

INTERNATIONAL
JOURNAL OF
AGRARIAN AFFAIRS

Vol. III, No. 3, September 1962

Contemporary
Problems in
the Economics of
Agriculture

Produced by the
University of Oxford Institute of Agrarian Affairs
in conjunction with the International Association
of Agricultural Economists

Price 10s. 6d. net

OXFORD UNIVERSITY PRESS
LONDON

GROUP 3 (a). LAND TENURE

Chairman: Thomas F. Carroll, *Chile* (F.A.O.)

Secretary: Luis J. Paz, *Peru*

Consultants

Enrique Ensenat, *Panama*

Emilio Gomez Ayau, *Spain*

Ernesto Badillo Navarrete, *Mexico*

Ildefonso Avila Hernandez, *Mexico*

Solon Barraclough, *Chile*

Fausto Jordan, *Ecuador*

Luis Eduardo Chalita Tovar, *Mexico*

Jaime Llosa, *Peru*

Miliciades Chaves, *Colombia*

Malcom MacDonald, *Peru*

Jacques Concholl, *Chile*

Jaime Mariscal O., *Mexico*

Howard Conklin, *U.S.A.*

Sergio Maturana, *Chile*

Jorge Gimenez Dixon, *Argentina*

Manuel Mesa A., *Mexico*

Francisco Dorta Duque, *Cuba*

Carlos S. Montanez, *Colombia*

Salomon Eckstein, *Israel*

Antonio Gomez Oliver, *Mexico*

Edmundo Flores, *Mexico*

F. Calzecchi Onesti, *Italy*

Luis A. Foulon, *Argentina*

Jose Manuel Salazar Navarrete, *Costa Rica*

Antonio Garcia, *Colombia*

Julio Alfredo Genel, *Mexico*

Hector Jose Silva R. Chapinogo, *Mexico*

Gustavo Bravo Heredia, *Peru*

Luis Aguirre Villasenor, *Mexico*

Translated from Spanish

In a broad sense, land tenure involves not only property relationships but also harmonious arrangements that determine the rights of the people to the land, relationships between property and administration, the size of the unit of operation, the organization of the farm, the policy for state lands, size of the property, rental, partnership, and other arrangements by which land rights are acquired, retained, sold, given, or transferred, accessibility of credit, of markets, and other elements of modern economic life. In effect, land-tenure problems relate to the entire agricultural structure. Agrarian reform, the most dynamic and disputed aspect of land policy, consists of changes made in systems of tenure together with other changes. The Cuban revolution, with emphasis on agrarian reform, has stimulated interest in the subject. A great number of Latin American countries are considering some type of agrarian reform; this may offer opportunities to agricultural economists to contribute to state policies. Yet most agrarian reforms have been carried out without taking account of technical experts. If redistribution of property could be accomplished willingly reforms might not take place by revolutionary means with their very high social costs.

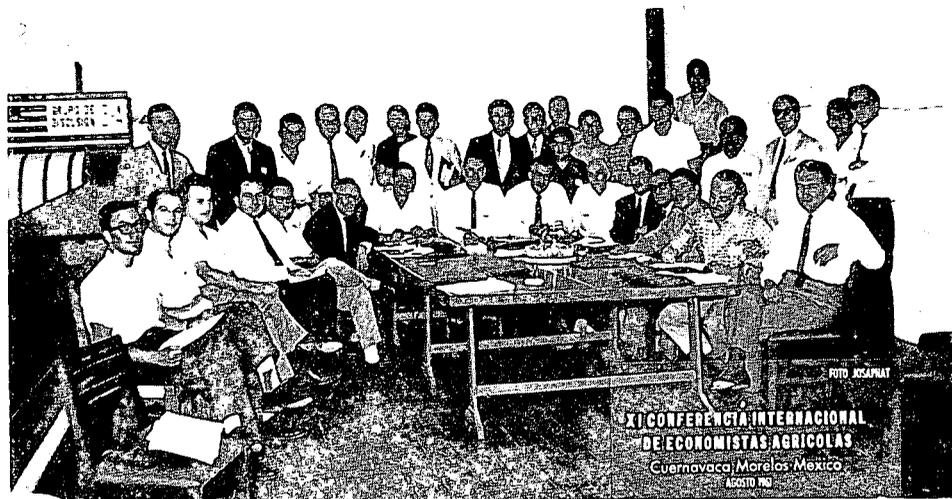
In Latin America, changes in standards of tenure are essential for economic development. Present tenures are widely regarded as archaic, inequitable, rigid and wasteful of natural and human

resources. Complex systems of latifundia and minifundia are the object of sharp attack. Judged by social well-being and productive efficiency, most tenure systems in Latin America are deficient. An exception may be plantations cultivated by intensive management, but analysed in terms broader than mere accountability, they are less efficient than they might be from the regional and national standpoints, particularly if the hand-labour factor is considered. Cuban sugar plantations before the reform, and cotton and sugar enterprises of the coast of Peru, illustrate onerous contracts of rent and labour, as well as objectionable partnership arrangements. Another major challenge involves indigenous communities such as those in the Andean regions which have anachronistic conditions of life and work out of line with the economic trends of the country.

New systems of tenure throughout the world may be classified as follows: (1) The family-type farm based on farmer-ownership and backed up by systems of credit, technical assistance, &c. (2) Co-operatives or common systems, where the resources and processes of production are under the control of the group. (3) State farms or enterprises with central planning and administration.

Evidence confirming the vigour and vitality of family-type farms comes from Italy and Japan where agrarian reforms led to the establishment of small farms, and where land ownership, management, and labour are centred on the rural family. State support is still needed for facilities for producing for markets, and the new units depend on the effectiveness of new technological and organizational developments. In Japan, where the ancient tenants were the administrators of the farms, the changes in organization were not great, but the incomes of the new family-type farms have increased. The new farms of Italy have had similar success. Many other countries have also had spectacular success. Some of the reforms, such as those in Venezuela, Colombia, and Peru, have the objective of creating a large number of family-type farms. Insufficient administrative experience and difficulty in securing financial resources on which a great number of small units depend, are among the problems in Latin America. Experience shows that when reform involves a reorganization of the tenancy of a plantation, it may be more profitable to keep the unit as it is and divide the land rights.

The second system, which involves co-operative or common farms, generally involves concentration of the land resources and other factors of production, with retention of nominal rights on land parcels



GROUP 3 (a). LAND TENURE

First row, left to right:

Luis Eduardo Chalita Tovar, *Mexico*
 Dilbert Myren, *U.S.A.*
 Salomon Eckstein, *Israel*
 Francisco Dorta Duque, *Cuba*
 Jacques Chonchol, *Chile*
 Emilio Gomez Ayau, *Spain*
 Luis J. Paz, *Peru*
 Thomas F. Carroll, *Chile (F.A.O.)*
 Enrique Ensenat, *Panama*

Jorge Gimenez Dixon, *Argentina*
 Luis A. Foulon, *Argentina*
 Milciades Chaves, *Colombia*
 Augusto Espinoza Valderrama, *Colombia*
 Carlos S. Montanez, *Colombia*

Second row, left to right:

Alfredo Bellatin Rodriguez, *Mexico*
 Gustavo Bravo Heredia, *Peru*
 Sergio Maturana, *Chile*
 Giuseppe Barbero, *Italy*
 Solon Barraclough, *Chile (F.A.O.)*
 Jaime Llosa, *Peru*
 Jose Manuel Salazar Navarrete, *Costa Rica*
 Ernesto Badillo Navarrete, *Mexico*
 Howard Conklin, *U.S.A.*
 Fausto Jordan, *Ecuador*
 Luis Aguirre Villasenor, *Mexico*
 Antonio Gomez Oliver, *Mexico*
 Jaime Mariscal O., *Mexico*
 Vicente Gonzalez, *Mexico*

Fausto Calzecchi Onesti, *Italy*
 Julio Alfredo Genel, *Mexico*
 Hector Jose Silva R. Chapinogo, *Mexico*

by members. The Mexican common-land system exemplifies this. In Israel, the kibbutz system is an example of voluntary community that has reached a high degree of efficiency and social cohesion. Collective farming in the U.S.S.R. represents an important difference from the Mexican common-land system in that collective public lands are characterized as a reform of tenancy, capable of obtaining high levels of production. Systems of co-operative and common tenancy will be considered in future developments in Latin America, particularly if the primitive systems give way to modern as in the Andean areas. The Bolivian agrarian reform is giving more attention to transforming indigenous communities into co-operative associations oriented towards marketing. In the Cuban reform, organization of co-operative farms from old sugar plantations permits retention of structure and level of production. Another variation is found in Egypt where, to obtain advantages of large-scale production, small parcels of land belonging to new owners have been incorporated into large farms subject to overall rotations. Yugoslavian experience suggests that strong, traditional rural forces resist the imposition on farmers of collective or co-operative standards.

The third system of tenure involving State farms with central administration is illustrated by the sovkhos system of the U.S.S.R. Cuba's making large 'farms of the people' from expropriated land for livestock and rice growing may also be of this type. Some economies are achieved but the farmers are left in a position of wage earners with little opportunity of personal initiative. Favourable conditions for centralized control were brought about by irrigation and specialized cropping in the Gezira Plan in the Sudan.

Experience should lead to new approaches to tenancy systems. Rigidity has proved to be a great obstacle to progress. New systems should have latitude so as to be adaptable to changing conditions. Most agrarian reforms have used confiscatory measures, whether intentionally or not. Expropriation and compensation raises questions of equity. Should property-owners be paid full value or less, so that new owners will not be overloaded with charges at the beginning of their operations? Under certain conditions the revaluation of land may be appropriate. Agrarian reforms can be important for the economic development of Latin America. The concepts of 'the social function of the land' or 'the social work of ownership of land' require examination. They have become identified with the less dynamic social and economic policies.