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AGRARIAN REFORM IN LATIN AMERICA 1974
PERSPECTIVES AND POSSIBILITIES

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The Report presented by the FAO Special Committee on Agrarian Reform in 1971 included the following statement: "There are many circumstances emphasizing the urgent need to undertake or continue Agrarian Reform in an accelerated manner. Accomplishments in this area during the decade of the sixties would seem to be inferior to those of the two preceding decades; the development of the so-called "third world" is not obtaining the goals that were set; what is more, the situation is actually getting worse in some regions".1/

The situation described is certainly applicable in Latin America. According to the FAO/IICA working team that elaborated the Study on Associative Forms of Production in Latin America, for the "Consultation of Experts on the Development of Agrarian Structures in Latin America"***, the situation in Latin America after 13 years of more or less in-depth application of the agrarian reform process was much the same, on a quantitative basis, as when the programs were adopted at the beginning of the sixties. In any case, and without fear of over-generalizing, and despite the actions developed it is a fact that there are conditions of extreme misery still to be found in the rural areas of this continent. "There is a weak, slowly increasing demand, due to the asymetrial distribution of income and wealth, and the slight participation of the various social levels in the profits derived from their labor."2/

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1/ Report of the FAO Special Committee on Agrarian Reform; reproduced by the Bank of the Republic, Bogota, Colombia.

Held in Villa Borsing, Berlin: 19 November - 1 December, 1973.

"Associative Forms of Production in Latin America". Contribution for the "Consultation of Experts on Agrarian Reform in Latin America." Santiago, Chile, October 1973. Prepared by FAO and IICA experts.

This situation had been officially confirmed by the governments on previous occasions, in addition to the matter of participation. The Latin American consensus as expressed at Viña del Mar, established that the "economic development" should lead up to an effective social transformation with the basic objectives of substantially improving the living conditions of the population, particularly in the rural milieu, and induce the active participation of the less favored or marginated members, so as to fully benefit from the economic and social development process.[3/]

Nonetheless, ten years after the Punta del Este Charter, there is no evidence of the economic growth throughout the continent contributing to an effective social transformation, nor have there been any substantial improvements in living conditions, particularly in the rural areas, nor has there been substantial improvements in living conditions, particularly in the rural areas, nor has there been an increase in participation of the less favored or marginal groups in the socio-economic progress attained.

It may also be noted that agrarian reform actions have not significantly influenced food production and productivity; the growing demand at a world-wide level emphasizes the scarcity of this very commodity.

Similarly, there is little evidence that agrarian reform in Latin America has contributed to any degree, to satisfying the national need to generate capital within the agricultural sector so as to finance the industrial development of the countries. And finally, with few exceptions, there is little evidence that the agrarian reform process has become the appropriate mechanism to end the political and social marginalization of the 'campesino'.

There are several reasons for this. The previously mentioned FAO report maintains that: "The Alliance for Progress should have invigorated, complemented and generated this evolution, but the government of the United States, the international entities called upon to support the Alliance, and several of the committed governments, had clear understanding of the procedures needed to advance the reform and its

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3/ CECLA Consensus. Viña del Mar, 1969. Mimeographed.

[illegible]

[illegible] Nevertheless, there is no [illegible] of the economic growth [illegible] contributing to effective [illegible] transformation, nor have there [illegible] improvements in living conditions, particularly in the rural areas [illegible] been substantial improvements in living conditions, particularly in the [illegible] nor has there [illegible] increase in satisfaction in the [illegible] favour [illegible] in socio-economic [illegible] achieved.

It may [illegible] conditions have not significantly influenced [illegible] the [illegible] of the [illegible] the [illegible] and [illegible] of [illegible].

Spillover [illegible] Latin America has contributed [illegible] to [illegible] economic [illegible] expansion [illegible] and [illegible] and social transformation [illegible] Austria.

[illegible] previously [illegible] FA reports mentioning [illegible] and [illegible] transportation [illegible] and [illegible] the [illegible] transnational [illegible] [illegible] and [illegible] [illegible] [illegible]

objectives, nor clearly defined concepts concerning the need to organize them in a short periodof time." 4/

The main obstacle to agrarian reform success appears to be the lack of sufficiently energetic political decision to carry out the process, considering it mainly as an instrument to modify the current traditional social structure. However, there is no agreement of opinions on this matter. For some, political decision has not been forthcoming through a lack of knowledge of what the agrarian reform process means; for others the evidence lack of political decision is merely the means of maintaining the status quo induced by the same circumstances that gave origin to the Puntal del Este Charter, and the resulting agrarian reform processes. At the time of the signing of the Punta del Este Charter and of promoting the establishement of the legal bodies to define the agrarian reform, the whole continent in a formal manner of expression, represented a liberal position of the most extreme capitalism. Despite the existence in the Latin American countries in 1961 and currently, of progressive businessmen interested in modifying the precapitalistic system, it must be remembered that there are also definitive regression forces pretending a stability and permanence of the precapitalistic systema, considering it as the corner stone for the maintenance of their privileges and the social inequalities inspired thereby. Agrarian Reform in Latin America, up to the Agrarian Reform Law of Chile in 1967 and the one in Peru of 1969, was markedly ideological in content and oriented towards revitalizing private property through the individual allocation of small plots of land; it also tended to maintain private iniciative as opposed to state action; to defend the free economy and markets as compared to centralized economic and social planning, to converge all these interests in the maintenance and consolidation of the economic links with developed countries interested in maintaining their markets for the exportation of raw materials as well as maintaining national government systems as a means of controlling the previously mentioned trade flow relationship, as well as preserving law and order as substantial and institutional elements of the national way of life.

4/ Op. Cit. #1

In this context, a persistent indoctrination was initiated, fostered at first by international technical cooperation and later accepted by some national opinion resulting from the new concept of ideological pluralism, whereby Agrarian Reform has managed to survive with its basic characteristics, at a strictly theoretical level. This condition however, is evinced at an extremely abstract level, and is not immediately related to the so-called agrarian reform accomplishments throughout the continent, and is of little quantitative and qualitative importance. The scope of this matter is too extensive for this paper. However, it should be noted that the lack of depth of the agrarian reform actions, the little qualitative importance in terms of social structure modifications, and the banal way in which information on this subject has been treated, are somewhat justified by the lack of reality of the agrarian reform conceived with the intention of only apparently satisfying the land hunger of the 'campesinos'.

This land hunger makes it necessary to think in terms of collective appropriations. The 'campesino' organization type of enterprises which have developed out of these land grants, may well become the basis for a reenforcement and a redefinition of agrarian reform as an element for structural change. It is therefore very important to analyze the effects and consequences of the communal or collective grants; the implicit ideology; and lastly, the final pretensions of the governments that have undertaken them.

This analysis is even more important under current circumstances. There is a growing concern throughout the world about the need to produce food. The problem as it is presented, encompasses somewhat mythical characteristics. This growing concern, and the statistical indices that clearly indicate the seriousness of the emergency, are responsible for the beginning of subtle information mechanisms of conviction that the critical situation of the world with respect to food production makes any other action in the rural world most inopportune, even if what is intended is to seek structural changes. This growing opinion is of considerable concern to those who are involved one way or another in Agrarian Reform. It is increasingly apparent that to keep the flame of agrarian reform alive, one of the more important

alternatives for the future will be the response of the associative enterprises with respect to food production.

Thus, the purpose of this paper is to present an historical of the so-called Community Enterprises in Latin America, to analyze IICA's participation in these actions, and to analyze some of the definitive experiences gained so as to be able to establish the norms and corrective measures applicable in each situation studied.

To achieve the latter, the conclusions arrived at by the FAO/IICA specialist in the above-cited meeting, will be utilized

Chapter I

Although the Agrarian Reform Law of Chile promulgated in 1967 anticipated the granting of agrarian reform lands in a collective manner, it was not until 1969 that other countries officially adopted an agrarian reform strategy of granting land to 'campesino' organizations. Of signal importance at that time were the Agrarian Reform Law of Peru (June 1969), the administrative decision of Colombia's INCORA (October 1969), and the administrative decision taken in Panama (January - March 1969), all oriented towards the granting of land in a communal manner.

Despite the fact that cooperative and communal forms of agricultural production are of ancient heritage, even within the anthropological context of the culture of Latin America, the linking of cooperative and integrated agricultural production with the agrarian reform process has occurred only in those cases indicated above.

In view of the above, it is obvious that IICA cannot claim absolute responsibility for the adoption of this type of adjudication. But it is equally bvious that the large number of activities, projects and programs in the field of community enterprises is directly related to the adoption of these systems by the countries. In actual fact, there has not only been an intensive analysis of this theory by the IICA experts in various journals and on different occasions, but the very agrarian

reform executives have consolidated the theoretical concepts that are the bases for the philosophical content of community adjudication at successive inter-government meetings held throughout the continent. One way or another, a solid theoretical basis has been established that has served as the ground work for much of the community adjudication of land throughout the continent. Some of these fundamental theories are worthy of mention:

Theories concerning Community Enterprises

One of IICA's experts 5/ has defined Community Enterprise as "an associative form of production whereby the capital and work inputs are made on an equal basis by the same persons who are co-owners of the reserve profits and capitalization, and are equally responsible for the management, administration and work".

The Community Enterprise was oriented in principle, towards a new type of organization wherein the business aspects are characterized by an activation of the economy. At the same time, the current capitalism of the period involved a process of one person being at the same time a business man, co-owner, and worker. This therefore was instrumental in making the economic structure of a country more democratic, based on the economic structure of the rural sector.

As part of the basic aspects of the strategy oriented towards attaining acceptance of the community system of granting lands, another IICA expert 6/ pointed out the more limiting factors of the individual family enterprises within the agrarian reform process, and the comparative advantages of the Community Enterprise. With respect to the limiting factors of the individual family enterprise, he mentioned:

5/ Oliart, Francisco. Community Enterprise and Agrarian Reform. Desarrollo Rural en las Américas 1(2), 1969. Bogotá, Colombia.

6/ Araujo, José Emilio G. Agrarian Reform and Community Enterprise. Desarrollo Rural en las Américas II(3), 1970. Bogotá, Colombia.

1. Fixed costs are high due to the reduced scale of the family enterprise where there is a deficient utilization of productive investments.

2. Possibilities for large-scale cultivation are limited, as is the possibility for the adoption of new technologies, not only because the introduction of technological inputs bears an unfavorable cost: investment relationship as compared to yield, but also because technical assistance actions reach only a small percentage of the farmers.

3. Work specialization is limited, as the owner has to do everything on his farm. In addition, the labor provided by the family may be insufficient during the seasons with the most farm work, obliging the 'campesino' to hire outside help. If he does not do so, the productivity of the farm may be impaired.

4. Small family-size farms foster individualism and the isolation of family groups, thereby influencing the urban-rural ecology, resulting in difficulty in obtaining social benefits such as the installation of services.

5. The lack of communication and coordination of the complementary production activities results in reduced information concerning market behavior, and as this type of organization is independent in character, a crisis of over or under production of certain products can be created.

6. The possibility of dividing up the property amongst the heirs of a family may well result in the increased appearance of 'minifundio' fragmentation of lands, if there are not the sufficiently rigid laws needed to prevent it.

The economic advantages of the Community Enterprises mentioned were the following:

1. Greater technical efficiency of the production unit, facilitating an improved combination of the factors involved.

2. Fixed costs on the average are lower, resulting in greater profits and the feasibility of applying large-scale economies; also the possibility of establishing more equitable remuneration for production factors, eliminating 'plusvalia' problems in this manner.

3. Administration is considered as a component of the work factor, thereby eliminating competition between the two.

4. Scale economies may be developed at once, through an adequate orientation of technical assistance and credit.

5. The enterprise favours organized marketing, by means of a concentrated system of supply, and through a centralized system of demand.

6. Competition is stimulated as a result of the 'campesinos'access to a market under equal conditions, counteracting the seizing of a product by the intermediaries within the marketing process.

7. Agrarian reform costs as concern land distribution and consolidation are lower.

8. The efficient element in natural resources that allow for the conservation and recuperation of resources.

9. The organization of agroindustries is facilitated by implanting a direct processing of products to the industrial facilities, together with exportation.

Within the same concept of recognition of collective granting, some thought was given to the non-economic advantages of the Community Enterprises, within the Agrarian Reform processes. At this time, it was felt that the community enterprise, or the collective adjudication, from a political point of view, would make feasible massive and rapid agrarian reform actions, by means of starting the process whereby frustrations and the resulting exasperation of the potential beneficiaries would diminish. It was also felt that the community enterprise would permit the forming of human groups to be instrumental or capable of defining problem areas, analyzing the problems and their causes, make autonomous decisions with respect to each case, and seek the transformation of this decision into action.

It was also considered that a greater proximity between those who elaborate the development plans and those who carry them out as a production programs, would help to fill the gap usually present between them. And finally, it is felt that community enterprises favor social equality, eliminating social distances and individualism, and promoting shared responsibility, ensuring that the working force and the level of decisions remain indivisible. And lastly, it was substantiated that community enterprises facilitate the means of approach to greater participation, by means of the above -mentioned mechanisms, in the decision-making process as well as in the sharing of social benefits. Thus, it was felt that community enterprises would foster the improved organization of the social aspects of life, developing a sense of solidarity and mutual help, and fostering changes in values and beliefs which in turn make fundamental modifications in the social stratification more feasible.

An immediate result of promoting community enterprises has been the adoption of this process by some countries, as well as several official declarations by the governments of Latin America on this subject. Individually and collectively, the governments of Latin America have made several definitive pronouncements concerning their agrarian reform concepts, during the decade of the sixties. At the Eleventh Regional Conference of FAO and at the Sixth International Meeting of Ministers of Agriculture held in Peru, a theoretical frame of reference was approved for Agrarian Reform in Latin America, which had been prepared previously by IICA and FAO experts in January 1970. This theoretical framework establishes development as an ample ideological concept which implies the reorientation of political and social power, the redistribution of income and the full participation of all the sectors of the population in the political and social institutions. It is also understood that agrarian reform, as an integral component of development strategies, is a process for the reorientation of the basic elements to ensure the 'campesino' his survival along with the other sectors of society. It was also established at that time, that within this context, land tenure should be understood as the institutionalization of relationship between persons or groups of persons with respect to the utilization of land and the distribution of the resulting profits and advantages. It was felt that agrarian reform should not be carried out in an isolated manner, but rather together with a series of modifications in other sectors of the economic and social structure, particularly with reference to the transformation of the financing structures,the provision of technology

and inputs and the processing and marketing of agricultural production. It was established that agrarian reform, as one of the elements of over-all development, should have as a minimum, the following objectives:

a. The organization of the new owners to ensure increased production and a better utilization of the productive resources.

b. The establishment of tenure units of association of beneficiaries,also as to allow the adoption of the necessary technology to stimulate greater investments and to augment the income levels.

c. The adoption of measures to ensure a more equitable distribution within the rural sector.

d. The organization of the 'campesino' so as to ensure their participation in the decision-making processes of the country.

e. The up-dating of new land tenure systems within a context of the social system in which the new units will operate.

Finally, in May 1972, the IV Inter-American Meeting of Agrarian Reform Executives was held in Panama, for the specific purpose of analyzing the problems related to community enterprises. The participants made a declaration to the effect that community forms of 'campesino' self-management guarantee the 'campesino' his liberty and dignity, his relationship with the decision-making process, and the interest in creating an authentic national culture. They then went on to indicate that the following aspects are characteristic of the community enterprises in Latin America:

a) To be composed of 'campesinos' understood to be persons of limited resources who derive their subsistence from the rural sector, and therefore have a different class connotation from other agricultural productivity organisms with middle-level or large-scale economic resources. The business characteristics of an enterprise of this kind, would be an efficient combination of the productive factors and a rational

utilization of natural resources, so as to produce economic gain. In these activities, the constant increase of capital should not imply the elimination of sources of work, but rather progressive capitalization destined to creating new job opportunities. The community aspects of the enterprises are based on the joint property or common usage of the elements comprised; in the redistribution of utilities as a function of work provided; and in the social capitalization of part of the economic surplus generated, not only as an immediate benefit for the workers of the enterprise, but also for the development of the 'campesino' as a whole. It is also essential that these enterprises permit accomplishing the capitalization of all components with respect to the internal and external aspects of the exploitation which have inherent the efficient mechanisms needed to guarantee the effective participation of all its members in the planning and management aspects, and that hinder any chance of some 'campesinos' taking advantage of others.

With these theoretical guidelines, and with the political decisions already specified, it was possible to start verifying the functioning of collective adjudications. In 1973, the following data was available for some of the countries of South America:

In Peru, of the 139,101 families benefited by agrarian reform, only 18% was on the basis of individual grants. The remaining 82% was therefore on the basis of associative adjudication, distributed in the following manner:

Cooperatives	65,139 families
Communities	18,444 families
Social interest agricultural societies	21,390 families
Pre-cooperatives	8,186 families

With respect to the total amount of land granted, the individual grants represented only 9% of the total land surface adjudicated. As explained by functionaries of the Agrarian Reform Office of Peru, the grants were made mainly to consolidate the application of clause XV of the previous law, with reference to expropiation and the granting of parcels of land occupied by squatters.

In the Agrarian Reform of Chile, land had been expropriated up to 1 September 1971 to the benefit of 26,811 families. These, together with the expropriation from that date to January 31, 1972, came to a total of 46,011 families benefited, and that now comprise 381 agrarian reform settlements and centers.

In Venezuela, 53.5% of those benefited by the agrarian reform process are grouped together into some type of production association, of the three 'campesino' production association types existing in that country. By 1973, there were 184 'campesino' enterprises with 5,329 members, on an area of 80,000 hectares; and 217 agrarian centers with 15,778 families on an area of 231,271 hectares.

The agrarian reform process is relatively new in Panama. The Agrarian Code was actually passed in 1963, but it has only become truly valid since 1969, with the goverment of General Torrijos. The agrarian problems in Panama are diverse: from the concentration of land ownership, the under-utilization of lands, and their precarious exploitation by squatters. According to information from the 1960 census, of 95,500 holdings studied, 59,000 had no title; of these 29,096 were less than three hectares in size. This would indicate that those benefited by agrarian reform in Panama are the squatter farmers who need title to their lands It is estimated that these groups represent approximetly 70,000 families. With respect to land titles, 6,059 have been issued up to September 1971, for a total of 109,903 hectares; and as concerned squatters on privately owned land, 135 farms were acquired for a total of 225,110 hectares. By 1972, 466 families had been established on ' campesino'settlements distributed in 108 community groups with an average of 43,2 families per settlement. Settlements have increased consistently since 1969, having augmented in number by 54% since 1971.

In Colombia, only community-type grants have been made since 1969. By 1972, there were 503 community enterprises on a total surface area of 135,454.95 hectares, with 5,778 families. By 1971, community enterprise-favored families already represented 48.7% of the families handled through the land grant programs.

In Ecuador, the recent agrarian reform law establishes the obligatory nature of collective granting, and only exceptionally allows for individual grants.

This then, is the conceptual and technical panorama concerning community enterprises in Latin America; the case studies provide an inside look at how to operate this type of grant.

Chapter II

Case Study Results, and Related Comments

The excellent summary prepared by FAO and IICA experts 7/ as a contribution to the consultation of Agrarian Reform experts sponsored by FAO and the German Foundation for developing countries, clearly indicates some deficiencies in the case studies. Some suggestions are therefore presented to help solve the problems encountered. They appear in the same order as in the original paper.

Relationship of the Community Enterprise with State Organisms

The report indicates that there is no efficient promotional action by the state to implement community enterprises, as a result of a large number of conceptual voids on the subject, which perplex the functionaries responsible for this work. At the same time there are not the adequate and self-sufficient mechanisms for promoting community enterprises even amongst the 'campesinos' themselves.

Due to the results obtained by the group of experts, the following two declarations were affirmed: it is absolutely essential in the first place to conduct in-depth 'campesino' motivation actions. There can be no doubt that the isolation from communications in which the 'campesino' lives, together with the polarization of a 'classist' society hinders the existence of channels through which they may become aware of reality. It must also be remembered that the usual concept of agrarian reform held by both the 'campesinos' and the government functionaries of the countries,

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7/ Op. Cit. #2

does not question the matter of domination in a substantial manner, but rather expresses the 'trade-mark' of the system in which both 'campesinos' and functionaries are implicated. Agrarian Reform therefore, as an original creation of the Punta del Este Charter, is somewhat lacking in this aspect. The truly theoretical motivations have not been revalidated by the national information system, and have therefore suffered the risk of all types of manipulation, and have resulted bereft of their real and profound intentions, through excessive usage.

On the other hand, the concept of a middle class, held by national administration implies a pejorative concept of the 'campesino' class, which includes the stereotype impression of lack of culture and inability. The actions to solve this problem must be referred to a motivational process of adequate scope to also reach the public functionaries of the public agricultural sector. Massive intra-sectorial training systems are therefore suggested, so as to permit a conscious awareness of the true dimensions of community enterprises, as one of the ways to achieve national liberation.

The same may be said for other characteristics such a paternalism and verticality existing between the functionaries throughout the continent, as indicated in the report. These characteristics are an obvious result of the oligarchic values acquired by the middle class in its role as officious intermediary with respect to the oligarchies, and thereby maintainingthe essence of an ideology of domination. How much change can be achieved, in a global manner, is unknown, with people unused to a proper relationship with the state apparatus, unless long and patient work in social awareness is not first attempted. With respect to credit assistance, it must be recognized -- as indicated in the report -- that the mere fact of granting credit to an enterprise is no guarantee of success, if not accompanied by adequate technical assistance. Thus, the elaboration of long range investment plans are essential, compatible with business policies and the provision of means to ensure adequate accounting assistance. The report makes no mention as to whether physical and biological research conducted by the state is connected in any way to the success of the enterprises. Nonetheless, research is necessary and plays an important role in satisfying the 'campesino' needs. As stated by the Director General of IICA on many occasions, research must be reoriented and go beyond merely academic pretensions, so

as to offer greater benefits through the utilization of research results by 'campesino' groups. The report makes no mention either of the relationship of middle-level and graduate education with respect to community enterprises. Evidently, this is a matter of future interest only, and has therefore not been included into the report.

Nonetheless, there are programs of singular interest already underway in Latin America, such as the one being developed by the National University of Costa Rica which plans on orienting professional training to serve in the rural areas, to consolidate rural agricultural 'campesino' organizations or enterprises. In any case, this would seem to be the best way to help solve the problem of ideological values in functionaries, as mentioned previously.

Physical Aspects

The report clearly indicates that community enterprises as established, follow no agrarian reform plan by zones within certain geographic rationale, nor any set regional development plans. This is a result of one of the serious deficiencies in nearly all the agrarian reform laws, whereby nearly all expropriations are made at the behest of the 'campesino', or even worse, when given areas are offered for sale. Thus, the consequences derived from the isolation of the enterprises, as indicated in the report, becomes a weapon to induce a return to the theory of agrarian reform whereby it become the rural dimension of the process for global change of the society in which it finds itself.

The report also indicates that as a result of the isolation of these enterprises, the services available can be found within an order of territorial space in accordance with a socio-economic structure very different to the one aimed at by the community enterprises. A means is also found to indicate the defects in agrarian reform policies per se, rather than of the enterprises.

An in-depth awareness should be stimulated at the decision-taking levels to eliminate agrarian reform on an individual farm basis and subsitute it by an agrarian reform by zones. The existing organization of rural space will be modified

in the measure in which these decisions are taken. If this does not occur, it will continue as the report mentions -- no policies for the grouping of homes nor for the establishment of populated centers, contributing thereby to the lack of urban-rural ecological equilibrium expressed as a function of the exporting agrarian model which implies a concentration of property, and which therefore creates a series of domination mechanisms in the personal inter-relationships of the rural people.

Socio-economic aspects

The report indicates in the first place, that the most important aspect of 'participation' detected is that of assembly and other decision-making mechanisms. That is the very nature or essence of the decision-making structure has not changed; the only change has been on juridical-representative terms, which do not affect the principles of managing the productive apparatus, as concerns the national economy. Worthy of note is the fact that when there are NO substantial modifications in production management criteria, the effect on community enterprises, considered as a solution to the problem of participation, will be negative.

In actual fact, while the combined factors depend on expected gain, prices will have a very definitive meaning, and will serve as an instrument to ensure maximum gain. As Hinckelammert 8/ indicates, the assurance of maximum gain will always mean minimum salaries; the reverse would also be true since increased salaries would ensure minimum gain. However, a system of ensuring minimum salaries presupposes a repressive power which would immediately indicate the appearance of a dominant segment.

A dominant group or class is one which seeks maximum gain, and therefore defends the social structure whereby maximum gain is the principal aim of the productive apparatus.

8/ Hinckelammert, Franz and Villela, Hugo. Self-management and Participation. In 'Mensaje' Vol XX No. 199, June 1971, Santiago, Chile

On this point, it is worth questioning how much community enterprise work, conceived as an instrument forstructural changes, is lost, if the above approach is not substantially corrected. Is it enough to replace the old land owner whose powers resulted from his capital and land titles, by a community enterprise with power resulting from a group of workers? If this is accepted, the structural changes produced by the community enterprises will be mainly at the level of values and motivations.

To democratize power through participation in decision-making is to ensure a source of greater social justice, with repercussions in greater participation in the product and therefore a greater motivation for the worker to dedicate his time to the task of developing his country. This would ensure the possibility of assuring this development stage.

The production structure based on an orientation towards greater gain is presented as a very natural thing, and as an economic rationale. The liberty of man is circumscribed by the alternatives of values within this neutral framework of rationale, per se. Participation in decision-making is therefore a new value. However, the real problem is presented in a very different manner: Is an economic rationale and equilibrium possible within a production structure framework oriented towards gain? It is precisely this framework which is being questioned, and not just the value content contained. The implicit contradictions of the mercantile relationships of production have to be studied to demonstrate that the actual economic rationale requires a change in this production framework, in function of other criteria with other values which would never fit into a gain-oriented structure, with or without participation.

The report then indicates how the community enterprises facilitate access to higher standards of living for its associate members, as well as access to other resources and working implements not available on an individual basis. These

are the evident benefits of the community enterprise, as a system. However, it is worthy of conjecture as to whether they are enough, and whether in themselves, they justify community enterprises and the collective granting of land as an integral development policy.

Legal Aspects

The report indicates the lack of legal mechanisms in most of the countries, as required to guarantee the functioning of associative forms of production. It emphasizes the fact that the juridical apparatus backing the starting of the community enterprises is not very direct nor clear-cut. Instead, other existing norms related to rural cooperatives, limited societies, civil or commercial, or other types of associations in general, are used. This is a greater problem than would be immediately apparent, since the very nature of Latin American societies is markedly legalistic, and the different development goals must be duly legitimized through the corresponding juridical apparatus. Experience has shown that the best plans and programs have been largely frustrated by the difficulties encountered in the implementation process, within the traditional juridical framework. If some of the juridical aspects were to be studied on the basis of these plans and programs, were to be analyzed and handled so as to convert them into helpful elements rather than obstacles to social transformation, these frustrations in attaining goals would be diminished. At the same time, although it is true that in general terms there is a widespread awareness of the obsolescense of the Latin American agrarian legal models, there is also an increased utilization of the law as a means of social action organized towards attaining social change. There is a definite awareness of the gap between the content and the application of the legal system and social requirements. There is a certain degree of antagonism between the law and reality as a result of Latin America's historical perspective, the product of the lack of an authentic confrontation between social reality and a hesitancy to utilize the creative potentials it possessses. This is evident with respect to community enterprises, where the existing creative potentials are not used, mainly because the implications of the model are not contemplated in the necessary juridical process of legitimization.

The report also clearly indicates how the utilization of other legal bodies used to govern different types of associations, induce difficulties with respect to the management of community enterprises; this emphasizes the need to bring pressure to bear in this area.

CONCLUSIONS

1. Despite the apparent lack of capacity of agrarian reform on this continent, to resolve the problems which gave it birth, in many cases this lack of capacity cannot be blamed on agrarian reform, as a policy conception. Failures noted are the result mainly, of a political gap in applying approved legislation. Nonetheless, recognition of this fact is not sufficient to ensure the advancement or development of the process. Legislative deficiencies should also be overcome. And finally, the isolated manner in which agrarian reform has evolved with respect to national development plans and the scarcity of funds to work with, may also be annotated as definitive causes of the apparent failure.

2. It should be noted that the level of irreality of the normative bases with which this matter has been managed, has lead to a saturation of agrarian reform beneficiaries and of the agencies responsible for carrying out the reform process. This, together with the frustrations beginning to be felt would suggest the need for other measures as a complement to the agrarian reform, meeting with the acceptance of both functionaries and beneficiares. A campaign should be initiated by international organisms to show that agrarian reform, per se, has not failed, but rather that the failures inherent are due to the measures utilized in trying to implement the process.

3. Special emphasis should be given to the explanation for the apparent failure of individual land grants. They not only do not respond to a real policy of structural change, but actually constitute a retarding element to agrarian reform, on

a massive scale. In addition, it promotes the further isolation of the 'campesino' in conditions of misery and abandonment; hinders the rational utilization of natural resources; is detrimental to the production and productivity of the land; maintains a false hierarchal system for the use of state services favoring the so-called commercial agriculture; and increase tremendously the political marginality of the 'campesino' within the domination-submission scheme.

4. Current tendencies to grant land in associative forms is a healthy sign. In comparison to the picture presented above, it indicates an awareness of the situation and the definitive intentions to modify it. Thus. all efforts to strengthen associate forms and to promote their establishment should be supported, and international technical cooperation should specialize in this field.

5. Case studies have indicated the true dimensions in which future government and international efforts should be concentrated. In addition to the remedial propositions made previously, by the Consultation of Experts on the Development of Agrarian Structures in Latin America, the need to redefine associative forms of production is evident, within the global framework of social structure modifications, emphasizing its contribution to the integral democratization of the productive process. Hence the need to place community enterprises, in a vertical integration, beside the other stages of the productive process that are in a global sense, the essence of real economic, political and social changes. This should also be a priority for international technical cooperation.

6. Another aspect of importance is 'campesino' organization. This should be an integral process oriented first towards stimulating group pressure to obtain agrarian reform; secondly, it should refer to organizations that train 'campesinos' in technological and business aspects of production management; and finally, it should stimulate the organization of its members in such a manner so as to ensure their reational behavior as oriented towards collective benefit and 'campesino' participation in the utilization of goods and services, so as to reflect an egalitarian society, and not a race track for individual competition. 'Campesino' participation in production controls should also be sought, with respect to production itself, as well as its distribution. 'Campesino' organization should also

encompass the organization and rational use of the work force to ensure equal working conditions, as opposed to the vicious habits in current use. Emphasis must also be given to the fact that the changes being sought should be oriented towards a modification of the way the productive process is conducted, with the necessary substantial modifications so as to induce changes in values and not merely the somewhat romantic and idealistic search for them.