth that improves living for the existing population is devoured by minimum subsistence needs of increased population. And, population growth may alter a presently favorable relationship to resources.

The Western experience indicates that urbanization and industrialization effectively reduced birth rates. This appears to be the core of truth in the "theory of demographic transition," despite recent revisions (Wrong, 1961:23). It seems that urbanization and being incorporated into an industrialized economy alters the individual's symbolic perception of the world and with that he gains expectations, motivations, and criteria for rationality. Large urban families are manifestly dysfunctional to vertical mobility. Social controls inhibit family size. Rural subsistence life seems to affirm the opposite: the ecological rationality of context stresses benefits of large families; and/or reproduction is simply not subject to social control. Massively diffusing anticonceptives or other birth control techniques is too recent to evaluate conclusively, however, it appears that little or nothing is accomplished in the absence of propitious contextual conditions. This sensibly concurs with the notion that rationality or ecology of context primarily effects individual propensities to behavior.

It seems valid to argue that rapid urbanization and incorporating the population into industrial occupations constitute likely means to reduce population growth rates. Under such conditions, diffusing birth control technology could effectively reduce the span of time between introduction of techniques and results. Furthermore, urban concentration make birth control campaigns more feasible in administrative, physical, and cost terms. ✓

A precondition for this strategy is not simple urbanization but effective incorporation into a modern economy. Exchanging rural powerlessness for urban powerlessness in gigantic slums would not significantly lower birth rates. In addition, land reform which shatters traditional agrarian structures but fails to eliminate peasant powerlessness by incorporating them into modern social organization could stimulate even greater birth rates.

The limitations and implications of land reform can be appreciated by looking at Mexico, a model relevant to Colombia. Before its revolution, Mexico was an agrarian and latifundio country. Reiterating, one percent of the population held 97 percent of the land while 96 percent of the population owned one percent of the land (Stavenhagen, 1970b:227). Subsequently more than 55 million hectares were given to almost 2.5 million beneficiaries (Stavenhagen, 1969:43). Agricultural production increased severalfold and the latifundio power structure was abolished.

Yet more than one half century after the Revolution, scholars argue as to its success or failure (Corneyls and Van Roy, 1971:67). The remaining hard core of poverty, largely rural, is cited as evidence of failure. Increasing evidence cites the entrenchment of a dual economy that burdens development (Hollerman, 1969:82). Land reform apparently has not been sufficient in Mexico.

The population in the countryside increases rapidly, in absolute if not relative terms; from 11 million in 1930 to 17 million in 1960. Also, those economically engaged in agriculture nearly doubled (Stavenhagen, 1970b: 242). In spite of landless workers being most benefitted by reforms, and that their number actually dropped substantially during the 1930's, by 1960 there were 32 percent more than in 1930. As a matter of fact, they now account for about half the active agricultural population and receive about one-twelfth of the agricultural income (*ibid.*, 244). Impoverishment abounds among subsistence farmers with private plots and among those in the communally-owned ejidos. Most available land has already been distributed in small plots. Even were new lands opened, only one-fourth of the wage-workers could be granted private holdings. Only changing the policy to reduce the size of unexpropriable holdings would provide more land for distribution.

For the most part, that would affect the half of one per cent of farms producing 32 per cent of the total value of agricultural production. Stavenhagen seems to favor that solution (1970b:246). Apparently, there is not much call to greatly expand production to meet demand (Stavenhagen, 1969: 46-47). He notes concerning population increase:

if present demographic tendencies continue in the countryside, and agricultural population will not begin to diminish in absolute numbers for another fifteen years at the earliest. But if for some reason the non-agricultural sectors of the economy lose some of their dynamics maintained over recent years, then the agricultural population will continue to grow in absolute numbers up to the first decades of the next century, and by then it will have doubled. The effect of this growth on employment and income among the agricultural population has been qualified as nothing short of disastrous (1970b:246-247).

Colombia's agricultural population will continue to grow in the next decades unless urbanization steps up substantially. At the same time, employment opportunities will grow more slowly; to say nothing of open and disguised urban and rural unemployment already existing. If agricultural mechanization proceeds quickly, employment opportunities may even decrease. Based on CIDA studies, Feder estimated that Colombia had 1,367,000 excess workers on subfamily units and 2,318,000 too-few jobs on multifamily estates. He used land-labor ratios prevailing on family scale units as a standard. According to this estimate, even if all surplus workers were assigned to potential jobs there would still be 951,000 too many jobs (Domike, 1970:149). Arithmetic suggests almost magical possibilities which become very tempting particularly as difficulties for other alternatives are viewed. Serious doubts concerning the advantages of that "solution" have been discussed.

I will not consider in great detail the direct development approach to the agrarian problem. An economically weak country cannot simultaneously undertake two massive and different programs. Agrarian reforms are costly

even if land is expropriated without reimbursing its private owners. The required supporting services and bureaucracies to execute and enforce reforms are costly. One proposal to accommodate 1,136,000 families on farm land in the 1970-2000 period, estimates costs of 120 to 140 billion pesos of which land "acquisition" costs are less than 20 billion (INCORA, 1971:91-111). The magnitude of that proposal is appreciated by noting that the 1967 Colombian Gross Domestic Product (current prices) was 77.4 billion pesos, the Gross Domestic Agricultural Product was 23.2 billion, and the government's total income in current account was 11.1 billion (Banco Republica, n.d., 34, 37). Thus, land costs are a minor fraction of proposed agrarian reform. But a proposal annually requiring 4 to 5 billion pesos, which represent one third or more of Colombia's public budget, or one fifth of its agricultural gross product, does not seem to be a serious, realistic plan.

Third, discussing land reform proposals focuses on lands concentrated in large units. With respect to Colombia's rural population, however, smallholder communities are more important in that their numbers are greater. Altering conditions of smallholder communities is difficult and complex and ultimately involves some aggregation of smaller holdings that requires out-migration and resettlement of some smallholders.

The benefits, indeed, the necessity of expanding urban employment and production have been constantly stressed. The fundamental question--can those be done? Most observers of Latin American land reform deem such as unfeasible and consequently diminish their discussion of a non-agricultural solution to the agrarian problem. Currie (1966:1-2) counter-argues that pessimism for Colombia. His pioneering quantitative studies indicate that a 4.6 percent yearly decrease of the rural labor force allows absorption of the annual addition to the labor force plus a small net shift--up to a

total of around 710,000 new urban jobs over a three year period (1966:240). This, however, was for the early sixties.

Several writers are skeptical about carrying out such a program (Barracclough, 1970b:109; Domike, 1970:109; Duff, 1968:103-107). They believe that the number of urban jobs cannot be expanded significantly and attempts to accelerate rural to urban migration would generate serious political and social pressures. One reason for their skepticism, is the tendency of Latin American industrialists to import the latest capital intensive technologies (Furtado, 1970:xxiii). Hence, increases in industrial production are achieved with less than proportional increases of industrial employment. Capital requirements in industry per additional job are high. The additional employment per se plus those additions created through multiplier effects is often more than compensated for through the displacement of artisans and cottage manufacturers (Domike, 1970:140-143).

Currie's proposal assumes the Colombian economy has a pool of unutilized resources in surplus agricultural labor in that industrial equipment operates at slack levels in the cities. He would provide a strong pull or incentives to increase worker mobility so as to reallocate labor from low-paying nonproductive agricultural work to higher-paying productive industrial work. Currie's plan brings the economy to a higher level of self-sustaining growth and executing his plan would require an effort comparable to a war time mobilization. Rather than increasing the rate of growth of the Gross National Product, his plan concerns problems of unemployment, resource utilization, and income inequality. Most production enhancement would occur in producing those goods increased incomes would purchase. The existing slack or idle resources make that feasible.

While deliberately aiming to increase consumption levels of the poorest

sector of the economy, the greater level of income would consequently allow an expanded absolute--not relative--volume of saving. Greater equality of consumption would be achieved by upgrading aggregate consumption on one hand, and by progressive individual taxation on the other. To do this most new jobs would be to provide urban housing, public services, and wage goods. Fuller use of existing industrial equipment would be increased by (a) increasing the number of working days per year, and (b) switching from one to two or three shifts per day (Currie, 1966:87). Currie estimates that most industrial equipment was used only 10 to 15 per cent of the time (*ibid.*, 54). Those figures discredit the assumption that additional capital is indispensable to expand output. Ironically, industry could be developed inexpensively.

Currie's approach is elaborated in books, articles, and publications. While I do not evaluate the validity or adequacy of his theory or conclusions, I suggest his work has been misunderstood or ignored. I suspect his novel ideas and their deviation from standard economic approaches to development account for that misunderstanding or ignoring. The novelty is not in theory but in selecting elements and areas of emphasis which lead Currie to unconventional conclusions (T. Kuhn, 1970). Kuhn shows paradigms provide not only models of analysis but gestalt-like constellations that perceive and order reality. Differently composed paradigms occasion profound problems of communication because different observers order and perceive differently, I believe that Currie's proposal confronts those difficulties. He plays down the standard economic emphasis on the primary role of capital formation as a static element and stresses instead the roles of factor mobility and allocation as dynamic elements of growth. This parallels his emphasizing consumption rather than that of saving-investment. Currie's unorthodox deviation from standard Keynesian theory as it concerns

problems of growth and development involves a paradigm most economists cannot or will not accept.

Currie's proposal draws substantially on New Deal and Second World War experiences of the United States. Putting idle men and machines to work generates spirals of production, income, consumption, savings, and investment. Lessons from the U.S.A. are impressive both economically and socially: the national economy was activated to levels higher than prior to the Depression, moreover, the new economic arrangement broke Southern social patterns wherein a circle of poverty and backwardness had inhibited development much as is the case for agrarian economies in Latin America.

Quoting Brown and Ware, Currie (1966:74) notes:

'The more significant effect of the War, however--the effect likely to have long-term consequences for the process of economic development--is that it brought about full national industrial recovery and an increased level of civilian consumption. Thus it created many opportunities for employment outside of farming where it stimulated the demand for farm goods.' In short, the war took the place of a deliberate program of accelerated mobility and job creation. A pattern of one hundred and fifty years was dramatically broken not by natural economic forces but by a crash program. This was truly a breakthrough, and now we can speak with confidence of an assured takeoff. It is not maintained that the Negro 'problem' was solved, but that one of the essential links in the chain which blocked the solution was broken.

Perhaps Currie's proposal is akin to the 1930's U.S. application of Keynesian economics: the New Deal implemented Keynes' notions. New Deal economic planning and development constituted the use of a different paradigm than had been used in U.S. economic policies.

Currie's strategy has problems. Currie considers some. On the economic side, there are various bottlenecks. Technically speaking, his strategy calls for high quality economic programming. Politically, it requires deciding to manipulate processes to maintain factor mobility and to avoid benefitting specific organized groups who could capture excessively high

wages or profits. Once again it is noted that there appear to be sufficient similarities between the 1930's of the U.S.A. and the 1970's of Latin America to observe that a successful paradigm-shattering perspective applies. Currie, a New Deal economist, perhaps is suited to contemporary cases of economic development of Latin America. Latin America needs today what the U.S.A. needed two generations ago.

Beyond those physical, administrative, and political difficulties there remains a question of the Colombian oligarchy's willingness to undertake this sort of program. If successfully applied, it destroys traditional power bases of the countryside as effectively, perhaps more effectively, than land reform. Colombia has had a deterioration in the legitimacy of its political institutions. The degree of mobilizing involved might well be considered too risky and difficult to control. New focuses of power would emerge to challenge the oligarchy's power.

A second question arises. Some observers hold that Latin American manufacturing has created dependency by being integrated into an international conglomerate system (Furtado, 1970:58-64). Under that circumstance, manufacturing "decision making centers" so strategic for a program of the sort discussed here, are outside the national economy. Such a question, with fundamental implications for national, and thereby for agricultural, development, adds a dimension to the topic studied that cannot be entertained here. Nonetheless, it appears that such enterprises located today in Latin American nations correspond structurally to similar enterprises located yesterday in the South of the U.S.A. In both instances, production decisions made elsewhere influenced local distribution policies.

The point of this thesis is that land reform, the classic solution to agrarian problems, is an insufficient answer today. Perhaps land reform

sufficed for 18th and 19th century conditions. Contemporary conditions call for a different solution, whose nature I have considered.

Ultimately the problem seems to boil down to elite willingness to balance their long run best interests against short term benefits. This of course assumes their ability to visualize it in such terms which is not always the case. Development would undermine their power basis as it is today but would not necessarily wipe them off the national scene. Indeed it might retain them an influential role in the long run. Continuation of things-as-they-are might assure short term benefits but certainly the social system would continue to accumulate unsolved tensions building up to an eventual possible explosion.

Again of course the matter is not so simple. Elites in Colombia are not a single acting unit; they are constituted in a plurality of factions some acting as counter forces to others. A developmental solution, even seemingly devoid of "socialistic rhetoric" would destroy as noted, the power basis of landed elites. Counter reaction by affected groups might be sufficiently strong to stop the program; it is not possible to make specific predictions.

In reforming or developing agriculture, changes outside of the rural areas seem most promising. Changes between sectors have occurred and Currie's proposal would further trends to services and manufacturing.

Politically speaking, those owners who do not adopt modern technologies in the near future might be subjected to land reform efforts or property tax changes that would place different operators on the units they now manage unproductively. The National government appears to be the agency most likely to undertake the task.

Analysis can now be referred summarily to the model in the first

chapter, which has underlied the discussion. Reform by itself cannot produce agricultural development because: (a) it does not modernize agricultural technology; and (b) may imbalance the economic subsystem by stimulating surplus production without creating conditions for diffused additional demand in urban areas. Much of the argument revolved around these points. Continuation of present trends suggest cumulation of imbalances from lack of overall correspondence between changes in the development of productive forces and social organization. Technological modernization alters the economic demand for labor in the countryside but those displaced are not absorbed outside of this sector and remain largely as open or disguised unemployed in rural and urban areas. Purely reformist solutions aim at modifying social organization through changes in property relations but are inadequate or insufficient because they fail to reconcile social organization with agricultural modernization and development, and with overall social and economic development. In a sense they aim at solving the agrarian problems of nineteenth century rural Colombia without taking into account new variables and modified conditions.

In terms of the model, the problem may be seen in that while the characteristics of the two models of structure are becoming rapidly more accentuated throughout Colombian society, the empirical processes are retarded. Technology in economic activities is intensifying and extending almost everywhere and with it productivity or its potential but within limited groups. Yet shifts between economic sectors of activity and population with their concomitants of urbanization and labor specialization are insufficient. Sluggish industrialization is unable to absorb existing rates of urbanization despite that solving agrarian problems demands even higher rates for the latter.

A major merit of the Currie proposal is its theoretical clarity and consistency in identifying and articulating together the different aspects of the problem. The creation of jobs in cities aims at speeding up urbanization thus: (a) stimulating agricultural modernization and higher productivity without economic dysfunctions; and (b) solving rural marginality and poverty originated and perpetuated by historical processes and aggravated by modernization. At the same time, industrialization is stimulated by new demand which may be satisfied without inflationary pressures through more intensive usage of existing capital equipment facilities. Labor specialization is a concomitant process accompanying the others and extending to a greater proportion of the population rather than remaining confined within certain groups, as at present, where besides its economic function it also serves to accentuate and maintain stratification and class distinctions. Thus Currie's apparently simple scheme in fact involves a proposal for doing three integrated and parallel, yet distinct, things: (a) reorganizing the distribution and organization of the national population; (b) accelerating economic growth; and (c) rendering (a) and (b) mutually consistent in functional terms.

A second major attractive feature of the Currie plan is its potential feasibility. The connection between the theoretical model and action or policy is clear and involves specific action on prescribed variables. Engineering does not appear extremely complex and the design is structured so as to set in motion a causal chain of expected effects leading to cumulative and self perpetuating spirals of growth and development. This is more than can be said of many social science proposals. At this point, however, I stop; as noted before, technical and political evaluation transcend the limits of the subject, as treated here.

APPENDIX

Attention is called to results from H. Davis' (1967) study--reported on page³³--on two Colombian municipalities where he found productivity per hectare cultivated lower on smaller farms than on large ones. While this would seem to contradict national averages (page 41), where productivity per hectare correlates inversely with farm size, it must be kept in mind that the latter are affected by the higher proportion of unused lands on large units. Thus greater productivity per hectare on smaller farms primarily reflects a much higher percentage of acreage under cultivation. On the other hand, Davis' main concern was the economics of property taxation. He did not conduct a systematic inquiry into the nature of productivity variations by unit size, but merely noted that some smaller farmers obtained lower yields due to poor technology and soil depletion.

On page 81 the question was raised of intrinsic differences in physical output per hectare utilizing capital maximizing vis-a-vis labor maximizing methods. Here the question must be understood as assuming a common technology for all other aspects--seeds, fertilizer, irrigation, etc.--except for the specific labor versus capital components. How could differences arise under such conditions? Speculatively, one might imagine possibilities like machines spreading seeds more evenly, or perhaps less densely; better harvesting by hand, etc. The question, of course, is an empirical one and may well have variable answers. No data addressing the subject was known of and, consequently, answers are not attempted.

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THE AGRARIAN SECTOR IN COLOMBIAN DEVELOPMENT

by

EDWARD LINDARTE

Economista, Universidad Nacional de Colombia, 1967

AN ABSTRACT OF A MASTER'S THESIS

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KANSAS STATE UNIVERSITY
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This thesis evaluates processes of social change as affecting the agrarian sector within overall Colombian development. Analyzing history, industrialization, and agricultural policy of Colombia indicates elite monopoly of economic, political, and social arrangements.

A model for identifying social development using minimum social and economic elements is proposed. A domain assumption is that development extends social justice.

Agrarian reform, technological modernization, and development outside of agriculture were evaluated as alternative strategies for achieving societal development and reducing rural poverty and marginality. It was concluded that the most effective strategy should concentrate directly on creating opportunities outside of the primary economic (agricultural) sector.