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 SOCIAL COUNCIL  
 OFFICIAL RECORDS



THIRTEENTH SESSION, **537th**  
 MEETING

WEDNESDAY, 5 SEPTEMBER 1951, at 3 p.m.

PALAIS DES NATIONS, GENEVA

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*President: Mr. Hernán SANTA CRUZ (Chile).*

*Present:* Representatives of the following countries:  
 Belgium, Canada, Chile, China, Czechoslovakia, France, India, Iran, Mexico, Pakistan, Peru, Philippines, Poland, Sweden, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay.

Representatives of the following specialized agencies:

International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization.

**Economic development of under-developed countries (E/2003) (*continued*):**

**(c) Land reform**

1. Mr. CABADA (Peru) congratulated the Secretary-General on his report on land reform (E/2003), the more particularly as it had been prepared and issued within less than a year after the adoption by the General Assembly of resolution 401 (V). The report might be described as a compendium and, as was characteristic of such a document, lacked an analysis of the facts. None the less, it had great merit. Even if the United Nations achieved little in other fields, the work done by the Secretariat in preparing such reports would be of sufficient importance to contribute towards assuring the organization's future prestige, in the same way as the preparation of such reports by the League of Nations had redounded to the latter's credit. The time at the disposal of the Council was so short that any attempt to deal with that report in detail would be out of the question. He would therefore restrict his comments to the various draft resolutions that had been submitted on the question of land reform.

2. Though he had not consulted his Government, he was sure that it would support the United States draft resolution (E/L.246/Rev.1) because it spoke of measures which either were being applied or would be applied in Peru. Such a resolution was in his view timely and as such could not but prove to be effective.

3. Of the various recommendations contained in that draft resolution, he would single out a few for special

mention. In connexion with the recommendation which dealt with assuring security of tenure with a view to the improvement of productivity and conservation of resources, he declared that there were in Peru two banks which, although with somewhat limited capital, provided credit for farmers. It was the intention to develop that credit system further, and thus he welcomed the recommendation in question and confirmed his delegation's readiness to receive suggestions as to how best to promote such development so that the small farmers in particular might be enabled to obtain capital for the improvement of their land. He warmly welcomed also the recommendation that an opportunity should be provided for the cultivator to acquire ownership of land. In Peru, the trend in that direction was slow but sure. The policy of the Government was to encourage such development and, when new land was brought under cultivation, the State arranged that it should be distributed not to the great land-owners, but to those who had no resources. Such new farmers appreciated their independence and took a keen interest in the land they worked, to the lasting good of the community as a whole. On the question of the revision of tax structures and administration, he stated that taxation in Peru was, generally speaking, not high. Despite the view of some people in his country that high taxation was a good thing, he dissented from it in the case of property taxes and land taxes; he therefore supported the recommendation in paragraph 1, sub-paragraph (g). He also welcomed the recommendation in sub-paragraph (h), more particularly as some attempt was being made in Peru to experiment with co-operative organizations within the field of agricultural economy as well as in other sectors of the country's economy. His Government, he was sure, would welcome suggestions for sound development in that direction, as also for the encouragement of industries in rural areas, referred to in sub-paragraph (i). As regards research, dealt with in sub-paragraph (k), an effort had also been made in Peru, within the limited means available, to set up experimental farms so as to ascertain scientifically what were the best crops to cultivate in particular regions.

4. It would, of course, be realized that few countries had made such progress as his own in increasing the produc-

tivity of the soil, thanks largely to its natural fertility, favourable atmospheric conditions, plentiful natural fertilizers, governmental action and, last, but not least, the high standard of farming by people who knew and loved the soil. The question of developing programmes of literacy and general education in rural areas, referred to in sub-paragraph (j), had also been a matter of constant concern in Peru, with the result that campaigns for that purpose were now stretching into the jungle itself in search of the remaining illiterates. As regards the improvement of the economic and social status of agricultural wage labourers, the Government of his country had at times passed legislation for the increase of the wages of agricultural labourers when the rise in the cost of living justified such action.

5. His delegation also supported those recommendations in paragraph 3 of the United States draft resolution which were addressed to the specialized agencies.

6. In his view, both the draft resolution in question and the report of the Secretary-General to which he had referred constituted the first real step in an immense programme of work in the field of land reform. He was sure that governments would continue the search for new solutions to the various aspects of the problem, and he emphasized his conviction that, under democratic government more than under any other, satisfactory solutions would be evolved, as had been demonstrated at the time of the French Revolution and in the United States of America when the President of that country had introduced significant reforms in 1933.

7. His delegation also supported the Philippines amendment (E/L.253) to the United States draft resolution, for it considered that a non-diversified agriculture impeded agricultural progress and economic development in a number of countries. The Canadian amendment (E/L.250) would also serve a useful purpose. Nor could he see any objection to the Indian amendments, which, for the most part, did not depart much from the United States text but which were, as usual, inspired by the high ideals that continued to actuate the Indian delegation. There was also much merit in the Pakistani amendments (E/L.251). His delegation, however, did not greatly favour the development of cottage industries. In Peru, farmers and farm workers always had sufficient work to keep them busy and, again, it had been found that home industries constituted a cultural drawback, for the native Indians, whose natural tendency it already was to reject the standards of civilization, continued to make such things as clothing at home, with the result that they wasted much valuable time in doing work which was more economically done in the factories and at the same time tended to remain outside the normal life of the community. He thus had reservations as far as the Pakistani amendment to sub-paragraph (i) of the United States draft resolution was concerned. He had no objection to the Swedish amendment (E/L.252).

8. The representative of the World Federation of Trade Unions (WFTU) had made some remarks about conditions in Peru. That organization was liable to make mistakes, representative, as it was, not of the actual workers but of those thousands of men who signed petitions but remained

unknown. It was an organization obviously set up for purposes of political propaganda, and he wondered whether there was any good reason for maintaining relations with it. If the representative of WFTU had taken up the main and recognized weaknesses in the land situation in Peru, he could not have objected. In that connexion, however, it had to be remembered that a country like Peru, which had been an independent State for little more than a century, was faced with a fundamental and historical backwardness which it was difficult to overcome rapidly. But the representative of WFTU had thought fit to introduce the question of slavery and to harp on the old story of servitude. In Peru, there was no such thing as servitude. People owned land but not human beings. The Secretary-General's report related how in some Latin American countries the agricultural labourer received a piece of land free in return for providing the land-owner with labour for a few days a week. That system of obtaining land in return for work was considered to be undesirable by some who held that land should be bought only with money. That might or might not be an acceptable theory, but there was every likelihood that the system would, through force of circumstances, die a natural death in the same way as the barter system—whereby goods were exchanged for goods—had fallen into disuse. If the workers refused to give their labour in exchange for the land they received, there was no means of constraining them to fulfil their contract. The state police might be called in, but even then the worker could not be deprived of his freedom for such a reason and, in Peru, there was no imprisonment for debt. An increasing tendency on the part of workers to refuse their services to land-owners in such circumstances and of land-owners to prefer money leases would therefore gradually do away with the system in question. The existence of such a system was offset by the individual's right to freedom, and no one could be obliged to work if he did not wish to. If anyone wished to dispute those facts, he would have to substantiate his allegations.

9. Mr. SCHNAKE VERGARA (Chile) said that it was well that the question of land reform should have been so thoroughly discussed and that speakers had adhered to the instructions received by the Council from the General Assembly and had not made polemical capital out of the question. Although there were fundamental divergencies of view as to the origins of the problem, there was evidence of a fortunate similarity in the methods used to achieve land reform in the under-developed areas. That fact suggested that the United Nations might be wise to place the problem in the wider setting of improved standards of living throughout the world.

10. The Chilean Government did not regard land reform merely as a means of sharing or redistributing land. Nor was land reform to be interpreted as based on claims to land, or as affecting only agriculture. The problem was one of working the land, and a solution must be applied that was just from the social standpoint and that formed part of the economic development of the country. That fundamental conception was not based on any economic and social theory, but was derived from the factors responsible for the structure of agricul-

ture in Chile and its needs for achieving a balanced economic development.

11. At the time of the conquest four centuries earlier, agriculture proper had not existed in Chile and the indigenous population, composed as it had been of warlike tribes, had not been attached to the soil. For that reason, as he had already said, no feeling of claim to the land existed in Chile. That fact led him to conclude that the report (E/2003) by the Secretary-General had rightly stressed the need to base land reform on the special characteristics of each country.

12. The Chilean Government was anxious to integrate into the national economy the indigenous groups which were still not fully assimilated although they participated in the national life. In that connexion, he would refer to an official publication of 1945 concerning a land programme, which was based on the law of 24 December 1933 and put into force on 9 May 1934. Since the representative of WFTU had referred to the living conditions of the indigenous population in Chile, he felt that it was essential to supply the Council with some accurate facts on the subject in order to obviate any misunderstanding.

13. According to the above-mentioned publication, most of the indigenous population of Chile, amounting in all to some 130,000 persons, lived in the agricultural province of Cautin in southern Chile, 70 per cent of them being Araucanos, who occupied 18 per cent of the land—*i.e.*, approximately 30,000 hectares. Those people lived near the villages, a proof that they were averse from isolating themselves. Their farming and stock-breeding methods had resulted in soil impoverishment and erosion and, like the remainder of the population, they were suffering from the effects of that situation in a loss of wealth.

14. Again, according to the same publication, 90 per cent of the indigenous population did not own enough land to provide a satisfactory livelihood. Families consisting of six persons had to live on three hectares of land and stagnated in poverty. It was therefore essential to improve the lot of those people, especially in the province of Cautin. The measures which would be adopted to that end would enable the indigenous population to become a useful section of the community and to make its contribution to the development of the country.

15. The publication contained a series of recommendations concerning ways and means of enabling the indigenous inhabitants to share in the benefits of the land programme. The State would buy land which would be given to those inhabitants in exchange for the land which they now occupied. Each parcel of land would have an area of from 30 to 60 hectares, according to the type of land. The necessary farm implements would be provided at the same time as the land. Produce would be marketed by means of an agricultural co-operative system.

16. The publication also dealt with the financing of the programme through a special agency, the *Caja de Colonización*, which would also be responsible for re-distributing land.

17. Chile's land problems were by no means confined to those 130,000 indigenous inhabitants. The Government realized that there were land problems throughout the country. In Chile, a very high proportion of the land consisted of large estates, and at the same time there were a very large number of holdings which were too small to be economic. The many medium-sized farms were the ones which contributed most to the country's agricultural progress. Population pressure was not on the whole a serious problem in Chile. The population was small compared with the size of the country and even with the amount of land at present under cultivation and shortly to be brought under cultivation. As in all countries where economic development had begun comparatively recently, the public and social services available to the agricultural population in Chile were still not adequate and the pace of land redistribution was slow. All those problems of social security, tenancy and standards of living were closely connected with the problems of making the best use of the soil, of increasing productivity, of improving marketing, and price problems. And, of course, the solution of all those agricultural problems was dependent on industrial development—*i.e.*, the economic development of the country. The authorities in Chile were aware of all those problems and their connexion; they were attacking them from all their aspects so as to deal with them as a whole. Chile was not primarily an agricultural country. Agricultural production was not high in proportion to the size of the country. The reason for that lay in the natural disadvantages from which the country suffered, in particular the variations in rainfall; those variations were not surprising, since Chile was a country approximately 4,500 kilometres long and very narrow. In the extreme north there was no rain, and in the extreme south it rained almost incessantly. Moreover, it was difficult to conserve the country's water resources, since all the rivers were torrential, dropping, on the average, about 3,000 metres from the Andes and never being much more than 250 kilometres long. However, it was hoped to complete irrigation works in the extreme north, which would make agriculture possible. But all sections of the Chilean population had become greatly attached to their land and took great pride in it. Consequently, land problems were generally considered of great importance in Chile. There had been governments in Chile which had been mainly interested in industry, others mainly interested in mining; but all had always been interested in land problems, particularly problems of land tenure.

18. The Chilean Government was determined to settle the country's land problems as part of its programme of economic development, since those problems and both agricultural and industrial development were all closely inter-connected and inter-dependent. The Constitution at present in force in Chile, which was the first new Constitution since 1833 and which had been adopted in 1925, laid down that the Government could not expropriate property from those who owned it except in the public interest and then only by means of legislation and subject to the payment of just compensation. No land had been expropriated in Chile without the payment of fair compensation to the persons who had owned it.

The Government of Chile was bound to observe the provisions in the Constitution relating to ownership in general. It would do so irrespective of whether the owners were citizens of Chile or foreign nationals. The Government might find it necessary to take measures to split up large estates and to consolidate very small holdings so as to form holdings of an economic size.

19. The experience gained by other countries in carrying out land reform was useful to the Chilean authorities. It was stated in the Secretary-General's report that Mexico was the only country of Latin America in which a land reform had been carried out. It was true that there had been no over-all land reform in any other Latin American country; but personally he was convinced that all that might be described as land reform in Mexico had been based on the social revolution of 1910, an event without parallel in the other countries of South America.

20. It should never be forgotten that land reform in Chile was dependent on the existence of the necessary financial means, since there was no question of recourse to expropriation without the payment of just compensation.

21. The Chilean Government firmly believed that all its policies, including its land policy, should be in accordance with the principles that economic and social justice should be promoted and that the country's standard of living should be raised. As far as land problems were concerned, its aims were those indicated in the Secretary-General's report. The 1945 plan for dealing with the country's land problems provided for work on: rural housing; rural hygiene; health; education; the size of agricultural holdings; differences in tenure; soil conservation; raising productivity; the provision of technical assistance, particularly for mechanization; the organization of agricultural credit; measures to improve marketing conditions; increasing production of exportable agricultural produce such as wine, fruit and fibres and especially agricultural products needed by industry; fiscal policies to increase production; public works, etc. What he had already said clearly showed that the Chilean authorities did not consider land reform merely as the distribution or redistribution of land. The other features of land reform were all of great importance, varying from country to country; and they should all be taken into account simultaneously. The Chilean Government intended to do everything it could to solve the country's land problems as part of an integrated programme of economic development, which it was at present considering in co-operation with the Food and Agriculture Organization (FAO) and the International Bank for Reconstruction and Development.

22. Chile could afford no luxuries where agriculture was concerned, for the proportion of arable land in the country was very small; what arable land there was was hard to work and required careful conservation measures. A reduction of 10 per cent in Chile's wheat production, which was all consumed domestically, would make it necessary for half the foreign currency obtained from Chile's agricultural exports to be spent on imports of

wheat. Such an occurrence would affect all sectors of the population. The Chilean authorities had therefore been able to persuade all sectors of the population that the problem of land reform was the concern of all. Of course, there were different opinions on that problem; but, after joint discussions on the problem, the administrative and the executive authorities in Chile would be able to work out practical plans for agrarian reform. All the problems mentioned in the Secretary-General's report had been covered by legislation in Chile. There were organizations for the provision of agricultural credit. The *Caja de Colonización*, which had been in existence for thirty years, was concerned solely with redistributing land each year; its expenses were covered by the national budget. Its work in some cases had unfortunately had to be slowed down because of lack of credit and of tools and machinery. The experience gained by such institutions showed that irrigation and the provision of agricultural machinery and equipment were of great importance in Chile.

23. Although the Chilean authorities were determined to solve the country's land problems, they were being careful to avoid running a risk of an over-all failure. They agreed with the opinion expressed in the Secretary-General's report that it was dangerous to apply land-reform measures one by one, since such a policy might have the unfortunate effect of increasing social tension; however, he should make it clear that there was probably less social tension in Chile than in any other country. It was most important that all measures for land reform should be part of an integrated programme of economic development providing both for agricultural and for industrial development, which were inter-dependent. The Council should not merely recommend that there should be a land reform in this country and in that; what was needed, in addition to encouraging interest in the solution of land problems, was a set of international recommendations for the implementation by national authorities of co-ordinated measures to solve land problems as part of a general economic development programme.

24. The Chilean delegation was not opposed to the substance of the Polish draft resolution (E/L.247); though interesting, it was contentious, and not entirely acceptable to the Chilean delegation. The views of the Chilean delegation were better reflected in the revised United States draft resolution (E/L.246/Rev.1). The adoption of the Canadian amendment (E/L.250) would help fill a gap in that draft resolution and improve its balance. But the amendment was not quite enough, since it did not emphasize that all land-reform measures should be part of a general programme of economic development. Moreover, the wording of the amendment was not sufficiently positive. He would therefore propose that the paragraph which constituted the Canadian amendment should be amended by substituting the word "*Recommends*" for the word "*Recognizing*", and by deleting the words "in many countries", and that the paragraph thus amended should form the first operative paragraph of the resolution.

The meeting rose at 5 p.m.