U.S. DEVELOPMENT ASSISTANCE TO RURAL BOLIVIA, 1941-1974: THE SEARCH FOR DEVELOPMENT STRATEGY

by

Lawrence C. Heilman

Submitted to the

Faculty of the College of Arts and Sciences

of The American University

in Partial Fulfillment of

The Requirements for the Degree

of

Doctor of Philosophy

in

History

Signatures of Committee

Chairman

Dean of the College

April 22, 1982
Date

1982

The American University
Washington, D.C. 20016

U.S. DEVELOPMENT ASSISTANCE TO RURAL BOLIVIA, 1941-1974: THE SEARCH FOR DEVELOPMENT STRATEGY

By

Lawrence C. Heilman

ABSTRACT

This study will describe and assess U.S. Government assistance to the Bolivian Government to support Bolivia's rural development for the period 1941 to 1974. It will examine the major programs that evolved from the foreign development policy of the U.S. Government. The development strategy of the U.S. Government was a "trickle down" approach more concerned with developing agricultural production in the Oriente than improving the economic and social circumstances of Bolivia's majority population. This development approach will be described and examined in detail.

When describing, explaining, and assessing U.S. Government development assistance efforts, an attempt will be made to examine the different dimensions of U.S. Government policy including the political, economic, and development policies. However, emphasis in the study will be given to the development dimension which deserves more attention by the social scientist examining the history of Bolivia since the Revolution of 1952. This approach will be pronounced since the phenomena to be examined are development programs and

projects. Since the focus will be on U.S. Government assistance, the vast majority of the materials reviewed in reconstructing the historical record are U.S. Government documents.

Though inspired by the political, economic, and social realities of Bolivia, U.S. development assistance efforts in Bolivia reflect to a great degree the U.S. historical experience from which a U.S. development philosophy evolved. U.S. economic and political foreign policy imperatives are less important influences in shaping the U.S. supported development effort in Bolivia.

Subsequent to the 1952 Revolution, the investment pattern is one that had a strong production bias at the expense of promoting economic and social equity for the campesino population. Whereas the 1952 Revolution brought changes that immediately improved the life of the Indian, planned economic development sponsored by the U.S. Government after this revolution could be interpreted as institutionalizing a development philosophy in which growth in the agriculture and mining sectors was the paramount consideration. The striking exceptions to this trickle down approach to development are the projects started in the mid-sixties, which focused on the rural population of the Altiplano and the high valleys of Bolivia.

ACKNOWLEDGEMENTS

Since I began the work relating to this thesis a number of years ago, I have amassed a number of obligations which I want to acknowledge. Miss Marie Ketch typed and corrected the final manuscript with patience and care. A special note of appreciation is extended to the many AID officers who through the years have been a constant source of support and encouragement. Especially important were the efforts of Irving Tragen and Martin Stoller who played critical roles in giving me access to the experience of working in Bolivia on the U.S. development effort. This thesis is dedicated to the campesinos of Bolivia who provided the spark that got me started on this specific historical path. Finally, I want to thank my wife, Anne Cummins Heilman, who spent endless hours preparing maps, typing and editing drafts, providing helpful criticism particularly related to my syntax, and persevering with me for the entire length of this intellectual trek.

AUTHOR'S NOTE

Most of the documents that I have used in reconstructing U.S. Government assistance to Bolivia for the period 1941 to 1970 were documents that were available to me while I served as a Junior Officer and subsequently a Loan Officer in the USAID Mission to Bolivia from March 1967 through March 1969. In the later capacity I was one of several U.S. Government officials responsible for all community development, agrarian reform, and mining activities funded by the U.S. Government. I was responsible for developing the first Rural Community Development Loan that was approved in 1968. In this capacity my in-basket became a floating archive for all U.S. Government documents relating to the community development and agrarian reform activity supported by the U.S. Government.

Because of my first-hand familiarity with the operations of the USAID Mission to Bolivia for this period and because of the access I had to the U.S. Government documentation and materials that were being generated in the Ministry of Agriculture, I feel that I have been able to review nearly all the relevant documents. Very little material documenting the planning, implementation, and evaluation of USAID programs in Bolivia was ever created by the Bolivians themselves. As was their style of operation, Bolivian officials

almost exclusively relied upon U.S. Government technicians to develop the Bolivian documentation that related to those programs. Even when Supreme Decrees were issued relating to U.S.-funded development activities, these decrees invariably would have been drafted by U.S. Government employees or contractors paid with U.S. funds.

U.S. Government documentation relating to this period can be found in several places. Papers generated by the USAID Mission to Bolivia are kept in the mission in both the offices that have the responsibility for implementing the projects and in a central file in the mission. Though there is an AID Handbook outlining the procedures for storage of documents, this guideline is seldom followed.[1] Occasionally an AID officer in the field might review, purge and retire several files upon completing a tour, but this is an exceptional situation.

The Bolivia Desk in Washington also is a repository for certain documentation that may have been sent from the USAID Mission to Washington. However, there is no systematic method for filing of documents at the desk level that is necessarily adhered to by AID Desk Officers. Nor is there a systematic approach followed for the retiring of documents and storing them at the Washington National Record Center in Suitland, Maryland. Therefore, it is virtually imposssible, given the volume of documents that have been produced since

---

[1]Agency for International Development, Communications, Handbook 21, Part III, "Records Filing and Disposition Manual" (February 20, 1975).

the inception of the U.S. assistance to Bolivia in 1942, to retrieve specific documents out of the system either from the USAID Mission in Bolivia, from the Bolivia Desk in the State Department in Washington, D.C., or from the U.S. Government's warehouse in Suitland, Maryland. This is particularly the case if the documents anyone desires are more than three years old. The problem of trying to retrieve documents prepared in the fifties and sixties is impossible unless one is willing to wade through cartons of documentation at the Washington National Record Center in Suitland, Maryland. There is also the very real possiblity that documents that you desire never made it to Suitland, Maryland.

In recent years, AID established the Development Information Center in the State Department, and AID officers are encouraged to send key documents to this center. These documents eventually are to be put on microfiche. AID has initiated a system for the collection and storage of all grant and loan project papers, but to date even this modest requirement has not been adhered to to insure that these papers are going to be available for review and study.

In a few instances I have cited material coming from oral interviews. Some of these oral interviews were held only recently and primarily as a means to serve as a check against my memory of conversations that I had over 13 years ago but which today are still sharply etched in my mind regarding U.S. Government efforts to support community development and the agrarian reform programs in Bolivia.

Finally, because some of the documentation relating to the community development program is documentation that I originally generated, there are undoubtedly some instances where I may be guilty of plagiarism both in the text of this dissertation and most certainly in the text of the documents I quote. In the case of the documents I quote, this is almost unavoidable because in many cases I contributed to originating the document and often I consciously plagiarized other documents in the process. As a U.S. Government bureaucrat, one is not afforded the luxury of time required to do creative writing nor is one encouraged to cite his sources. Therefore, in the developing of AID projects, one is constantly borrowing ideas and even specific language from a wide range of sources without acknowledging the source. Obviously this can lead to a certain amount of confusion if one is involved in the task of historical reconstruction. Quite frequently in reviewing several of the documents relating to the community development and agrarian reform programs, I have conscious memory of helping to write these documents, yet I have no memory in several instances of the sources that I used in the development of these documents.

TABLE OF CONTENTS

PART III
PEOPLE BEGIN TO COUNT, A FRESH APPROACH TO RURAL DEVELOPMENT, 1965-1974

PART IV
CONCLUSIONS: THE CHANGING STYLE OF U.S. DEVELOPMENT ASSISTANCE

LIST OF TABLES

LIST OF MAPS

LIST OF FIGURES

INTRODUCTION

This study will describe and assess U.S. Government assistance to the Bolivian Government to support Bolivia's rural development for the period 1941 to 1974. It will examine the major programs that evolved from the foreign development policy of the U.S. Government. The development strategy of the U.S. Government was a "trickle down" approach more concerned with developing agricultural production in the Oriente than improving the economic and social circumstances of Bolivia's majority population. This development approach will be described and examined in detail.

When describing, explaining, and assessing U.S. Government development assistance efforts, an attempt will be made to examine the different dimensions of U.S. Government policy including the political, economic, and development policies. However, emphasis in the study will be given to the development dimension which deserves more attention by the social scientist examining the history of Bolivia since the Revolution of 1952. This approach will be pronounced since the phenomena to be examined are development programs and projects. Since the focus will be on U.S. Government assistance, the vast majority of the materials reviewed in reconstructing the historical record are U.S. Government documents.

Though some general and brief descriptions of U.S. Government assistance to the rural sector of Bolivia do exist and are cited in my footnotes and bibliography, I know of no comprehensive survey that includes all the major programs. Nor has there been a scholarly attempt to trace the evolution of the U.S. development assistance style for the period 1941 to 1974. Particularly important to my study is the description of the National Community Development Service in Part III.

To comprehend the nature of U.S. Government development assistance as it attempted to promote change in rural Bolivia, it is important to understand Bolivia's stage of development at the time that the U.S. Government began its effort. For this reason, Part I, "Static Bolivia," is included to describe the historical, geographic, land tenure, human and policy context in which the U.S. Government assistance program takes place.

The programs described in Part II are the major interventions of a more traditional approach to economic development supported with U.S. financial assistance. Part III, "People Begin to Count," discusses projects initiated and supported between 1965 and 1974 that represent a new approach to development assistance, one that has explicit social and political dimensions as well as an economic dimension. The National Community Development Service project, described in this part, is the single most important intervention to mark a change in the development assistance style of the U.S.

Government. It is the first development effort that sharply focused on improving the quality of life of Bolivia's rural population on the Altiplano and in the high valleys.

In describing the development activities in Parts II and III, I also have attempted to trace the historical roots of each of these activities to provide a fuller understanding of how these activities evolved in the larger context of Bolivia's history. This is important for appreciating that development is an historical process in Bolivia that is not easy to categorize either in terms of time or origin of influence. Though my efforts in this regard are extremely modest, I hope they do suggest other areas that warrant further investigation.

I have included a short description of the campesino in the "Epilogue," Part IV, Chapter XIV. In that section an attempt is made to describe the quality of the campesino's life in terms of many of the same indicators used in Part I of Chapter IV, "The Rural Dweller," and to suggest some of the differences between 1952 and 1974. However, I do not mean to imply that there is necessarily a direct relationship between the development projects supported by the U.S. Government and the changes that resulted in the quality of life of the campesino from 1952 to 1974. This is despite the fact that many of the projects discussed were targeted on the campesino population and, in the case of the National Community Development Service, had an explicit goal of improving the quality of life of the campesino.

Though inspired by the political, economic, and social realities of Bolivia, U.S. development assistance efforts in Bolivia reflect to a great degree the U.S. historical experience from which a U.S. development philosophy evolved. U.S. economic and political foreign policy imperatives are less important influences in shaping the U.S. supported development effort in Bolivia.

The irony of the U.S. development effort in Bolivia is that, subsequent to the 1952 Revolution, the investment pattern is one that had a strong production bias at the expense of promoting economic and social equity for the campesino population. Whereas the 1952 Revolution brought changes that immediately improved the life of the Indian, planned economic development sponsored by the U.S. Government after this revolution could be interpreted as institutionalizing a development philosophy in which growth in the agriculture and mining sectors was the paramount consideration. Equity considerations were ever present in the slogans of politicians and were manifest in the program documents of the U.S. Government; but from 1952 to 1965 the expenditure patterns of the Bolivian and the U.S. Governments did not support this rhetoric. The striking exceptions to this trickle down approach to development are the projects started in the mid-sixties, which focused on the rural population of the Altiplano and the high valleys of Bolivia.

MAP 1

SOUTH AMERICA

PART I

STATIC BOLIVIA: THE CONTEXT

To appreciate the nature and impact of the U.S. and Bolivian Government's development assistance in the fifties and sixties, it is critical to have an understanding of the historical context, the geographic character, the land tenure arrangement, the quality of life of the rural dweller, and the roots of U.S. development assistance to Bolivia. The chapters in this part provide this background.

CHAPTER I

THE HISTORICAL CONTEXT: BOLIVIA EMERGES AS A NATION

The craft of the historian is to define the past activity of man. It has been expedient to work with man's history collectively in the context of a given society or, more specifically, of a nation. To mold meaningful imagery, the historian has had to define in specific terms what a nation is. The accepted concept is that a nation is defined by a geographic locality consisting of a community of people who usually have a common language and culture. Pragmatically, it is what a people has declared itself to be. The word "nation" usually connotes relative stability and unity. Furthermore, a nation is usually identified by having a government that is superimposed on a geographic reality.

Bolivian History 1827 to 1951

A glance at the history of Bolivia starting with the independence of Bolivia in 1827, continuing through the rule of the audacious Mariano Melgarejo from 1864 to 1871, and up to the period of the Chaco War from 1933 to 1938 would hardly suggest a pedestrian definition of the word nation. It is a period with little political sense or sensibility. Chaos and disorder were so rampant that most sober historians have

avoided this hundred years entirely. It has been too convenient for foreign historians to characterize the National Period through the time of the Chaco War in comic opera terms resulting in it being grossly caricatured and depriving it of those tragic elements that are so necessary for understanding it.

Though it is not axiomatic, usually before the historian can delineate the history of a nation as such, the people of the nation must identify themselves as being a nation. The first hundred years of Bolivian independence was hardly involved in the process of identification. It was, however, a period when Bolivia was receiving considerable help from her neighbors with regard to her geographic definition. Rule during this hundred years passed from one venal and incompetent caudillo to another, and when individuals identified themselves with political ideologies or parties, it was more for the sake of convenience than out of dedication to a political philosophy. The political party was a label more often than not used merely as a facade for personal gain. At best, this period is seen as a pre-national period that merely suggested the coming of a Bolivian nation.

The notion of the existence of a nation during this period prevailed only in the minds of the city dweller and the small population of hacienda owners who dominated rural Bolivia. The Indians who comprised approximately 75 percent of the total Bolivian population lived only on the fringe of the Bolivia that was recognized as a nation. For the Indian,

Bolivia was the hacienda. If a concept of Bolivia existed in the rural areas, it existed only in the microcosm of the hacienda with its patriarch, the patrón. The patrón was omnipotent. He provided a way of life for the Indian. Following the pattern of most of rural Latin America, he was the benefactor for those who worked his estate, and his estate was the universe for the humble Indian who lived on it.

Undoubtedly, one of the most serious factors that inhibited the nation building process during this period is the extraordinary geographic and climatic diversity that characterizes Bolivia. The soaring Andean range cuts across the length of Bolivia, dividing the country into a maze of unrelated ecological niches. Mountains with the names of Illimani, Huayna Potosí, Palomani Grade, and Illampu echoing the pre-Columbian antecedent soar to altitudes of more than 22,000 feet and dominate the horizon throughout much of Bolivia.

From the hot lowlands of the Beni and the Pando to the cold uplands of the Altiplano, from tropical rainlands to deserts, a whole gamut of climates, soils, and types of vegetation are found within relatively short distances. The diversity of culture is correspondingly great. In short, the ecological map of Bolivia is intricate and complex. This riddle of human and economic geography has complicated the problem of national integration, and has contributed to Bolivia's languishing in a pre-national state.

Between the Spanish conquest of the sixteenth century, which resulted in the introduction of Iberian agro-technical innovation, and the twentieth century, rural Bolivia remained stagnant. The first significant attempt to bring change to rural Bolivia in modern times was initiated in 1930 when the Bolivian Government undertook an education reform that led to the creation of rural schools.[1] This effort, though extremely modest, represented an awareness on the part of the Bolivian Government that the Indian should be educated.

This activity was interrupted by the Chaco War which played a significant role in accelerating attitudinal change regarding the Indian. For the first time in Bolivian history the Indian, the rural dweller, was forced into a situation of close proximity to the city dweller. The Indian fought side by side with the mestizo and the criollo. As had always been the case, he found himself in a subservient position, the cannon fodder in the Bolivian Army. Nevertheless, for the first time in Bolivian history, certain important elements of white Bolivia, of city Bolivia, recognized the Indians' importance. The Indian could no longer be ignored.

---

[1]USAID Mission to Bolivia, Education in Bolivia, A Preliminary Sector Assessment (July 1975), Part II, p. 5.

The Revolution of 1952 and U.S. Development Assistance

Undoubtedly, the most important single event that brought change to rural Bolivia is the Revolution of 1952. This revolution represented an indigenous impulse to find its own path to social change. In its diverse modes of expression, it accelerated the process of development. It destroyed the agrarian and economic feudalism that had characterized Bolivia since the beginning of the Colonial Era, but not without leaving severe dislocations in both the mining and agricultural sectors.

More important than these dislocations, however, was the emergence of a new attitude on the part of the political leadership of the revolution that was willing to examine the alternatives to affect change throughout all of Bolivia. The result was the creation of a fresh social, political, and economic environment. The Revolution of 1952 initiated a process of change in which the majority population, for the first time in Bolivia's history, has identified with Bolivia as a nation.

Beginning with the Revolution of 1952, the U.S. Government has made major allocations of development assistance to the Bolivian Government through the Agency for International

Development (AID) and its predecessor agencies.[1] A considerable portion of these resources has been focused on developing the rural sector of the Bolivian economy and society. The type of project activity, implemented over this twenty years to impact the rural economy and society, covers the entire spectrum of development activities ranging from support to promote community organizations to the building of market roads.

At the time of the 1952 Revolution, over 75 percent of Bolivia's approximately 4,000,000 people lived in rural areas, and the agricultural sector provided employment for over 70 percent of the country's labor force which was predominantly Indian. A large portion of this population was and still is concentrated in the cold and infertile Altiplano and in the high valleys. Prior to the Revolution of 1952, much of this rural population lived on large haciendas owned by absentee landlords. With the exception of a small portion of Indians living in traditional communities, they owned no land, had little access to education or health resources, and had but slight contact with the monetary sector of the economy. The living standard of these people was among the lowest of any group in the world.

---

[1]The lineal forebears of AID were the Mutual Security Agency, the Foreign Operations Administration, and the International Cooperation Administration. AID will be used throughout this study when referring to the Agency for International Development or its lineal forebears. USAID will be used throughout the study when referring to the U.S. Government's development assistance mission to Bolivia in the fifties, sixties, and seventies.

The Revolution of 1952 and the subsequent development programs that were targeted for this rural Indian population had profound impact on their quality of life. The Agrarian Reform Law of 1953 was designed to improve the living conditions of the rural population by giving the Indian access to land. One of the most notable accomplishments of the Agrarian Reform Law was the abolition of unpaid labor. Limitations placed on the size of land holdings resulted in a large number of very small farms concentrated in the Altiplano and high valleys where formerly large-scale farming prevailed. However, growth of productivity and income after the initial impetus provided by land reform has been slow.

One of the principal features of the development path chosen by the political leadership of the revolution was the creation of governmental infrastructure that reached out into rural Bolivia, transmitting the resources that provoked change in the quality of life of the campesino. The Ministry of Peasant Affairs and the Ministry of Agriculture were the main elements of the government's infrastructure that reached down into the rural communities, the former playing the more significant role in the period from 1952 to 1964 and the latter playing the major role from 1964 onward. It was through the Ministry of Agriculture that the USAID Mission to Bolivia channeled its developmental inputs designed to bring change to rural Bolivia.

Without modest knowledge of these important historical currents just described, it is exceedingly difficult to

appreciate the nature of U.S. development assistance to Bolivia. The Bolivian historical antecedent must be examined to understand the constraints that existed to promoting change in rural Bolivia by the U.S. Government.[1]

---

[1]In the preparation of this chapter, I reviewed several excellent histories of Bolivia including:

A. Robert J. Alexander, The Bolivian National Revolution (New Brunswick: Rutgers University Press, 1958).

B. Charles W. Arnade, The Emergence of the Republic of Bolivia (Gainesville: University of Florida Press, 1957).

C. Herbert S. Klein, Parties and Political Change in Bolivia, 1880-1952 (Cambridge: Cambridge University Press, 1969).

D. James M. Malloy, Bolivia: The Uncompleted Revolution (Pittsburgh: University of Pittsburgh Press, 1971).

E. Luis Peñaloza, História Económica de Bolivia 2 Vols. (La Paz, 1946).

F. David Hartzler Zook, The Conduct of the Chaco War (New York: Bookman Associates, 1960).

CHAPTER II

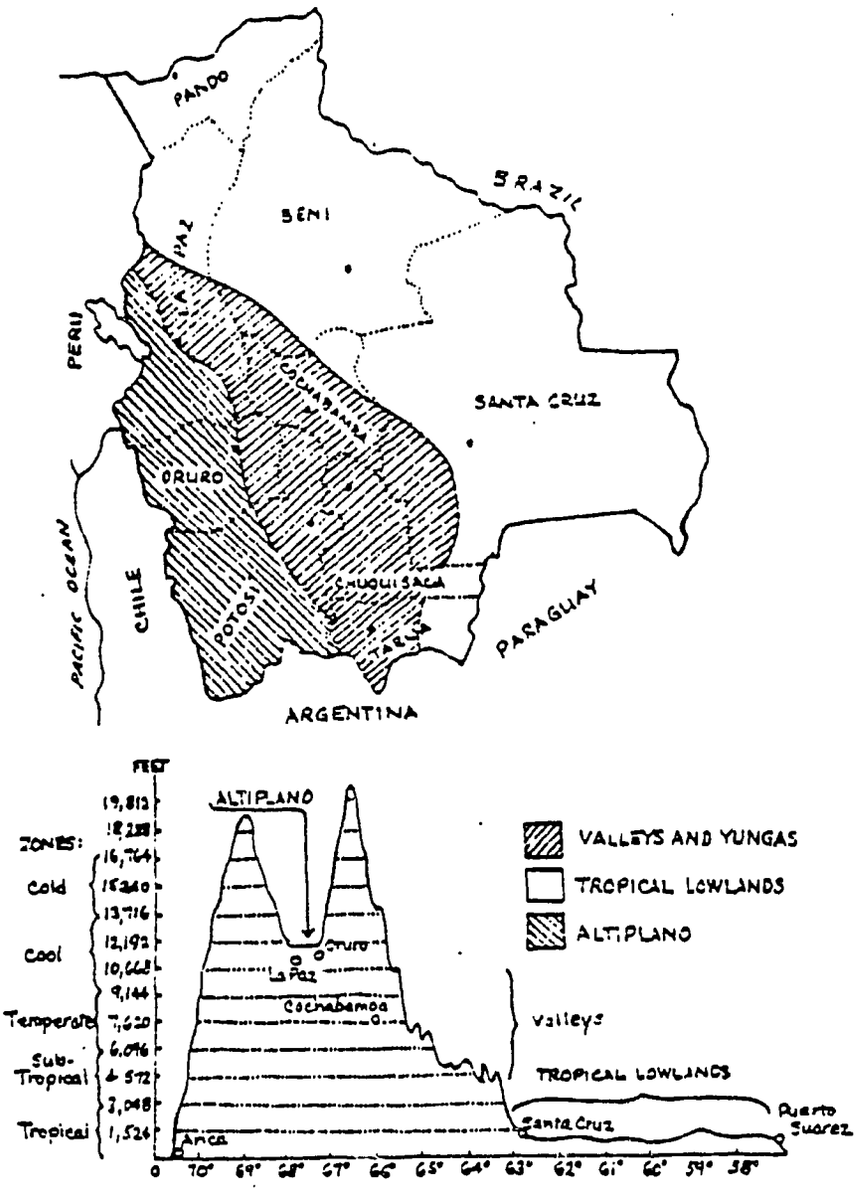
THE AGRO-ECOLOGICAL ENVIRONMENT

It is impossible to comprehend the development program of rural Bolivia for the period between 1941 to 1974 that is recounted in the following pages without first having a cursory awareness of the geography of Bolivia. The land of Bolivia and its agricultural potential must be appreciated to understand the rationale supporting many of the agricultural activities advocated by the U.S. Government. For these reasons the following chapter describing the important agricultural characteristics of the major agro-ecological regions of Bolivia is included.

Bolivia is divided into three natural geographic areas: the Altiplano, the Oriente, and the intervening valleys which break into major geographic units with the Yungas in the north and the Cochabamba, Sucre, Potosí and Tarija valleys to the south. The Altiplano, which accounts for 17 percent of the land area of Bolivia, is densely populated having over 44 percent of the population. The high valleys, accounting for 13 percent of the land, are also heavily populated with 35 percent of the population. The Oriente, the vast subtropical and tropical hinterland, includes the Amazon Rain Forest, the Beni, the Chapare, Santa Cruz, the Brazilian Shield, and the

MAP 2

PROFILE OF BOLIVIA



SOURCE: Adapted from Agricultural Development in Bolivia, A Sector Assessment (August 1974), p. 43.

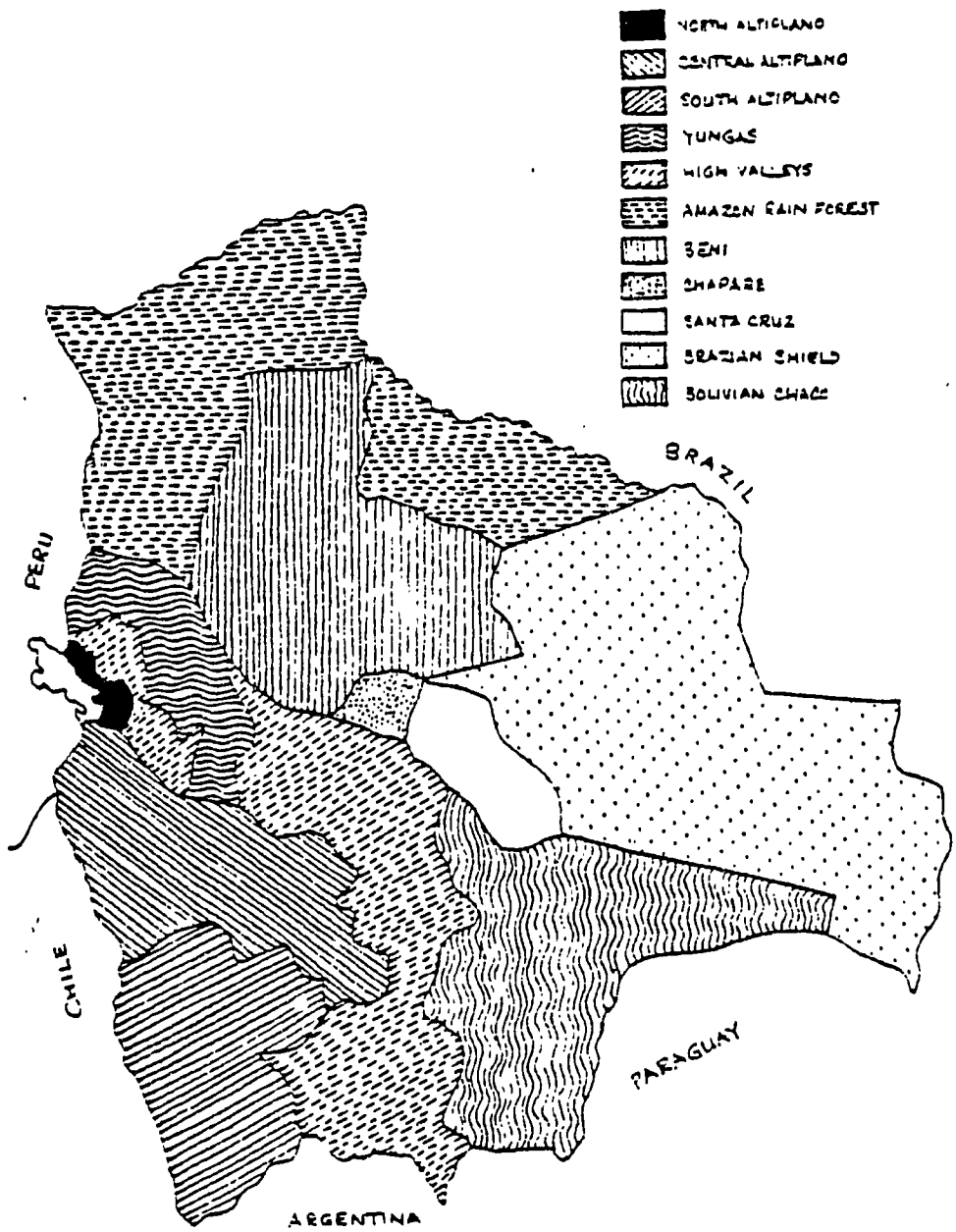
Chaco. The Oriente accounts for 70 percent of the national domain but only 21 percent of the population.

The following is a description of these principal agro-ecological areas. It is important for understanding the flow of U.S. assistance in support of agricultural development in Bolivia to be able to identify with a certain amount of precision these areas. From the initial efforts at prescribing a U.S. development assistance program in the Bohan report, the proposed assistance was skewed in favor of development of the Oriente. The Bohan report expounded the belief that the real wealth of Bolivia lay in her interior, in that vast alluvial plain spreading to the borders of Brazil and Paraguay. It was the Oriente that could be the bread basket of Bolivia. It was the Oriente that could make up the food deficit. It was this area that produced strategic materials that could support the U.S. war effort. The early agricultural development plans focused on the Santa Cruz and Beni areas where development would take place, where modern agricultural technology could be introduced in order to feed Bolivia. The Oriente was to be a key factor in the equation that would address Bolivia's balance of payments problem.

The traditional areas of human occupation, the Altiplano and the high valleys, which held the Aymará and Quechua Indians and accounted for 79 percent of the population of Bolivia, were the areas where the rural population was almost exclusively involved in subsistence agricultural pursuits. Yet these areas received but token assistance during the

MAP 3

AGRO-ECOLOGIC ZONES OF BOLIVIA



SOURCE: Adapted from Agricultural Development of Bolivia, A Sector Assessment (August 1974), p. 44.

fifties. Though agricultural research and demonstration stations and extension programs were created for these two areas, the vast majority of resources were targeted on the Oriente. Furthermore, the single most important undertaking on the part of the U.S. Government, the development of a national road network linking Santa Cruz with La Paz, was designed in order to promote the agricultural development of the Oriente.

The Altiplano

The Altiplano is an area with elevations ranging from 9,000 to 14,000 feet, lying between the Cordillera Oriental and the Cordillera Occidental, stretching from north of Lake Titicaca to the south of Bolivia beyond the salt flats of Coipasa and Uyuni. This flat plain is approximately 600 miles long and averages 180 miles in width. Though a moderately homogeneous region, the Altiplano does break into three discernable ecological subsystems: the Northern Altiplano with warmer temperatures and higher rainfall borders Lake Titicaca; the Central Altiplano is dryer and cooler; and the Southern Altiplano is the coldest and dryest area on the Altiplano approaching desert circumstances. As one moves from north to south, the Altiplano becomes less populous, and farming becomes progressively marginal from an economic perspective.

There are two principal seasons on the Altiplano, the dry season from April through August when water shortage is

characteristic and the rainy season from September through March, when there is adequate water available to support agricultural pursuits. A range in daily temperature of 70 degrees is not unusual. Nightfall may bring freezing temperatures, and frost on the Altiplano may occur throughout the year. The soils of the Altiplano vary from unsorted, rocky till to deep deposits of silt.

Agriculture on the Altiplano is for the most part subsistence in nature, and the major food crops produced are potatoes, barley, a variety of beans, and quinoa. Potato varieties have been produced in this area for over 3,000 years. However, because of the prevalence of diseases, frost damage, and poor soils, all indigenous varieties tend to be small and the yields extremely low. Quinoa production, with its high protein content, is a valuable part of the campesino's diet as a meat substitute. The water requirement for quinoa production is low adding to its value as an Altiplano crop.

Sheep are the most significant livestock on the Altiplano, and the Criollo type is predominant. Cattle are also found on the Altiplano and account for approximately 25 percent of the nation's production. Oxen are the primary source for power critical to agricultural production. The llama is found throughout the Altiplano and is valuable for its fiber and meat as well as being the traditional beast of burden. The alpaca also found on the Altiplano produces a valuable fiber.

TABLE 1

THE RURAL-URBAN COMPOSITION OF THE POPULATION OF BOLIVIA BY REGION

Regions	Population			Rural as a share
	Urban	Rural (thousands)	Total	(percent)
I. Altiplano	933	1,362	2,295	59
a) North	599	328	927	35
b) Central	303	954	1,257	76
c) South	31	81	112	72
II. High Valleys	425	1,386	1,811	77
III. Yungas	41	228	269	85
IV. Oriente	249	552	801	69
a) Amazon Rain Forest	26	106	132	81
b) Beni	29	87	116	75
c) Santa Cruz	141	92	223	39
d) Brazilian Shield	17	92	109	84
e) Chaco	37	176	213	83
Bolivia	1,648	3,528	5,176	68

SOURCE: Prepared by USAID/Bolivia from unpublished estimates of provincial population for 1972 provided by the National Statistics Institute and the National Directorate of Coordination and Planning. Located in USAID Mission to Bolivia, Agriculture Development in Bolivia: A Sector Assessment (August 1974), p. 52.

TABLE 2

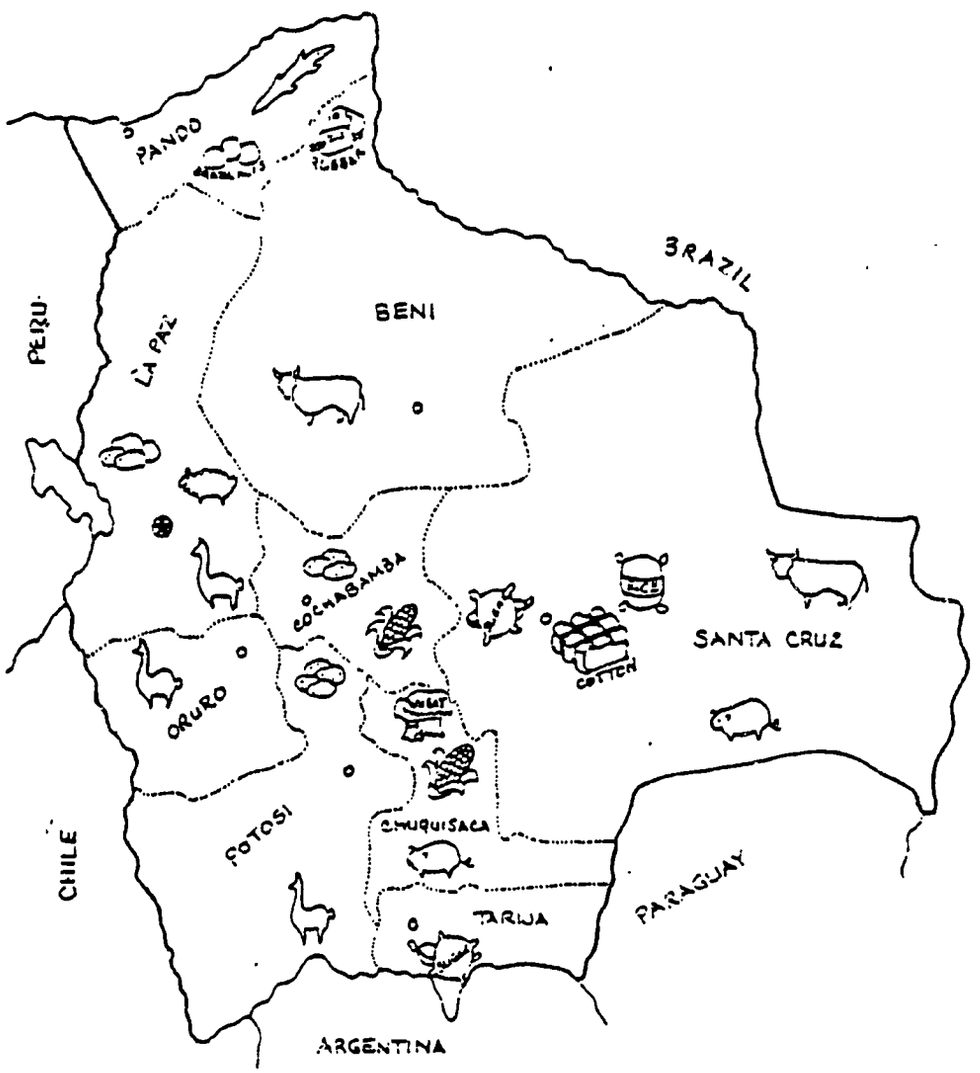
REGIONAL DISTRIBUTION OF THE
POPULATION OF BOLIVIA, 1972

Regions	Share of Regional Population in Total (%)		Land Area (Square Kilometers)	Regional Share of Area (Percent)	Density (Inhabitants per square kilometer)	
	Total Population	Rural Population			Total	Rural
I. Altiplano	44	39	182,048	17	13	7
a) North	18	10	6,221	1	149	53
b) Central	24	27	94,512	9	13	10
c) South	2	2	91,315	7	1	1
II. High Valleys	35	39	143,411	13	13	10
III. Yungas	5	7	45,814	4	6	5
IV. Oriente						
a) Amazon Rain Forest	3	3	184,358	17	1	1
b) Beni	2	3	135,848	12	1	1
c) Santa Cruz	5	3	30,828	3	8	3
d) Brazilian Shield	2	2	243,295	22	1	1
e) Chaco	4	4	129,231	12	2	1
V. Bolivia	100	100	1,094,833	100	5	3

SOURCE: Prepared by author with data provided by USAID/Bolivia and the National Directorate of Coordination and Planning and published in USAID Mission to Bolivia, Agriculture Development in Bolivia: A Sector Assessment (August 1974), p. 58.

MAP 4

FARM PRODUCTS OF BOLIVIA



SOURCE: Morris D. Whitaker and E. Boyd Wennergren. The Status of Bolivian Agriculture (New York: Praeger, 1975), p. 83.

TABLE 3

CHARACTERISTICS OF BOLIVIA'S MAJOR REGIONS

Zone	Altitude (Feet)	Average Temperature (Farhenheit)	Average Precipitation (Inches)	Principal Crops	Principal Livestock	Dominant & Secondary Languages
North Altiplano	12,500 14,000	53	26	potatoes onions quinoa barley	sheep llama alpaca cattle	Aymara Spanish
Central Altiplano	11,475 11,800	50	14	potatoes onions tubers barley quinoa	sheep llama alpaca	Aymara Quechua Spanish
South Altiplano	9,200 11,500	47	10	potatoes onions tubers barley quinoa	cattle llama alpaca	Quechua Aymara Spanish
High Valleys	4,600 9,200	67	32	wheat corn deciduous fruits horticulture	cattle sheep poultry	Quechua Spanish Aymara
Yungas	2,050 5,000	73	41	coffee cacao rice citrus bananas	mules poultry swine	Spanish Aymara Quechua

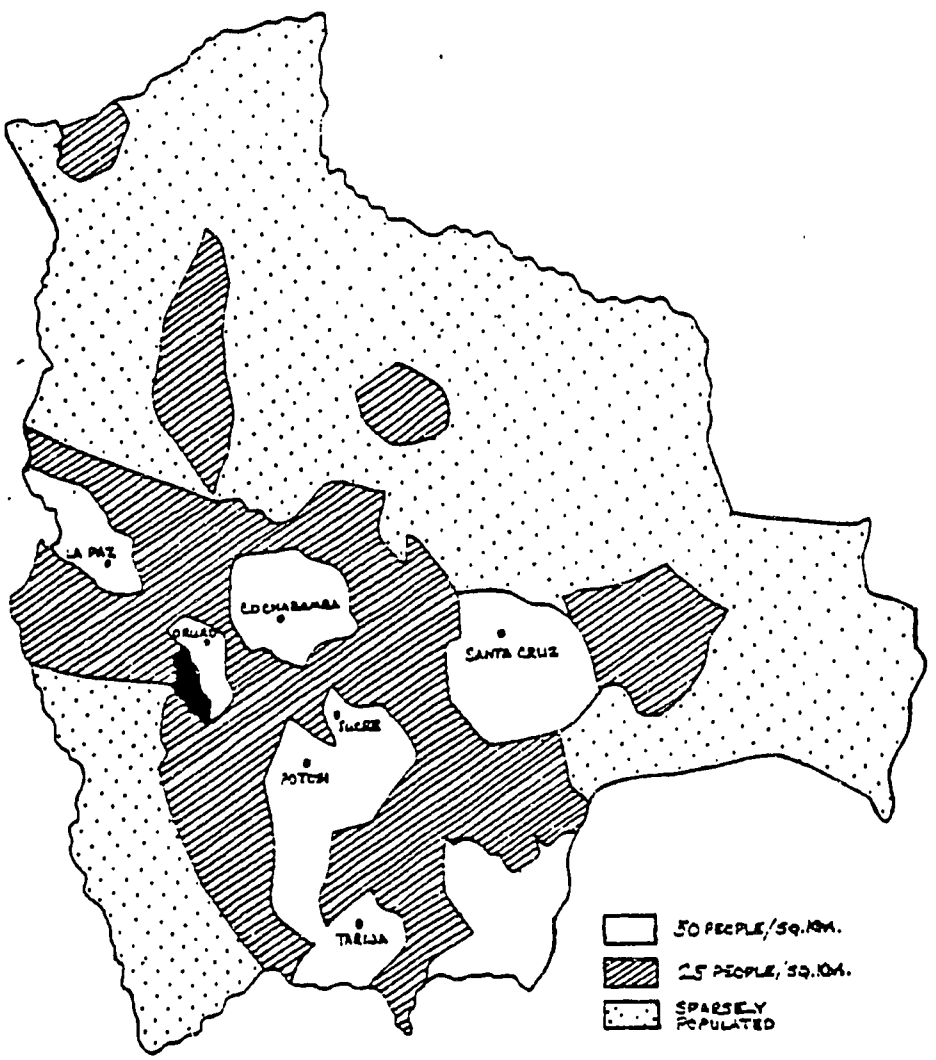
TABLE 3 - continued

Zone	Altitude (Feet)	Average Temperature (Farhenheit)	Average Precipitation (Inches)	Principal Crops	Principal Livestock	Dominant & Secondary Languages
Amazon Rain Forest	400 1,200	83	100	brazil nuts rubber yuca	cattle poultry swine	Spanish native language
Beni	600 800	79	71	citrus yuca	cattle	Spanish
Chapare	1,200 5,000	75	100	coca yuca corn citrus rice cacao	pigs chickens	Quechua Spanish Aymara
Santa Cruz	1,300 2,500	77	45	cotton sugar cane rice yuca	cattle poultry swine	Spanish
Brazilian Shield	700 2,500	75	37	corn yuca	cattle swine	Spanish
Chaco	1,200 1,500	82	30	corn sugar cane yuca	cattle swine poultry goats	Spanish Guarani Quechua Aymara

SOURCE: Compiled by author from data provided to USAID/Bolivia by the Ministry of Agriculture and published in USAID Mission to Bolivia, Agricultural Development in Bolivia: A Sector Assessment (August 1974), p. 49.

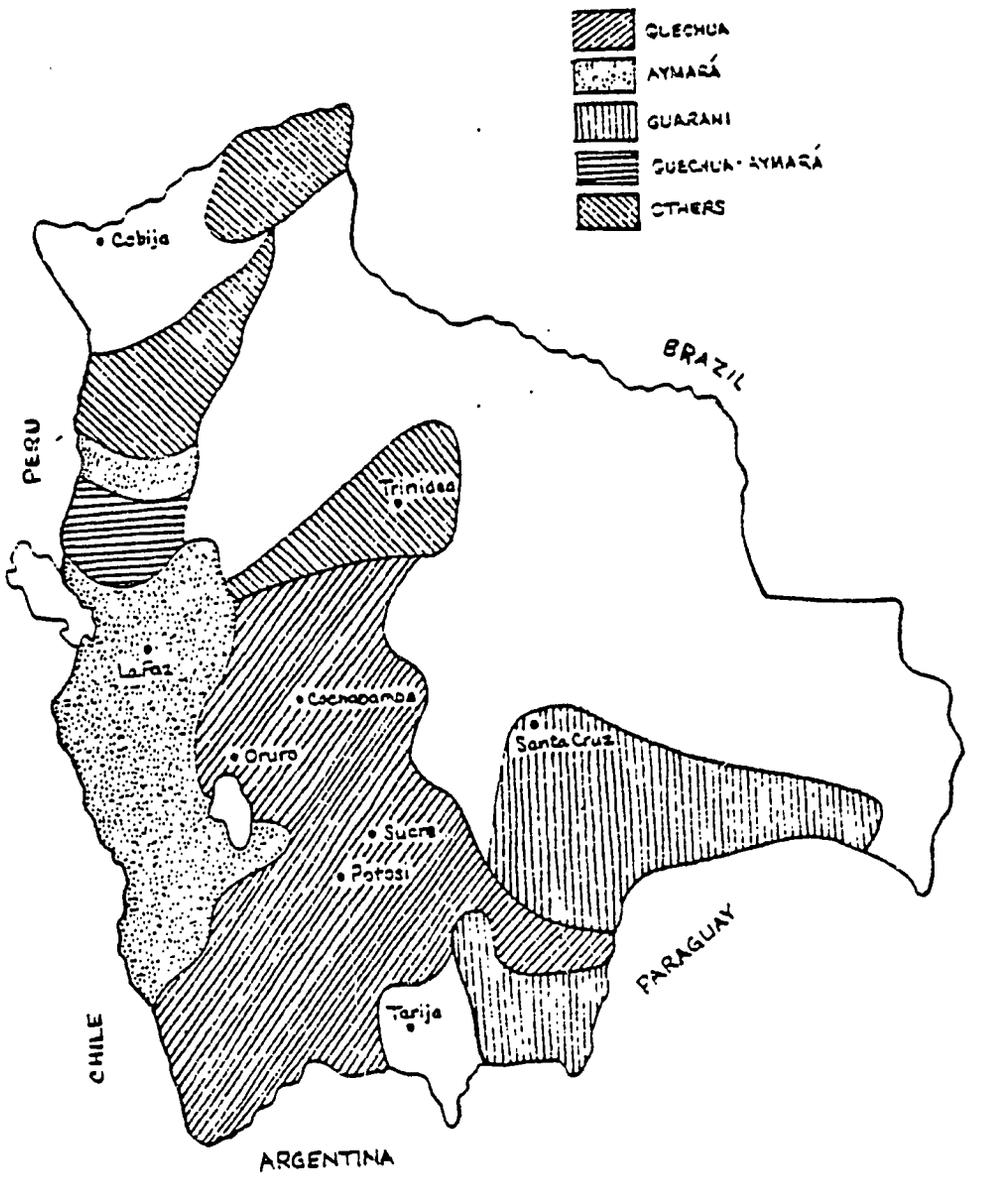
MAP 5

DISTRIBUTION OF POPULATION OF BOLIVIA .



MAP 6

DISTRIBUTION OF INDIAN POPULATION



SOURCE: Cornelius H. Zondag. The Bolivian Economy, 1952-65; The Revolution and Its Aftermath (New York: Praeger, 1966), p. 17.

The High Valleys

The high valleys of Cochabamba, Sucre, Potosi, and Tarija is the area to the south of the Yungas between the Altiplano and the tropical and subtropical low lands of the Oriente. A wide range of climates is found throughout the high valleys. Most of the rainfall comes from December to April; there is practically none throughout the rest of the year. Soils vary with the topography covering a spectrum of types ranging from deep and friable to those that are salty, shallow, seriously eroded, and infertile. These valleys are the wheat producing area of Bolivia. Wheat is grown in the broad valleys and on the hillsides and hilltops at altitudes ranging from 6,000 to 10,000 feet. Corn is also cultivated in significant quantities and used for human consumption, including the production of the nationally popular alcoholic drink chicha. Barley, potatoes, and vegetable production, particularly in the area of Cochabamba, and a large volume of fruits including peaches, are crops that attest to the rich variety of agricultural produce of the high valleys. Cattle and goats also are a part of the campesino's farming system in the high valleys. The potential for agricultural development is considerable with the application of modern innovations such as chemical fertilizers, pesticides, and high yielding varieties.

Yungas

The Yungas, a word coming from the Aymará word meaning valleys, is the northernmost part of the high valley area. Because of the distinctiveness of this ecological niche from the other high valleys, it deserves special attention. It is a tropical area that is more humid with denser vegetation than the other high valleys. It lies directly to the northeast of the Cordillera Oriente with steep slopes and valleys that are deep and narrow and soils that are relatively deep. The agricultural land that is exploited is oftentimes on slopes that are greater than 45 degrees. At the higher elevations there is adequate precipitation for agricultural production to be carried on throughout the year, whereas in the lower elevations, a dry season is apparent. Coffee, bananas, sugar cane, citrus products, cocoa, coca, and papaya are all grown commercially in this area. The farmers in this area are in the La Paz marketing system and make little or no attempt to grow the crops that are needed for their immediate family needs. It is an area that was settled over 300 years ago and has throughout this entire period of time produced tropical products for the La Paz consumer including oranges, limes, grapefruit, and tangerines. The Yungas had also served as an important agriculture settlement for the Incas, providing tropical produce for pre-Columbian Altiplano communities.

Amazon Rain Forest - Oriente

The Amazon Rain Forest located in the extreme northern region of Bolivia is, as the name implies, a part of the Amazon River basin system. With temperatures averaging 83 degrees Fahrenheit and an annual rainfall of 100 inches spread throughout the year, the area is a tropical rain forest. The elevation ranges from 400 to 1200 feet above sea level. The sparse population is involved in exotic agricultural activities, including the gathering of Brazil nuts and wild rubber and the hunting of animals and snakes for their skins. There is considerable potential for the cultivation of plantation rubber, tea, and black pepper.

Beni - Oriente

Much of the Beni is a vast alluvial pampa stretching to the northeast. It is a tropical and humid region with rainfall coming in the summer months. A topsoil of two to three feet lies on a clay subsoil; these soils tend to be very dense and percolation is slow. Sparsely populated, the major activity is cattle production. Because this vast expanse is generally level, the area is subject to inundation during the rainy season. The problem of flooding is a serious deterrent to livestock production because of the loss of new-born calves which are unable to reach high ground. There are some subtropical and tropical areas in the Beni where a variety of agricultural products are produced. However, most agricultural products are cultivated to be

consumed locally because of the considerable problem and cost of moving produce out of the area.

The Beni has the same land use pattern today that characterized it prior to 1952. Only a few of the large cattle ranches were subdivided as a result of the Agrarian Reform Decree of 1953.

Chapare - Oriente

The Chapare area extends north from Cordillera Oriental spreading into the Oriente. It has a tropical climate with annual rainfall reaching as much as 100 inches per year. Agriculture production of several crops is possible throughout the year in contrast to the seasonality of agriculture production for most of Bolivia. The soils are exceptional, allowing for a wide range of tropical agricultural produce. Bananas, coca, cacao, yucca, corn, rice, and citrus products are grown throughout the area.

The Chapare area is inhabited almost exclusively by colonists who came to the area on a volunteer basis, with hardly any support being provided by the Bolivian Government. Though roads have been built to facilitate spontaneous colonization, the only other manifestations of Bolivian Government support are small amounts of supervised credit being made available to the farmers in this area.

Santa Cruz - Oriente

One of the principal areas in which the U.S. Government has focused considerable development assistance is the Santa Cruz area. A subtropical area, the annual rainfall is variable with most rainfall coming October through March, and the dry season coming during the months April through September. The soils in the area vary, allowing for a mixture of agriculture pursuits, including extensive cattle ranching and the raising of sugar cane, cotton, and rice. It is one of the most promising areas for agricultural development in the Americas. Sugar cane production was developed in the tropical forested areas where the soils are extremely fertile. However, because of lack of proper care for the soil, the productivity tends to decline rapidly. Rice production has followed the same pattern. Other major crops that have been developed during the fifties have been corn, which is used primarily for human consumption and the making of beverages, and cotton and various citrus fruits.

Brazilian Shield - Oriente

To the east of Santa Cruz, and extending to the Brazilian border, is the Brazilian Shield. In contrast to the Santa Cruz area, the potential for agricultural production in the Brazilian Shield region is limited. Precipitation of thirty-seven inches is spread throughout the year in this region, and the soils of the area are generally old and highly acid. Cattle production is the primary economic

activity with ranches spread over an extensive pampa covered with a Savannah shrub.

Chaco-Oriente

The Chaco, a semi-arid expanse area, makes up the last of the regions of the Oriente. Stretching from just south of the Santa Cruz area, it continues on to the Paraguayan frontier. It is composed mainly of thorny, drought-resistant plants. For as many as eight months there is a pronounced dry season. Though it is an area with some beef cattle production, there appears limited potential for increased agriculture production. Geological surveys suggest exploitation of mineral resources and oil deposits may be a possibility.[1]

---

[1]In the preparation of this chapter, I reviewed valuable material describing the agricultural regions of Bolivia in the following sources:

A.Dwight B. Heath, Charles J. Erasmus, and Hans C. Buechler, Land Reform and Social Revolution in Bolivia (New York: Praeger, 1969).

B.Agency for International Development, Report of Santa Cruz Area Development Mission (September 1954).

C.Preston E. James, Latin America. (New York: Odyssey, 1950).

D.Morris D. Whitaker and E. Boyd Wennergren, The Status of Bolivia Agriculture (New York: Praeger, 1975). Much of the soil, climate, and rainfall data was drawn from:

E.USAID Mission to Bolivia, Agricultural Development in Bolivia: A Sector Assessment (August 1974).

F.U.S. Department of Agriculture, Bolivian Agriculture: Its Problems, Programs, Priorities, and Possibilities prepared by Stanley Andrews, D.C. Myrick, and Glenn R. Samson (August 1962).

G.Kelso Lee Wessel, "An Economic Assessment of Pioneer Settlement in the Bolivian Lowlands" (Ph.D. Thesis, Cornell University, June 1968).

CHAPTER III

THE LAND TENURE SITUATION PRIOR TO THE REVOLUTION OF 1952

In analyzing the agricultural production capacity of a nation, the single most significant factor is that of land tenure. To understand rural development in Bolivia since the Revolution of 1952, some knowledge of the land tenure antecedents is critical. With an understanding of the land tenure antecedents, it is possible to begin to appreciate the attitudes at both the national level and in the Indian communities that were critical to the formulation of the fundamental changes that resulted on the Altiplano and in the high valleys of rural Bolivia.

The land tenure pattern that had evolved up to the time of the 1952 Revolution represented a complex hybrid of Spanish and Indian antecedents. Inca political domination of the Altiplano and high valleys in the pre-Columbian Period followed the same general pattern that characterized Inca domination in other Andean areas to which the Inca concept of empire had spread. Forced internal migration, the imposition of the Inca state religion, and the spreading of Quechua as a second language typified the coming of the Inca. The Inca domination most certainly must have also influenced the land tenure pattern of the Indians of the Altiplano and the high

valleys, and it was this pattern, reflecting a synthesis of Inca conquest and pre-Inca antecedents, which existed at the time of the Spanish conquest of Alto Peru in the mid-sixteenth century.[1]

At the time of the conquest, the Indians on the Altiplano lived in groups of families forming an ayllu. This is believed to have been the basic social, economic, and political unit of the Indians on the Altiplano. The land of the ayllu was distributed by the community to the individual family in the form of a parcel called a sayaña. The sayaña could be passed within the family from one generation to another; however, the family that worked the sayaña did not possess the prerogative to either sell or transfer the parcel of land outside of the family. When the land fell into disuse, it was to be returned to the community or the ayllu. Certain lands of the ayllu were used by the community for pasturage and communal farming.[2]

After the coming of the Spaniard to Alto Peru in 1535 and the conquest of the Indians on the Altiplano and in high valleys, a land tenure pattern was established which reflected institutional developments that were taking place throughout the Vice-Royalty of Peru. Recognizing that the most valuable outcome of the conquest was the availability o:

---

[1]Dwight B. Heath, Charles J. Erasmus, and Hans C. Buechler, Land Reform and Social Revolution in Bolivia (New York: Praeger, 1969), p. 20.

[2]Peter De Shazo, "The Colonato System on the Bolivian Altiplano From Colonial Times to 1952" (Madison: Land Tenure Center, Wisconsin University, 1970), pp. 1-2.

a cheap, sedentary, and civilized labor force, Indians were organized into encomienda and awarded to the members of the army of the conquest and the initial settlers. The Indians were required to give tribute in the form of goods and/or services to the encomendero. The encomendero in turn was charged with the responsibility of protecting, christianizing, and hispanizing the Indian. This process in many respects was not dissimilar to the institutional process of the conquest of the Indians of Bolivia by the Inca. The importance of the encomienda as a device to generate tribute in the form of free labor services began to fade as a result of legislation promoted by the Council of the Indies in 1549 which was designed to curtail the power of the encomendero.

The Spanish Imperial Government introduced two institutional devices into Alto Peru that significantly changed the land tenure pattern: the composición and the reducción. Composición was promoted to raise revenue for the Crown. Under this arrangement a Spaniard paid the Crown a fee for the recognition of his claim to land. The Indians involved in these claims lost their property rights in exchange for tenant's rights. Composición usually appears to have involved lands occupied by Indians held in encomienda. Reducción was an institutional device early employed by the Spanish Government to move the Indian from rural homesteads widely dispersed into zones of Spanish occupation called reducciones. This was done to facilitate the hispanization of the Indian, and in this process the Indians lost

possession of their land which then could be taken by the Spaniards.[1]

The mita, which had its origins in the pre-conquest period and became an important institution in the early seventeenth century, obligated Indian communities to provide workers for which the Indian participants were to receive pay. The mita provided a cheap source of labor for the mine, the hacienda, and public works projects. At approximately this same time the Crown began to award land grants, but land grants without labor to work the land were not to result in viable agricultural enterprises. However, the burden of the mita, requiring the Indian communities to provide labor in addition to the tribute to the Crown officials, created such great pressure on the Indian population that Indians from the free communities often left their holdings to become laborers on the haciendas. On the hacienda the Indian was no longer subject to being recruited for service in the mines, and the landlord would provide for him. Such an Indian was referred to as a yanacona, and the system referred to as yanacongazgo. It was immediately recognized by the owners of the agricultural estates that such a system was a means for obtaining control over a supply of cheap, agricultural labor critical to turning the agricultural estates into profitable economic activity. According to Luis Peñaloza, a Bolivian historian:

---

[1]Luis Peñaloza, Historia Económica de Bolivia 2 Vols. (La Paz, 1946), 1:119.

> The landowners rapidly saw in the Yanacongazgo system a means for attracting a labor force to their properties, their avarice which weighed heavily on the free Indian and protecting him from being drafted for the mita. It was in their interest to keep the Indians as workers on their estates which was a more benign system than the mines.[1]

It was the Imperial Government's continuous need for both tribute and Indian labor that contributed to forcing Indians out of free Indian communities and onto the hacienda where their everyday needs could be met by the patrón. It was during the seventeenth century that the hacienda gained primacy in rural Bolivia, replacing the encomienda as the chief institution for bringing a new agriculture to Bolivia and for exploiting the Indian. The basis was established for a land use pattern that would continue into the National Period.

The period from the Independence of Bolivia in 1825 through 1864 was one of various experiments designed to recognize the Indian as an equal. However, most of the experiments providing citizenship and land as a means of redesigning the political, social, and economic status of the Indians of Alto Peru starting with those of Simón Bolívar, through the reforms of Marshall Andrés de Santa Cruz and General José María de Acha ended in ignominious failure.[2]

In the last half of the nineteenth century, the process of breaking up the free Indian communities was greatly accelerated. During the dictatorship of General Marino

---

[1]Ibid., 1:122.

[2]Shazo, "Colonato System," pp. 5-8.

Melgarejo, the basis for the colonato system was established. The essence of the colonato system was that the landlord granted to his colono the right to farm a small parcel of the landlord's land. For this right the colono or his family agreed to give the landlord at least three person days of labor and as many as twelve person days of labor per week without compensation.[1]

Because of continuous financial pressure on the government, resulting from military expenditures and gross mismanagement practices, Melagrejo passed a decree in 1866, typical of the political chicanery of the period, designed to profit the white elites at the expense of the Indian. The decree stipulated that all land held by individuals must be titled. The service for titling ranged from 25 to 100 Bolivian Pesos. Any land not titled within sixty days was to be confiscated by the government and sold at public auction. The decree was aimed particularly at the Indians of the free communities to collect a land titling fee or the profit resulting from the sale of the Indian lands. Thus began once again a process that was almost as damaging to the Indian as anything that had happened during the Colonial Period.

From this period down to the mid-twentieth century, Indian communities were absorbed into hacienda systems. The process was accelerated by corrupt public officials empowered to collect the Indian head tax or

---

[1]Agency for International Development, "Land Reform in Bolivia" prepared by Ronald J. Clark. In AID's Spring Review of Land Reform, Land Reform in Bolivia, Ecuador, Peru. 2nd ed., Vol. 6. (June 1970), p. 5.

institute confiscation proceedings; the latter was often the case. Indians had little or no alternative but to turn to the large haciendas and render service in order to survive. Once on the hacienda, the Indian was forced to obtain on credit basic essentials in order to support his family. It was not uncommon that he was never able to pay off this debt. The result was the development of debt peonage as an institution which went unabated during the last quarter of the nineteenth century and the first half of the twentieth century.[1]

The movement of the Indian from the free Indian community onto the hacienda was defended as a means of relieving him from the heavy burden of having to toil on his land. On the hacienda he would be exposed to modern agricultural practices as well as receiving a more secure way of life. A government official during this period, quoted by the Bolivian historian, Luis Antezana, expressed support for this rationale when he said:

> We consider that to conserve the Indian in firm possession of his lands is to perpetuate the eternal ignorance and backwardness in which he himself prefers to dwell...to deprive the Indian of his land is to convert him from a poor and miserable landholder to a wealthy and comfortable colono, since he will continue cultivating the land which he previously owned, but in the capacity of the sharecropper whose master will always be in need of him.[2]

---

[1]Ibid., pp. 9-14.

[2]Luis E. Antezana, El Feudalismo de Melgarejo y la Reforma Agraria (La Paz, 1971), p. 21.

The result of this change was the institutionalization of the *colonato* system in Bolivia, the chief characteristics of which were the inequity and racism that were pervasive across the Altiplano and the high valleys. It has been estimated by Peter De Shazo that from 1846 to 1950 the number of Indians living in free communities declined by 75 percent; the assumption is that most of these Indians became *colonos* or part of the *colonato* system.[1] It was the *colonato* system that would be one of the major targets of the Revolution of 1952 and be destroyed as a result of this revolution.

---

[1]Shazo, "Colonato System," p. 16.

CHAPTER IV

RURAL DWELLER

To understand the development path Bolivia chose to pursue as a consequence of the Revolution of 1952, particularly the land reform aspect of this revolution, it is critical to have some awareness of the life of the Indian, the rural dweller, the Aymará and the Quechua, who lived on the Altiplano and in high valleys prior to this revolution. The vast majority of the Indian population were colonos[1] or agricultural laborers. Though legally free by law, the Indian, in practice, was bound to a patrón and to his rural estate. In return for the unpaid labor he provided the patrón, the colono received access to a small plot where he could build his house and grow the crops necessary for the survival of his family. He might have either a piece of land that was immediately adjacent to his dwelling or access to a

---

[1]By 1950 it is estimated that a mere 140,000 Indians lived in Indian communities having declined from an estimated 621,000 Indian belonging to Indian communities in 1846. The number of colonos was probably in excess of a million by the time of the Revolution of 1952. The 1846 figure is from Herbert S. Klein, Parties and Political Change in Bolivia, 1880-1952 (Cambridge: Cambridge University Press, 1969), p. 7, taken from Jose M. Dolence, Bosquejo Estadistico de Bolivia (Sucre, 1851); the 1950 figure is from Bolivia, Censo Demografico, 1950 (La Paz: Editorial Argote, 1955), "Introduction," taken from Peter De Shazo, "The Colonato System on the Bolivian Altiplano from Colonial Times to 1952" (Madison; Land Tenure Center, Wisconsin University, 1970), p. 16; and the 1952 estimate is from Shazo, p. 16.

series of plots in the fields that he would work for the patrón. Usually the colono could graze his animals on the estate of the patrón.[1]

The colono was required to provide three to twelve person-days of labor a week, the requirement reflecting the amount and nature of the land provided to the colono by the patrón. When the colono was unable to fulfill his family labor obligation, it was not unusual for the colono to hire someone or ones from outside the family to assist him in meeting his obligation. The colono had to use his own farm implements and animals for the plowing, planting, and harvesting when working the patrón's fields. Outside of the agricultural season, the peasant was expected to contribute family labor for road, fence, and building construction and repair.[2]

The colono's obligation did not end with the above, for as described by Ronald J. Clark, an agricultural economist who worked for many years with the agrarian reform programs in Bolivia, the colono was required to fulfill additional obligations including:

---

[1]Dwight B. Heath, Charles J. Erasmus, and Hans C. Buechler, Land Reform and Social Revolution in Bolivia (New York: Praeger, 1969), pp. 176-179.

[2]Ronald J. Clark, "Land Reform and Peasant Marketing Participation on the Northern Highlands of Bolivia," Land Economics 45 (May 1968), p. 155.

> ...making certain agricultural products, milking cows, working as house help or as messengers (either on the farm or in the landlord's house in La Paz), herding the farm animals, or selling farm produce in the landlord's store in La Paz. When the landlord needed additional help on other properties, or when he decided to rent his agricultural labor to another landlord, the peasant was obliged to leave his family and go there to work providing his own meals for the time necessary.
>
> Besides the obligations mentioned above, the peasant whose turn it was to go to La Paz (usually for a nine-day period to work in the house of the landlord) had to take a certain number of eggs which he was responsible for collecting from all the peasant families. The peasants were not paid for these, except on certain occasions when additional quantities of eggs were required by the landlord. At these times the peasants were paid in kind or in cash, but only one-third to one-half their value.[1]

If the colono was unable to fulfill his responsibilities or if he broke the rules of the patrón, he could expect to be fined by the patrón. The fine could be in the form of loss of money, agricultural produce, or farm animals. The colono could also be beaten by the patrón and even forced to leave the hacienda for failing to live up to his responsibilities as defined by the patrón or his representative.[2]

In turn, the patrón not only had a responsibility to provide land for the colono so that he might be able to support his family, but had an obligation, implied in the patrón/colono relationship, that required him to come to the assistance of the colono in times of crisis. If the colono had trouble with the local government, the patrón was expected to support his chattel. During special feast days,

---

[1]Ibid.

[2]Ibid.

the patrón would usually provide his colonos with alcohol and coca.[1] It was the patrón's obligation to build and insure the operation of a church on the property of the hacienda. The patrón was also expected to lend money to his colono for marriage, burial, and health expenses.[2]

The words of an English traveler to Bolivia in the early twentieth century captured the essence of the patrón and Indian relationship:

> He neither loves nor hates, but fears, the white man, and the white man neither loves nor hates, but despises him, there being some fear, at least in Bolivia, mingled with the contempt. They are held together neither by social relations nor by political, but by the need which the white landowner has for the Indian's labour and by the power of long habit which has made the Indian acquiesce [sic] in his subjection as a rent payer.[3]

On his plot the colono grew the same crops he was to grow in the post-revolutionary period. A variety of potatoes and beans, corn, wheat, barley, quinoa and oca were the staples of the Indian's diet. Chuño, the dried potato product, could be kept indefinitely and has even been found in edible condition in pre-Columbian graves. Quinoa, a cereal grain, was valuable for its richness in calories, protein, and vitamin B1. Oca was important because it would thrive in the rocky, sandy soils where nothing else would

---

[1]Heath, Land Reform, p. 200.

[2]Clark "Market Participation," p. 156.

[3]James Bryce, South America, Observations and Impressions (London: MacMillian, 1912), p. 185.

grow.[1] These foodstuffs would have been supplemented with meat products from sheep, cattle, guinea pigs, pigs, and chickens.

Another basic aspect of the colono's farm economy was the llama. The llama's flesh was valued for both food and medicine products. Its wool would be made into clothing critical for protecting the Indian from the harsh weather of the Altiplano. The skin of the llama was used to make blankets and sandals. The llama's dung was an important source for fuel and fertilizer. As important as it was for all the above reasons, perhaps the greatest value of the llama was as the beast of burden for the Indian, being able to carry up to 100 pounds for twelve miles a day.[2]

The colono had no access to modern agricultural technology; no fertilizer, no pesticides, no mechanical tools were available to him. He farmed his small plot in essentially the same manner that the land had been farmed since the arrival of the Spaniard to Upper Peru 400 years earlier. With the exception of oxen and the wooden plow, it is very probable that the agricultural techniques the Indian employed had not changed to any significant degree since pre-Columbian times when the Quechua came on to the Altiplano and into the high valleys of Bolivia, bringing with them their advanced

---

[1]Frank L. Keller, Geography of the Lake Titicaca Basin of Bolivia (College Park, Maryland, 1949), p. 28.

[2]Ibid., p. 29.

agro-technology. It is safe to assume that yields were extremely low and that there was never an abundance of food.

The shelter that the Indian family lived in was basic and primitive. In the upper reaches of the Altiplano the type of dwelling described by Castro Ferragut still exists today in Bolivia.

> En cuanto a las viviendas campesinas del Altiplano, ellas carecen de los más elementales principios de higiene y confort, son de un área muy reducida y estan constituidas de una sola pieza donde cocinan y duermen todo los miembros de una familia en una completa promiscuidad; no tienen luz ni ventilación y carecen de mobiliario; son construidas de barro y techo de paja; al carecer de leña emplean estiércol seco de llama o de ganado vacuno como combustible para cocinar; los corrales de oveja generalmente se instalan junto a la vivenda y con frecuencia la misma es compartida con aves y cerdos. La familia duerme sobre cueros de cabras y ovejas.[1]

The Indian was beset with a variety of basic health problems, and in the complete absence of a modern medical care system, he had no alternative for seeking relief from sickness except as might infrequently be provided by a local practitioner or witch doctor. Indigenous medicine was a jumble of religious beliefs and magical practices, reflecting Indian folk traditions and the medieval concept of medicine brought to Upper Peru by the Spaniards.[2] The Altiplano, particularly because of its elevation, is an environment that contributes to the Indian population having a lot of

---

[1]Castro Ferragut, "La Reforma Agraria Boliviana. Sus Antecedentes, Fundamentos, Aplicación y Resultados" Revista Interamericana de Ciencias Sociales 2, No. 1 (Washington, D.C.: Panamerican Union), p. 103.

[2]USAID Mission to Bolivia, Health Sector Assessment (January 1975), p. 52.

respiratory infections. Also, the lack of access to potable water and poor habits that were part of the daily ritual resulted in a low hygiene standard producing a high instance of gastric problems. As a consequence, it is not surprising that the Indian would have most often suffered from either a respiratory disease or gastroenteritis.[1]

---

[1]Department of Defense, Bolivia, Nutrition Survey, A Report by the Interdepartmental Committee on Nutrition for National Defense (June 1965), p. 25. The report states on p. 25:

> The health problems of Bolivia are many and serious. While current vital statistics are meager or unreliable the following table presents figures for Bolivia from a publication of the Pan American Sanitary Bureau...which are suggestive of the nature and scope of the problem. In 1953, the last year for which data are available, the death rate per 100,000 from all causes was 1,449.8. The principal causes of death were as follows:
>
> | Cause | Deaths per 100,000 |
> |---|---|
> | Whooping Cough | 163.8 |
> | Influenza and Pneumonia | 141.0 |
> | Diseases of the heart | 65.6 |
> | Gastritis, enteritis, etc. | 56.7 |
> | Tuberculosis, all forms | 55.6 |
> | Avitaminoses and other metabolic diseases | 45.2 |
> | Anemias | 42.2 |
>
> The infant death rate per 1,000 live births in 1953 was 106.1. The rates for children 1-4 years of age were 26.6, for children 5-9, 4.2, and for children 10-14, 2.5. The maternal death rate per 1,000 live births was 4.5.
>
> Other diseases which should be mentioned are smallpox, for which there were a reported number of 40.5 cases per 100,000 population in 1957, a rate approximately three times that of previous years. In 1956 cases of malaria were reported at a rate of 33 per 100,000. Other prevalent diseases are scarlet fever and streptococcic sore throat, typhoid, typhus and infectious hepatitis. Miners are subject to special health hazards, notably accidents and occupational diseases, which result in permanent disabilities, as well as increasing production costs to the industry. There is a high rate of

The nutritional status of the Indian prior to the 1952 Revolution was poor; he consumed only about one-half of what was considered the maximum daily requirement of calories. On an average, the most an Indian might have was 1,500 calories per day, while 3,000 is considered what was minimal for a person performing the kind of agricultural tasks demanded of the colono in the Bolivian setting.[1] Certainly protein/calorie malnutrition in the infant population must have been one of the major causes of death. It is a reasonable estimate that well over 50 percent of all the children, five and under, experienced serious protein/calorie malnutrition. The lack of a balanced diet of sufficient quantities of food, coupled with bad water, were the major factors contributing to this problem of infant mortality. Infant mortality in Bolivia was probably the worst in Latin America. Immunization programs were unheard of in the Indian communities and

---

(cont.)
silicosis, since dust protection measures are not practiced with great frequency.

Goiter is a serious problem in many areas of Bolivia. Records of endemic goiter in Bolivia are several centuries old. In the latter half of the sixteenth century the Viceroy of Peru sent a commission to the present Department of Chuquisaca to cure the goiter there, so serious had it become. The Bolivian word for goiter, "coto," has given rise to the place-name Cotoca, a township in the Department of Santa Cruz, in the eastern part of the country. In Iacuaraembotic and in Tarija, where goiters are abundant, the words "cotudos" and "cotos" are in common use to describe the local inhabitants.

[1]Shazo, "Colonato System," p. 23.

on the great haciendas prior to the revolution. Consequently, smallpox was common.[1]

The Indian had no access to education, and most of the rural population remained illiterate and ignorant with only a few of the Indians being able to speak Spanish. Though some primary schools had begun to emerge in the thirties in the rural areas as a part of an experiment,[2] Luis Antezana described the educational situation of the time of this 1952 Revolution in these terms:

> Only 15.9% of the peasants are literate, 84.1% of the population between the ages of five and eighty-five unable to read and write.
> The Aymará Indians have 81.3% who are illiterate.
> The Quechua race has 83.1% who must learn to read and write.
> Some 82.1% of the peasants of the Eastern zone await teachers and schools.
> More than 15,000 schools are needed in the whole country, and some 30,000 more rural teachers. Some 768,000 children between the ages of five and nineteen are not attending school...[3]

The Constitution of 1826 stated that only Bolivians who were literate could vote and hold public office. The Constitution of 1861 required that only a person who owned property of certain value could hold citizenship. Of course, all Bolivians, which included the Indians, were legally guaranteed such basic rights as reasonable compensation for his work, access

---

[1]Department of Defense, Nutrition Survey, p. 25.

[2]USAID Mission to Bolivia, Education in Bolivia, A Preliminary Sector Assessmnt (July 1975), Part 11, p. 5.

[3]Luis Antezana, Resultados de la Reforma Agraria en Bolivia (Cochabamba, 1955), p. 35. Translated by Robert J. Alexander, The Bolivian National Revolution (New Brunswick; Rutgers University Press, 1958), p. 84.

to education, to pass freely throughout Bolivia, holding property, and access to a judicial process which included appearing in court and filing petitions. In practice, the Indian was granted none of these rights. Since government and the owners of the great estates were usually one and the same, there was little the Indian could do to change his situation.[1] To quote James Malloy, author of Bolivia, The Uncompleted Revolution, "The Indian experienced the Bolivian Government as an alien power which, when it didn't ignore him, sought to use him and nothing more."[2]

In practice, the Indian was a non-person. Isolated, ignorant, enslaved by insurmountable debt he owed the patrón, his life was an endless cycle of misery. An expression of the servile status is captured in a description by Frank Keller, a geographer who did research in Bolivia in the mid-forties, describing pre-Revolutionary Bolivia, when he says:

> While visiting the altiplano estates in company with their owners, the writer and his wife found it difficult to cover their embarrasssment at witnessing the way in which colonos would come forward individually and bow humbly at the feet of each person before continuing with their prescribed tasks.[3]

This same attitude and posture could be seen in the Aymará and Quechua of Peru on the Altiplano just over the border

---

[1]Shazo, "Colonato System", p. 21.

[2]James M. Malloy, Bolivia, the Uncompleted Revolution (Pittsburgh: University of Pittsburgh Press, 1970) p. 27.

[3]Keller, Geography, p. 45.

from Bolivia in the sixties. The Indian would stand with his head humbly bowed, looking at his feet as he attempted to address his white master.[1] It was not unusual to see the Indian kneel or genuflect before his patrón prior to the Revolution of 1952. The Quechua and Aymará were referred to by their white overseers by the term Indio. The patrón, the overseers, and the white upper class reserved the term Boliviano strictly for themselves. The Indians were not perceived as being citizens by all other human inhabitants of Bolivia. The Indian had neither vote nor voice in the government.[2]

The entire Indian population's lack of access to modern society was nearly complete--no access to market, no access to education, no access to health services, no access to basic rights. The majority of Indians were slaves to the patrón class of the grand rural estates. The Indian's life was as bleak and as harsh as the Altiplano itself. Only a dramatic change of condition could be expected to break the cycle of poverty and ignorance in which he found himself.

---

[1]Author's observation.

[2]Heath, Land Reform, p. 38.

CHAPTER V

U.S. DEVELOPMENT POLICY EMERGES IN THE FORTIES

As part of a hemispheric-wide effort to insure sustained access to strategic materials including natural resources and foodstuffs and simultaneously deny these same resources to the Axis during World War II, the U.S. Government entered into a number of agreements of economic and development assistance with Latin American nations. On August 1, 1941, this process started with Bolivia. A memorandum that was to have an indelible impact on the course of Bolivia's development path was passed to the Bolivian Ambassador in Washington, D.C., Luis Fernando Guachalla. This memorandum suggested guidelines for a program to be characterized by a "long-term plan of collaboration to foster continued mutually beneficial economic relations between the United States and Bolivia and to develop the national economy and national resources of Bolivia."[1]

The plan for assistance outlined three programmatic areas: (1) the development of a national communications infrastructure with an emphasis on primary road system development; (2) the further development of the mineral

---

[1]Department of State, Foreign Relations of the United States 1941 Vol. 6 (1963) p. 436.

sector with a focus on assistance to small mining enterprises concerned with tungsten and tin; and (3) assistance to promote agriculture diversification and subtropical and tropical agricultural development for increasing agricultural exports and with a medium-term goal of achieving food self-sufficiency.[1]

To implement such a program, the State Department offered to undertake surveys directed by U.S. technicians to define the scope of the problems in these three areas with an understanding that U.S. Government financial assistance and U.S. technical personnel to execute projects would follow the completed surveys. The memorandum also anticipated that financial assistance was to be offered to address the problems associated with stabilizing the Bolivian currency. This latter problem was to be a preoccupation to endure for the next twenty years and become the principle feature of U.S. economic assistance in the fifties.[2]

After acceptance of this proposal by the Bolivian Government, an Economic Mission was formed and sent to Bolivia in December of 1941. The mission consisted of Chief of Mission, Merwin L. Bohan, a Foreign Service Officer, Assistance Chief of Mission from the Inter-American Affairs Office, Rex Pixley, and two representatives each from the Public Roads Administration, the Agriculture Department, and from tne Bureau of Mines. The mission was eventually

---

[1]Ibid.

[2]Ibid.

augmented with the services of two rubber technologists and a drug production technician. The mission was funded with $75,000 provided by the Office of Coordinator of Inter-American Affairs and was in Bolivia from December 17, 1941 to May 21, 1942.[1]

On August 15, 1942, Mr. Bohan submitted his final report to the Secretary of State, outlining a program for development that consisted of three major components with the same three areas of emphasis set forth in the original note of August 1, 1941. The first component proposed the creation of a national highway system to connect production with consumption centers.[2]

The second component of this developmental strategy concerned the agricultural sector. A major concern was to stimulate production of rubber, quinine, and other products that were important to the war effort which the U.S. was particularly interested in obtaining from Bolivia. Consideration was also to be given to increasing the production of basic crops including rice, wheat, sugar, and cotton. The processing, marketing, and credit facilities needed for increasing agricultural production were also discussed. The report recommended that an agricultural research and extension system be developed for those areas where agricultural

---

[1]Department of State, Report of United States Economic Mission to Bolivia, "Part I - General; Conclusions; Recommendations" submitted by Merwin L. Bohan (August 15, 1942), pp. 3-4.

[2]Ibid.

production potential was the greatest. A key dimension of the agricultural strategy was the development of irrigated farming systems. The report recognized the need to develop formal agricultural education institutions as a part of an educational program to promote scientific and technical improvement of agriculture. The Oriente was to be the target geographic area with development support radiating out of Santa Cruz. It was argued in the report that the key to significant production increases was the successful exploitation of the subtropical and tropical lowlands where large scale commercial agriculture was possible.[1]

The third component proposed a series of recommendations that dealt with investments to further develop the mining sector and address the domestic petroleum requirements. Specific programs were outlined to support geological and exploratory studies, to further develop infrastructure for the movement of mining and petroleum products, to promote fundamental institutional changes in public sector organizations concerned with mineral petroleum exploitation, to promote improvement in the metallurgical processes related to tin and tungsten production, and to provide financial support for medium and small mining operators through the Mining Bank of Bolivia.[2]

The Bohan Report was a masterful presentation, buttressing reasoned conclusions and recommendations with a wealth

---

[1]Ibid., pp. 13-14.

[2]Ibid., pp. 14-25.

of detailed observations and factual data acquired in Bolivia. The specific program and project recommendations were placed in a context of a national development strategy that had as basic ingredients "sustained effort" and "patience."[1] Since the plan called for a ten to twenty year effort before Bolivia could be transformed into a modern society, the Report emphasized the need for a long term planning and financial commitment on the part of the U.S. Government.

The development philosophy projected for this pioneering effort recognized the need for concessional assistance, given the enormity of Bolivia's problem and lack of internal capability for providing all the resources necessary for transforming the Bolivian society. Bohan emphasized the need to concentrate resources in terms of geographic areas and by sectors, recognizing the inevitable political risks in such an approach. Implicit in this approach also was the need to identify sequential stages of growth, particularly as they related to the ordering of specific project activity. National interest, not regional interest, was necessary to "determine the tempo and the direction" of the Bolivian development effort.[2]

The development plan articulated in the Bohan Report was essentially the course followed by the U.S. Government in conjunction with Bolivia's development effort during World

---

[1]Ibid., p. 11.

[2]Ibid., p. 12.

War II and on into the decades of the fifties and the sixties. The first phase of the effort called for an expenditure of $26,125,000. Of the sum, road development accounted for $12,000,000, agricultural development called for $6,625,000, petroleum development required $5,500,000, the mining sector was to secure $1,000,000 and health activity to receive $1,000,000. Resources for this developmental activity were to be provided principally by credits from the Export-Import Bank and the Bolivian Development Corporation funded by the Bolivian Government. The Santa Cruz-Cochabamba Highway was to be given the highest priority.[1]

This first phase of development activity was to be followed by a second phase calling for a U.S. expenditure of an additional $15,000,000 and a Bolivian contribution of $20,000,000. It was anticipated that the Bolivian Government would be able to provide these additional resources by modernizing and expanding their tax collection system. For that reason the Bohan Report recommended that the Bolivian Government immediately hire a tax expert to review the present tax collection system and make recommendations how it could be modified to increase revenue to support Bolivia's development.[2]

The Bohan Report supported investments in the agricultural sector to improve Bolivia's balance of payments

---

[1]Ibid., pp. 15-18.

[2]Bohan Report, "Part II - A Economic Study of Agriculture in Bolivia," p. 2.

situation. During the five year period from 1936 to 1940 imports averaged $23,139,000 per annum, $10,470,000 of that amount for agricultural imports. It was this same concern for increasing agricultural production by developing the tropical lowlands that promoted the creation of a national highway system that connected the highly populated highlands with the Oriente.[1]

The major role that Santa Cruz was to play in this strategy for agricultural development was clearly stated in the Bohan Report:

> In so far as the agricultural development plan is concerned, the Agricultural Section of the Economic Mission, after visiting the principal zones of the Republic, is of the opinion that the most promising area for immediate large scale agricultural development is in the Santa Cruz district. Moreover, Bolivian statesmen consider it highly desirable that the political integration of the country be furthered by the establishment of convenient land communications between the important Santa Cruz region and the principal centers of the Altiplano. It is equally important that Santa Cruz be connected economically. This city is a natural center and distributing point for the eastern lowlands as it will eventually be connected to the east with Corumba, Brazil; to the north with the river navigation system of the Beni; to the south with the Camiri oil fields, the Villamontes irrigation project, and Argentina.[2]

The Bohan Report was a model for economic development that discussed the specifics of an investment pattern that the U.S. Government was to pursue for the next thirty years in Bolivia. The report became basic reading for every Embassy Economic Counselor and USAID Mission Director for the

---

[1]Bohan Report, "Part I - General; Conclusions; Recommendations," p. 11.

[2]Ibid., p. 16.

next 25 years.[1] The model was one that we would eventually identify as embodying the "trickle down" approach. It was also a model that was inspired more by the U.S. developmental experience than by the development needs of the Bolivian people. Despite a sweeping revolution that came at the beginning of the next decade, it was to be more than 20 years before the U.S. Government would develop a development assistance program that was basically concerned with the needs of the majority population, the Bolivian campesinos. This is despite the recognition in the Bohan Report that the overwhelming majority of the Bolivian population lived on the Altiplano and in the high valleys, and the way of life in this region was one essentially of subsistence agriculture. The recommendation to concentrate a U.S. assistance effort in the subtropical and tropical zones which were, for the most part unpopulated, rather than pursuing projects to alleviate rural poverty in the communities of the Aymará and Quechua, must be understood as a reflection of the North American experience. However, in fairness to the U.S. Government officials concerned with the articulation of economic development policy, the myth had evolved, starting with the Spanish conquest, that the real wealth of Bolivia lay in the Oriente. An endless flow of pronouncements from all stripes of politicians in La Paz had reinforced the thesis that a new agricultural El Dorado would emerge in the vast expanse of tropical green.

---

[1]Irvin Tragen, Mission Director to Bolivia 1965- 1968, interview held Washington, D.C., January 1982.

PART II

U.S. SUPPORT FOR TRADITIONAL APPROACHES TO RURAL DEVELOPMENT

The chapters in this section describe traditional development assistance approaches for the rural sector supported by the Bolivian and U.S. Governments principally in the fifties and the sixties. These programs had as a primary thrust the development of the Oriente. Though there are incidents of development assistance reaching the Altiplano and the high valleys, particularly in the agricultural credit and the research and extension programs, the preponderant concern was the development of tropical and subtropical Bolivia. In each of the following chapters--agricultural research, extension, and technology described in Chapter VI; agriculture credit described in Chapter VII; and colonization activities including road development described in Chapter VIII--the evidence provided documents the general thesis that the goal to achieve increased levels of production in the Oriente, at the expense of providing resources to the majority population, was pursued. The material discussed in Chapter IX suggests that the majority rural population was not a major concern of the U.S. Government when it came to the development of human capital through the provision of support for health and education projects.

CHAPTER VI

AGRICULTURAL PRODUCTION ACTIVITY

Introduction

The U.S. Government's support for agricultural activity designed to promote increased agricultural production for the period 941-1974 consisted of a variety of disparate projects. During this period, the U.S. Government tried almost everything at least once. Financial resources were available to the extent that the USAID Mission could always find resources to promote agricultural projects in which it was interested.[1] The following narrative will review the major technical and scientific efforts implemented to address the problem of low productivity in the agricultural sector including research and extension activity and related crop production programs, the major studies that were undertaken to define the agricultural problem in the sixties, and the

---

[1]The materials listed below reveals this lack of focus:
A. Point IV in Bolivia 1942-1960 (La Paz, December 1960), pp. 86-90.
B. Field Proposed Program for FY 1963, Bolivia (Washington, D.C., December 1961) pp. 77-164.
C. Country Assistance Program, Bolivia, Part II, FY 1966 (Washington, D.C., October 1964) pp. 269-292.
D. Country Assistance Program, FY 1967, Bolivia, Part II (Washington, D.C., September 1965) pp. 100-126.
E. Country Assistance Program, FY 1968, Bolivia, Part II (Washington, D.C., October 1966) pp. 140-196.

wheat program in the sixties that extended into the seventies.

In most instances the U.S. funded development projects that are described in this chapter represented traditional approaches to development assistance. There was emphasis on construction of buildings and importation of commodities at the expense of developing human capital on the Altiplano and in the high valleys. The underlying theme in all these activities was to increase agricultural production, with AID assistance being skewed in favor of the development of the Oriente. The production increases that did result in the Oriente benefited only a very small segment of the Bolivian population. The technology that was transferred by this process found few applications to benefit the poorest majority rural population.

Agricultural Research and Extension Activities and the Related Crop Production Programs

Background

One of the earliest efforts to support the development of rural Bolivia that grew directly from the recommendations of the Bohan Report was the promotion of an agricultural research and demonstration center concept.[1] Though a glance at the agricultural needs of Bolivia suggested an obvious need for developing such institutional capacity, the

---

[1]Department of State, Report of United States Economic Mission to Bolivia "Part I - General; Conclusions; Recommendations" submitted by Merwin L. Bohan (August 15, 1942), p. 24.

recommendations and the subsequent models that evolved were more a function of the U.S. development experience than a reflection of an indigenous impulse. The models reflected the rich experience that had contributed to bringing dramatic changes to the U.S. agricultural scene since 1940. However, they did not result in commensurate dramatic changes on the farms on the Altiplano or in the high valleys where the vast majority of Bolivia's farmers lived.

The vast majority of the agricultural development activities supported by the U.S. Government in Bolivia in the fifties were managed by the Inter-American Agricultural Service (SAI).[1] SAI's primary concern was the development of an agricultural research and demonstration center network and a national agricultural extension capability radiating from

---

[1]For the period 1952-1960, approximately $9 million was provided to support the development and institutionalization of agricultural infrastructure. Another $4.4 million was provided to provide budget support to the Bolivian Government which in turn made these funds available to agricultural entities to supplement the funds provided directly by the U.S. Government. An additional $7 million was provided through this period to purchase equipment and supplies used in the agricultural development of Bolivia. Nearly all of the $9 million funded by the U.S. Government to promote technical cooperation in Bolivia was devoted to creating and supporting SAI. The local currency provided to supplement the technical cooperation grants was designed to support the development of specific agricultural credit programs and to supplement the agricultural center and demonstration concept directed by SAI. The major expenditure was to establish these activities in the tropical and subtropical areas. The largest single expenditure was to support loan programs for agricultural credit, a large percentage being devoted to the promotion of sugar production. Budget support was also provided to the National Agrarian Reform Service, which played a modest role in helping this institution to become operational. USAID Mission to Bolivia, Point IV in Bolivia 1942-1960 (December 1960), pp. 86-91.

the agriculture research and demonstration centers. This extension service also promoted a supervised credit program, a cooperative development program, and a youth program, modeled on the U.S. 4-H program designed to attract young agriculturalists.

U.S. assistance to the agricultural sector began in 1942 when the U.S. Government joined with the Bolivian Government to develop an agricultural research program in the Amazon Rain Forest area to explore ways to improve rubber production.[1] The next year an agreement was signed between the Bolivian Government and the U.S. Government for a program of agricultural development. The U.S. Department of Agriculture (USDA) was designated as the implementing agency of the U.S. Government to provide technical assistance. The agreement also stipulated requirements for the Bolivian Government to acquire land for the research and demonstration activities and whatever other resources where necessary to implement the program of technical assistance. However, because of the Revolutions in 1943 and 1946 and problems emanating from the extremely nationalistic government of General Villarroel, implementation of the program was delayed until well after the close of World War II. In 1947 a three-man party headed by Dr. Olen E. Leonard of USDA, Nicario C'de Baca, a specialist in extension, and Floyd R. Oliver, an agronomist,

---

[1]U.S. Department of Agriculture, Bolivian Agriculture: Its Problems, Priorities, and Possibilities prepared by Stanley Andrews, D.C. Myrick, and Glen R. Samson (August 1962), p. 35.

initiated work in the Cochabamba Valley at the Tamborada Experiment Station. The station was divided into separate plots of land for crop research, pasture research, and seed production. Also, an area was set aside to be used by San Simón University, located in Cochabamba, which the U.S. team hoped would take part in the research and extension work at Tamborada. The intention of the U.S. advisors was to encourage San Simón to operate in much the same fashion as a U.S. land grant college.[1] This U.S. effort was followed by similar efforts in 1948 to establish research and demonstration centers at Belén on the Altiplano and Saavedra in the Santa Cruz area.[2] With encouragement from the U.S. Government, the Bolivian Government issued Supreme Decree 1401 on November 30, 1948 officially creating SAI as a special entity within the Ministry of Agriculture. SAI was organized into six divisions: administrative, agricultural economics, agricultural research, agricultural extension, agricultural machinery, and supervised credit.[3] However, SAI remained small until after the 1952 Revolution.

---

[1]USAID Mission to Bolivia, Preliminary Historical Review of Rural Development Division (December 1970), pp. 6-8.

[2]USAID Mission to Bolivia, Audit Report No. 66-1 on Servicio Agrícola Interamericano (July 19, 1965), p. 8.

[3]Ministry of Agriculture, Inter-American Agriculture Service, SAI-Informe de Actividales, Julio 1956-Marzo 1960 (1960), p. 1.

Expansion of Research and Demonstration Centers

One of the most significant areas of U.S. support after the Revolution of 1952 was for expansion of the system of agricultural research and demonstration centers that had been initiated during the forties. Assistance was provided to develop centers at Riberalta in 1952; Muyurina in the Santa Cruz area and Reyes in the Beni in 1956; Patacaya on the Altiplano in 1958; Trinidad in the Beni and Chinoli in the Potosí Valley in 1961; and Santa Anna and Magadelena in the Beni, San Javier in the Santa Cruz area, and Toralapa and Chipiríri in the Valley of Cochabamba in 1962.[1] As proposed by the Bohan Report, USAID's emphasis for agricultural development was to take place in the Oriente. This emphasis perhaps accounts for the fact that there were nearly twice as many centers supported by the U.S. Government for the ten years immediately after the 1952 Revolution located in the tropical and subtropical regions as compared with the Altiplano and the high valleys.

Agriculture Extension

In addition to the creation of the series of SAI supported and supervised agricultural research and demonstration stations, an Agricultural Extension Service was created. The growth of this service, which began in 1953, had continued rapidly and by 1958 consisted of 103 extension agents,

---

[1]Audit Report No. 66-1, p. 8.

TABLE 4

AGRICULTURAL RESEARCH STATIONS IN BOLIVIA RECEIVING USAID SUPPORT 1948-1962

Station	Location	Year Developed	AID Support	Initial Jurisdicition	Principal Focus
Belen	North Altiplano	1946	1948	SAI	Potatoes, sheep vegetables, quinoa
La Tamborada	Valleys-Cochabamba	1947	1947	SAI	Wheat
Reyes	Beni Plains	1948	1956	Corporacion Boliviana de Fomento	Beef, cattle, pastures
Saavedra	Santa Cruz	1948	1948	SAI	Rice, sugar cane, corn
Riberalta	Amazon Rain Forest	1952	1952	SAI	Rubber
Muyurina	Santa Cruz	1953	1956	SAI	Cattle
Patacamaya	Central Altiplano	1953	1958	SAI	Sheep, forages, wheat
Trinidad	Beni Plains	1961	1961	SAI	Beef, cattle, rubber
Chinoli	South Altiplano	1962	1961	SAI	Potatoes, wheat
Toralapa	Cochabamba	1962	1961	SAI	Potatoes
Chipiriri	Yungas-Cochabamba	1964	1962	SAI	Citrus, rice
Santa Anna	Beni Plains	1962		SAI	
Magadelena	Beni Plains	1962		SAI	
San Javier	Santa Cruz	1962		SAI	

SOURCE: Data provided by USAID Mission to Bolivia, Audit Report No. 66-100 Servicio Agricola Interamericano (July 19, 1965), p. 8 and USAID Mission to Bolivia, Agricultural Development in Bolivia, A Sector Assessment (August 1974), p. 206.

including district directors, field agents, and assistant field agents. Additionally, there were approximately fifty home economists or demonstration agents and fifty-four administrative personnel in the Agricultural Extension Service. The program reached into sixty out of ninety-seven provinces and seven of the nine departments of Bolivia. The U.S. provided ten technicians to serve as the chief administrator and senior technicians in the program.[1]

An important adjunct of the National Extension Service was the creation of a rural youth program designed and patterned after the 4-H organization found in the U.S. The Bolivian program was initially started in 1949 in the Cochabamba area and was concerned with teaching rural youth basic agricultural skills. The underlying theme in the training was that young agriculturalists could modify their environment and improve the agricultural productivity of Bolivia. Each participant, male or female, was encouraged to have a vocational project. By 1959, there were 451 clubs scattered throughout Bolivia with a membership of 7,283. Involved in the program were over 600 adult volunteers. With the subsequent decrease of SAI fortunes in the sixties, this program became largely defunct because of lack of financial support.[2]

Another important aspect of SAI's work in the agricultural extension area was its effort to create an agricultural

---

[1]USDA, Bolivian Agriculture, p. 90.

[2]Preliminary Historical Review, p. 50.

information system targeted on the campesino population. The mediums included radio and bi-weekly newspapers these were supplemented with bulletins providing the farmers with practical information derived from agricultural experiments that took place at the agricultural research and demonstration centers. In 1955 alone, it was reported that nearly 125,000 rural inhabitants saw films prepared by SAI extension personnel and that one quarter of a million pamphlets were printed and distributed to the rural population through the SAI agricultural extension mechanism.[1]

The effectiveness of the Agricultural Extension Service was limited by the fact that the program had been initiated in pre-Revolutionary Bolivia when the target population was the patrón or overseer of the large agricultural estate. After the Revolution of 1952, the program to be effective had to reach out to a dramatically different clientele, the Indian, the campesino.[2] It was only natural that the campesino should initially look on SAI personnel with suspicion. Negative attitudes of SAI personnel, both U.S. and Bolivian, regarding the campesino population, also acted as a constraint to effective communication with this population. In his end-of-tour report one U.S. technician shortly before leaving Bolivia in 1960 described these problems:

---

[1]Ibid., p. 53.

[2]USAID Mission to Bolivia, "Rural Development in Bolivia 1966-1967, An Analysis of Some of Its Major Aspects" prepared by Seymour Rotter, Evaluation Officer (June 1967), p. 31.

> It was natural that the relationship between the original farm owners and his {sic} former peons became strained and it was difficult to get a good agricultural Extension program established in these farm communities.
>
> The habit of indulging in alcoholic beverages had been semi-controled {sic} by the former owners but when guidance and direction in this respect had rescended {sic}, this activity increased considerably, which utilized the greater part of the time and money of the new farm owners. Thus this problem of alcoholism disrupted family life, retarded interest in farm work and impaired rural health, which made it almost impossible in some areas of the region to do effective Extension work.
>
> The greater percentage of the Extension Agents and Home Agents were sons and daughters of those families who were former owners of these large hacinedas; it was naturally {sic} that they had a negative attitude toward teaching and assistng these undisprivileged {sic} new owner operator indian farmers. This problem was so pronounced in some cases that their separation from the Extension Service was necessary.[1]

U.S. agricultural technicians concerned with developing an extension service were predisposed to provide assistance that was quite naturally in tune with the development of the larger farm holding. Their bias moved them to support a land tenure pattern that favored the patrón. They felt more comfortable working with owners and managers on the large estates down in the Oriente where the expanse was infinite as was the potential for production and profit.

Agricultural development, whether it be for a large extensively farmed rural estate or for a small parcel of land intensively cultivated by a single family unit, requires a variety of services to be provided both by the public and private sectors. How these services are delivered will be a

---

[1]USAID Mission to Bolivia, W. Lovard Davis "End of Tour Report" (April 1960), pp. 23-24.

function of the land tenure pattern. In pre-Revolutionary Bolivia the number of large estates were relatively few as contrasted with some 300,000 new farm units that were created as a result of the Revolution of 1952 on which the campesino practices largely subsistence agriculture. The agricultural innovations to be introduced after the Revolution of 1952 remained the same, a new variety of seed, the application of a fertilizer, the utilization of a pesticide. But the method for the delivery of the new input had to be changed significantly, given the dramatically increased size of the target population. It was much easier to reach the owners or overseers of the large farming operations of pre-Revolutionary Bolivia than to reach the hundreds of thousands of campesinos after the Revolution of 1952 and the Agrarian Reform Decree of 1953. Not only was it necessary to deliver the new technology, but it was also critical to recognize the difference of attitude between the patrón of a large rural estate, who was enlightened and anxious to accept new technology, when compared with the campesino, who because of a lack of education and his need to practice survival agriculture, was not a risk taker. Another factor of farm operation that had changed after 1952 was the distribution of the agricultural products. In pre-Revolutionary days it was a relatively simple matter for the overseer of the hacienda to collect and distribute the products of the hacienda to the commercial center. After the Revolution of 1952, and the division of the land among the campesinos, the entire

marketing system broke down, as did the system for delivery and selling of the farm produce to the commercial centers.[1]

Essentially what existed in Bolivian agriculture after the Revolution of 1952 was a major communications problem. With the vanishing of the hacienda, the problem of communicating the simplest policy to the newly created farm units on the Altiplano and in the high valleys became a major undertaking.

Impact of Early Research and Extension Activities, 1952-1960

Despite the lack of a focused effort to reach the majority rural population for the period through 1960, U.S. involvement in agricultural development contributed to some notable technical agricultural successes. One of the most important advances came as a result of the introduction of the Zebu cattle variety to the Oriente, particularly in the Santa Cruz and Beni areas. This resulted in significant increases of beef production in the subtropical areas. The first important advances in this connection came at the Reyes Research Station in the Beni, initiated in the early fifties by SAI. The introduction of the Zebu at Reyes also brought important developments at the Reyes Station relating to cattle management practices, including improved range management, disease control, and breeding selection practices. Partially as a result of this initial work, Bolivia moved

---

[1]USDA, Bolivian Agriculture, p. 82.

into the sixties from the condition of a country that was unable to meet her domestic beef needs to that of one that exported modest amounts of beef to neighboring areas.[1]

Research on Cuban Yellow corn by SAI at the Saavedra Station in the Santa Cruz Department began as early as 1953, and commercial quantities of Cuban Yellow corn seed were released by the mid-fifties. Nearly all of the corn production by the late sixties in the Oriente can be traced back to these early efforts at the Saavedra Station. By 1970 Cuban Yellow corn was the second most important crop in the Santa Cruz area. Whereas the native variety, yielded only thirteen bushels per hectare, the Cuban variety, without the use of fertilizer, had an average yield of over forty bushels per hectare. Not only did the Cuban variety help to establish the Zebu and to establish the cattle industry in the lowlands, but it was also used for human consumption. Bolivia now is self-sufficient in corn as a result of the SAI work initiated at the Saavedra Station in the fifties.[2]

After the mid-fifties, the SAI assisted Saavedra Station was concerned with rice research and extension. This work resulted in three varieties, Palomorado, Durado, and Pratao, being found acceptable. These varieties of seeds were given wide distribution, and it is estimated that by 1967, 90 percent of all of the rice grown in Bolivia

---

[1]USAID Mission to Bolivia, Agricultural Development in Bolivia, A Sector Assessment (August 1974), pp. 207-9.

[2]Ibid.

originated from the varietal research and the distribution of certified seed from the Saavedra Station. By 1967 Bolivia was self-sufficient in rice and occasionally exported small amounts of rice.[1] This was a remarkable development, contrasted with the situation in the fifties; Bolivia then imported 8,506 metric tons in 1953 and 11,216 metric tons in 1958.[2]

SAI initiated research to promote increased sugar production in the Santa Cruz area also at the Saavedra Station. This research resulted in improved varieties for private production being released in 1956 which were widely used. This development marked the beginning of sustained support to improve sugar production that would lead to sugar self-sufficiency in 1964.[3]

Though most of the research executed in the fifties by SAI was focused on the tropical and subtropical Oriente, some small efforts were undertaken on the Altiplano and in the high valleys which have proved to be important. The potato has always been the most important food in the campesino's diet. It has hundreds of varieties being grown on the Altiplano and in the high valleys. It was also the object o research. As a result of genetic selection, varieties were identified and isolated that had potential for significantly

---

[1]Ibid.

[2]Preliminary Historical Review, p. 88.

[3]Ibid.

increased yields. However, dramatic increases in potato production resulted in the sixties because of changes in agronomic practices introduced by Peace Corps volunteers. SAI supported research had little impact. By the mid-sixties, campesinos on the Altiplano had achieved such high yields, that there was a temporary glut on the market until a campaign to promote storage of potatoes was successfully undertaken by the USAID and the Peace Corps.[1] Production of another native crop, quinoa, has increased as a result of the work supported by SAI that was initiated in the fifties on the Altiplano.[2]

A Criticism of U.S. Research and Extension Activities, 1952-1960

By 1958 SAI could claim to have 793 Bolivian employees, assisted by fifty-two U.S. advisors, representing many different technical specialties.[3] Despite some minor contributions to improved agricultural production on the Altiplano and in the high valleys and major accomplishments out in the Oriente, the expansion appears to have been too rapid, particularly if the purpose was to establish a permanent Bolivian institutional capability. SAI not only grew rapidly but it had an elitest quality about it that caused its

---

[1]Irving Tragen, USAID Mission Director to Bolivia, 1965-1968, interview held January 1982.

[2]Agricultural Development in Bolivia: A Sector Assessment, pp. 107-9.

[3]SAI-Informe, p. 1.

operations to suffer. It was this elitest quality that resulted in a mentality of exclusiveness on the part of SAI personnel, contradicting the purpose of creating nation building departments in the agricultural sector whose purpose was to reach out to the campesino and promote his development. This elitest mentality may have been due in part to the fact that at least ninety-three SAI Bolivia personnel received training paid for by the U.S. Government in either the U.S. or in other Latin American countries.[1]

The basic difficulty in this U.S. agricultural assistance effort in Bolivia was the inability of the U.S. development manager and technician to recognize the need to be a catalyst in the development of an indigenous institutional capability. The U.S. advisors came with much technical know-how and many of the right ideas to address the technical agricultural problems at hand, but too often they did the work themselves, employing North American technical gadgetry and lavish financial resources. The U.S. advisors did not recognize the need to develop a Bolivian instituional framework that would live beyond the time that U.S. resources would no longer be available. The non-Bolivian nature of SAI was described in a USAID assessment that said:

---

[1]Ibid.

> The Agricultural Servicio in Bolivia has dominated the agricultural program of Bolivia the last 8 or 10 years. Certainly, American technicians, American ideas, American thrust, and American planning, American decisions have literally operated the principal agricultural programs which have been carried out presumably jointly with the Bolivia Government.[1]

In 1959, on orders from AID/Washington, the USAID significantly reduced financial support to the program. AID/Washington further instructed that SAI should be turned over to the Ministry of Agriculture. Because there was insufficient appreciation in the Bolivian Government of the institutional goals of SAI, SAI found support in neither the Ministry of Agriculture nor the Ministry of Finance, the Bolivian Government entity responsible for making budgetary allocations to the Ministry of Agriculture to support SAI. SAI had developed outside normal government channels. With its numerous highly trained and qualified Bolivian agricultural technicians, it had developed beyond a point where the Bolivian Government possessed the financial resources to be able to afford it.[2] The result of this failure to secure financial support from the Bolivian Government was disastrous, for the system that SAI had established all but collapsed. Nearly all of the trained Bolivian agriculturalists left the program for higher paying jobs either abroad or in the private sector in Bolivia. If it had not been for continued financial support on the part of the USAID in the sixties, the array of

---

[1]USDA, Bolivian Agriculture, p. 36.

[2]Tragen interview.

institutions promoted by SAI might have disappeared all together. The concept of establishing a research and extension network was a sound one. However, the style of implementation on the part of the U.S. Government was such that in most instances the very buildings of the research and demonstration complexes became symbols of North American arrogance. The lack of viability of many of these centers was a testament to the lack of Bolivian enthusiasm for a concept that the Bolivian Government did not appreciate nor could it afford.

Research and Extension in the Sixties

Though the USAID had concluded that the activities of the fifties were ones from which the U.S. Government should withdraw, U.S. Government support did continue to provide grant support in the sixties for the development of research and demonstration station activity. This reflected a frank recognition that it was impossible to conceive of agricultural development in Bolivia without supporting the institutionalization of agricultural research and extension activities. The agricultural research and development stations that had been developed by SAI, as instructed by AID/W, were eventually transferred to the Ministry of Agriculture in the sixties, and funding for SAI was significantly reduced and finally terminated.

However, this did not terminate U.S. Government assistance to the agriculture research and demonstration centers, for throughout the sixties the USAID continued to support

research and extension activities, including those described in Table 5, page 81, "Agriculture Research and Demonstration Centers Receiving USAID Support in the Sixties." In the sixties more and more emphasis was placed on the agricultural activity in the Altiplano and in the high valleys with particular emphasis placed on providing training for campesino leaders at the training facilities located at Belén, Patacamaya, Toralapa and Saavaedra. Extension activities supported by the USAID radiated out of these eight agricultural research and demonstration stations promoting all manner of agricultural activity.

By the end of the sixties, the USAID Mission to Bolivia had made a reasonable transition from one that initially provided all of the resources for research and extension activity including the money, the ideas, and U.S. technical and administrative leadership to a development assistance program that was working with the Ministry of Agriculture with the Ministry taking the lead. When contrasted with the fifties, the significant difference was the style of the assistance. What had been paternalistic became cooperative with an emphasis on the development of indigenous institutional capability.[1] In terms of the allocation of resources to support research and demonstration centers there was a more balanced program between the Oriente and the Altiplano

---

[1]Agency for International Development, Country Assistance Program, Bolivia, Part II, FY 1966 (October 1964) p. 180.

TABLE 5

AGRICULTURE RESEARCH AND DEMONSTRATION CENTERS
RECEIVING USAID SUPPORT IN THE SIXTIES

Station	Location	Altitude (Meters)	Activity
Belen	Northern Altiplano	3,880	Forages, small grains, vegetables, potatoes, alpaca, sheep.
Patacamaya	Central Altiplano	3,789	Forages, small grains, potatoes, sheep, llama.
Chinoli	Southern Altiplano	3,400	Small grains, sheep, forages, potatoes.
Toralapa	Cochabamba	3,595	Potatoes.
Saavedra	Santa Cruz	450	Rice, corn, forages, sugar, cattle.
Chipiriri	Yungas	360	Rice, hogs, citrus.
Riberalta	Amazon Rain Forest	172	Rubber, cacao, other tree crops pepper forages.
Trinidad	Beni Plains	236	Cattle, forages.

SOURCE: Data from Agency for International Development, Country Assistance Program, Bolivia, Part II, FY 1966 (1964) p. 180.

and the high valleys. The work done at Belén, Patacamaya, Chinoli, and Toralapa from 1965 onward demonstrates the USAID concern to address the problems of low productivity of campesinos in these areas.

Agricultural Studies in the Sixties

The USAID supported the undertaking of numerous studies and special reports in the sixties in an effort to provide rationale for the USAID program in the agricultural sector. Though these studies ranged from ones with broad, all encompassing scopes to narrowly defined monographs concerned with specific technical recommendations, these studies fell considerably short of providing programming focus for the agricultural interventions financed by the U.S. Government.

In the early days of the Alliance for Progress, several agricultural studies were supported by the U.S. Government. One such study was a descriptive analysis executed by the Department of Agriculture, entitled Bolivian Agriculture: Its Problems, Programs, Practices and Possibilities, completed in 1962. More descriptive than analytical, it provided insufficient data on which to build an agricultural strategy.[1]

The Inter-American Committee for Agriculture Development, which represented the Organization of American States, the Inter-American Development Bank, the Food and Agriculture

---

[1]USDA, Bolivian Agriculture.

Organization of the United Nations, the United Nations Economic Commission for Latin America, and the Inter-American Institute of Agricultural Sciences undertook an inventory of basic data critical to planning the agricultural development of Bolivia. The report, Inventory of Information Basic to the Planning of Agricultural Development in Latin American: Bolivia, was completed in December 1963. Though it made no substantial effort to analyze the data, it provided more adequate data than the Department of Agriculture study and so became a basic source for planning agricultural intervention.[1]

In 1964 another attempt was made at suggesting "types of technical assistance that it believes are needed and can be used to improve the agricultural economy"[2] of Bolivia by a team consisting of representatives from U.S. Land Grant Colleges, the U.S. Department of Agriculture, and the USAID Mission. The report was far from comprehensive and made a series of recommendations that were of limited value because of the lack of sufficient data in the report to support the recommendations.

---

[1]Organization of American States, Inter-American Committee for Agricultural Development, Inventory of Information Basic to the Planning of Agricultural Development in Latin America: Bolivia (Washington, D.C., December 1963).

[2]USAID Mission to Bolivia, "Agriculture and Rural Development in Bolivia" prepared by a team consisting of members of USAID Bolivia, Department of Agriculture, and Association of State Universities and Land Grant Colleges (June 9, 1964), p. 1.

In the spring of 1965, in response to a request from Washington, a special task force consisting of AID officials and a representative from Utah State University undertook the task of reviewing the USAID Mission's position with regard to its goals and priorities in the agricultural sector. The report which emerged was important for its statement regarding the Altiplano:

> For the first time the Altiplano region is to be given first priority in AID planning. There are two reasons for this. First, the 1.1/2 million people, 40% of the total population of Bolivia, are now asking for assistance. Secondly, there is a ready market for the wool of the llama, alpaca, and sheep of the Altiplano. It is only recently that any of this wool has found its way into Conventional Markets.[1]

The report emmphasized the importance of promoting private sector involvement in the agriculture area with the need for the Bolivian Government to take the lead in creating a favorable environment for private investment. The report also anticipated the need for marketing analysis.[2]

Walt Rostow's work, The Stages of Economic Growth-A Non-Communist Manifesto, relating economic development to the marketing function, had considerable influence on the USAID's decision to finance a major study executed by Michigan State

---

[1]USAID Mission to Bolivia, "Task Force Report on the Bolivian Agriculture Program" (April 1965), p. 6.

[2]Ibid., p. 4.

University.[1] The study, Market Processes In La Paz, Bolivia,[2] was promoted to examine the linkages between the agriculture production centers and the urban consumption centers. This descriptive study offered no recommendations that were to be incorporated in the USAID Mission's program although it was an excellent publication describing the marketing process.[3]

Numerous crop studies were financed by AID examining the feasibility of increasing the production of wheat, small grains, rice, beef, tropical fruits, sugar, and sheep, llama, and alpaca hair. Each of these studies made a modest contribution in pointing to agricultural interventions to be implemented by the Bolivian Government with or without the support of the U.S. Government, but except for activity to promote sheep, llama, and alpaca hair production, the impact of these studies and in turn the developmental activity that followed seems to have been of marginal value.

---

[1]Martin Stoller, Marketing Advisor, Latin American Bureau, AID, 1964-1968, interview held Bethesda, Maryland September 1981. Mr. Stoller was hired by AID on the recommendation of Walt Rostow who was then serving as Ambassador to the Organization of the American States. Mr. Stoller was the AID project manager for this study and played a key role in the design and execution of this study.

[2]Michigan State University, Market Processes in La Paz, Bolivia Research Paper No. 3 (East Lansing: Latin American Studies Center, Michigan State University, 1969).

[3]Agency for International Development, Country Assistance Program, FY 1968, Bolivia, Part II (October 1966) p. 148.

There was considerable discussion in the USAID Mission and Bolivia during the last half of the sixties about the need to do a comprehensive agricultural sector analysis that would provide the basis for designing a strategy for U.S. support to the agriculture sector.[1] However, a study of this nature never materialized. What did evolve was modest financial support to Utah State University to work with the Bolivian Ministry of Agriculture to develop an institutional capability to gather and analyze data in the agriculture sector.

Wheat Program in the Sixties

Another important agricultural activity undertaken by the U.S. Government in the sixties was a program to improve wheat production. Initial efforts addressing the problem of wheat production had actually been initiated in the early fifties. The Bolivian Government was interested in reducing its dependency on the foreign imports of wheat and looked to SAI activities in wheat breeding at the research and demonstration centers as being very important. These early efforts resulted in a small increase of wheat production by the end of the fifties. At La Tamborada Station and later at Chinoli Station important wheat varietal research was

---

[1] An agricultural Sector Evaluation Committee was created in 1966 in the USAID Mission with the purpose of developing the framework for an agricultural sector analysis. A series of internal USAID memorandums followed suggesting the shape and form an agricultural assessment might take starting with one prepared by W.T. Welford May 13, 1966 and including one prepared by Keith Roberts December 23, 1966.

undertaken. This research produced two Bolivian varieties, Coposu and Chinoli 70, and the adaption of the Mexican variety, Jarolo 66. These three varieties directly resulted in substantial yield increases over the native varieties.[1]

Throughout the sixties, Bolivia consumed more and more wheat and wheat flour. Annual flour consumption increased from 106,000 metric tons in 1961 to 174,000 metric tons in 1972, an increase of 65 percent. However, wheat production dropped from 55,000 metric tons in 1963 to only 27,000 metric tons in 1967, a 49 percent drop in production, before it achieved an increase in production to 57,000 metric tons in 1973. (See Table 6 page 89, "Bolivian Wheat Production, 1963-1973.")

Utah State University was selected to provide the technical assistance for the U.S. Government. In order to expand plant breeding activity as a means of improving wheat production, Utah State University imported variety samples from every major wheat production area in the world. The initial variety testing was done at the research and demonstration stations located throughout the wheat production areas of Bolivia including Cochabamba, Potosí, Tarija, Chuquisaca, and the lowlands of Santa Cruz. The most promising varieties were selected for regional testing. Some approximately thirty to fifty regional trials were conducted in the traditional wheat producing areas. The best

---

[1]Agricultural Development in Bolivia, A Sector Assessment, pp. 207-9.

performers were then multiplied and distributed to farmers in these areas. In this process, over 4,000 different varieties of wheat, barley, and oats were tested at the Tamborada Station alone.[1]

Integral parts of the Utah State University program were fertilizer research and soil testing, both of which contributed significantly to wheat production. Another important dimension was the development of a Bolivian seed program. The first efforts in this area dated back to 1961 to the cooperative efforts of SAI in conjunction with the Ministry of Agriculture. In 1969, Utah State University included in its technical assistance team a seed advisor, and by Ministrial Resolution in 1970 the Seed Certification Division was created within the Ministry of Agriculture. This division operated as a national seed council and was charged with developing a national capability for providing and delivering certified seed to producers.[2]

---

[1]Utah State University, Bolivia and Utah State University, A Decade of Contracts, A Summary Report 1965-1975, Utah State University Bulletin, Vol. 75, No. 12 (Logan, December 1975), pp. 81-86.

[2]Ibid., pp. 85-94.

TABLE 6

BOLIVIAN WHEAT PRODUCTION, 1963-1973

Year	Hectares	Yield per Hectare (kilograms)	Total Production (Metric Tons)
1963	106,150	520	55.2
1964	109,245	500	57.9
1965	63,635	865	55.0
1966	74,545	550	41.0
1967	45,000	600	27.0
1968	75,000	600	45.0
1969	76,500	695	53.2
1970	63,130	700	44.19
1971	59,910	786	47.1
1972	63,407	845	53.59
1973	68,860	827	57.0

SOURCE: Data taken from Utah State University, Bolivia and the Utah State University, A Decade of Contracts, A Summary Report 1965-1975, Utah State University Bulletin, Vol. 75, No. 12 (Logan, December 1975) p. 75.

In reflecting on the shortcomings of the wheat program, a number of deficiencies must be discussed. Certainly the foremost shortcoming was the lack of sufficient financial support to establish a quality research organization in Bolivia focused on cereal production. This would be an activity that would have to wait until the seventies. Other factors that retarded wheat production in the sixties were the lack of cooperative organizations to promote wheat production, the non-availability of production credits to small farmers to support cereal production, and the lack of national pricing policies to establish a price that would

provide an incentive to attract small farmers to the production of cereals. The excessive dependence on importation of PL 480 wheat and flour also served as a disincentive to wheat production. Another factor retarding wheat production during this period was inattention to irrigation, particularly in the Oriente, to minimize crop failure. Finally, the lack of storage facilities for wheat, thus exacerbating pricing problems, and the lack of a program in the Ministry of Agriculture for continually upgrading technical skills related to cereal production, were two additional factors that acted as a brake on wheat production in Bolivia.[1]

Conclusions

Though it is apparent that there is a difference between the agricultural production programs supported by the U.S. Government programs of the fifties and the program of the sixties, each of the activities discussed in this chapter reflects the USAID development manager's concern with promoting production at the expense of achieving equity. When compared with U.S. expenditures to promote production in the Oriente, U.S. resources that were targeted on the Altiplano and in the high valleys were meager, particularly for the period from 1952 to 1965. The wheat program suggests a tendency to design a production program to benefit the majority rural population, but most other agricultural

---

[1]Ibid., pp. 101-102.

production activities benefited that small community of agriculturalists and ranchers in the Oriente.

CHAPTER VII

AGRICULTURAL CREDIT ACTIVITY

An essential to developing the small farm sector is to increase agricultural production which should result in a corresponding increase in farmer income. It is generally acknowledged that the farmer must move from a traditional technology to an innovative technology if output levels are to be increased. For the farmer to have access to chemical, biological, or mechanical innovations, unless they are provided free of charge by the public sector, he must also have access to agricultural credit to purchase this agriculture technology. The Bolivian campesino has not had access to a significant degree to the innovative technology required for increasing agricultural production. One of the principal reasons for this lack of access to technology has been the relative unavailability of agricultural credit for the campesino throughout the period from 1942 to 1972. The following is a description and analysis of agricultural credit for this period showing how it has failed to impact on the small farm sector on the Altiplano and in the high valleys.

Agricultural Credit, 1942-1951

In 1942, a governmental decree established the Agricultural Bank of Bolivia with the objective of providing credit to the farmer. In the context of the mid-forties, the target recipients were the owners of the large rural estates, most of which were located on the Altiplano and in the high valleys. This was commercial farming, the credit being provided as a part of a viable, economic commercial enterprise. The credit was principally used to import fertilizer and machinery. Original captalization for the Bank was $1,190,000, and credit was made available through the Central Office located in La Paz and four regional offices.[1] The Agricultural Bank was intended to operate as a private bank, and so became involved in the variety of commercial paper operations normally identified with a private banking operation. These activities included investing in commercial properties, taking commercial deposits, and buying and selling farm machinery, supplies, and materials.[2]

---

[1]USAID Mission to Bolivia, "A Review of Small Farmer Credit in Bolivia" prepared by Tom C. Royden (1972). This study was published by AID's Spring Review of Small Farmer Credit, Small Farmer Credit in South America, Vol. 3 (Washington, D.C., August 1972) p. 21.

[2]Department of Agriculture, Bolivian Agriculture: Its Problems, Programs, Priorities, and Possibilities prepared by Stanley Andrew, D.C. Myrick, and Glenn R. Sampson (August 1962), p. 94.

SAI and Agricultural Credit, 1952-1963

After the Revolution of 1952 and the subsequent Agrarian Reform Decree of 1953, the land tenure pattern changed dramatically. The large landed estates were divided among the campesinos, the previous owners retaining but a small portion of their original holdings. There was widespread confusion regarding land boundaries and land titles, with the result that commercial agriculture collapsed. This collapse came at a time when there was a pressing need for a substantial amount of agricultural credit to be made available to the new land owner, the campesino.[1]

As the result of the need to provide agricultural credit to the small farmer, the Agricultural Bank was reorganized by Supreme Decree No. 03839 of September 24, 1954, shortly after the passage of the Agrarian Reform Decree, to allow the Bank to assume the responsibilities emerging in the small farm sector.[2] The Bank was specifically directed to undertake financial, technical, and organizational activities that would support the development of rural Bolivia. It was to provide supervised agricultural credit of both short and long term, from eighteen months to twelve years, with the campesino and the agricultural cooperatives receiving the

---

[1]Ibid., p. 95.

[2]USAID Mission to Bolivia, Agricultural Credit Flows and Use in Bolivia prepared by Jerry Ladman, Ronald Tinnermeier, and Issac Torrice (March 15, 1977), p. 98.

highest priority. The intention of the decree was to create an institution concerned with development as contrasted with a commercial banking institution primarily concerned with extending credit using traditional banker's terms. The Bank was instructed to charge 12 percent interest with a .5 percent service charge for preparing the loan documents. The decree specifically forbade the Bank to charge interest penalties for delinquent loans.[1]

Recognizing the gravity of the agricultural situation resulting from the shortfalls in production and the lack of experience on the part of the Agricultural Bank in dealing with the campesino sector, the U.S. Government turned to the Inter-American Agricultural Service (SAI) to work with the Agricultural Bank in developing an agricultural credit program. The program was to use certain facilities and institutional capabilities of the Agricultural Bank. A Division of Supervised Credit within SAI was created for the approving and supervising of all loans extended for agricultural purposes. The division was staffed with six U.S. technicians who supervised thirty-nine Bolivian field agents. U.S. financial support, either in the form of dollar grants or local currency generated from the sale of agricultural commodities provided by the U.S. Government, was used by SAI to pay local salaries, purchase equipment and vehicles, and to create a loan fund from which supervised credit was

---

[1]"Small Farmer Credit", pp. 21-22.

extended.[1] SAI chose to model its program after the Farm Home Administration Program in the U.S. The Agricultural Bank was given the responsibility for disbursing the loans to the farmers, maintaining the accounts, and for executing the legal work related to the loans.[2] On the other hand, criteria for lending and procedures for operation were developed by the SAI staff, which was financed and supervised by U.S. technical and managerial personnel.[3]

The strategy of the new SAI program evolved on the basis of two fundamental assumptions. In the first place, campesinos were seen as having few agricultural skills, a lack of initiative, and no financial assets enabling them to produce or increase agricultural production to any significant degree. The problem, then, was how to move the campesino from the status of a subsistence, marginal farmer to that of a commercial producer. By making supervised credit available to the campesino, it was hoped to bring the campesino to use the credit to gain access to the modern agricultural practices that would lead to his efficient use of the newly acquired land. The second assumption was based on the strong feelings of USAID personnel, the assumption that credit must be made available to the medium and large landholder, located principally in the tropical and subtropical

---

[1]USAID Mission to Bolivia. Preliminary Historical Review of the Rural Development (December 1970), p. 71.

[2]Ibid.

[3]"Small Farmer Credit", p. 22.

regions of the Oriente, if agricultural production was to expand rapidly enough to meet the immediate and pressing food needs of Bolivia.[1]

It is not at all surprising, therefore, given the conviction that significant agriculture gains could be made in the tropics only by the larger landholders, that in its initial year of operation, 1955, SAI would concentrate 50 percent of its funds in the Santa Cruz Department. Throughout the life of the program, the Santa Cruz area continued to be the major beneficiary of SAI's agricultural credit program. Of the loans made in 1955, 98 percent went to individual farmers, the remaining 2 percent going to cooperative entities. Though 32 percent of the loans were actually made to 463 campesinos, these loans accounted for a mere 6 percent of the total funds available to the program. On the other hand, 68 percent of the loans were made to commercial farmers who received well over 90 percent of the funds available to the program. This ratio was to endure throughout the life of the program. In contrast with the 50 percent of the loans going to Santa Cruz, La Paz Department received only 13 percent, Cochabamba Department 11 percent, and Tarija Department 15 percent. There was obviously a bias in favor of the larger, commercial operation, as contrasted with that of the small farmer population. Nevertheless, it must be recognized that the most impressive gains in food production in Bolivia at this time were made in the Santa Cruz Department. SAI

---

[1]Ibid., 23.

supervised credit, which was available to these commercial farmers, most certainly played a role in this agricultural gain.[1]

The credit made available by SAI was short-term 18 month credit, available at a 10 percent interest rate. One credit problem that emerged during this period was that the campesino could not use his land as collateral, because in most instances he did not have clear title to his land. Consequently, he used his future harvest as a guarantee for the loan.[2] Another problem was that there was never sufficient capital, particularly after the first year of the program, to meet the demand from qualified applicants. An additional problem was the shortage of field personnel to service the loans. This shortage contributed to an excessive delinquency ratio.[3]

Over an eight year period, 1955 to 1963, approximately $1.7 million was loaned by SAI. Of the 10,851 loans actually made, 8,257 of these loans were repaid. However, when the program was concluded in 1963, 45 percent of the capital in the portfolio, or about 61 percent of the outstanding loans, was in a delinquent status.[4]

In the early sixties, the U.S. Government decided to withdraw its support from SAI's credit activities and to

---

[1]Ibid.

[2]Ibid.

[3]Preliminary Historical Review, p. 71.

[4]Ibid., p. 72.

place this operation under the auspices of the Bolivian Agricultural Bank. However, because of problems of employee's benefits in SAI and because of the question on the part of USAID personnel regarding the soundness of lending policies and capabilities of the Agricultural Bank, the actual integration of SAI into the Agricultural Bank was not completed until 1963, when the Agricultural Bank was directed to reorganize, as previously indicated by Supreme Decree 06456.[1] This government decree reflected the detailed recommendations for changes that the USAID Mission felt were necessary to insure a more effective development banking operation.[2] An important feature of the Agricultural Bank's reorganization was to completely eliminate its commercial operations concerned with savings and demand deposits.[3] At the time of reorganization of the Agricultural Bank, a loan application was submitted to the U.S. Government requesting $3.5 million to be used for agriculture credit loans for the Bank and a three man technical advisory team to assist in the Bank's reorganization.[4] At this time thirty-three technicians trained by SAI joined the Agricultural Bank, and credit resources from the SAI portfolio, with an approximate value

---

[1]USAID Mission to Bolivia. "The Agriculture Bank" prepared by Peter E.W. Benedict (February 1968), p. 1.

[2]Ministry of Agriculture. Application for Development Loan to Capitalize the Reorganized Banco Agricola de Bolivia, 2 Vols. (May 1963).

[3]Agricultural Credit Flows, p. 100.

[4]Application for Development Loan, P. 13.

of $1,720,000, were added to the Bank's assets. With this increase in staff and additional portfolio, the Agricultural Bank embarked on the development of a nationwide program with eight regional offices and thirty provincial offices. It was this remodeled institution whose efforts we now shall review for the period 1963-1971.[1]

Agricultural Credit, 1963-1971

Cooperatives

One of the major policies of the Bank was to direct credit to the small farm sector through cooperatives and federations. It was felt that use of the cooperative and the pre-cooperative mechanism would save the larger cost inherent in making numerous small loans as compared with that of one large loan to a cooperative. For the period of 1964-1971 the Bank was able to lend approximately 30 percent of its portfolio to cooperatives. However, the cooperative movement in Bolivia was extremely weak during this period, and these loans did not help to improve the productive capacity of the cooperative. Often the loans were used by sindicato leadership that controlled the cooperative movement for reasons other than those specified in the loan agreement.

The Agricultural Bank's effort at using the cooperatives as an economic expedient for transferring credit to large numbers of campesinos did not endure. A number of factors contributed to the abandonment of this approach. In

---

[1]"Small Farmer Credit", p. 24.

the first place, government support for the cooperatives was extremely limited. Though initially the government supported cooperative development with vigorous rhetoric, it gave little material support in training either the leadership or membership of the cooperatives to encourage their viability. Often the Agricultural Bank was behind the promotion of the cooperative and ignored social realities and even economic realities in order to create an organization sufficiently large to receive the credit that the Agricultural Bank was promoting. In the absence of sufficient managerial skills, and of the commitment of leadership required to make it work, the cooperative was destined to failure. An analysis of the loans to cooperatives during these years points to the lack of sound fund management in the development and running of the cooperative.

When credit was not forthcoming to the cooperative, sindicato leadership applied pressure on the government to expedite its request. This tactic became a normal practice and the rescheduling of old cooperative loans became commonplace. The Agricultural Bank, as a public institution, had an extremely difficult time resisting these pressures.[1]

Informal Lenders

Though it is not well documented, a system of informal credit available to the small farm sector appears to have

---

[1]Ibid., pp. 32-33.

operated outside formal commercial channels. This credit was made available by money lenders or rescatadores to finance the production and marketing of crops of the campesino. The extent of this type of credit, usually in the form of small loans to campesinos, has never been well documented. The campesino often paid extremely high interest rates for this credit. Because the products of the farmer were often sold to the creditor, it was not uncommon for the farmer to sell his produce at a much lower price than he could have otherwise commanded if he had sold his produce directly in the commercial market. The rescatador, on the other hand, did make available such basic inputs as fertilizer. However, the rescatador did not reach a very large share of the campesino sector. Consequently, the campesino more often than not had to rely on his own resources to finance whatever agricultural inputs he received.[1]

Lending Trends, 1963-1971

For the period 1963 to 1970, several lending trends became apparent. Table 7, page 103, "Illustrative List of External Financing Received by the Agricultural Bank, 1962-1971," is an illustrative list of the external financing received by the Agricultural Bank to support its lending

---

[1]USAID Mission to Bolivia, Agriculture Development in Bolivia: A Sector Assessment (August 1974), pp. 126-7.

TABLE 7

ILLUSTRATIVE LIST OF EXTERNAL FINANCING
RECEIVED BY THE AGRICULTURAL BANK, 1962-1971

	Years	Source	Amount
Rural Development	1964	IDB	$1,100,000
Cattle	1965	IDB	200,000
Coffee	1965	AID	40,000
Importation & purchase of Machinery	1966	AID	2,100,000
Cattle	1967	IDA	2,000,000
Rice	1967	AID (local currency)	500,000
Potato	1967	AID (local currency)	50,000
Wheat	1967	AID (local currency)	200,000
Rice	1968	AID (local currency)	250,000
Sugar Cane	1968	Bank of America	500,000
Cattle	1969	IDA	1,400,000
Milk	1969	Argentine Govt.	300,000
Cereals	1969	AID (local currency)	350,000
Cattle	1970	IDB	5,000,000
Cotton	1970	Bank of America	1,600,000
Cattle, sheep	1971	IDA	6,200,000
Cotton	1971	Banco Do Brazil	2,500,000

SOURCE: Prepared with data obtained from the Statistics Department, Agricultural Bank of Bolivia, USAID/Bolivia, and "A Review of Small Farmer Credit in Bolivia" prepared by Tom C. Royden, p. 25.

activities. Most of the loans provided by AID were to support specific agriculture commodity developments such as the local currency loans in 1967 for potatoes and wheat, the 1968 local currency loan for rice, and the 1969 local currency loan for cereals. The U.S. activity was buttressed with loans to the Agricultural Bank from various other international donors which follow this same pattern. There was an obvious bias in favor of loans to the commercial farmer on medium and large sized land holdings at the expense of the campesinos. (See Table 8, page 105, "Loans by the Agrioultural Bank by Type of Borrower, 1964-1971." The total amount of loans made by the Agricultural Bank for this period was 5,888, having a value of $31.3 million. The campesino sector received only $1.1 million for 2,107 loans or 4 percent of the portfolio. Farmers with medium and large land holdings received $16.3 million in loans or 51 percent of the portfolio.

Specific loan funds were earmarked for potatoes and for the production of cereal, including wheat. They were to be targeted on the campesino population on the Altiplano and in the high valleys. The total value of these loans adds up to only $600,000. The smallness of this sum contrasts with the sum of loans made available by the U.S. Government for machinery purchase and rice and coffee development. These loans had a net value of $2,890,000 and were designed primarily to support tropical and subtropical agriculture. As indicated by Table 9, page 106, "Loans Approved by Department 1964-

TABLE 8

LOANS BY THE AGRICULTURAL
BANK BY TYPE OF BORROWER, 1964-1971

Type of Borrower	Number	%	Amount in U.S. Dollars	%
Campesinos	2,107	36	1,102,750	4
Farmers	1,974	33	4,812,000	15
Ranchers	782	13	8,891,916	28
Farmer-Ranchers	345	6	2,583,000	8
Cooperatives	232	4	9,635,916	31
Associations	448	8	4,245,166	14
TOTAL	5,888	100	31,270,748	100

SOURCE: Prepared with data obtained from the Statistics Department, Agricultural Bank of Bolivia, USAID/Bolivia, and "A Review of Small Farmer Credit in Bolivia" prepared by Tom C. Royden, p. 30.

TABLE 9

LOANS APPROVED BY DEPARTMENT, 1964-1971

Department	Total		Percentages	
	No.	Amount in U.S. Dollars	No.	Amount
La Paz	840	4,173,832	14.3	13.3
Cochabamba	895	3,158,666	15.2	10.1
Santa Cruz	1072	13,428,500	18.2	42.9
Chuquisaca	707	1,212,999	12.0	3.9
Beni-Pando	562	6,552,250	9.5	21.0
Potosí	632	981,832	10.7	3.1
Oruro	304	637,666	5.2	2.0
Tarija	875	1,124,999	14.9	3.7
TOTAL	5588	31,270,744		
PERCENTAGES			100.0	100.0

SOURCE: Prepared with data obtained from the Statistics Department, Agricultural Bank of Bolivia, USAID/Bolivia, and "A Review of Small Farmer Credit in Bolivia" prepared by Tom C. Royden, p. 26.

1971," there continued to be a decided concentration of credit available for the Santa Cruz and Beni Departments to reinforce a national policy of supporting development in the Oriente.

An example of these credit activities from the Agricultural Bank perspective during this period seem to show that the campesino was not considered a worthwhile customer for credit, at least in terms of the problems inherent in making one large loan as opposed to those of several small loans. It is obvious, in reviewing the records of the Agricultural Bank, that it would have preferred not to have been involved at all in lending to the small farm sector. Indeed, during its history, management personnel at the Agricultural Bank often recommended to the government that a bank be created with the exclusive responsibility of making loans to campesinos.[1]

Short term credit was the type of credit most often provided by the Agricultural Bank, accounting for approximately 50 percent of all credit given in the late sixties and early seventies. Long term and medium term credit,[2] almost evenly divided, accounts for the rest of the loans. There were significant differences between the regions between short, medium and long term credit. In the Oriente,

---

[1]"Small Farmer Credit", p. 32.

[2]In general, short term credit was usually extended for periods ranging up to eighteen months. Medium term credit was extended for between eighteen months and five years. Long term credit was for a period in excess of five years.

approximately 54 percent of all credit granted for this period was short term, with 26 percent for long term, and 20 percent for medium term. On the Altiplano, 48 percent was provided for medium term credit, 32 percent for short term credit, and 28 percent for long term credit. A similar pattern prevailed in the high valleys, when over 73 percent was for medium term, 19 percent for short term, and 9 percent for long term. Though only 55 percent of all the medium term credit extended during this period went to the Oriente, 87 percent of all the long term credit and 88 percent of all the short term credit went to the Oriente.[1] The foregoing data reinforces the assumption that short term credit to be used for production purposes was exceedingly difficult to obtain for the campesino in the high valleys and on the Altiplano. It also appears that the Agricultural Bank would have preferred to make medium and long term loans to the campesino population because this type of loan, because of its large size, would have been easier to service and more profitable for the Agricultural Bank. Medium and long term loans would probably have been used for capital improvement of the farm as contrasted with short term, smaller loans for production purposes. (See Table 10, page 109, "The Structure of Agricultural Bank Loans by Region, 1968-1972".)

The campesinos had a much lower delinquency rate than the ranchers and farmers who owned the larger farm sites in

---

[1]Agricultural Development in Bolivia: A Sector Assessment, p. 127.

TABLE 10

THE STRUCTURE OF AGRICULTURAL
BANK LOANS BY REGION, 1968-1972

Zones	1968	1969	1970	1971	1972	Total
Oriente	2,572.5	3,720.1	6,328.5	9,115.0	5,002.4	26,738.5
Long Term	605.4	1,800.1	711.3	1,257.0	2,679.8	7,053.6
Medium Term	365.7	637.4	1,247.4	1,354.4	1,583.8	5,188.7
Short Term	1,601.4	1,282.6	4,369.8	6,503.6	738.8	14,496.2
Valleys:	631.4	1,189.3	597.0	291.1	652.7	3,361.5
Long Term	203.5	29.8	29.4	12.5	19.5	294.7
Medium Term	406.8	1,037.1	381.9	134.8	500.2	2,450.8
Short Term	21.1	122.4	185.7	143.8	133.0	606.0
Altiplano:	557.1	1,175.6	961.3	669.1	336.9	3,700.0
Long Term	323.5	--	312.7	--	185.9	731.1
Medium Term	241.8	433.3	399.8	602.3	100.8	1,778.0
Short Term	82.8	743.3	248.8	66.8	50.2	1,190.9
TOTALS	3,761.0	6,085.0	7,886.8	10,075.2	5,992.0	33,880.0
Long Term	1,041.4	1,829.9	1,053.4	1,269.5	2,885.2	8,079.4
Medium Term	1,014.3	2,107.8	2,029.1	2,091.5	2,184.8	9,427.5
Short Term	1,705.3	2,147.3	4,804.3	6,714.2	922.0	16,293.1

SOURCE: Prepared with data obtained from the Statistics Department, Agricultural Bank of Bolivia, USAID/Bolivia, and Agricultural Development in Bolivia, A Sector Assessment, p. 128.

the Oriente. For the period 1964-1972, approximately 6 percent of the value of all loans made to campesinos were in the delinquent status. This represented only 10 percent of the number of these loans made to the campesino. This should be compared with the record of the ranchers, 27 percent of the value of whose loans were in a delinquent status; this represented 27 percent of the loans made to the ranchers. (See Table 11, page 111, "Delinquent Loans by Type of Borrowers, 1964-1971.") It is also interesting to note that the ranchers had a high rate of loan rescheduling, undoubtedly reflecting the political muscle of their organization, the Association of Ranchers of the Beni. Throughout the period, this association actively campaigned for lower interest rates and was constantly threatening the government with meat boycotts, thus bringing pressures to bear from the urban centers to support the association. The campesino, on the other hand, had little political muscle to exercise when it came to putting pressure on the central government to support him in obtaining either credit and rescheduling of loans, or in deterring the Agricultural Bank from taking legal actions when his loan was in a delinquent status. Table 12, page 112 showing "Differential Treatment of Delinquent Loans by Type of Production, 1964-1971," shows that legal action was taken against potato production loans 91 percent of the time, wheat production loans 89 percent of the time, and sheep production loans 75 percent of the time. Almost all of these crop production loans were made to campesinos. This record stands

TABLE 11

DELINQUENT LOANS BY TYPE OF BORROWER, 1964-1971

Av. Size Delinquent Loan	Type of Borrower	Delinquent Loans		% of Loans Approved	
		No.	Value	No.	Value
11,190	Ranchers	215	2,405,833	27	27
25,222	Cooperatives	73	1,841,250	31	19
2,554	Farmers	254	648,750	13	13
3,567	Associations	125	445,916	28	11
5,733	Rancher/Farmers	75	430,000	22	17
334	Campesinos	214	71,583	10	6
TOTAL		956	5,843,332		

SOURCE: Prepared with data obtained from the Statistics Department, Agricultural Bank of Bolivia, USAID/Bolivia, and "A Review of Small Farmer Credit in Bolivia" prepared by Tom C. Royden, p. 34.

TABLE 12

DIFFERENTIAL TREATMENT OF DELINQUENT LOANS BY TYPE OF PRODUCTION, 1964-1971

Type of Production	% Delinquent Loans of Total Loan Approved	% Loans Under Legal Action of Total Loans Approved	% of Delinquent Loans Under Legal Action
Coffee	3	3	100
Cacao	22	22	100
Rice	13	14	99
Potatoes	12	11	91
Wheat	33	30	89
Coffee	37	29	77
Sheep	11	9	75
Sugar Cane	11	8	71
Pigs	6	4	67
Agricultural General	20	12	60
Poultry	13	8	57
Fruit Production	14	8	55
Wine Production	6	2	35
Milk Production	11	4	34
Beef Production	26	6	24
Horticulture	4	1	16
Cotton	30	2	8

SOURCE: Prepared with data obtained from the Statistics Department, Agricultural Bank of Bolivia, USAID/Bolivia, and "A Review of Small Farmer Credit in Bolivia" prepared by Tom C. Royden, p. 40.

in marked contrast to that of the cotton production loans; in only 8 percent of these loans was punitive action taken; in 24 percent of the beef production loans action was taken and in 34 percent of the milk production loans. Each of these last three production loan areas were the agricultural domain of the larger, commercial farms. This data shows clearly that the campesino had insufficient political power to deter legal action being taken particularly when contrasted with larger commercial farmers and ranchers.

One of the major problems throughout the entire period reviewed was the high cost of servicing any loan that was for less than $6,000; this includes almost all of the loans made to the campesinos. The interest earned on these loans of less than $6,000 was insufficent to cover the cost of servicing the loan. For the period 1964-1971, the average loan made to the campesino was only $523. The Agricultural Bank was well aware of the fact that it would lose money in servicing the campesino loans. The Agricultural Bank of Bolivia was the only bank in Latin America that received no subsidies from the central government in order to carry out its mandate. The prevailing operational philosophy was that the Agricultural Bank should pay its own way. However, because it was a public bank, it did not have the right to operate freely but was forced to operate according to its mandate which included attempting to reach the campesino target. Hence, while many of the Bank's operations were not economically viable, because of its development mandate, it

had to continue to attempt to reach out to the campesino target and to service his needs.[1]

Conclusions

In attempting to summarize the impact of agricultural credit on the development of agriculture in Bolivia for this period, one is forced to form unfortunate conclusions. A complex and unnecessarily complicated bureaucratic mechanism was a significant factor in limiting the amount of credit available to the small farm sector. Loans to the small farms too often required an inordinate amount of time to process, thus discouraging the farmer from even getting involved in the process. Short term credit for agriculture production must be timely. Given the amount of time normally required to process the simplest loan application, the process significantly discouraged small farm involvement. The entire credit bureaucracy was too highly centralized, leaving regional offices and district offices with insufficient responsibility or portfolio to be able to reach the small farmer target efficiently and effectively. District level loan officers had insufficient authority for granting loans to the small farm sector, thus frequently requiring the campesino to work things out at the central authority. This was both wasteful of his time and an impediment to his wanting to secure agricultural production credits. Also, there was ever

---

[1]"Small Farmer Credit", p. 42.

present the customary expectation of a demand for a bribe which certainly must have constrained the campesino from taking full advantage of the system.[1]

Credit availability to the campesino probably never exceeded more than two million dollars per year. However, the demand by the campesino for agricultural credit had never been excessive and probably reflected the lack of emphasis that the Bolivian Government placed on promoting agricultural development of the campesino population on the Altiplano and in the high valleys. By contrast, credit was available to assist in driving the development engine in the Oriente.[2]

---

[1]Morris D. Whitaker and E. Boyd Wennergren, The Status of Bolivia Agriculture (New York: Praeger, 1975) p. 42.

[2]Agriculture Development in Bolivia: A Sector Assessment, p. 127.

CHAPTER VIII

COLONIZATION: DEVELOPMENT WITHOUT EQUITY

> Esta zona llana es para los bolivianos una especie de Tierra Prometida, de la que nos habla la Biblia. La identifican con el mito precolonial de "El Dorado" o "Gran Paititi," que buscaron afanosamente los conquistadores de América queriendo encontrar el pais del Vellocino de Oro. Lo buscaron especialmente en el oriente del Alto Perú (hoy BOLIVIA), pero se fueron en pos de oro fisico, sin ver-dice un historiador- que "ese vellocino está en el oro rubio de las mieses y en la esmeralda rutilante de los campos." En otras palabras: En el valor eterno de la tierra fertil.[1]

> This Eastern country is the area of greatest potential development today. In fact, Bolivia's East is at this moment in the country's history almost the exact equivalent of the North American Far West of about 150 years ago--wild, untamed, undeveloped, and much of it virtually unpopulated. It is a land of promise which offers a challenge to those venturesome souls who, like the rugged pioneers who developed the great West of the United States, are willing to face the unknown and assume risks and hardships in an effort to improve their lot and extend their country' frontiers.[2]

---

[1]From a Bolivian Government report on Colonization in the Alto Beni written by Bolivians and U.S. Technical Advisors in 1965. Un Transplante Humano, El Project De Coloniación "Alto Beni" De Bolivia (La Paz, 1965), p. 5.

[2]Ibid, p. 6.

Introduction

The colonization program and related activity designed to support the development of the Oriente, discussed in this chapter, represent a major development expenditure of the Bolivian and U.S. Governments. The projects described in this chapter contributed to the opening of the Oriente and significantly increased the agricultural capacity of Bolivia. However, as we shall see, the increased agricultural capacity did not benefit the majority rural population on the Altiplano and in the high valleys. The colonization program is one more example of the U.S. Government's propensity to support a development philosophy that was to run contrary to the basic tenets of the Revolution of 1952 which was to support the majority population in its development.

Historical Background

The Oriente traditionally has been perceived as a vast frontier for human exploitation. The ideation process promoting occupation of the Oriente as a land of infinite riches is one that reaches back to the pre-Columbia Era. The Third Inca, ruler, Capac Yapanqui, ordered the establishment of an agricultural community in a geographic area referred to as the

hot land or the yunca. Roca, the Sixth Inca, ordered armies into eastern Peru and Bolivia to conquer antisiyu. It was the Ninth Inca, Pachacuti, who dispatched his son, Capac Yapanqui, to conquer the Mojos region of eastern Bolivia. The son reported the difficulties of fighting in a hostile terrain characterized by a sharply different climate and complained of transportation problems because of the many lakes and swamps that existed in the area. Despite these attempts to conquer and control the tropical and subtropical regions of eastern Bolivia, the Inca appears to have had very limited success.[1] The extraordinary Inca foot-paths that run from the Altiplano across the hills and mountains into the intervening valleys and on into the tropics can still be trekked. However, there is no archeological evidence to suggest that the Inca attempts to colonize the Oriente bore the same fruit that their conquest of the Altiplano and the high valleys achieved.

To the sixteenth century Spanish conquistadors, the Oriente was the land of the El Dorado. This myth persisted through the Colonial Period and into the National Period. The first attempts on the part of the Spaniards to conquer and colonize the Oriente led them to establish the city of Santa Cruz which was to be the center of their operations in search of the El Dorado. However, when the vast gold and silver deposits were found in the highlands of Upper Peru, most efforts at colonizing the Santa Cruz area were abandoned. It

---

[1]David W. Hess, "Pioneering in San Julian: A Study of Adaptive Strategy Formation by Migrant Farmers in Eastern Bolivia" (Ph.D. Thesis, University of Pittsburg, 1979), p. 40.

was not until several hundred years later that this area became a focus for new waves of immigration.

After Bolivia gained Independence from Spain, the new government promoted legislation to attract migration from the highlands by providing land grants for colonists. However, the initial nineteenth century efforts were not particularly successful. In 1886 the Bolivian Government established the Ministry of Colonization during the presidency of Gregoro Pacheco to encourage the opening up of eastern Bolivia, and legislation in 1886, 1905, 1910 and 1920 was promoted once again to entice Bolivians to the Oriente. At the turn of the century, several promotional efforts were undertaken to attract foreign migration from Europe and North America with the promise of large land holdings. It was a period of extravagant plans and schemes on the part of Europeans, Englishmen, and Americans who promoted all manner of unrealistic projects born out of fantasy. The interior region remained an area that prompted exotic myths and rumors rather than a region that actually was to be exploited. The presence of cinchona bark used in the production of quinine did lead to a certain amount of spontaneous migration by highlanders in the late nineteenth century, particularly to the Santa Cruz area to collect the bark. There were other food products that also were recognized as being more suitable for agricultural

production in the Oriente which led to a variety of experiments.[1]

Colonization 1920 to 1952

Successful migration into the Oriente, however, did not really occur until 1920. The first important effort at colonization began with the founding of Todas Santos del Chapare in the tropical lowlands of the Cochabamba Department. Most of the migrants who came into these lowlands were from the Altiplano or high valleys, and many had been induced to make this move by the Bolivian Government which in some instances provided financial incentives. There were settlements in the Santa Cruz area where the economic motives that attracted colonists were buttressed with a political and military rationale. To establish authority over the Oriente, the Bolivian Government felt it imperative to populate the area. There was always the concern that the Oriente, particularly the Santa Cruz area, might separate from Bolivia. The roots of regional autonomy ran deep in the outlying areas, and there was always a desire on the part of La Paz to strengthen the bond between the remote areas and the capital.[2]

During the thirties and forties, realization that the Oriente could serve as an important area for resettling Indians from the Altiplano and the high valleys gained increasing credibility in government circles. The Oriente could

---

[1]Ibid., pp. 50-51.

[2]Ibid., pp. 52-53.

serve as a safety valve to alleviate population pressures that were growing on the Altiplano and in the high valleys and also had the potential of producing needed agricultural commodities for the urban centers on the Altiplano and in the high valleys.

Certainly a very important aspect stimulating colonization of the Oriente was the Chaco War with Paraguay. The Bolivians, in order to have access to the Oriente, constructed in 1931 and 1932 the first overland route to be used by motorized transportation. Not only did the war serve to develop awareness on the part of the Indian participants that they were the equal of their white masters, but it served to confirm the notion that the Oriente could become an important agricultural production center. It is estimated that by the end of the war the Department of Santa Cruz was supplying 50 percent of the food for the Bolivian military engaged in the war.

After the Chaco War in 1937, the military undertook a planned colonization effort in the Santa Cruz area.[1] Led by an engineer from the Ministry of War and Colonization, a road was built extending from the City of Santa Cruz to the Yapacani River towards Puerto Grether on the Ichilo River. The colonists, who primarily consisted of veterans of the Chaco War, were provided land, tools, and shelter as incentives to start a colony in this area. By 1940, 200 settlers had made a

---

[1]Ibid., pp. 53-54.

start in this colonization effort named Colonia Germán Busch. When the Military withdrew their support in 1945, the colony was quickly abandoned. Colonization was also promoted in the Chapare area of Cochabamba and into the Alti Beni from the Altiplano during this same period.[1]

Rationale to Support Colonization

In the early discussions dealing with economic assistance between the U.S. and Bolivian Governments, one of the program areas recommended for assistance was the development of the Oriente. The efforts at colonization immediately after the Chaco War played an important role by their very existence in helping to shape the recommendations that were to emerge from the Bohan Report. These efforts were seen as precedents for the large scale colonization that the Bohan Report recommended. In concert with a colonization strategy was a plan for the development of a national highway system that would tie the production centers in the tropical and sub-tropical regions to the consumption centers in the high valleys and on the Altiplano.[2]

The Oriente, because of its sparse population and rich, natural resource base that could be exploited for agricultural purposes, especially when contrasted to the Altiplano and the high valleys, was perceived by members of the Bohan study team

---

[1]Ibid., pp. 56-67.

[2]Department of State, Report of United States Economic Mission to Bolivia "Part I - General; Conclusions; Recommendations" submitted by Merwin L. Bohan (August 15, 1942), pp. 1-26.

as an area that could absorb the excess population of the Altiplano and the high valleys, engaging this population in productive agricultural pursuits. The traditional rural population centers were being asked to overproduce in order to meet the demands of a growing urban population; whereas, the Oriente was seen as an underproductive area. The case was made for the need to support a development strategy that more evenly distributed human resources in relationship to the location of natural resources that could be used in promoting productive employment.[1]

As discussed in the Bohan Report, Bolivia had a negative balance of payments position. Over one-third of all imports were used to purchase agricultural produce or inputs to support agricultural production in Bolivia. This trend had started in the thirties, and persisted into the forties. The Oriente was seen as the area that could produce agricultural products that could result in foreign exchange savings for Bolivia. It was also an area that could play the major role in diversifying the Bolivian economy and agriculture. An important adjunct of diversifying agriculture was the development of agro-business enterprises in the Oriente for processing locally produced agricultural products, particularly sugar and rice.[2]

---

[1]Ibid.

[2]Ibid.

Colonization After 1952

The colonization of the Oriente has been an integral dimension of the Bolivian Government's development philosophy and program since the Revolution of 1952. To appreciate the Bolivian Government's policy since 1952 regarding colonization it is important to understand the government's attitude regarding land use. The 1952 Revolution brought about dramatic changes in the land use pattern, and the impulse of this revolution was reaffirmed by the Agrarian Reform Decree of 1953. This decree was instrumental in articulating land use policy. The decree established that unexploited land could be distributed to Bolivians or foreign migrants to be used for the public good. The unexploited category, as defined by this decree, was land that had been returned to the public domain as a result of the 1953 Agrarian Reform Decree; unutilized lands which had been awarded to either public or private entities but which were not being utilized for the purpose originally intended; and lands which were at one time perceived as unfit for colonization but because of improvements made to these lands could be successfully exploited and thus contribute both in economic and social terms to Bolivia.

The Bolivian Government received sustained support from the U.S. Government throughout the fifties and sixties to colonize and develop the Oriente. The official U.S. attitude, in terms of the policy the U.S. Government promoted and the type of intervention the U.S. Government financed to support

the Bolivian effort, has reinforced the Bolivian Government's policy and intervention style. Therefore, to understand the U.S. Government's attitude regarding colonization, it is worthwhile to review in some detail the findings of a U.S. Government Team sent to Bolivia in 1954 to specifically review the feasibility of colonization in the Santa Cruz Department. The team, after reviewing agricultural and economic reports relating to the area, visiting the region, and holding discussions with both local and national leadership concerned with the development of Santa Cruz, made a series of recommendations. The thrust of the report was to support the development of the Santa Cruz area with specific technical recommendations embracing nearly every facet of development including agriculture, health, administration, and immigration considerations.

The team reinforced the conviction spelled out in the Bohan Report that the development of the Oriente was necessary to promote the rational development of Bolivia. Development of the Oriente was crucial to addressing the adverse balance of payments problem that had emerged in the thirties and persisted. If Bolivia was to feed herself, the Oriente was to play the key role. On the other hand, the team did not see the Oriente as an area that should absorb the Indian populations of the Altiplano and high valleys. Quite the contrary, the team recommended that the Bolivian Government should promote large scale immigration to carry on the enterprise of colonization in the Santa Cruz area. To quote the report:

Bolivia's population can be strengthened in number, in culture, in productive capacity, in commercial enterprise, in the professions, crafts and sciences--indeed, in just about all fields of human activity and ingenuity. The country as a political and economic entity, cries out for that strengthening. Low agricultural production in the face of an abundance of tillable soil, consequent food shortages, retarded industry, unfavorable trade and fiscal balances, costly and stifling subsidies and price policies--Bolivia has all of these and more, with about one-fourth of the people having the capacity to understand them and to participate in the measures intended to overcome them.

The new strength must come from without Bolivia.

The president of Bolivia and those of his ministers and advisers who are directly concerned with the economic, agricultural, and population policies and problems of the counry are agreed that in immigration lies the source of bolstering the Bolivian economy and productive capacity, especially through an expanded agriculture. The one minister showing any reticence on this point agreed that an immigration program was sound in principle, but he felt that Bolivia could not afford the great expense of such a project, and that for the present her limited cash resources were needed for other things. However, he did confirm that the President did not share this latter view and was 'enthusiastic' about the immigration idea.[1]

The American team was even so bold as to suggest the type of immigrants reflecting both a U.S. foreign policy concern and perhaps even a racial basis when it recommended:

> ...in view of the expected assistance of the Government of the United States, it is recommended that we urge upon Bolivia the selection of immigrants from those countries in whose population problems (native and refugee) the United States has manifested concern, such as Germany, Austria, Italy, Greece, the Netherlands, and Japan. In such selection, however, due consideration must be given to the climate, living and working conditions, identifying of raisable crops, and other elements which will promote the formation of colonial groups who can readily conform

[1]Agency for International Development, Report of Santa Cruz Area Development Mission (September 1954), pp. 15-16.

to the requirements of living in the Santa Cruz area.

> The country of emigration must cooperate fully in the process of good selection, and make such contributions by way of initial moving expense and grubstake as is commensurate with the benefits it derives from the program. It must assist and counsel the prospective migrants so that they will be adequately informed and guided.[1]

What appears to be a bias on the part of the American team may have been more of a reflection of what the Americans perceived as a bias on the part of the leadership in the Bolivian Government because the report states:

> In the conversations the Bolivian officials often indicated a preference for European immigrants, who had experienced climatic and living conditions similar to those prevailing in the Santa Cruz area. In so stating, they carefully pointed out that their position was not based upon likes or dislikes for race, religion or national origin, but, rather, upon the specific and urgent needs of the country. This is borne out by the wide variety of immigrants of recent and current arrival in Bolivia.[2]

Regardless of whose bias this may be reflecting, there can certainly be no doubt that the American team felt that Indians from the highlands were not a solution to the development of the Oriente as demonstrated by the following observations in their report:

---

[1]Ibid.; p. 24.

[2]Ibid., p.10.

The Indians of the Altiplano and Cochabamba areas are predominantly subsistence farmers, eking out a bare existence on plots too small or too thin for anything better; more and richer land is not available thereabout. Cutbacks in mining have caused idleness and distress among those so employed. If they were to move to areas like Santa Cruz, they would, under the Agrarian Reform have much more acreage than is available to them in their present surroundings. It is significant, however, that the great mass of these Indians have chosen to remain where they are and to struggle under these conditions. Several reasons have been advanced in explanation of this. It is said that they are physically unable to live in lower and warmer regions; again, that it is a matter of long custom or tradition; thirdly, that they have an overwhelming love for their "homeland" and suffer prompt and intense homesickenss when away. Each of these explanations has been proved and disapproved in scattered but specific instances. There may be and probably are other reasons. We cannot escape the fact, however, that they have not readily moved away and resettled, nor in large numbers, not satisfactorily, and that, whatever be their motivation, their decision is a fixed one. They do remain in their old home and they do turn their backs upon the opportunity for what we would call easier living elsewhere and a better chance to produce food and earn wages.

We share the opinion of many of those who have observed this situation at first hand over the years that an organized resettlement project involving the movement of these people from the highlands to the lowlands would be, to say the least, of highly doubtful efficacy. The most optimistic official view heard expressed was that "it is not impossible, but very difficult." There is strong opinion that it would surely fail.

The above revolves around the attitude of the Indians themselves. Assuming for the moment the willingness of large numbers of them to settle in the Santa Cruz area, there are other considerations to which we must turn.

What brings us into this study is the need and desire to develop the Santa Cruz area in the field of agriculture. Whatever we do must be related to it; whatever we suggest must contribute to it in worthwhile measure. The resettlement or immigration of people is not, as we understand our mandate, the end in itself; rather it is a component of the development plan. Therefore, in appraising the wisdom of a resettlement of the natives, we must take into account the extent and value of their contribution to the whole enterprise.

> It is well known that their modi operandi and vivendi are still those of many years ago. They work slowly and crudely. They seem content with little. In general, they do not produce beyond their immediate needs. Few will venture the prophecy that they will soon become other than subsistence farmers regardless of the acreage available to them.
>
> We must conclude, therefore, that the development plans for the Santa Cruz area must be rested upon more solid, more promising foundations. It is unpleasant to say these things about any people, and, most of all, about people who toil endlessly for a meager livelihood. Nature makes us as we first are; we change for the better or the worse by training and experience. Training and experience in new things have come to some of these people very recently; to others not at all. They are people who themselves require development rather than provide it.[1]

Colonization Activities in the Fifties

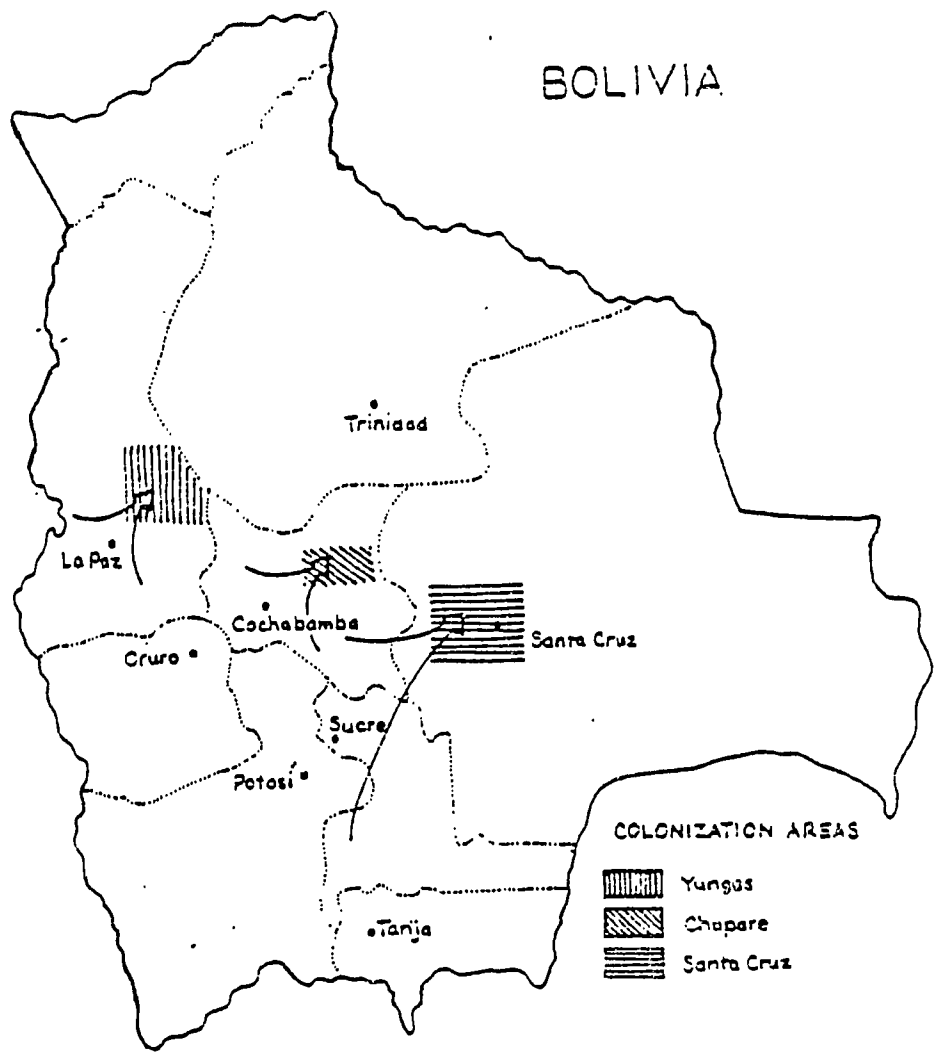
Colonization activity undertaken in Bolivia in the fifties began in 1954 with the government planned, financed, and implemented programs in the Department of Santa Cruz. The first colony supported during this period was the Cotoca Colony started under the sponsorship and supervision of the Bolivian Development Corporation (CBF). CBF fostered a highly paternalistic approach to colonization. Lands were cleared in advance of the colonists' arrival, and a monthly financial subsidy was initially provided along with support for health, shelter, agricultural credit, and agricultural technical assistance. The colonists were directed to produce sugar cane, corn and rice. It has been estimated that the program cost $3,350 per person. This colonization effort was

---

[1]Ibid., pp. 12-14.

MAP 7

COLONIZATION AREAS



SOURCE: Adapted from Kelso Wessel. "An Economic Assessment of Pioneer Settlement in the Bolivian Lowlands" (Ph.D. Thesis, Cornell University, 1966), p. 33.

unsuccessful and the result was a very high abandonment rate of over 75 percent.[1]

This effort was followed by other efforts directed by CBF in conjunction with the Ministry of Defense in the Santa Cruz area. Where the initial effort at Cotoca had been heavily subsidized with financing being provided by the United Nations, subsequent efforts at Aroma and Huyatau in 1954, Caranda in 1955, and Cautro Ojitos in 1956 were undertaken by the Bolivian Government without foreign donor assistance. The pattern that had been followed by CBF at Cotoca prevailed in these subsequent efforts and again the results were essentially the same.[2] Abandonment rates ranged from 50 to 75 percent. The settlements were costly and poorly planned.

The thought prevailed at the time of the colonization efforts that it was hardships posed by the tropical and subtropical environment that had precluded the Inca from successfully settling in the Oriente during pre-Conquest times. The Bolivian Government used this reason to support its paternalistic approach given the hardships that the Aymara and the Quechua had to endure as a consequence of moving from the highlands into the tropical and subtropical lowlands.

The principal reason for the high abandonment rate of these colonies was that CBF had not developed all-weather roads into these areas of colonization, thus, making it

---

[1]USAID Mission to Bolivia, Agricultural Development in Bolivia: A Sector Assessment (August 1974), p. 218.

[2]Ibid., pp. 218-219.

difficult, if not impossible, for the colonist farmer to move his produce into a commercial market. It is important to note that in the late sixties, when all-weather, access roads were built into these areas, dramatic increases in population resulted; the colonist farmer stayed, and his farming enterprises in most cases were successful.[1]

Also during the fifties, there were several foreign colonization efforts in the Santa Cruz area with sponsorship being provided by CBF. With the support of the U.S. Government, Okinawans arrived in three separate waves in 1954, 1958 and 1963. A colony of Japanese arrived in 1957. Also there were groups of Mennonites, of German descent, who initially had established colonies in Paraguay but had left to seek better opportunities and greater religious freedom in Bolivia. The Japanese and Okinawan colonies received assistance from their home government. They also were provided with agricultural production credit loans as well as assistance in securing land from the Bolivian Government. The Mennonites only received support from the Bolivian Government.[2]

Though none of these foreign colonies were abandoned, neither did they have access roads into their areas and they therefore found it difficult to move their products to market. The one decided advantage all three groups had was their own

---

[1]Ibid.

[2]Kelso Wessel, "An Economic Assessment of Pioneer Settlement in the Bolivian Lowlands" (Ph.D. Thesis Cornell University, 1968), pp. 53-75.

strong, traditional social and cultural institutions. Each of these three groups understood the value of cooperation and team work, which was an important ingredient in their eventual success. Additionally, each group had resident technical experts who played a major role in promoting the appropriate agricultural practices. Because each of these groups possessed a high degree of technical experience and a willingness to support agricultural research, there was a much higher instance of introduction of modern agricultural practices into these colonization efforts.[1] Almost from the beginning, production in these three foreign colonies was higher than that in the directed Bolivian Government efforts.

Colonization in the Sixties

Colonization in the tropical and subtropical areas in the sixties directed by CBF was in three distinct regions of Bolivia, including the Alto Beni area of the Yungas in the northern part of the La Paz Department, the Chimore area located in the Yungas of Cochabamba Department, and in Santa Cruz Department, northwest of the city of Santa Cruz, in the Yapacani. The purpose of these projects was the resettlement of Indian families from the Altiplano and the high valleys through both spontaneous and planned colonization efforts to take place over a ten year period.[2]

---

[1]Ibid.

[2]Agricultural Development in Bolivia: A Sector Assessment, pp. 219-220.

To finance these activities CBF received loan support from the Inter-American Development Bank and grant support from USAID/Bolivia. The USAID/Bolivia effort initially supported the colonization efforts that took place in the Alto Beni. The original plan for the Alto Beni called for the financing of more than 600 parcels of land of approximately ten to twelve hectares each to be provided to each family. Five hundred and sixty two families were actually resettled in the Alto Beni area at an approximate cost per family of $2,500.[1] Agricultural production was concerned with rice, bananas, corn, and yucca, and USAID funds were used for a multiplicity of purposes including the construction of a hospital, schools, administrative offices, and access roads; agricultural credit; and clearing.[2]

The Chimori project located in the Yungas of Cochabamba Department started in 1962, and the initial plan called for the resettlement of 4,000 families principally coming from the Cochabamba area. Access roads were constructed, community services were provided, and each family was allotted twenty hectares along the access route. The new settlers were provided transportation to the site as well as food and clothing. Agricultural tools were provided on credit, and this loan was to be repaid after the initial harvest. The project was never able to meet its ambitious targets, and by

---

[1]Ibid., pp. 220-221.

[2]USAID Mission to Bolivia, Project Agreement: Alto Beni Development 511-15-810-195 (June 24, 1964), pp. 2-5.

1968 a mere 402 families were living in one of the community centers. There was approximately a 30 percent abandonment rate. The Yapacani effort, which was planned along similar lines of the Chimore effort, received considerable support from the Bolivian military, particularly with regard to the pre-colonization phase including the construction of access roads and land clearing. By 1965, over 1,000 families had been resettled.[1]

Conclusions Regarding Colonization Efforts

In reviewing the various colonization efforts in the sixties, there were several factors which were important to establishing a successful colonization effort. First was the construction of access roads. Where access roads did not exist, the abandonment rate in the planned Bolivian Government sponsored colonies was as high as 75 percent. In those areas where there was a high rate of successful, spontaneous colonization, good access, usually in the form of all-weather roads, existed. It was the access that was the key factor that promoted the spontaneous colonization in the first place.[2]

Another critical factor relating to the existence of access roads is the proximity of the consumer market to the production area. In the first attempts in the fifties, the market invariably was too remote from the area of production.

---

[1]Agricultural Development in Bolivia: A Sector Assessment, p. 220.

[2]Ibid., p. 222.

As a result, most of the colonization efforts did not result in viable agricultural enterprise. In contrast, the spontaneously settled communities usually were responding in their agricultural production efforts to market forces, and the majority of these colonization efforts endured.[1]

In the early, planned communities directed by the Bolivian Government there was little understanding of the need to help transplant the socio-cultural institutions of the settlers. Those efforts principally concerned with the movement of the Aymará and Quechua into the tropical lowlands invariably failed, and an important dimension in the failure was the lack of recognition of the role that traditional socio-cultural institutions played in the daily life. The Indian found himself in a strange and hostile environment, and he was not prepared to address this environment in terms of the technical demands it made on him.[2]

Upon reviewing the impact of the colonization program in terms of moving population into the tropical and subtropical lowlands as a means to alleviate population pressures that were building on the Altiplano and in the high valleys, one is forced to the conclusion that this dimension of the program has not been successful. The best estimates suggest that approximately 48,000 families moved from the highlands to the Oriente since 1952 through 1970. If one calculates that there

---

[1]Ibid., p. 223.

[2]Ibid., pp. 224-225.

has been an increase of 180,000 families on the Altiplano and in the high valleys for the period 1952 through 1970, then only approximately one-fourth of the estimated increase of population in the Altiplano and high valleys has been absorbed in the Oriente. Should these estimates be off by as much as 100 percent, one still must conclude that colonization has not been a satisfactory solution to the problem of the increasing population in the Altiplano and high valleys.[1]

In terms of the impact of colonization activities on agricultural production in the Oriente and its contribution to addressing the foreign exchange problem through the successful production of crops previously imported, the program has been successful. By the early seventies, the Oriente produced nearly all the beef, sugar cane, and rice consumed in Bolivia, and there was even a surplus of production in these areas. Coffee was also produced in sufficient quantity to meet domestic needs and was also an important foreign exchange garnerer.

However, a basic question must be asked regarding the larger development picture. Though there was a significant growth of agricultural production capacity in the Oriente, was there growth with equity in terms of the total population of Bolivia, not just the population of the Oriente and the urban consumption centers? Given the size of investment for directly supporting the colonization and related efforts which

---

[1]Ibid., p. 222.

include the provision of technical agricultural inputs to support production and the additional investments required for the development of a road system critical to the establishing of permanent agricultural communities in the Oriente, what would have been achieved if these same resources had been focused on the traditional areas of settlement in the high valleys and on the Altiplano? Considering the small population that was moved to the Oriente involved in agricultural production enterprises, and benefited from the increased agricultural production, the impact of colonization must be scrutinized. Had the same magnitude of investment been made to induce greater productivity in the small farm sector on the Altiplano and in the high valleys, a much larger population certainly would have benefited. The savings of foreign exchange provided by achieving self-sufficiency in sugar, coffee, cattle, and rice are not benefits that the poorest majority rural population realized. The pattern of development investment, as it relates to the development of the Oriente and dictated by the Bolivian Government and supported by the U.S. Government, is one that largely precludes the Indian from sharing in the benefits.

Highways to Support Colonization[1]

An important element of the strategy to open up the tropical and subtropical areas for agricultural production was

---

[1]This section is included to provide the reader with a sense of the scope of the U.S. Government's involvement in road development in Bolivia.

the U.S. Government's support for the development of an infrastructure to link the consumer centers on the Altiplano and in the high valleys with production areas in the Oriente. The Bohan Report had pinpointed the necessity to support the construction of a 310 mile highway linking Cochabamba with the Santa Cruz area on a priority basis. However, this link was not actually finished until 1953. It cost approximately $50 million of which $33.5 million was provided by the U.S. Government through the mechanism of the Export-Import Bank.[1] In its first year of operation, 1953, a mere 5,400 vehicles, mostly small trucks used the highway in both directions. By 1963 the traffic count was up to 93,000 vehicles, mostly heavy duty trucks.[2]

U.S. Government support for infrastructure development continued in the fifties, promoting penetration road development in the Santa Cruz areas as well as in the Alto-Beni Region in La Paz Department. Additional financial resources provided by the U.S. Government during the fifties amounted to approximately $13.5 million. The feeder roads constructed in the Santa Cruz Department reached into the areas colonized by

---

[1]USAID Mission to Bolivia, Point IV in Bolivia, 1942-1960 (December 1960), p. 39.

[2]Cornelius H. Zondag, The Bolivian Economy, 1952-65; The Revolution and Its Aftermath (New York:Praeger, 1966), p. 129.

MAP 7

ROAD CONSTRUCTION SUPPORTED BY THE U.S. GOVERNMENT

Japanese and Okinawans and were instrumental to encouraging the colonists to cultivate sugar.[1]

Financial support provided by the U.S. Government to support highway construction continued through the sixties with emphasis on penetration of tropical and subtropical areas in the Santa Cruz Department, the Alto-Beni, and the Chapare area of Cochabamba Department. More U.S. Government financial support was devoted to road construction than any other development sector during the sixties.[2]

---

[1]Point IV, pp. 39, 86-90.

[2]In the period from 1962 to 1964, AID authorized $40 million for road constructon in Santa Cruz and Cochabamba Departments. Agency for Inernational Development, History of U.S. Economic Assistance to Bolivia, 1942-1980 prepared by Margaret Kranz (May, 28 1980), p. 27.

CHAPTER IX

HEALTH AND EDUCATION

Introduction

To this point I have described the joint efforts pursued by the U.S. and Bolivian Governments in the agriculture sector concerned with encouraging growth of the agricultural production of Bolivia. However, for a full appreciation of the nature of development in rural Bolivia, it is important to be aware of what was happening in both the health and education sectors. Though the basic purpose is improving agricultural production, it is as important to provide both health and educational service to the small farm sector in a developing society as it is to provide technical agricultural assistance. Though the relationships may not be immediately apparent, particularly if one only looks at the status of agricultural production, the development of both health and educational services are intimately related to the economic productivity of a rural society.

Health

Let us first examine what happened in the health sector. To quote a report of the Inter-American Development Bank that underscores the relationship between health and rural development:

> Health does not lend itself to the same statistical analysis as that utilized in demonstrating the quantitative relationship between education and economic productivity, nor can it be claimed that health is the only causal factor in the capacity to become "educable" and to become more productive, but it is long-term economic development.[1]

Interamerican Public Health Cooperative Service (SCISP), 1942-1962

Official U.S. health assistance began in 1942 with the creation in Bolivia of the Interamerican Public Health Cooperative Service (SCISP) with funding provided by the Institute of Inter-American Affairs (IIAA). The SCISP health program was developed in the context of U.S. assistance to Bolivia during World War II with the basic objective of assisting Bolivia to increase rubber production and tin production. It was reasoned that the improvement of the health status of the laborers working in rubber and tin production activities would bring increased production of these two strategic materials critical to the success of the U.S. war-time objectives.[2]

The agreement signed between the Bolivian Government and IIAA provided for SCISP to operate for two years, during which time an independent, indigenous, and viable Bolivian Government organization would be established. What started as a two-year experiment ended in a twenty-year project having the

---

[1]Inter-American Development Bank, Policy in the Field of Health GN-374 (Washington, D.C., June 14, 1972), p. 2.

[2]USAID Mission to Bolivia, Bolivia Health Sector Assessment (January 1975), p. 390.

primary objective of promoting health and preventing diseases for the Bolivian population.

The first SCISP activities, taking place between 1942 and 1955, resulted in the creation of a public health nursing administration, the construction and operation of a number of health centers spread throughout Bolivia, and the financial support for activities of health education, sanitary engineering, industrial hygiene, and nutrition. It was not until February 1956, however, that an independent program concerned with malaria eradication was initiated.[1]

For the period 1942 to 1962 SCISP funds amounted to approximately $6.5 million, of which approximately 52 percent was provided by the U.S. Government and 42 percent by the Bolivian Government, with earnings accounting for 3 percent and a modest 3 percent being provided by third parties. Except for the phase-out year of 1962, which marked the end of many of the services operating in Bolivia, expenditures ranged per year in the neighborhood of $350,000. (See Table 13, p. 145, "SCISP Expenditures, 1942-1962.") During these years, approximately 150 U.S. health technicians served two years or more in Bolivia. In the period of its greatest growth, near the end of the fifties, SCISP employed over 850 Bolivian employees. Well over half of these Bolivians were in the Malaria eradicaton program.[2]

---

[1]Ibid.

[2]Ibid., pp. 391-392.

TABLE 13

SCISP EXPENDIURES, 1942-1962

Title	Date Project Started	Expenditures Pesos	Percent
GENERAL ADMINISTRATION			
Administrative Expense	10/29/42	3,732,214,947	
Transportation System	1/01/47	749,463,306	
Maintenace SCISP Bldgs.	1/01/47	40,250,653	
Sub-Total		4,521,928,904	27.1
CONTROL OF SPECIFIC COMMUNICABLE DISEASES			
Small Pox	11/01/54	1,305,433,969	
Yaws	11/01/54	206,235,773	
Yellow Fever	11/01/54	52,320	
Sub-Total		1,511,722,062	9.0
TECHNICAL SERCIES AND TRAINING			
Administrative	1/01/59	71,512,381	
Health Education	11/03/52	181,981,463	
Nursing	1/01/58	88,631,687	
Statistics and Epidemiology	1/01/58	122,769,077	
Technical Training	7/01/52	161,025,731	
Local Nurse Training	11/03/52	451,119,419	
Sub-Total		1,077,039,858	6.5
ENVIRONMENTAL SANITATION			
Environmental Sanitation	1/30/49	2,981,143,497	
Occupational Health	1/1/54	388,983,558	
Sub-Total		3,370,127,055	20.2
NATIONAL LABORATORY			
National Institute of Bacteriology		386,066,238	
Public Health Ministry		5,826,619,139	
Sub-Total		6,212,685,377	
GRAND TOTAL		16,693,503,256*	100.0

*The $6.5 million is equivalent to 28 billion pesos for which only 16.7 billion pesos can be accounted for by available documentation. These figures do not include $4 million or 50.5 million pesos for malaria eradication for the period 1959-1968.

SOURCE: USAID Mission to Bolivia, Bolivian Health Sector Assessment (January 1975), p. 393.

The SCISP program was divided into five major components, including the Medical Division, the Industrial Hygiene Division, the Sanitary Engineering Division, the Malaria Eradication Division, and an Administration Division. The Medical Division was essentially concerned with the basic health care systems, the administration of the health centers and a communicable disease control program. Construction began in 1943 in La Paz, and by the end of the program fifteen health centers were built throughout the country. Additionally, mobile units were put into operation in the Departments of Potosí and Tarija. A rough estimate of services rendered by SCISP is that between 300,000 and 500,000, or approximately fifteen percent of the population of Bolivia during that era, received some medical attention from the SCISP facilities. As late as the 1970s all fifteen centers were still operating. The Medical Division was also responsible for the control of the communicable disease programs with the major efforts including the coverage of 77 percent of the Bolivian population for smallpox; a modest campaign against yaws for the Department of La Paz in 1958 and 1959; the controlling of yellow fever in the urban areas; and the reduction of the instances of bubonic plague from 4,623 registered cases between 1921 and 1938 compared with 252 cases for the following twenty years.[1]

---

[1]Ibid., pp. 392-394.

The Sanitary Engineering Division was started in 1947 and carried out over fifty projects located throughout most of Bolivia. It was concerned with the development of potable water and sewage disposal systems as well as with developing curricula in the field of sanitary engineering.[1] The Division of Industrial Hygiene started to operate in 1946 and primarily focused its efforts on working with laborers in the mining industry and allied services. Though it made valuable contributions in terms of the definition of the health problem uniquely faced by the mining population, it did not develop projects that addressed the health problems of the mining community.[2]

The Administration Division was essentially concerned with the establishment of a technically sound administrative system that was responsible for developing and establishing a Bolivian civil service plan. It played the major role in the creation of a program for the training of public health specialists who were to work throughout the entire SCISP program.[3]

Perhaps the most important specific contribution of SCISP during this period was the work undertaken by the Malaria Eradication Division. Its initial efforts started in the Beni and Pando Departments with the distribution of anti-

---

[1]Ibid., p. 394.

[2]Ibid., p. 395.

[3]Ibid., p. 396-397.

malaria drugs in 1943. However, the use of chemical spraying techniques did not start until 1956. With funding provided through SCISP by the U.S. Government and also with sizeable contributions coming from UNICEF and the Pan American Health Organization, a major program was started in the late fifties and continued into the sixties. Malaria was predominately located in the tropical and subtropical lowlands and the plains of the Beni, Pando, Santa Cruz, Cochabamba, Tarija, Potosí and Chuquisaca. Major strides were made between 1958 and 1962 in controlling malaria; however, because of financial constraints, a sustained effort was impossible and by the late sixties malaria was reoccurring at an alarming rate. Nevertheless, the important advances made by SCISP in developing a sound program were critical for opening up of new areas where previously malaria had been endemic, thus, allowing for the development of these areas. This is especially the case for Santa Cruz. Also the areas of the Beni and Pando benefited significantly from this malaria eradication effort.[1]

In reviewing the SCISP program, much of the same criticism associated with the programs initiated and executed by SAI is also relevant. These health programs were planned, funded, managed and, to a large extent, executed by Americans. In many instances, these programs were never really seen nor understood to be Bolivian programs. There was too much preoccupation on the part of the North American advisors to do

---

1Ibid., p. 396.

things the American way, using American equipment, American ideas, and American know-how. Consequently, when U.S. funding was sharply reduced in the early sixties, many of the SCISP activities were phased out because the Bolivian Government was unable, and in some cases unwilling, to sustain these efforts.

The majority of the beneficiaries of the SCISP activities lived in urban areas. A striking exception were the beneficiaries of the malaria program which were the pioneers of the tropical and subtropical lowlands of the Beni and Santa Cruz areas. The only national health effort to impact positively on the rural communities of the Altiplano and high valleys was the smallpox eradication program. In sum, health development expenditures during the fifties once again reveal a bias in favor of the urban dweller and those Bolivians concerned with the exploitation of the tropical and subtropical lowlands.

Health and the Alliance for Progress

With the advent of the sixties and the Alliance for Progress, the USAID health effort was to add two new dimensions to its development assistance effort. The Bolivian Insitute of Occupational Health was created, and between 1962 and 1966, the U.S. Government contributed approximately $600,000 for the establishment of this institute, which was principally focused on the mining population. Though the target population represented only 4 percent of the total

Bolivian populaton, it was this population that produced over 50 percent of the foreign exchange.[1]

Another important program that emerged in the sixties, funded by the USAID was the community potable water program principally focusing on rural areas in Bolivia. This program, which was initiated in 1963, had as an objective the provision of potable water to Bolivian communities with a population ranging between 500 and 10,000 inhabitants. In the first year of the program, USAID provided 100 percent of the funding. Each successive year, the USAID provided 20 percent less funding with the Government of Bolivia's funding increasing by increments of 20 percent each year. The complete phasing out of the USAID contribution was scheduled for 1968. The USAID and Bolivian Government's contributions were supplemented with resources provided by each of the communities where potable water projects were undertaken. The community contributions were at least 50 percent of the total cost of the project.[2] Between 1963 and 1967, the project reaching into rural Bolivia initiated projects that served a population exceeding 100,000 inhabitants and cost in excess of $1 million. (See Table 14, page 151, "Summary of USAID Potable Water Projects, 1963-1967.")

The potable water activity of the sixties marks the beginning of USAID interventions in the health field that

---

[1]Ibid., pp. 398-399.

[2]Ibid., p. 406.

TABLE 14

SUMMARY OF USAID POTABLE WATER PROJECTS, 1963-1967

Locale	Department	Population Served	Cost
Rurrenabaque	Beni	1,500	140,601.31
San Ignacio de Moxos	Beni	2,200	99,272.70
Sorata	La Paz	2,800	188,831.71
Caranavi	La Paz	2,300	154,447.41
Achacachi	La Paz	4,000	441,610.38
Chocobamba	La Paz	500	88,814.38
Villa Rosa	La Paz	250	27,958.00
Batallon Ingenieros	La Paz	500	29,604.60
Peñas	La Paz	492	137,422.60
San Jose de Alcoche	La Paz	542	105,069.89
Collana	La Paz	1,500	184,628.07
Caquiaviri	La Paz	981	170,700.50
Viacha	La Paz	7,579	934,322.37
Villa Irpavi	La Paz	2,500	449,613.25
Coripata	La Paz	2,615	312,586.46
El Paso	Cochabamba	907	125,313.83
Pasorapa	Cochabamba	990	71,226.10
Aiquile	Cochabamba	4,542	451,107.96
Tarata	Cochabamba	3,090	477,032.96
Mizque	Cochabamba	1,562	270,314.30
Sacaba	Cochabamba	3,826	391,129.23
Pojo	Cochabamba	1,100	216,725.97
Portachuelo	Santa Cruz	4,363	882,624.80
Warnes	Santa Cruz	2,500	89,349.90
Los Negros	Santa Cruz	60	99,828.19
Montero	Santa Cruz	9,000	1,131,707.01
Buena Vista	Santa Cruz	2,375	514,394.05
Roboré	Santa Cruz	3,980	506,838.43
Gen. Saavedra	Santa Cruz	1,164	357,511.86
Cotoca	Santa Cruz	1,335	405,331.16
Vallegrande	Santa Cruz	6,113	528,008.85
Samaipata	Santa Cruz	1,987	580,307.34
San Ignacio de Velasco	Santa Cruz	3,473	755,832.62
Cobija	Pando	1,957	591,026.00
Padcaya	Tarija	1,100	79,355.00
Tarija	Tarija	16,604	1,094,617.15
San Lorenzo	Tarija	1,053	142,521.50
Vilacaya	Potosí	305	76,391.50
Tupiza	Potosí	9,062	762,064.24
Atocha	Potosí	3,695	465,450.30
Vitichi	Potosí	1,430	165,185.27
TOTAL (42)		118,032	$b.14,395,379.35

SOURCE: USAID Mission to Bolivia, Bolivian Health Sector Assessment (January 1975), p. 407.

would have as their central focus a concern for improving the quality of life of the rural population. However, there was still no real recognition of the need to support the creation of an affordable health care system that addressed the realities, both social and economic, of rural Bolivia.

Education

The Revolution of 1952 and Education

An extremely important dimension of the Revolution of 1952 was President Paz Estenssoro's concern for undertaking a complete reorganization of Bolivia's educational system. He was particularly interested in providing education opportunities for the rural areas under the direction of the Ministry of Peasant Affairs. The new revolutionary government felt that education to date had been elitist and urban bound. It was an educational system that was patterned after the French model. For this reason, in June 1953, Paz Estenssoro created a commission to study the educational situation and recommend reforms.[1]

One of the major concerns of the commission was the method of instruction. It was hotly contested that primary education for the Aymará and Quechua should be in their native language. Others argued that this would continue to isolate these two groups from the main stream of Bolivia and that the instruction should be in Spanish. Both sides of the argument

---

[1]Robert J. Alexander, The Bolivian National Revolution (New Brunswick: Rutgers University Press, 1958), pp. 84-85.

prevailed and it was agreed that instruction would be both in the Indian language spoken by the student and in Spanish.[1]

The President, as a result of the findings of the commission, issued an Education Code which became the legal basis for all subsequent education activity in Bolivia. In his message to Congress, Paz described the education situation in the following manner:

> The Educational Reform is in harmony with what we are and what we propose to be. It conforms to the needs of an economically underdeveloped country, with a population which is not only illiterate in its great majority, but also divided by different languages and with human groups in distinct stages of civilization.
>
> The Government is now in the hands of workers, peasants, and people of the middle class. The educational system created by the Reform responds to the interests of those classes which are the immense majority of our people.
>
> It is the proposition of the Reform to extend education, taking its benefits to the great masses, liquidating illiteracy and giving equal opportunities of learning to all the inhabitants, so that education will no longer be the privilege of the few.[2]

Inter-American Cooperative Service for Education (SCIDE), 1944-1963

To support the Education Code with resources, the educational budget which made up 16 percent of the federal budget in 1951, was increased to 28 percent in 1956.[3] It was this program that the U.S. Government was to support through the mechanism of the Inter-American Cooperative Service for

---

[1] Ibid., pp. 85-87.

[2] Alexander, p. 86.

[3] Ibid., p. 89.

Education (SCIDE), which was orignally created in 1944 and remained in operation until 1963. The initial activities financed by the U.S. government were concerned with the establishment of urban educational centers principally concerned with industrial arts and rural education centers which included vocational arts. Technicians from the U.S. were brought to Bolivia to design and implement projects in both of these programs. After the Revolution of 1952, the rural education activities were placed under the responsibility of the Ministry of Peasant Affairs which was to coordinate its efforts with the Ministry of Education.[1]

The education program supported by SCIDE in rural Bolivia essentially had three dimensions: rural education, industrial arts, and vocational agricultural education. SCIDE established rural normal schools in Warisata in the La Paz Department, in Paracaya and Vacas in the Cochabamba Department, and in Canasamoro in the Tarija Department. Several rural schools were also established by SCIDE throughout Bolivia, operating as pilot demonstration models. During the later years of the program, from 1957 to 1961, SCIDE initiated in-service training programs for rural teachers who were not certified. SCIDE also initiated a textbook publication program.[2] Over $2.25 million dollars was contributed by the U.S. Government to the SCIDE operation, covering a period from

---

[1]USAID Mission to Bolivia, Education in Bolivia: A Preliminary Sector Assessment (July 1975), Part VI, p. 1.

[2]Ibid., Part VI, pp. 1-3.

1944-1963, with an annual contribution averaging well over $100,000 per year. The projects were staffed over this nineteen year period with over sixty U.S. technicians who stayed in Bolivia on the average of two to three years. This U.S. staff was supported by approximately 270 Bolivian technicians and administrative staff who in many cases had extended periods of service with SCIDE. In theory, every U.S. technician worked with a Bolivian counterpart who held a position at the same level in the SCIDE bureaucracy as the U.S. counterpart.[1]

In reviewing the accomplishments of SCIDE, it is difficult to sort out those activities that exclusively impacted on rural Bolivia. During the life of the project, approximately 875 non-certified teachers took in-teacher training, receiving certification as teachers. Additionally, 1,500 teachers and administrators attended short courses covering a wide range of subjects. Certainly some of these instructors and administrators worked in rural Bolivia.[2] Yet, regarding the administrative capability of those managing the rural school system, it was said by a U.S. educational advisor in 1969:

---

[1]Ibid., Part VI, p. 2.

[2]Ibid.

> The creation of an educational administrative office for rural education did not cure its many problems, however. In fact, it only compounded most of them. For instance, it reinforced a heretofore covert feeling on the part of urban educational leaders that their educational system was all important, superior, and deserving of more attention. Prior to the separation, urban education leaders might have felt this way, but couldn't openly express it because they were partly responsible for the miserable condition rural education was in. The separation simply took the stigma of rural education from the preoccupations of the urban political sector.
>
> A second misfortune the separation played on rural education was to impose a relatively elaborate educational administrative organization structure upon completely naive, untrained and unprepared groups of semi-professional and non-professional rural teachers and "administrators." In the sixteen years since the creation of this organization, the dearth of administrative talent has never been overcome and, to the writer's knowledge, there has never been a rural educational administrator with more than what could roughly be comparable to a tenth or eleventh grade education. Moreover, until the establishment of the Superior Institute for Rural Education (ISER) in 1962, no rural school administrator was able to have access to any level of professional educational administrative training."[1]

In the model rural schools established by SCIDE, innovative methods of instruction were introduced which emphasized replacing traditional methods of instruction, such as memorization, with more modern, practical approaches to classroom instruction. There was considerable improvement in school facilities, including the construction of at least 100 new rural schools during this period. Also, vehicles and equipment for offices were given to facilitate supervision of rural

---

[1]Gene Lamb, A Study of the Administrative Capacity of the Bolivian Education System (Columbus: Center for Human Resources Research, Ohio State University, 1969), pp. 75-76.

district schools in the Cochabamba, Potosí, Sucre, Tarija and La Paz areas.[1]

An important contribution made by SCIDE was the publishing of primary school textbooks. Of the 1.2 million copies published, certainly some of these textbooks found their way into rural schools. Additionally, major educational literacy programs were undertaken, and textbooks were published to support these programs. Though the majority of beneficiaries of these programs were to be found in the urban areas, there must have been some rural dwellers who benefited from these programs.[2]

When the program came to a close in 1964, much of the same criticism that was leveled at the other servicios in the areas of health and agriculture was also found to be appropriate for SCIDE. It was seen as a U.S. program, funded with U.S. funds, supported by U.S. technicians promoting essentially U.S. ideas to address Bolivian problems. It did little to nurture the creation of indigenous institutional capability for Bolivia. Because of the constant changes both in the American technical staff and the Bolivian educational leadership, the program suffered from lack of continuity. Another

---

[1]Education in Bolivia, A Preliminary Sector Assessment, Part VI, p. 3.

[2]Ibid. Paz Estenssoro, in a message to Congress in July 1956 concerned with progress in rural education, reported from 1952 to 1956 that 1,327 rural schools were created, school enrollment had increased from 61,230 to 132,167 and the number of teachers had risen from 2,811 to 4,495. Alexander, The Bolivian National Revolution, p. 91.

major constraint seriously inhibiting the success of the program was the lack of rural community cooperation, thus constraining significantly the efforts of rural schools, teachers, and administrators. The lack of coordination between SCIDE and the General Directorate of Rural Education within the Ministry of Peasant Affairs and the Ministry of Education resulted in constant communication problems and unreasonable bureaucratic constraints that contributed to retarding the pace of educational development in Bolivia. Finally, as earlier mentioned, the Bolivian looked upon U.S. intervention as one that was essentially foreign. Foreign textbooks, foreign teachers, foreign technology, and foreign educational technology were being imposed on the Bolivian cultural scene without understanding on the part of the U.S. technical advisor of the needs of Bolivia. Distrust ran throughout the program.[1]

Conclusions Regarding Health and Education Efforts Supported by the U.S. Government

Both health and education programs supported by the U.S. Government were essentially focused on the urban areas. Though there are some notable exceptions such as the malaria and smallpox projects, U.S. expenditures were skewed to benefit the urban dweller. Not until the seventies did the U.S. Government begin to promote programs in the health and education sectors that could impact beneficially in both a

---

[1]Ibid., Part VI, p. 4.

quantitative and qualitative sense on the poorest majority population of the highlands.

PART III

PEOPLE BEGIN TO COUNT, A FRESH APPROACH TO RURAL DEVELOPMENT, 1965-1970

The followng chapters in this part describe development assistance activities supported by the U.S. Government that emerged in the mid-sixties. This assistance represents a new direction in the U.S. development assistance philosophy. Development programs described in Part II, "U.S. Support for Traditional Approaches to Rural Development, 1942-1970," was skewed to benefit the development of the Oriente. The USAID project activity discussed in Part II that reached the Altiplano and the high valleys was incidental in quality and particularly in quantity.

The development assistance to be described in the following three chapters concerned with community development, land titling, and sheep, llama, and alpaca production became the major focus of the U.S. Government's program to rural Bolivia. The U.S. Government matched its concern with the development of the majority rural population with innovative programming efforts that directly contributed to the economic well being of the Aymará and Quechua in their traditional environment.

CHAPTER X

THE NATIONAL COMMUNITY DEVELOPMENT SERVICE

The Search for a Development Model

The decade of the sixties in AID was a decade of search for a development model for the design of program strategies that would move poor nations toward a standard of living approaching that of the United States. The Kennedy Administration had suggested in broad terms a new context in which developmental assistance was to operate, and the Alliance for Progress Charter signed August 17, 1961 had as a major concern the desire "To improve and strengthen democratic institutions through the application of the principle of self-determination by the people."[1] However, there was little concrete expression in the AID programmming process in the early sixties that would suggest that AID was deeply concerned with developing projects that would create democratically based institutions at the grass-roots level.

---

[1]U.S. Department of State, "Declaration to the People of America" The Department of State, Bulletin 45 (September 11, 1961), p. 462.

The Stages of Economic Growth - A Non-Communist Manifesto by Walt Rostow,[1] first published at the beginning of the decade, was probably the most widely spread primer for the development practitioner. Rostow presented a theory of economic growth meant to be a sharp contrast to the Marxian theory of how societies evolve. Increase of per capita income and growth of gross national product were the indicators most critical to measuring success. Industrial wealth was the goal. Once an urban industrial base was established, the benefits would flow to the people. The U.S. case was the development model to be emulated.

At approximately the same time Rostow's book appeared, a new idea was beginning to work itself into the foreign assistance legislation. A feeling that people counted and should have an explicit part in the development process began to emerge. The Humphrey Amendment to the 1961 Foreign Assistance Law specifically encouraged the development and use of cooperatives, credit unions, and labor unions,[2] and in 1962 the Zablocki Amendment to the Foreign Assistance Act, as amended, stated:

---

[1]W.W. Rostow, The Stages of Economic Growth - A Non-Communist Manifesto (London: Cambridge University Press, 1960).

[2]Section 601(a) Chapter 1, Part III of the Foreign Assistance Act of 1961.

> Wherever the President determines that the economy of any country is in major part an agrarian economy, emphasis shall be placed on programs which reach the people in such country or rural areas, including programs which will assist them in the establishment of indigenous cottage industries, in the improvement of agricultural methods and techniques, and which will encourage the development of local programs of self-help and mutual cooperation. In such a country emphasis shall be placed upon programs of community development which will promote stable and responsible governmental institutions at the local level.[1]

This concern as to the role of communities in the development process was the subject of sustained congressional interest, leading to the enactment of Title IX of the Foreign Assistance Act in 1966. This legislation specificallly stated:

> In carrying out programs authorized in this chapter, emphasis shall be placed on assuring maximum participation in the task of economic development on the part of the people of the developing countries, through the encouragement of democratic private and local governmental institutions.[2]

The intent of the legislation was to promote mass participation in the political process critical to the developing and sustaining of self-government. U.S. economic assistance was to stimulate institutional development at the local level that would advocate social, economic and political development.. In a House Report providing background to the Title IX Legislation, it was stated:

---

[1]Section 461, Chapter 6, Part I of the Foreign Assistance Act of 1961 as amended in 1962.

[2]Section 281, Title IX, Utilization of Democratic Institutions in Development. Foreign Assistance Act of 1966.

> The committee finds that despite these periodic expressions, popular participation in the tasks of development is increasing at a very slow rate. The great potential for planning and implementation of development activities, contained in the mass of the people of the developing countries, is still largely untapped, which slows down the achievement of the objectives of the foreign assistance program. On the contrary, it has become increasingly clear that failure to engage all of the available human resources in the task of development not only acts as a brake on economic growth but also does little to cure the basic causes of social and political instability which pose a constant threat to the gains being achieved on economic fronts.[1]

To promote the congressional intent of Title IX legislation, AID organized the Division of Title IX Affairs, within the Bureau of Program and Policy Coordination, to lead the Agency's effort at institutionalizing the Title IX effort. Specific Agency guidance was generated outlining how to undertake the analyses basic to developing projects with a Title IX theme, and in a series of messages to its field missions in 1966 and 1967 the intent of Congress was translated into practical guidelines designed to promote the role of democratic institutions in the development process.[2]

---

[1]House Report 1651, Utilization of Democratic Institutions in Development, 1966.

[2]The following AID messages were sent to USAIDs worldwide:

A. "Title IX - Utilization of Democratic Institutions in Development" AIDTO CIRCULAR LA51, October 4, 1966.

B. "Promotion and Utilization of Democratic Institutions for Development" AIDTO CIRCULAR 1063, November 8, 1966.

C. "Title IX" AIDTO CIRCULAR LA 150, March, 24, 1967.

D. "Promotion and Utilization of Democratic Institutions for Development" AIDTO CIRCULAR LA 161, April 14, 1967.

E. "Promotion of Democratic Instituions for Development" AIDTO CIRCULAR A-220, May 24, 1967.

As Congressmen legislated the Title IX concept and AID bureaucrats expressed their support of this legislation in terms of policy papers, there were development practitioners in the USAID Mission to Bolivia who were translating this legislative mandate into projects that were concrete expressions of the philosophy that the development of a nation must involve the mass participation of the majority population. The following description of the National Community Development Service illustrates AID's commitment to a project that was concerned with the development of the majority population of rural Bolivia.

One of the major development efforts undertaken in the mid-sixties by the Bolivian Government in conjunction with the U.S. Government was the design and implementation of a rural oriented community development program. This program, the National Community Development Service (NCDS),[1] was to be the vehicle that René Barrientos would use to strengthen his political base in rural Bolivia, particularly with the Aymará of the Altiplano and the Quechua of the high valleys. He was already immensely popular with the urban population, especially the emerging middle class of bureaucrats and businessmen; with firm control over the military, he was ready to turn to rural Bolivia in order to extend his political base. The NCDS aspired to bring the campesino into direct contact with

---

[1]Initially the program was named the National Community Development Program. In June 1970 the program was renamed the National Community Development Service.

technical services and material resources to be used in the execution of projects reflecting the needs and aspirations of the rural population.

Antecedents, The Andean Mission Program

Antecedents of the NCDS reach back into the early years after the Revolution of 1952 when in 1954 the United Nations started a multilateral program under the direction of the International Labor Organizaton with assistance provided by the World Health Organization, the Food and Agriculture Organization, the United Nations Organization for Education, Science, and Culture, the United Nations Children's Fund, and the United Nations Supervision of Technical Assistance Operations. This interdisciplinary effort, working through the Ministry of Peasant Affairs, was responsible for the creation of the Andean Mission of the United Nations in Bolivia. Five centers located in Oruro, Potosí, Santa Cruz, Cochabamba, and La Paz were established. From there operated pilot activities concerned with rural education using traditional approaches.[1]

In 1960 as directed in the Bolivian Government's Ten-Year Plan, the activities of the Andean Mission were incorporated into the Ministry of Peasant Affairs in an activity called the Rural Development Program. This ministry was responsible for implementing a broad spectrum of disparate projects including literacy, health, shelter improvement, and

---

[1]Ministry of Agriculture, National Community Development Service, Bolivia: Programa Nacional de Desarrollo de Comunidades, Informe para los Años 1965-1966-1967 (August 1967), p. 7.

rural industry activities. In the course of implementation of these activities, their execution was coordinated with the Ministry of Agriculture, Livestock and Colonization, the Ministry of Public Works, and the Social Security Agency. In 1963 those activities that persisted in this program were transferred to the portfolio of the Ministry of Agriculture.[1]

Although all these initial efforts that reach back to 1954 were focused on rural Bolivia, they were not designed or implemented to induce community participation to any significant degree. Characteristics of the Andean Mission approach were interventions that resulted in modest community improvements prescribed by outsiders. The Andean Mission technique, in the jargon of the behavioral scientist, was popularly referred to as the imposter approach.[2] Projects were designed and implemented by the community development specialist who was from outside the community. Though the purpose of this project was to improve the standard living of the campesino, evaluations of the Andean Mission program and process suggest that the rural population that was to be effected by this program and process did not perceive the benefits nor were the benefits enduring.[3]

---

[1]Ibid., pp. 7-9.

[2]Charles C. Brady, Chief of the USAID Advisory Group to the NCDS, interview held La Paz, 1968.

[3]MINAG, Desarrollo De Communidades, Informe, pp. 2-9.

Andean Mission Program Evaluated

1964 marked the turning point regarding Bolivian Government efforts in the community development field, and it was the leadership in the U.S. Country Team that played the catalytic role essential to promoting change in the nature and scope of rural community development efforts in Bolivia. Led by C. David Anderson, who joined the USAID Mission to Bolivia as Community Development Advisor, a study was undertaken to evaluate previous community development efforts with a view to developing a self-help approach that in turn would promote village development. A series of round-table discussions was held in late 1964 in which the Bolivian Government, the United Nations community, the USAID, and private, international, religious, and voluntary groups participated. The result was that a number of faults were identified in past community development efforts which were to be avoided in future programming efforts in this field.[1]

These initial efforts at community development had not resulted in the establishing of a bureaucratic mechanism capable of promoting coordination and cooperation within the Bolivian Government necessary for the successful implementation of inter-disciplinary efforts aimed at the rural community. In fact, rather than promoting inter-ministerial cooperation and coordination, the Andean approach had resulted

---

[1]Irving Tragen, Director USAID, Mission to Bolivia, 1965-1968, interview held Washington, D.C., January 1982.

in promoting inter-ministerial rivalry and jealousy instead of bringing a broad range of technical resources to bear on the problems in rural Bolivia. Only a cursory effort was made at involving the appropriate line ministries in the execution of community based projects. Therefore, there was under-utilization of technical resources throughout those Bolivian ministries which should have been fully involved, but were not, because of the lack of effective coordination.[1]

Another critical finding that came out of the round-table discussion was that without community participation in terms of their labor, local material resources, and/or direct financial contributions, it was nearly impossible to sustain a rural community development effort because of the inability of the Bolivian Government to mobilize all the necessary resources for it.[2] The philosophy was evolving that the community, through its self-help efforts, must pay the price for its development.

One of the most disconcerting revelations that emerged from the round-table discussions concerning the Andean Mission effort was the understanding that at best there was only marginal involvement on the part of the campesino in these physical community improvement activities. There was no development in human terms in the rural communities that had been the target for the Andean Mission efforts. Physical

---

[1]MINAG, Desarrollo De Communidades - Informe, pp. 7-9.

[2]Tragen interview.

improvements did not result either in making the villagers want to play a larger role on the development scene or in many instances even to avail themselves of the new physical improvement. The campesino certainly did not seem to want to be responsible for maintaining or servicing this new addition to the community; he seemed to feel it was the responsibility of the outlander to make the project work, to maintain and service the project. Community centers, health posts, and schools were often built which were neither staffed by the government nor used by the villager. The campesino seemed to be saying that it was the outsider's conception, process, and finally his improvement. Let the outsider maintain it. The campesino had gotten rid of one patrón, and he was not about to easily accept another, even in the name of development.[1]

A New Philosophy of Community Development Emerges

Out of this critical review of antecedent programs emerged a new concept for a rural, village oriented development program. At its core was a concept of self-help. The approach to development that evolved was that of a process that was a synthesis of the views of the rural community and that of the development manager. The projects selected for execution were the felt needs of the rural community. Projects were reviewed and eventually approved by the development managers who had to consider the factors of priority need,

---

[1]MINAG, Desarrollo De Communidades - Informe, p. 8.

budgetary constraint, and community absorption capacity. It was the development manager who guided the process whereby the rural community determined its needs; it was this same development manager who assisted in supervising the implementation of the community's project.[1]

This mode of operation, however, did not suddenly appear in rural Bolivia; it had long been evolving in the minds of development practitioners and villagers and had been tested in villages throughout the developing world for a number of years. A paper that reflects a valuable contribution to understanding this approach, and that was to be accepted as standard methodology in the NCDS, was written by Isabel Kelly in 1959. She was then working as a consultant for the Community Development Division of the International Cooperation Administration, the immediate predecessor agency to AID. She says:

> Community development is an approach, or a technique, which involves making people aware of their own problems and guiding them so that they themselves participate actively in resolving them. No discipline has a monopoly on such procedure, and community development projects may be identified formally as such, or certain aspects may be under the aegis of Health, Agriculture, Education, Resettlement or other fields.
>
> In order to guide a community tactfully toward recognition of its problems, without imposing external judgments, a pretty substantial grounding in the local culture is essential. There must be real appreciation of needs, both from the viewpoint of the community itself and from that of the technicians. Also, there should be thorough knowledge of the

---

[1]Ministry of Agriculture, National Community Development Service, Programa Boliviano de Desarrollo de La Comunidad en Acción, Primer, Informe Anual (December 1965), pp. 9-13.

technical personnel and of the technical facilities which may be available to the community upon request. In particular, community resources and potentials must be well understood. Selection of a too ambitious project, beyond local means, will result in failure and in a consequent feeling of deception and loss of interest.

The successful outcome of any community development project rests largely on leadership within the local group. Not invariably is such leadership obvious, and protracted field study may be necessary before the true leaders of a community are identified. In cases where leadership defies detection, individuals sometimes are selected as subjects for leadership training; but such selection must be made with great care, by someone who is acquainted with the social fabric of the community and with the personalities involved. Otherwise, if true leaders exist, albeit in the background, enmity and conflict may result.[1]

The National Community Development Service, 1965-1967

This community-oriented concept was nurtured by the USAID Advisory Group which established its offices in the same building as the National Directors of Rural Development,[2] thus facilitating close coordination between Americans and their Bolivian counterparts. U.S. technical assistance was supported with ample grant financial resources, making possible the rapid development of a national program. (see Table 15, page 174; "Local Currency Provided to NCDS in Bolivia, 1964-1967," Table 16, page 175, "Miscellaneous Dollar Financing to

---

[1]Isabel Kelly, "Technical Cooperation and the Culture of the Host Country," Community Development Review 4 (September 1959), p. 14.

[2]April 14, 1965, The Institute of Colonization and Rural Community Development was established within the Ministry of Agriculture by Supreme Decree 07130. The Division of Rural Community Development appeared in the decree as a separate entity. MINAG, Desarrollo De Comunidades, Informe, p. 70.

NCDS, 1964-1967, Table 17, page 176, "USAID Financial Support to NCDS 1964-1967.

The locus for this community development effort was to be in the village. It was the village where the vast majority of the Bolivians lived and worked. The primacy of the village was a sentiment expressed in the first annual report of the NCDS:

> El centro vital del desarrollo de la comunidad radica en la oganización de la comunidad y la aplicación de los procedimientos mediante los cuales se logra reunir a la gente, la manera de organizarla en la forma democrática, la forma de inducir al individuo a participar, la manera de iniciar una discusión y desarrollar el pensamiento colectivo, la forma en que la gente determina sus necesidades y asigna prioridades a las mismas, la forma como funcionan los comités, como aprende la gente a hacer algo en su beneficio y por cuenta propia y cómo pueden obtener la agencias gubernamentales.[1]

The village was to be the locus for energizing the health, agriculture, and education activities necessary to moving the village population into the twentieth century. However, to reach into the village, the NCDS had to seek out first and train a cadre of persons who came from the village. The NCDS was guided by the belief that it was absolutely necessary to mobilize the leadership from the villagers making them active participants in the program of the NCDS. As early as March 1965, forty-four villagers were selected from the Department of La Paz to be trained as Village Level Workers in facilities on the Altiplano at Belen. Their training followed

---

[1]MINAG, Informe Anual, 1965, p. 9.

TABLE 15

LOCAL CURRENCY PROVIDED
TO NCDS IN BOLIVIA, 1964-1967*

Date	AID Grant	GOB Grant	IDB Grant	Community Grant
11/64			8,670,690.48	
5/64	1,627,324.00			
15/64	470,044.99	177,511.25		
?/64		1,540,533.41		
1/65	1,700,600.00	358,400.00		
5/65		650,980.84		
6/65	1,792,353.60			
?/65	1,574,536.33			
3/66	1,020,000.00	1,280,238.10**		
11/66	1,870,784.00			
6/67	885,200.00	2,270,747.32		
65-67	58,388.70			23,382.75
	10,469,231.62	6,278,410.92	8,670,690.48	23,382.75

TOTAL = $B 25,441,715.47

* All figures in Bolivian Pesos: $B12=$1 U.S. as of 1967.
**As much as $B 885,200 could be an AID Grant contribution.

SOURCE: USAID Mission to Bolivia, Audit Report No. 68-11 on Community Development Program (April 1968), p. 13.

TABLE 16

MISCELLANEOUS DOLLAR
FINANCING TO NCDS, 1964-1967

United Nations	
Technicians	570,000
Commodities	27,300
Training	33,642
Other Costs	259,120
Sub-Total	890,062
German Volunteer Services	13,932
Peace Corps	1,716,100
TOTAL	$2,620,094

SOURCE: USAID Mission to Bolivia, Audit Report N. 68-11 on Community Development Program (April 1968), p. 13.

TABLE 17

USAID FINANCIAL SUPPORT TO NCDS, 1964-1971*

Year	GOB** Operations	Project Funds to GOB	Advisory Services	Commodities	Participants Scholarships	Food for Peace***	Excess Property	TOTALS
1964	$49,000.00	--	$ 2,000,00	--	--	--	--	$ 51,000.00
1965	76,440.00	--	26,000.00	$ 5,000.00	--	$ 7,242.00	$13,500.00	128,182.00
1966	76,680.00	$ 44,000.00	38,500.00	65,000.00	--	4,597.00	11,500.00	230,277.00
1967	73,760.00	226,000.00	79,000.00	40,000.00	$17,000.00	5,193.00	--	450,953.00
	$275,880.00	$270,000.00	$145,500.00	$110,000.00	$17,000.00	$17,032.00	$25,000.00	$850,412.00

*All figures in U.S. Dollars.

**Budget support provided to the Bolivian Government by USAID represent 80%, 60%, 40%, and 20% of the operational budget for 1964, 1965, 1966, and 1967 respectively. In order to shift financial responsibilities to the Bolivian Government in an orderly fashion, it was agreed that USAID would provide support to Bolivian Government operations for community development at a declining rate of 20% per year.

***Food used as part of program's contribution to community projects and to help feed Village Level Workers during training programs.

SOURCE: Ministry of Agriculture, National Community Development Service, Programa Nacional de Desarrollo de Communidades, Informe para los Años 1965-1966-1967 (August 1967), pp. 19-25.

a plan elaborated in a 2000 page[1] training curriculum prepared by the NCDS in conjunction with the USAID advisors. The training took place over a four and one-half month period.[2]

Upon completion of the training for the Village Level Workers, forty graduates of the first training course were assigned to two Area Operations Offices which were established on the Altiplano in the Department of La Paz. These Village Level Workers covered 320 communities having approximately 230,400 inhabitatants.[3] The structure of the program began to emerge in these initial undertakings. It was to grow rapidly to become a truly national effort that would claim by 1967 to operate in five of the nine Departments of Bolivia, working through fifteen Area Operations that supported over 271 trained Village Level Workers. THE NCDS at this point claimed to be reaching into 2,064 villages that had a total population of 1,486,010 or 44% of the total population of Bolivia. (See Table 18, page 178, "Geographic Distribution of the NCDS, 1965-1967".)

Figure 1, page 179,"Organization of the National Community Development Service" depicts an outreach mechanism

---

[1]The NCDS in conjunction with USAID Community Development Advisors Groups prepared an excellent 12 volume training manual: Ministry of Agriculture, National Community Development Service, Curriculum for Village Level Workers National Community Development Training Program of Bolivia (1965).

[2]Ministry of Agriculture, National Community Development Service, Primera Graduación, Trabajadores de Dessarrollo de la Comunidad, Belen (August 1, 1965).

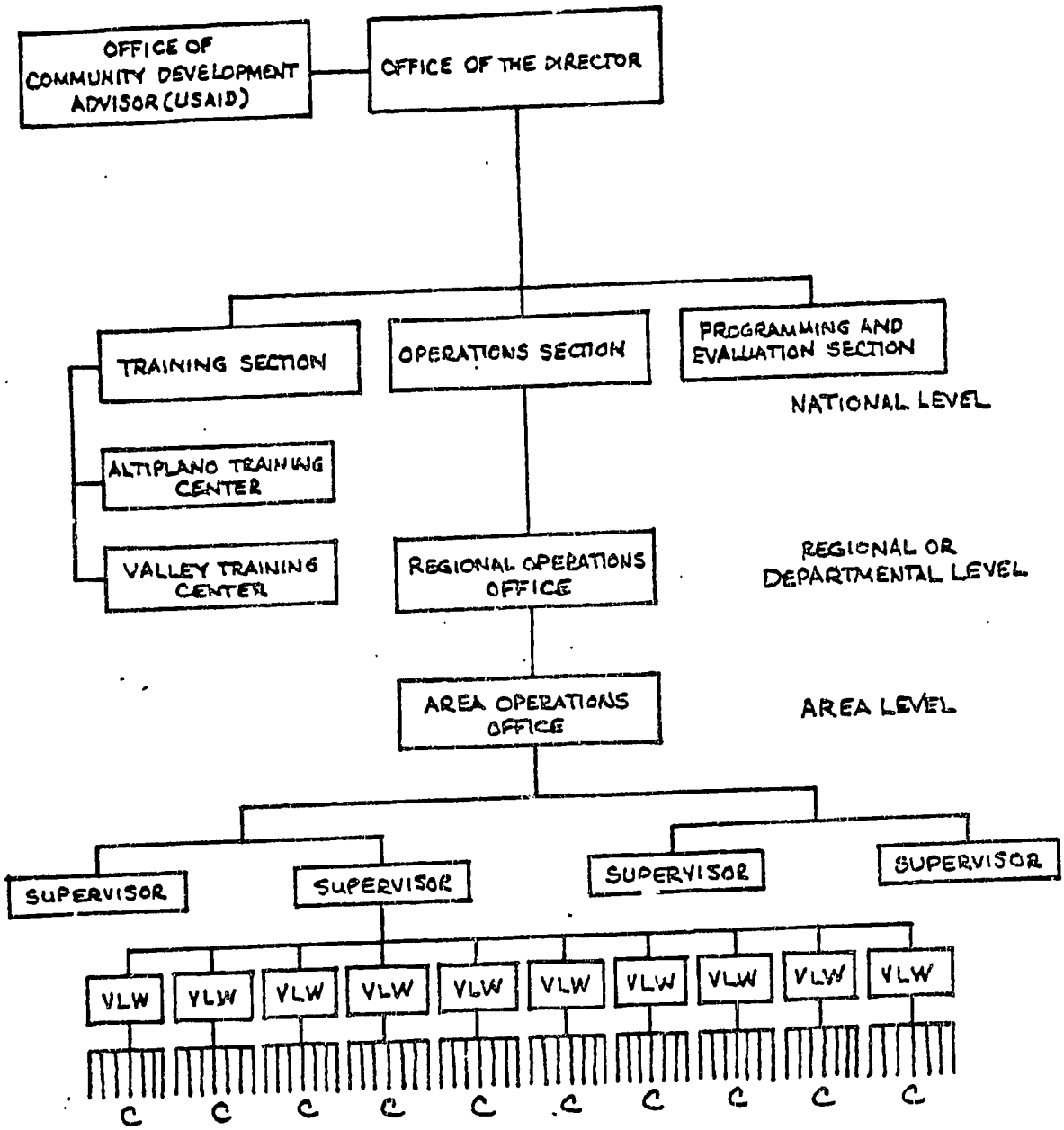
[3]MINAG, Desarrollo De Communidades - Informe, p. 26.

TABLE 18

GEOGRAPHIC DISTRIBUTION OF THE NCDS 1965-1967

Years	1965 La Paz	1966 La Paz Cochabamba	1967 La Paz Cochabamba Chuquisaca Potosí Tarija
Provinces	3	18	29
Area Operations Offices	2	11	15
Village Level Workers	40	208	271
Population	230,400	1,134,720	1,486,080
Communities	320	1,486	2,064
Percent of Rural Population	7%	34%	44%

SOURCE: Ministry of Agriculture, National Community Development Service, Programa Nacional de Desarrollo de Communidades, Informe para los Años 1965-1966-1967, (August 1967), p. 43.



NOTE: EACH REGIONAL OFFICE SUPPORTS SEVERAL AREA OPERATIONS OFFICES.

NOTE: EACH AREA OPERATIONS OFFICE SUPPORTS SEVERAL VLW SUPERVISORS.

FIGURE 1: Organization of the National Community Development Service

designed to put the campesino in direct contact with the development bureaucrats. It was an outreach mechanism that allowed for the relatively efficient flow of material and technical resources to the Altiplano and to the high valleys; however, the claim regarding the breadth of influence of the NCDS outreach capability as suggested by Table 18, page 178, "Geographic Distribution of the NCDS 1965-1967" may be exaggerated. The high number of projects completed and effectively utilized by 1968 leaves little doubt that the NCDS had initiated a process that brought change to villages in rural Bolivia. How did the program actually operate?

As has been previously noted, the Village Level Workers were selected from the general area in which they eventually were going to work. The selection process involved both the villagers themselves and advisors from the Bolivian Government and donor community, including U.S. Peace Corps Volunteers. Candidates were required to speak Spanish and either Quechua or Aymará and had to have finished their primary education, which they demonstrated by showing that they had reading, writing and arithmetic skills. Qualities of maturity, leadership, and receptivity to new ideas also were sought in potential candidates. After the Village Level Workers had finished the basic training course at one of the three training centers at Cochabamba, Pillopi, or Belén, they were assigned to an Area Operations Office where they continued to receive on-the-job training.

The Village Level Worker was the cornerstone of the community development effort. He was more than a coordinator of project activity; he was the teacher, the advocate of a democratic process. The Village Level Worker was tasked with the responsibility of guiding the campesino to use democratic procedures in organizing his village to mobilize village resources that would lead to improving village life. His effort had a peculiarly personal quality, for he was not subject to close central control. Consequently, the task of selecting, training, orienting, and sustaining the Village Level Worker was as crucial as was the process that the Village Level Worker initiated in the village in which he worked.

The Village Level Worker was to promote a dialogue within the village designed to guide the village in defining its priority development concerns. He was to assist the village in assessing the local resources that could be used to address these concerns. In the course of the first several months of work in the village, the Village Level Worker completed a census that included a political analysis of the village, its demographic pattern, a map of resources, and a survey of the development needs as defined by the villagers themselves. This data in turn was reviewed by the villagers and the Village Level Worker in an open forum. A village development committee was then formed to address the question of what type of specific self-help project was to be undertaken by the village with assistance to be provided by the

Bolivian Government in terms of material and technical supervision. In theory, the Village Level Worker was to repeat "this process taking the community from project-to-project as he solidifies and molds the collective citizenry into a workable, competent, and responsible unit for local government."[1] In fact, this is what happened in Aymará and Quechua villages throughout rural Bolivia.

Projects to be approved had to meet certain basic criteria. In the first place, the project had to be initiated by the village project committee. It had to reflect a basic need of the community. The project had to have a self-help component that exceeded 50% of the total cost of the project, the village making a contribution to the greatest extent possible within its local resources. Finally, the project had to be one that was realistic in terms of the needs, resources, and management capabilities of the village.

The village project committee with the assistance of the Village Level Worker drew up a detailed request in a standard format designed by the NCDS. The request then passed through the various levels of NCDS control, finally receiving approval at the central headquarters in La Paz. Amazingly, this highly centralized system of project review worked. By 1968 the NCDS was able to report that it had completed over 1,517 projects and had another 238 under execution in the fields of health, education, agriculture, credit, and civil works. The projects

---

[1]Ibid., p. 12.

were being completed with 32% of the project cost provided by the NCDS and 68% provided by the community. (See Table 19, page 184,"Projects Completed by NCDS, 1965-1967.")[1]

Peace Corps volunteers were an important technical asssistance component of the program. To supplement scarce Bolivian technical capability, the Peace Corps was asked to recruit architects, engineers, as well as the college graduates in History and English. The Peace Corps claimed that Bolivia was the ultimate challenge in the developing world. Volunteers were spread across the bleak moon-like Altiplano and down into the Valley of Cochabamba, anxious to take up this challenge. They proved to be naturals in the business, bringing fresh minds and insightful criticism to the program. Working both with the villagers and at the Area Operations Office level, they performed a valuable catalytic role. Furthermore, their idealism mixed with their energy, when directed to their observations of this program, often resulted in refreshing insights. One such Peace Corps Volunteer had this to say about the program in its early stages:

---

[1]There is ample evidence that throughout the entire history of the NCDS surveyed by the author, starting in 1965 through 1975, there was a serious effort made to keep accurate records regarding projects executed. However, periodically the system for recording project activity would be altered significantly; more often than not this was a result of the prodding of one foreign advisor or another. In the process, records for projects would be lost, mislaid, or destroyed. Several different AID evaluators have attempted to reckon the quantity of projects, and for as many efforts there are as many different counts. The figures that I have cited for the period 1965 through 1967 can only be approximate. However, there can be no doubt there was an enormous amount of successful project activity.

TABLE 19

PROJECTS COMPLETED BY NCDS, 1965-1967

	No.	Community Contribution	Program Contribution	Total
1. Potable Water Projects	120	13,620.79	6,182.48	19,803.27
2. Schools	363	175,597.31	107,198.83	282,796.14
3. Agricultural Demonstrations	217	3,822.26	462.72	4,284.97
4. Short Courses	250	5,682.31	729.67	6,411.98
5. Irrigation Projects	63	23,392.06	5,623.20	29,015.26
6. Roads Bridges	25	70,969.71	18,457.67	89,427.38
7. Health Posts	79	24,109.75	17,240.65	41,350.40
8. Sheep Dips	120	12,471.42	2,766.08	15,237.50
9. Miscellaneous Projects	280	42,248.69	13,027.09	55,270.78
TOTAL	1,517	371,909.30	171,688.38	543,597.68

SOURCE: Agency for International Development, Bolivia Community Development Loan (May 1968), p. 31.

> I would at all costs like to avoid a didactic, theoretical discussion of CD theory. My firmest belief is that experience in these matters is the best teacher. What can be beneficial, however, is a discussion of CD techniques and problems that other volunteers have considered pertinent to work on the Altiplano.
>
> First of all, the national CD program was brand new when we came and so were the pioneers, both the Aymará CD workers (Trabajadores de Desarrollo de la Comunidad, or TDC's) and the PCV counterparts. Because of the newness, there were many rule changes as we went along. A case in point was the simple procedure of getting signatures from our community leaders for project sheets. Each week a new command came out telling us how many copies of signatures were necessary. The result was that some projects were delayed almost indefinitely because our forms were repeatedly rejected in La Paz and sent back to us for insufficient copies of signatures. It was one of the many bureaucratic snafus that we ran up against.
>
> Our problem was to explain these snafus to the Aymará. We had to convince them that Americans were not super-human machines that always came through as they said they would. A USAID official at the time told me that the courtship with the Aymara was similar to the courtship of a woman. Even though you frequently arrive right on time and have to wait patiently because she is still not ready, the one time she is ready and you are late, you never hear the end of it. Unfortunately, in those early days we failed more than once in being on time. On several occasions I remember waiting around for a technician to come out from the Area Operations Office (AOO), and having to try to explain his failure to appear to an assembled community group. It was no fun.[1]

Though the NCDS characteristically measured success in terms of the number of projects completed, the statistics indicating the number of projects executed fall short of identifying the far ranging socio-economic and political impact of the Program on rural Bolivia in the first three full

---

[1]Peace Corps, "A Volunteer on Bolivia's Altiplano" prepared by Andrew Cohen (1967), p. 52.

years of operation. As an outreach mechanism it was the only government program that sustained a dialogue with the campesino. It was the only program that understood rural Bolivia and the aspirations of the majority rural population. It was a program that reflected the sagacity of its initial administrators who discussed the basic program philosophy in the first annual report:

> Los campesinos realizan pocos esfuerzos positivos en pro de ideas y proyectos, si es que estos aparentemente, no ofrecen beneficios palpables.
>
> El programa de Desarrollo de la Comunidad consciente del hecho que es impossible tratar de dar una solución definiva a los problemas de desarrollo sin atender también los problemas asociados, preconiza un modo coorinado de encarar los problemas comunales, tanto por parte de las agencias gubernamentales como por parte de las comunidades.
>
> De igual importancia es el hecho que con anterioridad a la implantación del Programa de Desarrollo de la Comunidad, muchos Ministerios o agencias gubernamentales han tratado de imponer el desarrollo de las comunidadas. En otras palabras, se intentó aplicar el desarrollo utilizando brigadas de construcción "foráneas" sin hacer participar en forma efectiva al compesino en el proceso fundamental de adoptar las medidas básicas que constituyen el éxito de los proyectos de desarrollo. Con frecuencia se planificaron programas y se intentó ponerlos en practica, sin que éstos estuvieran identificados con los problemas y condiciones reales de desarrollo al nivel de la comunidad. Esta es, entre otras razones, la aplicación por qué el Programa de Desarrollo de la Comunidad insiste en que sean los campesinos quienes decidan los proyectos de desarrollo y asuman la responsabilidad de su ejecución y mantenimiento. Si el campesino tuviera alternativa, él preferiría no gastar su tiempo, su dinero y su trabajo en la ejecución de un proyecto que no se ajuste a una necesidad real.[1]

---

[1]MINAG, Informe Anual, 1965, p. 10.

A Loan for the National Community Service, 1968

As the needs of the NCDS grew and as the program began to demonstrate viability, the USAID under the leadership of Irving Tragen, the Mission Director to Bolivia from 1965-1968, decided to challenge the Washington bureaucracy with a proposal for a dollar loan that would provide substantial support for the NCDS for a three year period. Tragen's assessment was that the mood of Washington, because of its concern to demonstrate its seriousness with regard to support of Title IX legislation, would be a key factor in obtaining Washington's support for the Rural Community Development Loan. The positive way that the AID bureaucracy was responding regarding Title IX demonstrated that the rural poor were really beginning to count in the development formula. It was in this policy environment in 1968 that the USAID Mission to Bolivia submitted its first dollar loan proposal to AID Washington to support rural community development with the following "Forword":

> In amending the Foreign Assistant Act, Congress included a section, Title IX, which provides a new dimension in AID activities. Title IX focuses attention on the role of human development and individual involvement in the overall advancement of a nation. Activities embodying these ideals will contribute to the extension of the democratic process as well as generate a sense of accomplishment and participation in the realization of national goals. USAID/Bolivia has been supporting a program encompassing these aims since 1964. This Capital Assistance Paper contains a detailed description of that

program and a request for a loan in order that the program may be continued.[1]

The submission of this Community Development Loan proposal marks an important benchmark in the USAID's involvement with the NCDS. For three years USAID financial support had been exclusively of a grant nature. Consequently, the criteria for making financial resources available to the government in support of project activity in the villages were subject to less scrutiny on the part of the Washington bureaucracy. Grants were considered "soft" money and the documentation procedures for allowing grant resources to flow to the Bolivian Government were less rigorous than those for loan or capital assistance. Before dollar loans could be approved in Washington, they had to be processed through a demanding review process. Since there was no such review process for dollar grants at this time, there was a willingness on the part of the USAID managers to take greater risk with grant resources.

The high risk involved in supporting the NCDS's undertaking was of course a factor that traditionalists would use to argue against loan financing, but it was also a factor that those policy makers in AID's bureaucracy anxious to support the Title IX proposition would find attractive. A loan for grass roots community development activity was controversial. Moreover, this loan contained a sizeable line item for local procurement of material to be used in community construction

---

[1]Agency for International Development, Bolivia, Community Development Loan AID-DLCLP-717 (May 31, 1968).

activities. This part of the program ran counter to prevailing U.S. Government policy that loan funds should be tied to U.S. procurement to the greatest extent possible as a means of addressing the U.S. balance of payments problem.

The argument whether to finance the NCDS with loans or by grants was not confined to the Washington bureaucracy; it was also one debated vigorously in the Bolivian Mission. Some Mission personnel thought that it was not reasonable to saddle the Bolivian Government with a loan for such an experimental activity. Other critical factors in the Mission's decision to go to Washington for a loan were the growing financial needs of NCDS and a declining grant budget in the FY 1968 Foreign Assistance Authorization.

Though a significant lobby in Washington's AID bureaucracy favored projects with a Title IX bias, there was also a generally negative attitude that prevailed in the minds of AID bureaucrats in the summer of 1968, when the Rural Community Development Loan was presented to AID Washington. Several factors contributed to this attitude. The yearly debate on development assistance had become increasingly acrimonious. Grant funds had been reduced significantly each year from 1966 to 1968. The total U.S. economic assistance in 1967 had been $5 billion, but in 1968 the level had slipped to $4.5 billion. As U.S. development assistance was leveling off, expenditures associated with U.S. technical expertise commodities and other services were rising. Loan terms were becoming stiffer. The practice of tying U.S. development dollars to the purchase of

U.S. goods was prevailing over the principal that AID-financed goods be procured from the lowest cost source.[1] Finally, it was felt that a disproportionate amount of development resources was going to Vietnam to the consternation of the old Latin American hands.

Because of the attitude regarding tying procurement to the U.S. market, Tragen made a decision, just hours before the Washington review, to reduce the line item in the loan for local procurement by approximately $500,000. Given the mood in Washington, this tactic was perhaps a key factor in tipping the scales toward approving the loan which was authorized for $1,700,000.

Problems Implementing the First Community Development Loan

However, the negative tone of Washington's AID bureaucracy, as it impacted on the Rural Community Development Loan, was modest compared with the turn of events that would take place in Bolivia in the period from the time the loan was first authorized in July, 1968 to when disbursements finally commenced in July, 1971.[2] This period was characterized by growing political restlessness throughout Bolivia, exacerbated by the tragic death of President Barrientos in July, 1969.

---

[1]Robert A. Asher, Development Assistance in the Seventies (Washington, D.C.: Brookings Institution, 1970), pp. 73-78.

[2]Agency for International Development, Capital Assistance Paper - Bolivia, Rural Community Development AID-DLCIP-1031 (June 6, 1972), p. 8.

His death was followed by the successive coups of General Ovando in September, 1969 and General Torres in October, 1970, resulting in a period of increasing internal disorder. During this interim period of political and economic instability, the NCDS was unable to sustain the high level of performance that had characterized its earlier efforts. Additionally, problems emerged connected with the loan that needed resolution.

One such problem related to a condition in the loan providing funds for the procurement of materials for community project activity. The loan proposal called for the procurement of several of the commodities to be used in community construction projects to be purchased in the United States. Because this would have resulted in higher costs for certain basic commodities than was necessary if they were purchased in Bolivia, the Bolivian Government found this aspect of the loan unsatisfactory and was reluctant to accept the loan with this feature. However, between 1968 and 1971 the U.S. Government softened its stand regarding the tying of loan funds to U.S. procurement, a change which certainly reflected the impact of the Rockefeller Mission on U.S. foreign assistance policy. In 1969 Nelson Rockefeller visited Bolivia briefly as a part of his special Presidential Mission to Latin America. His stay was considerably shortened because of the hostile attitudes and demonstrations he encountered from the time he entered the country. Nevertheless, while there, he and his advisors heard time and again of the concern relating to the shortsightedness of a policy that tied U.S. development assistance to

procurement in the United States. He heard this directly from both the Country team and from Bolivians.

As a direct result of his mission to Latin America, Rockefeller recommended that U.S. foreign assistance dollars for the procurement of materials and services be utilized anywhere in the Western Hemisphere, taking into account such factors as quality, price, and delivery dates.[1] Obviously, given the nature of certain of the materials for the construction of community projects such as wood and cement, it made a lot of sense to purchase certain materials off the shelf in Bolivia rather than going to the United States for their procurement.

Another factor that delayed implementation of the first loan made for community development was the requirement that the recommendations contained in the USAID audit of NCDS operations through 1967 be implemented. The audit report had highlighted a series of problems that reflected the institutional immaturity of NCDS. The major deficiency was the lack of satisfactory fiscal control measures throughout the entire

---

[1]Nelson A. Rockefeller, Quality of Life in the Americas; Report of a U.S. Presidential Mission for the Western Hemisphere. (Reprinted by AID, August 30, 1969), p. 77.

The Rockefeller Report suggests only modest changes in terms of conducting development assistance programs. Put in historical perspective, it appears to support a development approach in tune with the economics of Rostow. One notable exception is the idea he offers regarding the role of women. He describes the "new emancipated Latin woman" as "one of the most powerful forces for changes and improvement in the quality of life in the hemisphere...," p. 127.

NCDS operation.[1] Given the breadth of operations, the decentralization of fiscal responsibility, and the low level of training regarding fiscal control procedures at the Area Operations Office level, the degree and nature of mismanagement cited by the report was not surprising for a program of this nature. Nevertheless, the implementation of the audit recommendations took time. Not until the summer of 1970 was the USAID Controller able to certify that the NCDS was adhering to management practices that were acceptable. Satisfactory documentation procedures and fiscal control measures by then had been installed down to the lowest level of program operation, including the Area Operations Office.[2]

Another problem that emerged during this interim period, and that persisted until the loan was finally signed, was a fundamental institutional issue that related to the role of the NCDS. Because the NCDS was a rural development program in the broadest sense, addressing problems that ran the entire spectrum of developmental concerns besetting the campesino, an issue that prevailed from the time of the first discussions of the NCDS was where the NCDS belonged within the organizational structure of the Bolivian Government. The governmental entity that would administer the NCDS would determine to a significant extent the nature of the developmental activities

---

[1]USAID Mission to Bolivia, Audit Report No. 68-11 on Community Development Program prepared by USAID Controller's Office (April 19, 1968), pp. 13-135.

[2]Rural Community Development. (June 6, 1972), p. 8.

undertaken. The sagacious comments of the Chief of the USAID Community Development Advisory Team clearly articulated the nature of this issue with the following observations just before he left Bolivia in 1970:

> When a Community Development Program is annexed to, or works under the direction, of a technical or substantive ministry (such as health, public works, education or agriculture), it is an inevitable but understandable phenomenon that such a ministry will dominate, or attempt to dominate it, and orient it almost entirely to the overall objectives of that ministry. If the Community Development Program had been assigned to the Ministry of Health in Bolivia, we could assume, given that Ministry's budgetary deficits, that the Community Development Program would have been faced with pressures to focus and concentrate on health activities. The Program would have been made to construct hospitals and health centers, purchase drugs and ambulances, establish health cooperatiaves, and pay per diem for medical doctors working in rural Bolivia. Most probably the health authorities would largely exclude all other activities, but the same can be said of any ministry today in Bolivia. Politicans--and it must never be forgotten that 95% of Bolivia is politico--see the National Community Development Program and try to make it serve their wishes. The agriculturists argue that a man cannot be healthy if his economy precludes the possibility of health services and medicines. The health experts counter that a sick man cannot be productive, and the educator claims more classrooms and chalk is the solution. But because the problems in rural Bolivia are so intermingled and interrelated and because Bolivia does not face one <u>single</u> problem, but waves of engulfing problems, there can be no single solution or single approach. The National Community Development Program recognizes this and has tried to promote educational activities and community participation which will work toward the solution of all problems in an integrated fashion. The Program has never attempted to single-handedly resolve Bolivia's problems. Instead it has lain the educational, promotional, and organizational groundwork at the community level facilitating the entrance of the appropriate technical ministry. At such a point, the Community Development Program has taken the initiative of establishing the coordination and

establishing the dialogue between the community and the respective agency.[1]

The NCDS had undergone several organizational changes since it was funded in 1965, changing from a dependency in the Ministry of Peasant Affairs, to an autonomous status and then to being a program in the Institute of Colonization. Finally it emerged as a National Directorate in the Ministry of Agriculture. Since the inception of the NCDS, the Agriculture Extension Service in the Ministry of Agriculture wanted to gain control of NCDS and its resources. Agriculture extension agents recognized the effectiveness with which the NCDS was able to reach into rural Bolivia and mobilize village resources. They argued that since the campesino was essentially an agriculturalist, the Extension Service should manage the NCDS, using this institution as part of their effort to bring agriculture technology to the Bolivian farmer. They saw in this new institution a way to regain the prestige that they lost when AID funding for SAI and in turn the Agriculture Extension Service was significantly reduced at the outset of the sixties. In 1968 the agricultural extension element within the Ministry of Agriculture was able to convince the Minister of Agriculture that the NCDS should be concerned primarily with agricultural projects. The funding of NCDS should benefit the entire Ministry of Agriculture, and the management of NCDS at all levels of operation should be the

---

[1]USAID Mission to Bolivia, Charles C. Brady, "End of Tour Report" March 13, 1970, Department of State Airgram, La Paz TOAID A-134, p. 6.

responsibility of agricultural technicians. This same group argued that the funds for the NCDS should be used to increase the salaries of agricultural extension agents, Village Level Workers should be eliminated, and additional agricultural extension agents should be added to the Ministry of Agriculture.[1]

As a result of these arguments, the Ministry of Agriculture signed a decree significantly altering the nature and the thrust of NCDS operations. All non-agricultural product activity was to cease, the Minister named the Chief of the Agricultural Experimental Station at Patacmaca to be Director of NCDS, and the NCDS was reorganized as a unit into Agricultural Extension and Cooperatives activities. The Minister, an Air Force Colonel, felt this approach would eliminate unnecessary duplication of effort and functions within the Ministry of Agriculture.

In effect, the result of this decree was that NCDS as an organization virtually ceased to operate, and the USAID was forced to withdraw its advisors from the program. It was not until demonstrations on the part of campesinos that President Barrientos personally intervened to reestablish the NCDS as a National Directorate with full administrative and operational authority.[2]

---

[1]Ibid., P. 7.

[2]Ibid.

The resolution of this organizational problem resulted in the USAID rushing ahead with a $500,000 local currency loan generated from Title I PL 480 funds to support community project activity;[1] a dollar grant to sustain the USAID community development advisory effort was also signed with the Bolivian Government.[2] However, this would not be the last time that the struggle between agricultural technicians and community development advisors would manifest itself. The resolution in favor of the latter was only a temporary one.[3]

For the next several months NCDS activity picked up significantly throughout Bolivia; and a new dimension destined to become an increasingly important factor, that of training village leaders, was added to the program. However, after the death of President Barrientos in a helicopter accident and the successive military coups of Ovando and Torres, the government took on a decidedly anti-Yankee tone. In this environment the

---

[1]USAID Mission to Bolivia, Community Development Loan, Local Currency (1968), p. 1. PL 480 funds are Bolivian pesos that resulted from the sale of U.S. agricultural commodities that had been loaned to the Bolivian Government. The pesos that resulted from the sale of those commodities were deposited into an account administered by the USAID.

[2]USAID Mission to Bolivia, Noncapital Project Paper - Community Development Project, 511-11-190-364.3 TOAID A-315, September 17, 1969.

[3]Wherever AID promoted rural community development programs, this type of struggle occurred. This well may reflect the AID approach which invariably was to first introduce the concept of the agricultural extension agent followed by the concept of rural community development. Consequently, it was often AID that helped to promote the conditions that would lead to this type of bureaucratic conflict.

agricultural technicians were once again able to convince the Ministry of Agriculture during the Ovando Presidency that the NCDS should be "nationalized" which meant putting it under the direct control of the agricultural technicians.[1] As a part of this nationalization process, the USAID community development advisory group was asked again to stop providing their service to NCDS. The USAID went into a period of watchful waiting while the governments of Ovando and Torrres took their country to the brink of anarchy. During this period, the USAID provided only grant funding on an incremental basis for ongoing project activity.

The NCDS Successfully Moves Ahead, 1971 and 1972

In June, 1971, in the last days of the Torres regime, just before a coup led by General Hugo Banzer, the first community development loan was finally ready for initial disbursement. The government had complied with the basic conditions precedent to the disbursement of the Community Development Loan. The loan was ratified by the National Development Council, and the USAID received assurance that the Ministry of Treasury would provide the local contributions necessary to support the NCDS operation as spelled out in the loan paper.

After Banzer assumed power, a period of political stability followed. In this time of relative calm, disbursements of the Community Development Loan proceeded smoothly.

---

[1]Brady, "End of Tour Report", p. 8.

By March 1972 the results were substantial. With the dollar loan funds being the key factor in the support of NCDS operations, 145 projects with an approximate value of $412,000 had been completed. Another 241 projects with an approximate value of $671,000 were progressing satisfactorily. The NCDS contribution from the loan of approximately $372,000 indicated that disbursements of the loans were moving along at a satisfactory rate. Consequently, the USAID prepared and submitted in 1972 yet another dollar loan application to support NCDS operations.[1]

In preparing the new Rural Community Development Loan to support NCDS, it was argued that for all practical purposes the NCDS was the only nation building department that could be expected to meet the needs of a widely dispersed rural population. The only way to bring sufficient resources to bear on the problem of village development, it was felt, was through the use of the self-help concept promoted so successfully by NCDS. This concept, it was urged, was instrumental in mobilizing local resources. Analysis of the central government's budget for the period 1969-1971 reinforces this argument. Expenditures by ministries providing social services in 1969 were 69 percent for salaries and 11 percent for capital or developmental expenditures. This proportion increased to 71 percent and 7 percent in 1970; in 1971 over 74 percent was devoted to the payment of salaries, whereas a mere 5 percent

---

[1]Rural Community Development (June 6,1972), Annex X, pp. 1-29.

was available for capital or developmental expenditures. (See Table 20, page 201, "Bolivian Central Government Budget By Economic Function.") This imbalance of an extremely limited budget for new capital expenditures for development, as contrasted with a large fixed reoccurring cost for salaries, was particularly acute in the Ministry of Education. There, 92 percent of all expenditures was devoted to recurring costs, almost exclusively related to supporting education in the urban areas. The same pattern prevailed in other ministries responsible for providing social services, with the exception of NCDS. The latter devoted only 38 percent of its budget to salaries and 50 percent to capital expenditures to supplement community contributions for the undertaking of development activities. (See Table 21, page 202, "1971 Central Government Expenditures by Economic Function.")

Given the recurring cost factor and the inability of the Bolivian Government to generate new sources of income, the NCDS was the only program that could be reasonably expected to stimulate development in rural Bolivia. Despite the Bolivian Government's articulated priority to take development to the rural community, to the campesino, the stark revenue picture dictated that the central government could not increase allocations to support rural development. Furthermore, it was argued that the urban areas paid for development through

TABLE 20

BOLIVIAN CENTRAL GOVERNMENT
BUDGET BY ECONOMIC FUNCTION
(In millions of Pesos)

		1969 Budget	1970 Budget	1971 Budget
I.	SELECTED SOCIAL AREA	533.8	647.6	694.7
	1. Personal Services	369.4	462.3	514.6
	2. Non-personal Services	17.1	24.2	21.4
	3. Commodities & Supplies	15.3	20.0	18.5
	4. Fixed Assets	54.7	39.3	15.5
	5. Capital Transfers	2.3	8.8	11.3
	6. Other	75.0	93.0	103.4
II.	OTHER AREAS	731.5**	1,862.2	1,983.5
III.	TOTAL	1,265.3**	2,509.8*	2,678.2

*Also includes expenditures financed with (a) Ministries own resources, (b) local and foreign borrowing, (c) transfers, and (d) other revenues.
**Totals are not comparable with equivalents in 1970 and 1971 due to the different administrative structures of the Government before 1970.

SOURCE: Agency for International Development, Rural Community Development (June 6, 1972), p. 65.

TABLE 21

1971 CENTRAL GOVERNMENT EXPENDITURES BY ECONOMIC FUNCTION
(In Millions of Pesos)

	Personal Services	Non-Personal Services	Commod. and Supplies	Capital Expend.	Other Expend.	Total 1971	% Share
I. SELECTED SOCIAL AREA	514.6	21.4	18.5	36.8	103.4	694.7	25.9
1. Min. of Education	413.7	1.7	0.4	2.9	31.6	450.3	16.8
2. Min. of Peasant Affairs	19.8	3.5	3.0	9.7	2.4	38.4	1.4
3. Min. of Health	56.9	8.8	12.7	8.8	67.4	154.6	5.7
4. Min. of Housing	6.7	2.1	0.2	6.2	--	15.2	0.6
5. Min. of Labor	4.2	0.3	0.1	--	--	4.6	0.2
6. Land Reform Service	7.2	2.7	1.0	--	1.8	12.7	0.5
7. Community Development	4.8	0.7	0.8	6.3	--	12.6	0.5
8. Rural Dev. Avgm.	0.9	1.5	0.3	0.1	0.1	2.9	0.1
9. Civil Action	0.4	0.1	--	2.8	0.1	3.4	0.1
II. OTHER AREAS	547.6	220.1	140.9	364.7	710.2	1,983.5	74.1
III. TOTAL	1,062.2	241.5	159.4	401.5	813.6	2,678.2	100.0
IV. SELECTED SOCIAL AREA (I)% SHARE	74.1	3.1	2.7	5.3	14.8	100.0	

SOURCE: Agency for International Development, Rural Community Development (June 6, 1972), p. 66.

property and income taxes.[1] The campesino, it was argued, paid no taxes; nor were the prospects good for the development of a collection capability that could administer a rural tax collection program. This problem was further complicated by the fact that many campesinos lacked clear title to their lands, a fact that hindered the development of a workable property tax scheme for rural Bolivia. If the campesino wanted development in his village, the campesino must be willing to contribute resources to this process. Furthermore, since the rural areas had no experience by which to relate government service to the payment of taxes, it could be reasonably anticipated that resistance to any taxation scheme would be considerable among the rural population. On the other hand the basic fact was that community contributions for NCDS projects were running about 70 percent of the total cost of projects. Therefore it was concluded that the most realistic way to sustain development in rural Bolivia was through the vehicle of the NCDS.

Another factor that was carefully considered by the USAID Mission when preparing the new Rural Community Development Loan was the extent to which the NCDS had become an

---

[1] If an analysis of tax receipts and expenditures were made, I seriously doubt that it would support the Bolivian Government position that the urban dweller paid his full measure for the development efforts provided during this period. During this same period, there was enormous resistance on the part of the La Paz urban elite to personal income taxes or even property taxes. This was particularly the case with the professional groups in La Paz, including dentists, doctors, and lawyers.

effective coordination mechanism. It had been recognized from the beginning of the NCDS operation that one of the most serious faults of government agencies working in the area of rural community development had been their inability to serve as an effective link between the rural communities and the multiplicity of government departments that were mandated to provide development services to these rural communities.

In the early seventies, in response to the challenge of coordinating such a vast program, the NCDS established a Consultative Council which met weekly with representatives from various Bolivian Government ministries and international organizations. Through this Consultative Council the NCDS coordinated the services and resources provided by the principal Bolivian Goernment line agencies that were providing services to rural Bolivia through the NCDS mechanism.[1]

Such close coordination was necessary in a number of projects for which NCDS was responsible. The Agricultural Extension Service which had been the nemesis of the NCDS in the sixties established close working relations in the seventies. The Agricultural Extension Service was operating in seven departments with approximately eighty-two extension agents supporting projects that included wheat, sheep, potatoes, oil seed, and rice activity. It was the Village Level Worker of the NCDS who would assist organizing the community to carry out these agricultural projects, but it was the

---

[1]Rural Community Development (June 6, 1972), p. 26.

Agricultural Extension Agent who actually provided the technical know-how critical to insuring project success. Needless to say, the program had come a long way since the days of constant friction between rural development workers and the Agricultural Extension Agent.[1]

The Irrigation Service in the Ministry of Agriculture also coordinated its activities closely with that of the NCDS. This Service played an extremely important role in community irrigation development projects that were financed by the NCDS. The irrigation engineers of the Irrigation Service were responsible for providing the key technical resources on sizeable projects encompassing some 4,000 hectares during this period. The Ministry of Education also had a record of excellent cooperation with the NCDS. The NCDS would build schools only where a teacher was to be permanently assigned, and where the existing school was considered to be inadequate. Additionally, the District Office of Education had to affirm verbally that teachers assigned to any school would not be transferred. There was a frank recognition that if rural schools were to be built it would be through the mechanism of the NCDS. However, it was further recognized that activities dealing with education and undertaken by the NCDS had to be coordinated with the Ministry of Education.[2]

---

[1]Ibid., p. 27.

[2]Ibid., p. 28.

Another ministry that worked closely with the NCDS was the Ministry of Health. When the NCDS program received a request from a rural community for a health facility, the request was always forwarded to the Ministry of Health for their official review and authorization. If the Ministry of Health could staff the health facility and provide the necessary supplies, thus contribute to making the facility viable, they would inform the NCDS that they could support the project and that the NCDS should proceed with the planned community activity. If the Ministry of Health could not provide the resources critical to making the facility viable, the NCDS would discourage the community from moving ahead with the construction of the facility.[1]

The National Road Service within the Ministry of Public Works played a critical role in many of the NCDS community projects. The National Road Service was responsible for maintaining the primary road net in Bolivia. The National Road Service agreed that the NCDS would concentrate on developing tertiary or feeder roads. It was recognized that the NCDS had the capability to undertake such activities and that it was unlikely that the National Road Service could meet all the priority needs related to building tertiary roads. The National Road Service also agreed to make available its regional vehicles and equipment maintenance facilities to the

---

[1]Ibid.

NCDS in order to assist them in their road building activities.[1]

Obviously, the amount of coordination achieved by the variety of government entities that worked with NCDS was a remarkable accomplishment on the part of the Bolivian Government in its effort to provide services and resources to rural Bolivia. It also reflected a realistic understanding on the part of these various line agencies and ministries that if schools were to be built, health facilities constructed, feeder roads developed, and technical agricultural projects undertaken, it was critical to have the support of the campesinos and access to their resources. The central government was unable to move sufficient resources into rural Bolivia to bring this development to the campesinos. It had to use local resources. The only program that had the confidence of the campesinos was the NCDS. It was only reasonable that the NCDS, working with the Consultative Council, should be the coordinating mechanism for inducing the other entities in the Bolivian Government to work in rural Bolivia.

The NCDS played the critical role in persuading line ministers to get involved in rural Bolivia. it was the responsibility of the Ministries of Health, Education and Public Works to support the development of health care facilities, schools, potable water, and roads in rural Bolivia. But the critical needs of the urban centers, because of their

---

[1]Ibid., pp. 28-29.

political muscle, created a condition in which it was unreasonable to expect that these La Paz bound ministries would support rural community development without considerable prodding. Even the agriculture extension agents to a great extent were urban transfixed, limiting their involvement to communities close to the department and provincial capitals or to the research experimental station.

Evaluation of the NCDS Program

Any attempt at evaluating this program assuredly will review the most obvious indicators used to measure the accomplishments of the NCDS, the number and kind of community projects actually completed. For example, for the period 1970-1974, impressive statistics provide ample evidence of the success of the NCDS. In this five-year period alone, the NCDS completed over 808 projects including the construction of 384 schools, establishment of 160 rural health clinics, 96 agricultural/livestock activities, and 168 engineering projects. These included feeder roads, irrigation works, and potable water systems. Rural communities on numerous occasions had undertaken a second, third, and even fourth project. The NCDS estimated that 20 percent of the communities in the Departments of La Paz and Cochabamba had successfully completed second projects within a five year time frame. NCDS

was able to claim that it was working in over 3,000 rural communities throughout Bolivia.[1]

Another important factor to be considered when making judgments as to the success of the program is the extent to which the NCDS was actually reaching into rural Bolivia. A concern, always present since the inception of the program, was that the services and resources of the NCDS would be captured by the larger rural communities immediately adjacent to the urban areas. It appears that never happened. For the most part, the NCDS was able to maintain its focus on rural communities with populations of 500 or less. (See Table 22, page 210, "NCDS Projects Completed 1966-1970, By Area of Operation and Size of Community.") The larger rural communities near urban centers were less willing to contribute their manual labor in the execution of village self-help projects, reflecting a bias common among people who perceived themselves as part of an urban tradition. The members of these communities often expressed the viewpoint that it was the responsibility of the central government of La Paz to pay for and bring development to their community.[2]

---

[1]USAID Mission to Bolivia, "A Report on the Community Development Service of Bolivia" prepared by John Hatch and Aquiles Lanao Flores of Development Alternatives Inc. (June 6, 1975), pp. 2-3.

[2]USAID Mission to Bolivia, "Evaluation of Bolivian National Community Development Service" prepared by Richard G. Frederick and John B. O'Donnell (February 12, 1972), p. 11.

TABLE 22

NCDS PROJECTS COMPLETED 1966-1970,
BY AREA OF OPERATION AND SIZE OF COMMUNITY

Area of Operation	Population						
	200-below	201-500	501-1000	1001-3000	3001-5000	5001-over	
Yungas	23	25	6	3	--	1	56
Patacamaya	16	36	10	15	--	--	77
Calacoto	33	51	24	--	--	--	98
Corabuco	14	28	20	--	--	--	62
Chirapaca	7	11	2	--	--	--	20
Pillapi	22	30	27	7	--	--	86
Belén	10	24	27	2	--	--	63
Caranavi	14	14	7	1	--	1	37
Tarija	18	32	19	3	--	--	72
Paracaya	3	17	6	7	--	--	33
Alquile	3	13	2	--	--	--	18
Lilca	55	23	3	3	--	--	84
Betanzos	3	4	5	--	--	--	12
Sucre	3	9	7	2	1	--	22
Santa Cruz	1	--	4	--	--	--	5
Beni	--	1	2	4	--	--	7
Challapata	1	3	--	1	1	--	6
Villa Tunari	6	0	1	--	--	--	15
Capinota	--	--	1	--	--	--	1
Various	2	6	2	1	--	3	14
	234	335	163	49	2	5	788

SOURCE: USAID Mission to Bolivia, "Evaluation of Bolivian National Community Development Services" prepared by Richard G. Frederick and John B. O'Donnell (February 12, 1972), p. 15.

Despite an impressive record of physical accomplishment in terms of projects, it was recognized by the NCDS that the process of establishing village level institutions capable of pursuing development goals was a slow process requiring great patience. The concept of self-help organization as advocated by the NCDS was a process involving the community that had to be cultivated with care. Essential to this approach was the constant gathering of new facts and the making of fresh syntheses; judged by the success of the number of projects, the approach was working. No other government program, ministry, or agency could make claims to securing such broad cooperation from the nation's campesinos as the NCDS. The fact that NCDS was well-known and trusted by the campesinos was a critical factor in the NCDS's ability in promoting the 65 percent community contribution or projects.

Another indicator showing campesino support for the NCDS was the substantial cash contribution that the program was able to mobilize in advance of project execution. The NCDS received project requests far in excess of what they could realistically undertake, and in several instances sizeable community contributions had either to be refused or refunded. This degree of successful physical accomplishment would have been impossible without a process that reflected a viable working relationship between the NCDS bureaucracy and campesinos in rural villages throughout Bolivia. An important element in that relationship was the composition of the NCDS staff in distinguishing it from other government agencies. In

1975 approximately one quarter of the personnel in NCDS spoke either Quechua or Aymará. It was the Quechua and the Aymará speakers who were the critical link between the villages of rural Bolivia and the Area Operations Office that linked into the central bureaucracy. This group came from the rural communities and, as discussed previously, were trained by NCDS to fulfill supervisory and promotional functions.[1]

NCDS and the Sindicato

One weakness in our understanding of the effectiveness of the NCDS is the lack of understanding of the role that the sindicato played in rural Bolivia at the village level. Though it is generally acknowledged that the sindicato formed the principal social and political organization in rural Bolivia, with political representation spreading to the very top of the political system, the question remains how the sindicato related to the village in terms of the community council promoted by the NCDS process. It is well documented that during the fifties the sindicato played a leading role in the execution of the land reform, was key in promoting community cooperation, and had influence that reached right to the top of the Ministry of Peasant Affairs. Yet the role of the sindicato at the village level during the sixties is not nearly so well understood. Certainly the relationship between the NCDS and sindicato must have been a dynamic one, and certainly there must have been a relationship between

---

[1]"Report," Hatch and Flores, pp. 2-3.

leadership in the village sindicato and leadership in village project community. In most communities on the Altiplano and the Valley of Cochabamba, the sindicato was involved in nearly every aspect of daily life. The rule was that leadership of the sindicato was popularly elected. This sindicato leadership performed the major function related to local government. In many villages, the responsibilities for the local governments would be executed by village commi concerned with every conceivable function from the running of the local market to the planning of major fiestas. Certainly the sindicato in a great many instances selected those that would be trained by the NCDS, controlled the village committees concerned with NCDS project activity, insured that the community provided its share for the projects perhaps enforcing individual contributions, and placed returned NCDS participants in the sindicato structure.[1]

Community Volunteers Replace Village Level Workers

As the program moved from the sixties into the early seventies, the training of indigenous personnel from local communities played an ever increasing role in the dynamics of the NCDS operations. Though project activities at the rural community level was still the means by which community participation both in terms of personnel and resources was mobilized, the training of indigenous personnel became vital to the execution of projects at the village level. Initial training

---

[1]"Evaluation," Frederick and O'Donnell, p. 20.

during the 1965-1967 period was concerned with selecting and preparing personnel from the rural communities to perform the role of the Village Level Workers. However, this feature of Village Level Workers that would serve as permanent paid staff of the NCDS bureaucracy eventually was to be discontinued.

This reflected the recognition on the part of both the Bolivian Government and the U.S. Government officials that the fixed recurrent costs associated with the salaries of Village Level Workers must be reduced within the NCDS structure, and the paid Village Level Workers eventually must be replaced by volunteer leaders from the villages. These volunteer leaders would serve as the link between the village and the Area Operations Office. The idea of replacing the Village Level Worker with a volunteer selected from the community was one that had been discussed almost from the inception of U.S. assistance to the NCDS. C. David Anderson, the first Chief of the USAID Advisory Group for Community Development who played the key role in promoting the Village Level Worker concept, had a vision that would have placed a paid Village Level Worker in every village of rural Bolivia. Though the Country Team supported Anderson's general concept, Irving Tragen recognized the recurrent cost problems inherent in paid Village Level Workers. The result was a sharp difference of opinion that resulted in C. David Anderson's leaving AID and returning to the university. Thereafter, one of the major concerns of training efforts of the NCDS was to train village leaders to replace the Village Level Worker. This approach

was critical to the instituionalization of a program that the Bolivian Government and the rural communities could afford.[1]

In 1972 the program would claim to have only 119 Village Level Workers working at rural communities throughout Bolivia. While these volunteers received no salaries, they did receive a subsistence allowance of 270 Bolivian pesos a month, or approximately $22.50. The NCDS was implementing the policy of eventually replacing Village Level Workers by volunteers from the rural communities who had been or were being trained by NCDS to work in the community from which they came. The responsibility of these natural leaders or community volunteers was essentially the same as the responsibility of the paid Village Level Workers. They were to serve as active participants in helping the community identify community needs. They were to maintain permanent contact with the political leadership of the community in order to insure that the project activity reflected the development needs of the community. They were responsible for promoting and sustaining the village community council that led the village in identifying projects to be executed and in the implementation of these projects. They also had the responsibility for filling out the basic forms dealing with taking the census of the villages.[2]

---

[1]Tragen Interview.

[2]Rural Community Deveopment (June 6, 1972), pp. 19-20.

Women and Community Development

During this same period, while leadership at the village level was passing from Village Level Workers to community volunteers, the role that women should play in this process was beginning to receive greater recognition. The NCDS had trained women to perform a role identified as Social Service Assistant, and in 1972 there were approximately twenty of these women working in rural Bolivia. Like the male Village Level Workers, they received a subsistence allowance; but it was 300 Bolivian pesos a month or $25, which was slightly more than that received by their male counterparts. The Social Service Assistant performed roles of a traditional nature for women. She encouraged the adoption of improved health practices and demonstrated good nutrition practices; she encouraged women to participate in community projects and to organize themselves into women's clubs. It was anticipated that these functions should also be assumed by women volunteers from the community, and women were selected from the rural communities to take much the same type of leadership training that was being provided to the men from the rural communities.[1]

---

[1]Ibid., p. 19.

NCDS Training Activity[1]

The training dimensions of NCDS grew dramatically in the seventies. In the period from 1971 to 1974, in the six training centers located throughout Bolivia, over 6,800 men and women received training. This training was of three principal types. There was the training for village leaders for both male and female rural community leaders organized and executed in the village; more advanced training for male and female potential leaders lasting twenty to thirty days was offered at a training center; and specialized technical training of a number of different types was given.

The more advanced training for the male village leaders given at the training centers consisted of a mixture of subjects including community development which was concerned with the process and principles of community development; study of different kinds of leadership roles at the community level; supervision of community development programs; study of cooperatives which looked at their historical background and importance of cooperatives; and agricultural and animal production practices which took up approximately 30 to 50 percent of the total time allocated to the course. These courses for the village leaders ran approximately twenty to

---

[1]USAID Mission to Bolivia, "Evaluation of the Training Component of the Servicio National de Dessrrollo de la Comunidad" prepared by Mel Bushman and Manfred Thullin. (June 1975). The material for this section, describing leadership training for both males and females at the village level and training centers, was drawn from this report.

thirty days. Meetings were held in the communities from which the participants were to be selected; there the nature of the course to be given was explained. Participating in these meetings and the selection process were teachers from the local schools, NCDS staff personnel, and other leaders from the community. The participants were selected from those who had taken the community-level course offered by NCDS and had made the best performance record in this course. Selected participants were expected to have leadership skills, some literacy capacity, and to be over eighteen years of age. Finally, NCDS insisted that the participants be permanent residents of the communities from which they were selected.

Costs for this training were shared by the participants, the villages, and NCDS. Costs related to salaries, the rental of facilities, and other overhead items were paid by NCDS. The participant paid ten to forty cents a day for his food, the village paid as much as twenty-five cents per day for food costs, and the centers absorbed the rest of the costs which were subsidized to a great extent with donated food from AID.

The more advanced training course for female leaders (promotoras campesinas) consisted of much of the same subject matter as found in the men's course, with the addition of study of home improvements, nutrition, and handicrafts. The course also ran for twenty to thirty days, and the cost sharing arrangement followed the same pattern as that of the course for their male counterparts.

Perhaps the training that had the most significant impact was the leadership course for both males and females given at the community of their origin. The instruction was provided by personnel from the training centers, aided by village volunteers. The instructors and the village volunteers were responsible for organizing the course, arranging for lodging accommodations for instructors from the training centers, and making arrangements for the food to be provided to the instructors and the participants. Depending on the purpose behind the course, the group could be for men only, women only, or for both. These courses, given at the request of the community, were very flexible in terms of content of the curriculum. The topics normally included in the courses were fundamentals of community development and cooperativism, the principals of leadership, basic principles of group dynamics and human relations, and practical subject matter concerned with agriculture and livestock or demonstrations related to home improvement, nutrition, and handicrafts. The content of the courses was the same from one village to another with the exception of adjustments made when dealing with agricultural production. Most community level courses lasted only one week, beginning subjects on a Monday and ending on a Friday.

These two training programs, supplemented by a variety of skills training courses, were the foundation of the NCDS program. It was the trained village leadership which prepared the village volunteers who would carry the NCDS progam forward

in the seventies and eventually displace the paid Village Level Workers. Since the village volunteers were the essential link between the rural community and the NCDS bureaucracy, a critical problem was overcome, that of significantly reducing the fixed overhead cost represented in the Village Level Worker. The dynamic nature of the NCDS model for community development had demonstrated its vitality. It had been able to modify its method of operation significantly. It not only had sustained, but strenghtened the relationship between the villages of rural Bolivia and the central bureaucracy in la Paz. Furthermore, it had been able to do this while giving less to the community in terms of the salaries of the Village Level Workers and while demanding more from the community in the form of volunteer leadership that performed a key supervisory function in the program. (See Table 23, page 221, "Number of Courses and Participants by Training Center, 1971-1974.")

Summary of the Accomplishments of NCDS

To put the achievements of the NCDS in historical perspective, it may be useful to evaluate its performance in terms of traditionally established development criteria for gauging the effectiveness of national development institutions concerned with reaching the rural poor. Over the last several years, a number of basic ideas have emerged that constitute a

TABLE 23

NUMBER OF COURSES AND PARTICIPANTS
BY TRAINING CENTER, 1971-1974

Center	Number of Courses	Men	Women	Totals
Pillapi	45	1,573	831	2,404
Zudanez	18	602	215	817
Nucchu	2	26	-	26
Paracaya	28	1,067	456	1,523
Muyurina	32	1,063	461	1,524
Trinidad	11	483	56	539
Totals	136	4,814	2,019	6,833

According to the figures obtained, 1974 was the most productive year: one course was given for 34 potential instructors for the centers at Pillapi; one course was given for 23 cooperative field technicians of the SNDC at Nucchu; two courses with a total of 50 participants for *auxiliares* (female community based volunteers in home economics) at Pillapi; two courses with 55 participants for *supervisors* (area supervisors of the *auxiliares*) at Pillapi; one pilot course in Paracaya with 87 participants on *artesaneles* (marketable skills such as tractor driving, weaving, electric work, carpentry, etc.); 14 courses at all centers for *promotores campesinos* with a total attendance of 497; 8 courses at all centers for *promotoras campesinas* with 432 attending, and 25 community level coures from all centers with a total of 1,330 participants. Thus, a total of 2,508 different people were trained through the efforts of the regional training centers in 1974.

SOURCE: USAID Mission to Bolivia, "Training Report" prepared by Mel Buchman and Manfred Thullen (June 7, 1975), p. 13

a checklist for evaluation an outreach mechanism such as represented by the NCDS.[1]

In the first place, does the program create the conditions to encourage problem solving by the rural population which in this case are the campesinos of Bolivia? A corollary to this question is, what role does the local participant or campesino play in the spectrum of development activities guided by the NCDS in terms of gathering data for project identification; in terms of actually designing the project to be implemented; in terms of implementing the project; and finally, in terms of utilization and evaluation of the project. Or in other words, is there really involvement on the part of the village population. In reviewing ten years of operations of the NCDS, there is abundant evidence that the villager played major roles in each phase of project development. From the very beginning, starting with the census undertaken by the Village Level Worker, the villager was

---

[1]Edgar Owens and Robert Shaw, Development Reconsidered (Lexington, Massachusetts: Lexington Books, 1972), pp. 17-30. The criteria used for evaluation of the NCDS program are drawn from Development Reconsidered. A review of community development literature, particularly the literature concerned with the measuring of participation, will reveal that there is an absence of methodology for evaluating public mechanisms designed to promote community development. I have recently consulted with the authors of Development Reconsidered to confirm my understanding that there was a lack of formal criteria for evaluation of outreach mechanisms, and they confirmed that I was accurate in my understanding. However, there are studies currently being undertaken by Cornell University, funded by AID, concerned with developing criteria for evaluating the effectiveness of community development programs at promoting people's participation in the development process.

involved in the planning of the project. It was the aggregation of the felt needs of the villagers that resulted in the identification and selection of the projects to be undertaken by the village itself. Certainly it must be concluded that the operational approach of the NCDS encouraged the villagers to engage totally in solving their own problems.

Did the program link national, regional, and local levels in dynamic process, yet encourage a decentralized approach? Another way of asking this question is, how did the NCDS allocate responsibility and functions at the national, regional and local levels? Though a strong tendency existed in the initial days of the program to have all decisions with regard to project approval ultimately made in La Paz, as time went on, responsibility was placed increasingly at the regional and local levels. Certainly the communities played the major role in project selection. Additionally, from the very beginning, the communities played the premier role in the selection of those people who would take training offered by the NCDS. When this question is posed in the context of the historical legacy which is one that always found decision making authority residing in La Paz, it is certainly reasonable to conclude that the NCDS represented perhaps the best effort made since the Revolution of 1952 to encourage the decentralization of public functions in rural Bolivia. Ample testimony to this approach is seen in the number of schools, health posts, feeder roads, and agricultural projects successfully executed at the local level.

Does the design of the program encourage expansion of loyalty beyond the family and village to the modernizing institutions? In Bolivia, the Aymará and Quechua are known for their conservatism. Their culture is profoundly different from that of the city. Yet, through the mechanism of the community council, the villager was able to reach up to the regional and central government, receive resources, and develop a faith in the Bolivian Government that heretofore had been remote.

Was the program organized to reach large numbers of people? Data already discussed strongly support the fact that the NCDS was a national program, touching hundreds of thousands of people and resulting in several thousand successfully completed projects. No other program work in Bolivia can claim to have reached so many people.

For a program to be successfully replicated on a national basis, it is critical that the national government be committed to the program. The government's commitment is the glue that binds a program together. Was the Bolivian Government committed to the NCDS process and program? From the very beginning the program was seen by President Barrientos as a way to reach out onto the Altiplano and into the Valley of Cochabamba where the majority of the rural population lived. Despite the confusion that resulted in the late sixties over who would administer the program, agricultural technicians or community developers, there was always strong government support for this program. This support also is evidenced by

the aggressiveness on the part of the Banzer regime which supported agricultural technology designed to bring economic viability to the cooperative activity. Whether this dimension of the NCDS operation will be successful or not, it is too early to say.

Did the program promote the idea that the public servant should represent the development concerns of the government rather than solely be concerned with law enforcement? NCDS should get very good marks on this score. The development it promoted in the name of the Bolivian Government helped to reduce the suspicion of the campesinos of the central government.

Is the program designed so that, as a better perception of the problem evolves, the system can be modified to be more responsive to the problem? When the program was initiated, one of the key elements in the program was the role of the paid Village Level Worker. He was a paid public servant, serving as the principal link between the community and the NCDS bureaucracy. As noted, he eventually was replaced by volunteer leaders from the community who performed the same functions as the Village Level Workers.

Were new leadership roles in the rural communities created beyond the traditional leadership roles? The selection and training of young Aymará and Quechua Indians to be volunteer leaders was an attempt to create new leadership roles in the community. Furthermore, the creation of community councils to guide project activity was sought in order

to create new roles for the villagers. Finally, the enormous training activity during the years from 1968 to 1974, when approximately 1,000 villagers were trained each year in the basic principles of rural development, strongly supports the validity of NCDS's desire to cultivate and nurture leadership in the villages of rural Bolivia.

Did the program have a strong self-help component? Fundamental to the philosophy of NCDS is community contribution for project activity. A 70 percent contribution on the part of the community for projects undertaken within the NCDS dramatically demonstrates the success of this dimension of the program.

Is the program fashioned within a framework of economic viability? For the first ten years, projects which had a social value were given higher priority than projects that were selected because of anticipated economic returns. It was argued that because of the high community contribution, it was too much to expect at this early stage that project selection would be based on the economic viability of the project. However, NCDS eventually did support the development of cooperative entities.

The NCDS program represents the major effort on the part of the Bolivian Government to reach out to its poorest majority population. Not since the actual agrarian reform that took place after the 1952 Revolution was such a major program undertaken to bring development to the campesinos. Most efforts promoted by the U.S. Government and executed by the

Bolivian Government had ignored the environment of the campesinos and consequently the campesinos themselves. Most previous agricultural activities were designed to encourage the campesinos to go to the frontier areas of Bolivia and take up a new life in the vast tropical lowlands. Very few efforts had been designed to work with the campesino in his traditional environment. Roads had been constructed across the Altiplano, through the valleys and out into the tropics to encourage Bolivians to seek a new way of life. But only the NCDS operation had made a significant attempt to work with the campesinos where they lived. This was no trickle down effort. This was a major attempt to reach out directly to the campesinos in order to bring the resources, talents, and ideas of La Paz and the world beyond to the villages of rural Bolivia.

CHAPTER XI

AGRARIAN REFORM

This chapter is concerned with the U.S. Government's support for agrarian reform activities. The USAID land titling project to support the Bolivian Government's agrarian reform program, following the 1952 Revolution, was undertaken in the late sixties. This land titling project was seen by the USAID Mission as a necessary complement to the USAID supported project activity concerned with community development and with sheep, llama, and alpaca production. The USAID Mission argued that the campesino needed a clear title to his land so that he would be willing to make capital improvements to this land. These capital improvements in turn, it was believed, would lead to greater productivity on the part of the campesino.

Agrarian Reform and the Revolution of 1952

The agrarian reform program brought about by the Revolution of 1952, and implemented by the National Revolutionary Movement (MNR), was one of the most notable features of this revolution. Along with the Mexican and Cuba land reforms, the Bolivian land reform that resulted from the Revolution of 1952

stands as the most far-reaching and radical approach to land tenure to be experienced in the Western Hemisphere.

Sixteen months passed from the time the MNR was installed in power before the Agrarian Reform Decree of August 3, 1953 was enacted. During this period, peasants on the northern Altiplano in the area of Achicachi and in the Valley of Cochabamba, spurred on by leadership from the mines, seized numerous haciendas and made their own division according to their instincts of what was equitable.[1] These land divisions must have contributed to spurring on the government of Paz Estessoro, leader of the MNR and the first president after the 1952 Revolution, to develop the Agrarian Reform Decree. Paz Estenssoro recognized the political value of supporting a radical land reform as a means of capturing the campesinos' support and, therefore, supported a law that would give the broadest possible access of the campesinos to ownership of land. The Agrarian Reform Decree created the National Agrarian Reform Service as an autonomous entity, reporting directly to the President of the Republic. This autonomous agency had the same status as that of any ministry. It was responsible for planning and implementing the agrarian reform, for developing a community-based system of cooperatives and credit, for stimulating colonization activity, and for providing the technical assistance necessary for implementing the

---

[1]U.S. Agency for International Development, "Land Reform in Bolivia" prepared by Ronald J. Clark. In AID's Spring Review of Land Reform, Land Reform in Bolivia, Ecuador, Peru. 2nd ed., vol. 6 (June 1970), p. 28.

agrarian reform. Though assigned this broad mandate, in practice the National Agrarian Reform Service performed only legal functions. The development of cooperative infrastructure, organization and promotion of colonization, and provision of technical assistance, fell to other ministries. These other ministries had their own programs and policies that were related to the National Agrarian Reform Service but did not necessarily coordinate their activities with those of the National Agrarian Reform Service. No effective inter-ministerial or inter-governmental entity was developed to integrate the services rendered by the various government bureaucracies working in rural Bolivia into a national agrarian reform movement.[1]

At the time of the 1952 Revolution, the land tenure system was characterized by extreme inequity. According to the 1950 census, 6 percent of the land owners possessed 92 percent of all privately owned land in Bolivia. (See Table 24, page 231, "Size, Area, and Percentage of Area of Agricultural Holdings in Bolivia, 1950.") This situation was a direct result of 400 years of Spanish rule whereby the Indian was forced out of a free community and onto the hacienda in order that he might survive.

The goal of the Agrarian Reform Decree was to bring about fundamental transformation of rural Bolivia. A feudal land tenure system was to be replaced by one in which the

---

[1]Ibid., pp. 28-32.

TABLE 24

SIZE, AREA, AND PERCENTAGE OF AREA OF AGRICULTURAL HOLDINGS IN BOLIVIA, 1950

Size of Units	Area	Percent of Total Area	Percent of Total Units
Less than one hectare	10,879	0.03	28.65
1-3 hectares	31,961	0.10	20.99
3-5	31,036	0.10	9.63
5-10	59,085	0.18	10.18
10-20	76,958	0.24	6.81
20-35	85,763	0.26	3.98
35-50	56,651	0.17	1.61
50-75	717,711	0.33	2.18
75-100	75,465	0.23	1.04
100-200	295,114	0.90	2.59
200-500	756,072	2.31	2.89
500-1,000	1,049,332	3.20	1.78
1,000-2,400	3,290,879	10.05	2.48
2,500-5,000	5,433,896	16.59	2.15
5,000-10,000	5,146,334	15.71	0.92
10,000 plus	16,233,954	49.57	0.71
No information	8,750	0.03	1.41
TOTAL	32,749,849	100.00	100.00

SOURCE: Ministry of Public Finance, Censo Agropecuario, 1950.

Indian, the campesino, would not only have access to land but would be the owner/operator. The specific programmatic objectives were to give the campesino land sufficient to allow him to sustain his family; to expropriate unused or under-utilized land not worked by the owners of the great rural estates and put this land into production under the ownership of the campesino; to restore to the free Indian community all the lands that had been usurped since the last quarter of the nineteenth century; to change the fundamental system of work relations between the owners of the great estates and the Indians of these estates; to promote modern agriculture; to achieve food self-sufficiency; to protect the nation's natural resources; and to promote the immigration of the population on the Altiplano and in the high valleys to the unpopulated Oriente. The Agrarian Reform Decree spelled out these program goals in broad terms, but presented no specific provisions for achieving these programmatic goals other than land distribution.

Initially the implementation of the Agrarian Reform Decree moved at an extremely slow pace, a pace that reflected the general confusion existing in Bolivia immediately after the 1952 Revolution. This confusion, coupled with the need to develop institutional infrastructure, a need implied in the creation of a National Agrarian Reform Service, took time. Managerial and technical personnel had to be recruited, and procedures for running the National Agrarian Reform Service had to be developed. Despite all of the confusion, no other

Latin American country that had undertaken a comparable redistribution of land achieved so much in terms of the distribution of land titles in such a short period of time.[1] By 1968, approximately 263,000 titles for 3.8 million hectares of cultivable land, affecting approximately 185,000 peasant families or 45 percent of the rural families, had been distributed by the National Agrarian Reform Service. However, as of that year, between 300,000 and 350,000 campesino families had not been able to confirm their claim to land to which they claimed title under the Agrarian Reform Decree of 1953.[2]

U.S. Government Support for Agrarian Reform in the Sixties

U.S. Government support for agrarian reform activities in the fifties was modest, taking the form of a small allocation of Bolivian currency for budget support for the National Agrarian Reform Service.

However, the early sixties marked a turning point in the U.S. Government's interest in land reform and in their participation in the process. In 1962, under the auspices of the land Tenure Center at Wisconsin University, a program with the support of AID was undertaken to study the land tenure pattern in the various regions of Bolivia. Executed by Dwight Heath, Charles Erasmus and Hans Buechler, the study undertook

---

[1]Ibid., pp. 32-33.

[2]USAID Mission to Bolivia, "Memorandum for the L.A. Capital Assistance Executive Committee, Bolivia IRR, Agrarian Reform Project" 511-12/21-120-666 (1969), pp. 1-2.

detailed enthnographic descriptions of the land tenure situation in the various regions of Bolivia. The study also included a critical evaluation of the impact of the agrarian reform. It was completed in 1964 and made available to officials in the Bolivian Government and AID.[1]

This study became the basis for a subsequent proposal to the Land Tenure Center in July 1965 to analyze the land tenure system in Bolivia as a basis for future recommendations regarding the agricultural development of Bolivia.[2] This study was financed by a grant made by the USAID in September 1965 to the Land Tenure Center. The Land Tenure Center was to work with the Inter-American Committee for Agricultural

---

[1]Dwight B. Heath, Charles J. Erasmus, and Hans C. Buechler, Land Reform and Social Revolution in Bolivia (New York: Praeger, 1969), pp. 3-10.

[2]Land Tenure Center, "Preliminary Project Proposal: A Study of the Bolivian Land Reform: Its Antecedents and Resultant Social, Political and Economic Change" submitted by Ronald J. Clark to the Land Tenure Center (Madison, Wisconsin University, July 1965), p. 1. A valuable series of monographs issued of the Land Tenure Center resulted from this research effort that have been used by USAID officials more in the design of the USAID programs in Bolivia over the years. Some of the studies that I have been able to locate are:

A. Katherine Barnes, "Results of the Agrarian Reform in the Bolivian Yungas" (October 26, 1967).

B. Katherine Barnes, "Revolution and Land Reform in Chuquisaca and Potosi" (May 8, 1966).

C. Ronald J. Clark, "Problems and Conflicts over Land Ownership in Bolivia," Inter-American Economics Affairs 22 (Spring 1969): 3-18.

D. Peter P. Lord, "The Peasantry as an Emerging Political Factor in Mexico, Bolivia, and Venezuela" (May 1965).

E. David A. Preston, "A Survey of Land Tenure and Land Use in Peasant Communities in the Central Altiplano of Bolivia" (May 1966).

F. Carlos Camacho Saa, "Minifundia, Productivity, and Land Reform in Cochabamba" (December 1966).

Development. Led by Ronald Clark, an eleven person team, consisting of economists and sociologists from the United States, Bolivia, Colombia, Argentina, and Ecuador, undertook research that had three basic objectives: the documentation of the principal economic, political and social changes resulting from the Agrarian Reform Decree of 1953; the analysis of changes which have taken place since 1953 that can be attributed to programs other than those introduced by the Agrarian Reform Decree; and the identification of land tenure problems and rural development problems that presently exist in order that the government can address them in the future.[1]

The research results of this study laid the basis for subsequent recommendations made by Clark to the USAID for the development of a specific project to support the efforts of the National Agrarian Reform Service in the ratification distribution of land titles. The lack of titles for about 55 percent of the families in Bolivia who were holding land was seen as a major obstacle to the effective development of this land. Without a title it was extremely difficult for a campesino to acquire credit critical for promoting agricultural development. Furthermore, the campesino was discouraged from making capital improvements on land to which he did not have clear title. Additionally, effective titling of the rural land holdings was crucial to the development of a rural

---

[1]Land Tenure Center, The Land Tenure Center Annual Report 1967 (Madison, Wisconsin University, January 1968), p. 41.

land tax. Bolivia had neither a uniformly applied tax program for its rural population nor a plan for the development of such a program. Consequently, over 50 percent of the rural families in Bolivia paid no taxes to the national government. It was considered essential for the creation of a rural land tax that the titling program be accelerated.[1] Title distribution had not progressed more quickly because of the shortage of funds to support the work of the National Agrarian Service in adjudicating and distributing titles, work that involved complicated legal and administrative procedures. These were the factors cited by the USAID for supporting the land titling effort.

Though local currency grants had been made to support the National Agrarian Reform Service's titling program, not until 1969 did the USAID submit a request for grant dollars to support this titling effort. The grant funds then allocated were designed to allow the Bolivian Government to accelerate its program supporting mobile land reform brigades. Each brigade consisted of one judge, eight surveyors, one secretary, one inspector, and one campesino. In 1968 six brigades were in operation and the plan eventually was to expand to 36 brigades that would operate until 1975; by that time supposedly all the titling would be completed. The USAID program also provided resources that allowed for the Bolivian

---

[1]USAID Mission to Bolivia, "Memorandum for the L.A. Capital Assistance Executive Committee: Bolivia IRR, Agrarian Reform Project," 511-11/21-120-666 (1969), Annex II, "Rural Land Tax," p. 1.

Government to procure a signature machine. To the amazement of the USAID advisors, it was discovered in 1968 that one of the obstacles that had significantly hindered the issuing of titles was the fact that the President had to personally sign each title. This requirement created an impossible bottleneck, but the introduction of a signature machine resolved the problem.[1]

The USAID support to the National Agrarian Reform Service was a complement to its support of the Natonal Community Development Service. It was fundamental to the program strategy of the USAID to provide the campesino access to the nation building ministries in La Paz and also to assist the Bolivian Government in finishing the business of insuring the campesino clear title to his land. The National Community Development Service (NCDS) was concerned with bringing agricultural inputs such as fertilizers to the villages of rural Bolivia. However, as long as the campesino had no clear title to his land, he was unable to get the credit critical for this and other needs for land development. The NCDS and the National Reform Service were seen as institutions going hand in hand. The Community Development Service would bring public resources and services to the villager who would eventually help pay for these resources and services by paying taxes to a central government. The USAID argued that the land titling effort must go forward on an accelerated basis because

---

[1]Irving Tragen interview held Washington, D.C., January 1982.

numerous conflicts had arisen from the fact that over 300,000 campesino families were farming lands that had not been properly adjudicated. There were numerous efforts by former landlords to intimidate campesinos in an effort to regain possession of their former holdings. Landlords were also known to have attempted to receive payment for their lands; they had even attempted to reestablish traditional labor arrangements. There were also attempts on the part of the campesino unions to employ pressure tactics to intimidate or force landlords to abandon or sell land to which the land owners still had legal right.[1]

Another type of conflict arose between campesinos who had staked claims to lands but for which their claims had not been properly adjudicated. Problems falling into this area included cases of land grabbing by more powerful campesinos; competing claims to land of deceased campesinos; disputes involving subdivision of individual and common lands; conflicts between claims based on possession and claims based on title; and intimidation of campesinos by campesino leaders and government officials. These problems had arisen primarily as a result of not distributing titles more rapidly since 1953 and could be resolved by granting legal titles to the rightful owners. Furthermore, the USAID pointed out that landlords

---

[1]USAID Mission to Bolivia, Noncapital Project Paper - Agrarian Reform Project 511-11-190-364.4 TOAID A-177 (May 29, 1969), pp. 3-7. This material is also found in Ronald J. Clark's "Problems and Conflicts Over Land Ownership in Bolivia" Inter-American Economic Affairs 22 (Spring 1969): 3-18.

still had rights to parts of their pre-reform holdings, estimated at approximately 10,000 hectares; once the adjudication process was carried out and titles established, these land owners would be encouraged either to sell their holdings or to work them more intensively. The net result would be higher levels of agricultural production and thus, greater quantities of agricultural produce reaching urban centers. The USAID argued that the land disputes had an adverse impact on agricultural production, but the inefficiencies that resulted from these disputes would gradually disappear with the granting of titles.[1]

From 1968 through 1972 the USAID provided the key financial support and technical assistance to the National Agrarian Reform Service to support its mobile brigades as a means of accelerating the issuance of land titles. Over $4.6 million was provided in local currency generated from the sale of PL 480 commodities; and $516,000 of grant technical assistance was provided for technical assistance and materials. During this period, substantial progress was made in the awarding of titles. Approximately 300,000 titles were processed in this five year period of time, compared with approximately the same number of titles adjudicated in the fifteen year period previous to this USAID supported agrarian reform project. When this USAID assistance terminated in 1972, the government continued to provide financial assistance to the

---

[1]Ibid.

National Agrarian Reform Service so that it might sustain its action in this field.[1]

---

[1]USAID Mission to Bolivia, Agriculture Development in Bolivia: A Sector Assessment (August 1974), pp. 265.

CHAPTER XII

SHEEP, LLAMA, AND ALPACA PRODUCTION AND MARKETING

The sheep, llama, and alpaca project supported by the USAID is an excellent example of a development activity designed to improve the productive capacity of Bolivia's rural population on the Altiplano. It was conceived by the USAID Mission to complement the community development program.

In the mid-sixties over 30 percent of Bolivia's rural population was concerned with sheep, llama, or alpaca production for generating income. This population, representing over 160,000 families, was a part of the rural population having the lowest per capita income in Bolivia. Their annual income from animals was approximately $15 a year, as contrasted with a $185 return gained by a family engaged in crop production or dairying or $1,430 for a family engaged in beef production. This population owned approximately 6,000,000 sheep, 2,500,000 llamas, and 500,000 alpacas, which grazed approximately 100,000 square miles. It was estimated that this land produced approximately a return of three cents per acre.[1]

---

[1]USAID Mission to Bolivia, Noncapital Project Paper - Sheep, Llama, and Alpaca Production and Marketing Project, 511-11-130-364.2, TOAID A-199 (June 13, 1969), p. 5.

The sheep flocks had been built up from strays from the sheep flocks brought from Spain as early as the sixteenth century. These flocks had suffered severe degeneration over the last 400 years as a result of natural selection which allowed undesirable genetic characteristics to persist. Consequently a large percentage of the sheep fleeces were contaminated with kemp or course hair. The llama was found on the Altiplano at ranges above 13,000 feet, and alpaca were raised on elevations still higher. Alpaca hair is of a quality superior to that of the llama.[1]

In 1962 the USAID Mission undertook a sheep, llama, and alpaca project designed to address the problem of low productivity. The program that evolved had five major components, including water resources development, breed improvement, feed production, herd management, and marketing.[2]

Utah State University served as the principle contractor for designing and implementing the sheep, llama, and alpaca program. It had been selected because of its experience in dealing with dry land agriculture. The similarity between the agro-climatic zone in which Utah State University is located and that of the Altiplano in Bolivia is striking. The University's experience with water, as a limiting factor in agricultural production, was important in their developing an

---

[1]Ibid.

[2]Agency for International Development, Country Assistance Program, FY 1968, Bolivia, Part II (October 1966), pp. 167-170.

approach to problems that prepared them for work on the Altiplano, where the lack of water is a severe limitation to agriculture production. Therefore, it is not surprising that Utah State University was concerned with making more effective use of water resources and the creation of low-cost irrigation systems to increase feed production. However, the low cost irrigation aspect of project development was never carried out.

An integral part of Utah State University's work for USAID had to do with activities that focused on improving the sheep breed. Working closely with the national Agricultural Extension Service, and operating out of Research and Demonstration Centers on the Altiplano and in the high valleys, Utah State University technicians carried on reproduction experiments and distributed improved breeding stock to various campesino groups. During the life of the project, approximately 2,000 improved animals were imported and distributed throughout Bolivia in this program. It was these animals that formed the basis of an improved breeding program which spread rapidly among campesino producers, and which ultimately resulted in the creation of several campesino producing units that provided on a continuing basis a supply of locally produced pure-blood rams.[1] A related program was one concerned with improving forage and alfalfa to be used in feeding

[1]Boyd E. Wennergren, An Evaluation of the Utah State University/USAID Sheep Production and Marketing Program in Bolivia (La Paz, September 1974), p. 17.

the sheep. Research in this area was carried out in several locations on the Altiplano to determine where varieties of seed, grasses, and legumes should be grown in Bolivia. After determining which seeds posssessed the best potential, these seeds were distributed to campesinos for planting. During the life of the project, approximately 200,000 pounds of various classes of improved seeds were imported and distributed to campesinos. Eventually, improved seeds were imported through the private sector.[1]

Another dimension of the sheep, llama, and alpaca program was USAID's concern with herd management. Again, working with the national Agricultural Extension Service, which in turn worked with Research and Demonstration Stations, Utah State University undertook a program to create livestock associations to promote improved herd management practices. The livestock association had the advantage of being able to act as a borrowing agent for its members, thus giving these campesinos access to credit which in most cases they had been denied because of lack of clear title to their land. An added benefit was that the banks providing agricultural credit were able to provide credit on a larger and thus more profitable scale than if they had to deal individually with the small producers.[2]

A specific aspect of the herd management instruction provided to the campesino was on sheering. The National Sheep

---

[1]Ibid., pp. 8-9.

[2]Country Assistance Program, FY 1968, P. 168.

Committee, which was supposed to act as the central coordinating force for sheep development, did not mature to the point that it effectively performed this function. To a certain extent this failure was due to the fluctuations in the political situation in the Ministry of Agriculture. Another serious shortcoming was the lack of a government policy for range and watershed management. Though much technical information had been gathered in studies undertaken in the course of the project, inadequate time and attention had been devoted to synthesizing this information so that a national policy could be articulated. Despite the importation of rams to bring about an improvement in the sheep herds, the sale of quality stock rams was not sufficiently institutionalized to give the program a broad enough impact to be considered successful. There was insufficient institutional development, both in terms of trained personnel and program awareness, within the Ministry of Agriculture regarding the sheep, alpaca, and llama program. Without a critical mass of civil servants within the Ministry of Agriculture devoted to addressing the problems in this area, it proved difficult to sustain both research and extension efforts resulting in improvement of the sheep, llama, and alpaca activity. Finally, the Comité Boliviano de Fomento Lanera, despite sustained financial support from the USAID Mission during a ten-year period, did not achieve

sufficient institutional maturity and financial independence to be able to operate without large subsidies.[1]

Despite the many shortcomings of the sheep, llama, and alpaca project as discussed, this project is significant for its concern with the basic problem facing the campesino, the improvement of his income. Unless a development program is specifically concerned with improving the incomes of the majority population, the likelihood of the quality of life of this majority population is, in the best of circumstances, seriously jeopardized. This project demonstrates, particularly when viewed in conjunction with the land titling projects and support for the National Community Development Service, that the AID philosophy as implemented in Bolivia was one concerned with the basic needs of the rural poor.

---

[1]Utah State University, Bolivia and Utah State University, A Decade of Contracts, A Summary Report 1965-1975, Utah State University Bulletin, Vol. 75, No. 12 (Logan, December 1975), pp. 72-73.

PART IV

CONCLUSIONS: THE CHANGING STYLE OF U.S. DEVELOPMENT ASSISTANCE

CHAPTER XIII

THE CHANGING STYLE OF U.S. DEVELOPMENT ASSISTANCE

As discussed in Chapter V, "U.S. Development Policy Emerges in the Forties," the style of U.S. Government developmental assistance which was to persist into the sixties was forged in the Bohan Report. Bohan prescribed what may be described as a trickle-down approach to development. It promoted resources for industrial development, focusing on mining and petroleum, highway development to tie production centers in the Oriente to consumers on the Altiplano and in the high valleys, and colonization to promote agricultural development in the subtropical and tropical regions. U.S. Government support for agricultural activities in the forties and into the fifties was channeled through the Inter-American Agriculture Service (SAI). SAI in turn was responsible for the creation of a number of different institutional entities principally concerned with agricultual research and extension. In the sixties U.S. financing for most of SAI activities was significantly reduced, and these activities were integrated into the operations of the Ministry of Agriculture. These activities were to play a modest role in the development of the agriculture in the sixties and on into the seventies.

The initial effort of the U.S. Government in the fifties reflected a lack of experience in the design of a strategy for developing areas. The U.S. Government effort reflected its domestic development experience and its involvement in helping to restore the economies of Western Europe and Japan immediately after World War II. The U.S. Government's only experience at working with developing nations could be traced back to modest, and not too successful efforts, in the Caribbean, Central America, and the Philippines before World War II. The United States was little prepared to deal with an economy such as Bolivia's. It was quite natural that the U.S. Government should have attempted something based on its own experience as opposed to an innovation that reflected the Bolivian reality. Nor should the initial U.S. efforts through the fifties be too lightly discounted, for there were some notable successes. Certainly the budget support provided to the Bolivian Government in the fifties and the massive amount of American food sent to Bolivia played an important role in helping feed the population and keeping the revolutionary experience as directed by the Paz and Siles Governments moving along. Perhaps the greatest benefit derived from the AID development assistance program was the good will it generated, good will which allowed the United States to enter into the sixties with the support of the Bolivian Government expressed in its desire to work with the U.S. Government in meeting the development challenge.

Shortly after the proclamation of the Alliance for Progress in March 1961, President Kennedy appointed a task force headed by Dr. Willard Throp of Amherst College to review Bolivia's development problems.[1] As a consequence of the findings of this task force, the U.S. Government's development program in Bolivia was reoriented. The principal new ingredient added to the program was the Triangular Operation which was concerned with the rehabilitation of the public mining sector. This major undertaking, supported by assistance from the Inter-American Development Bank and the German Government, was to be one of six areas in which the USAID would spread its development largess throughout the sixties. Another of the areas was government management assistance for administrative and financial reform of the public sector operations, an area which involved a variety of projects including training of civil servants and the development of rational tax collection systems. The rehabilitation and expansion of the transportation sector, which was the sector to receive the largest amount of financial support from the U.S. Government, was concerned with highway development, civil aviation development, and railway rehabilitaton. In the human resources development sector the USAID was principally concerned with the development of an urban oriented primary and secondary school system, the development of trade unionism in Bolivia,

---

[1]Agency for International Development, History of U.S. Economic Assistance to Bolivia 1942-1980 prepared by Margaret Kranz (May 28, 1980), p. 26.

and miscellaneous health activities. The USAID provided financial assistance to the private sector, assistance which supported small business development and the creation of a savings and loan institution. Finally, agriculture and rural development sector activity was the sixth area of concentration.[1]

The program philosophy of the USAID Mission to Bolivia in the sixties was one that supported all manner of U.S. investment in the national economy of Bolivia. No development sector was left untouched. The concern was to get the economy moving. Translated into the AID vernacular, this meant designing and implementing projects in every sector. The agricultural and rural development sector was but one of six areas of emphasis. There was no single focus in the program, but every effort was made to touch on all facets of the economy in order to promote the total economic and social development of Bolivia. It basically was a continuation of a trickle down model for development, the principal concern being one of promoting agriculture, mining, and private sector production capacity. What had started in Bolivia as a revolution in 1952 concerned with bringing development to the

---

[1]Agency for International Development:
A. Field Proposed Program for FY 1963, Bolivia (December 1961).
B. Country Assistance Program, Bolivia, Part II, FY 1966 (October 1964).
C. Country Assistance Program, FY 1967, Bolivia, Part II (September 1965).
D. Country Assistance Program, FY 1968, Bolivia, Part II (October 1966).

majority of the population became a development program with a major thrust that tended to increase production capacity at the expense of equity. It was a development program more concerned with things than people.

In terms of rural development activities during the initial years of the Alliance, the USAID continued to promote the development of a national transportation network as a means of supporting agricultural production and diversification. The creating of a road system reaching into subtropical and tropical areas complemented the colonization program designed to move the population excess from the Altiplano and the high valleys into the Oriente. It was a grand design, and the activities reflected the program strategy, first conceived in the Bohan Report, which persisted through the fifties and into the sixties. In its agriculture dimension this program strategy was essentially concerned with addressing the balance of payments problem by creating a productive agricultural capacity in the subtropical and tropical lowlands. The belief still persisted that campesinos on the Altiplano and in the high valleys were marginal when it came to making large development expenditures. It was doubted that the campesino population could be mobilized to a point where they could make an important contribution in terms of the national production requirements. Though the actual obligations for U.S. support to colonization programs were modest for this period, at least $60 million (U.S.) was allocated for road construction which represented the largest expenditure in the sixties that the

U.S. Government made to any sector in its Bolivian development assistance program.

However, as the development managers in Washington and on the Country Team in Bolivia moved into the sixties in the context of the Alliance for Progress, they were better prepared to do their job. They developed sensitivities and perspectives that would allow them to venture forth with program strategies and project innovations designed to promote development from within, designed to elicit Bolivian participation at all levels of the development process. During the Ambassadorship of Douglas Henderson and the AID Mission Directorship of Irving Tragen, an awareness grew in the Country Team that if development was ever to come to Bolivia it was necessary to work with the campesino population on the Altiplano and in the high valleys. Irving Tragen guided the mission from 1965 to 1968, a period in which the change in strategy became most apparent. As the program moved through the mid-to late sixties, AID's enthusiasm for undertaking activities in every development sector diminished. Education and health activities came to be perceived as bottomless pits so that program efforts in these two areas should be avoided. The USAID Mission began to lose faith in activities in the private sector. The USAID Mission came to feel that the development entrepreneurialship and private sector activities should be left to private investors and that it was not something in which the U.S. Government should be involved.

The mid-sixties witnessed the acceptance of a fresh dimension of the foreign assistance program in Bolivia, a dimension that reflects a concern with mass participation and the meeting of basic human needs. A significant aspect in the ideation process that led to the acceptance of these principles was the Title IX legislation discussed in Chapter X, "The National Community Development Service." AID instructions, which have been documented in the chapter describing the development of the National Development Community Service, fostered the Title IX concept in the USAID Mission to Bolivia. The development philosophy that emerged was one that introduced equity considerations. The generation of jobs for the unemployed, occasionally employed, and underemployed rural population became an important objective. Another factor that began to be considered was improvement of small farmer income as an important ingredient in the development of a national economy. Instead of promoting a development philosophy in which projects were planned, designed, and implemented from a central authority, emphasis was to be placed on broad participation in the project development and execution process.

These themes appear clearly for the first time in the program documentation of the USAID Mission to Bolivia when describing the agriculture and rural development effort in the summer of 1965:

> The target of this activity is to stimulate balanced growth of the rural economy of Bolivia by increasing productivity; and, concurrently, raising rural living standards. In the course of action directed toward this target, the integration of the campesinos, who comprise 70 percent of the population, into the social and economic life of Bolivia is given high priority. Growth of the rural economy will aid Bolivia's foreign exchange position by leveling off and then reducing imports and by increasing exports of agricultural commodities. More efficient and diversified production, plus cost reductions in moving farm production from the land to the consumer, will be reflected in lower prices, greater variety and increased availability and hence will result in improved nutritional levels of all Bolivians.
>
> Actions within the activity emphasize an integrated program for rural development. A shift has been made in emphasis away from the traditional agricultural progams of previous years toward a blend in which marketing, credit, community development and production technology all dovetail their services at the producers' level through community organizations. Improved assembly, processing, storage, transportation and distribution mechanisms will make it possible for more, better quality, greater variety and less expensive food for the consuming public, thus improving nutritional levels.
>
> The emphasis of actions to be taken will be to capitalize on the technology of production already available by providing credit, improving the marketing systems for agricultural commodities and insuring the availability of services from the GOB, integrating and upgrading the governmental organizations responsible for providing orientation and services to the rural areas to promote self-help and responsibility among campesinos and thereby encourage the growth of grass-roots political leadership through a community development program.[1]

The Mission Director, Irving Tragen, who played the major role in authoring this statement, was asserting his concern that production values must be balanced with equity considerations if development was really going to come to the majority population of Bolivia, the campesino, the Indian.

---

[1]USAID Mission to Bolivia, Country Assistance Program, FY 1967, Bolivia, Part II (September 1965), P. 104.

Efforts undertaken by the USAID were thereafter specifically targeted on the majority rural population. The National Community Development Service and the related support for land titling provided to the National Agrarian Reform Service were the key projects in this new program effort. Projects were designed to encourage the Bolivian Government to work directly with the campesinos in their traditional habitat, the Altiplano and the high valleys. This community development effort demonstrated conclusively that there were considerable resources in these rural communities to be used for development activities if only the Bolivian Government would work with the rural communities to bring new technology and development innovation to the rural population.

The focusing of the USAID on sheep and wheat production in the mid-sixties was a frank recognition that the technical agricultural problems had to be addressed on the Altiplano and in the high valleys if there was going to be increased productivity in these hostile agricultural environments. Certainly the challenge was to involve the campesino in these experiments. The campesino had developed an agricultural survival package, and for good reasons he was extremely conservative when faced with innovations designed to affect his farming system.

Increased emphasis on the agricultural credit program in the late sixties was meant to complement community development and the land titling efforts. It was recognized that without credit to make modest capital improvements on their lands or

to buy agricultural inputs to improve agricultural production, it was doubtful that the campesinos could make real progress in increasing production and then improve their income position. The late sixties also saw a continuing modest effort to support education activities designed to improve the quality of life of the campesino. This U.S. effort was a reflection of the extremely limited resources of the Bolivian Government.

The Title IX legislation that was so basic to promoting the community development and agrarian reform projects would serve as a bridge to the USAID's programming activities in the seventies when a basic human needs strategy would become an important feature in the U.S. Government's development assistance program for Bolivia. The National Community Development Service had focused on the poorest majority population of rural Bolivia in the sixties. In the seventies, when there was an AID emphasis on the definition of what the poorest majority was in Bolivia, it would turn out to be those very same campesinos who were within the target area of the National Community Development Service.

The pattern of obligation and expenditure devoted to social and economic assistance in Bolivia throughout the fifties and on into the sixties remained essentially the same. However, it was a pattern that began to change significantly in the late sixties; by the mid seventies the Indian, the poorest majority population of the Altiplano and high valleys of Bolivia became the major concern of the U.S. foreign assistance program in Bolivia.

In conclusion, this description of the history of the U.S. development assistance program to Bolivia in the rural sector from the forties into the seventies is presented to draw the outlines of the changing style of U.S. development assistance from 1941 to 1974. With the examination of the specific developmental activities designed to promote increased agricultural production, one can see the U.S. Governmen moving from a strategy that is described as the trickle-down approach to one that was evolving towards a basic human needs strategy. This historical trend is not unique to Bolivia, for it is generally understood that this phenomenon was happening in many developing countries throughout the world. The significance of this study is that it is the first effort to describe this trend in Bolivia.

CHAPTER XIV

EPILOGUE: THE RURAL DWELLER

In Chaper III, "The Rural Dweller," I attempted to describe what it was like to be an Indian in rural Bolivia prior to the Revolution of 1952. After the passing of approximately two decades, two decades in which emphasis was placed on the development of rural Bolivia, did the life of the Indian living on the Altiplano and in the high valleys change?

In describing the quality of life of the campesino in the seventies and contrasting it with the campesino life prior to the 1952 Revolution, I do not mean to imply that there necessarily is a strong relationship between the AID supported rural development interventions in the fifties and sixties and changes in quality of life of the campesino in the seventies. Though the U.S. Government has been the most important force in the donor community in Bolivia for this period, 1941 through 1974, the impact of U.S. development assistance on Bolivia's social and economic development must be viewed as marginal. Though U.S. foreign assistance in the form of the community development effort touched a number of campesino families, there were many more people that the organization could not reach because of lack of human and capital resources. Finally, at this juncture, it is impossible to

measure the impact that activities as discussed in Part III, "People Begin to Count", have in terms of improving the quality of life of the intended beneficiaries. Our scales for measurement are too crude. Our tools for evaluation are too gross. The following is, therefore, included to provide the reader with a rough approximation of what appears to be happening in terms of the life of the campesino. The following comments suggest some backsliding in terms of the campesino's quality of life, but the comments should not be seen as undercutting the validity of the institutional development efforts undertaken by the U.S. and Bolivian Governments.

To quote from the basic planning document prepared in 1978 by the USAID Mission to Bolivia:

> The vast majority of the rural inhabitants continue to be poor. In the main, they are small scale farmers who live in conditions of poverty which have improved little since pre-revolutionary days.[1]

A review of indicators commonly used to measure quality of life, gives this assertion meaning, notwithstanding a fundamental attitudinal change on the part of the rural population since pre-revolutionary Bolivia. The per capital gross national product for 1975 was approximately $120 for the rural Bolivian, the lowest in South America.[2] Yet this income represents an improvement if compared with the situation prior to 1952, when the Indian mainly was not a part of the

---

[1]USAID Mission to Bolivia, USAID/Bolivia Deveopment Assistance Plan (March 1978), p. 18.

[2]Ibid., p. 5.

monetized economy. Nevertheless, today the Indian must still be considered extremely poor in both relative and absolute terms.

The campesino family cultivates from three to six acres from which it derives 90 percent of its income from wheat, coca, barley, potatoes, rice, vegetables, and mixed livestock production.[1] The agricultural technology of the campesino remains primitive, and his access to modern inputs such as chemical fertilizers, pesticides, and improved seed varieties is limited. Though some manner of roads lead into most areas on the Altiplano and the high valleys, and the truck for hauling people and products has become commonplace, the campesino's limited production capability seriously limits his earning capacity. He still is basically a subsistence farmer with extremely modest potential for improving his income position.

Of Bolivians over fifteen years of age, 60 percent are illiterate, and 65 percent speak Quechua or Aymará as a first language. Only 36 percent of the rural population between the ages of five and nineteen is enrolled in schools as compared with nearly 100 percent for the same age group who live in urban areas.[2] Generally there are twice as many female illiterates as there are male illiterates in rural Bolivia.[3]

---

[1]Ibid., p. 6.

[2]Ibid., p. 5.

[3]Ibid., p. 19.

A shocking difference, when comparing the campesino population of the early sixties to the early seventies, is a decline in availability, on a per capita basis, of 13 percent in calories and 26 percent in protein. The Altiplano and the high valleys were the worst off areas. There was more malnutrition in these two areas in the early seventies than in the early sixties. One can only draw the conclusion that the average diet of the rural Bolivian declined over the ten year period.[1]

Health problems in rural Bolivia continue to be severe. It is estimated that life expectancy at birth is less than forty-seven years for the campesino. The infant mortality rate of children under a year in rural areas is estimated in excess of 235 per thousand.[2] The campesino family continues to live in an adobe dwelling with little access to a sewage system or potable water. This living condition and the wide spread malnutrition resulting from low family income levels, an inadequate food supply system, and poor family eating habits increase the vulnerability of the campesino's family to disease and early death. An important factor contributing to the severity of the health problem in rural Bolivia is the lack of health care infrastructure to promote preventive health care.

---

[1]USAID Mission to Bolivia, Bolivian Nutrition Sector Assessment (1975), pp. 7-8.

[2]USAID, Development Assistance Paper, 1978, p. 5.

The situation of the campesino family on the Altiplano and in the high valleys continues to be a bleak one. Life is harsh. Perhaps the geographic reality is such that in relative terms life of the campesino will always be harsh. Yet, the campesino does own his land. Certainly there can be no doubt that the campesino's possession of land is a critical factor in his attitude regarding how he perceives his role in society and why he identifies with the nation of Bolivia. The fact that he controls his land and produces his own food has had a dramatic impact on his attitude. He is no longer an indio psychologically. He now takes pride in being a campesino and in being a Bolivian. The ownership of land has been a major factor in giving the campesino this sense of dignity.

A SELECTED BIBLIOGRAPHY

The sources used in the preparation of this history are listed below. If possible, I have indicated where the government materials are presently located using the following abbreviations in the citation in the bibliography.

(DIC) AID Development Information Center

(DSL) Department of State Library

(LCH) Personal Library of Lawrence C. Heilman

If the U.S. Government source is underlined, the document has been widely disseminated and is generally available. If the U.S. Government source is bracketed in quotation marks, it is my judgment that only a few copies have been produced and the document has not been widely circulated. An Agency for International Development source is presumed to have been produced in Washington, D.C. A USAID Mission to Bolivia source is presumed to have been produced in La Paz, Bolivia.

Books, Articles, and Miscellaneous Reports

Alexander, Robert J. The Bolivian National Revolution. New Brunswick: Rutgers University Press, 1958.

_____. "Bolivia: The National Revolution." In Political Systems of Latin America Chapter 16. Edited by Martin C. Needler. New York: Van Nostrand, Reinhold, 1970.

_____ Communism in Latin America. New Brunswick: Rutgers University Press, 1957.

American University, Foreign Areas Studies Division, Special Operations Research Office. U.S. Army Area Handbook for Bolivia. Washington, D.C., 1963.

Antezana, Luis E., Resultados de la Reforma Agraria en Bolivia. Cochabamba, 1955.

_____. El Feudalismo de Melgarejo y la Reforma Agraria. La Paz, 1971.

Arnade, Charles W. The Emergence of the Republic of Bolivia. Gainesville: University of Florida Press, 1957.

_____. "The Historiography of Colonial and Modern Bolivia." Hispanic American Historical Review 42 (August 1962): 333-84.

Asher, Robert E. Development Assistance in the Seventies. Washington, D.C.: Brookings Institution, 1970.

_____. "Development Assistance in DDII: The Recommendations of Perkins, Pearson, Peterson, Prebish, and Others." International Organization 25, No. 1 (1971): 97-119. (LCH)

Ayala Mercado, Manuel. El Crédito Agrícola y el Plan de Desarrollo Agropecuario de Bolivia. La Paz: Talleres Gráficos Bolivianos, 1963.

Barja, Gover, B. and Cardozo, Armando G. Geografía de Bolivia. Cochabamba: Los Amigo del Libro, 1971. (LCH)

Barton, Robert. A Short History of the Republic of Bolivia. Detroit: Ethridge, 1969. (LCH)

Berman, Barbara R. Transportation in the Strategy of Bolivian Development: The Cochabamba-Santa Cruz Highway. Washington, D.C.: Brookings Institution, 1963.

Blasier, Cole. "The United States Supports Social Revolution. Bolivia, 1952-1964." Unpublished Manuscript, University of Pittsburgh. (LCH)

Brill, William H. Military Intervention in Bolivia: The Overthrow of Paz Estenssoro and the MNR. Washington, D.C.: Institute for the Comparative Study of Political Systems, 1967.

British Mission in Bolivia. La Agricultura Tropical en Bolivia. La Paz: Ministry of Economy, 1962. (LCH)

Bryce, James. South America, Observations and Impressions. London: MacMillan, 1912.

Buechler, Hans C. and Buechler, Judith Maria. The Bolivian Aymará. New York: Holt, Rinehart and Winston, 1971.

Burke, Melvin. "Land Reform and Its Effect Upon Production and Productivity in the Lake Titicaca Region." Economic Development and Cultural Change 18 (April 1970): 410-50.

_____. "Does Food for Peace Assistance Damage the Bolivian Economy?" Inter-American Economic Affairs 25 (Summer 1971): 3-20.

_____. Estudios Críticos Sobre la Economía Boliviana La Paz: Los Amigos del Libro, 1973.

Cardozo Gonzáles, Armando. Producciones de la Hacienda en el Altiplano. La Paz: Editorial Universo, 1967.

Carter, William E. Aymara Communities and the Bolivian Agrarian Reform. Gainesville: University of Florida Press, 1964.

_____. Bolivia, a Profile. New York: Praeger, 1971.

Chirikos, N. Thomas; Kelley, S. Clifton; Lamb, G. Gene; Sanders, Donald P.; and Shea, John R. Human Resources in Bolivia. Columbus: Ohio State University, Center for Human Resources Research, 1971.

Clark, Ronald James. "Land Reform and Peasant Market Participation on the North Highlands of Bolivia." Land Economics 45 (May 1968): 155-172.

_____. "Problems and Conflicts over Land Ownership in Bolivia" Inter-American Economic Affairs 22 (Spring 1969): 3-18.

Cochrane, Thomas T. Potencial Agrícola del Uso de la Tierra de Bolivia: Un Mapa de Sistemas de Tierra. La Paz: Editorial Don Bosco, 1973. (LCH)

Crossley, J. Colin. "Colonization in Bolivia: Progress and Prospects." Inter-American Economic Affairs 20 (Spring 1967) 39-54.

Donoso Torres, Vicente. Filosofía de la Educación Boliviana. Buenos Aires: Editorial Atlántica, 1946.

Dozier, Craig L. Land Development and Colonization in Latin America. New York: Praeger, 1969.

Dreier, John C. Alliance for Progress, Problems, and Perspectives. Baltimore: Johns Hopkins Press, 1962.

Edelmann, Alexander T. "Colonization in Bolivia: Progress and Prospects." Inter-American Economic Affairs 20 (Spring 1967): 29-54.

Eder, George Jackson. Inflation and Development in Latin America: A Case History of Inflation and Stabilization in Bolivia. Ann Arbor: University of Michigan Press, 1968.

Erasmus, Charles J. "Upper Limits of Peasantry and Agrarian Reform: Bolivia, Venezuela, and Mexico Compared." Ethnology 6 (October 1967): 349-80.

Ferragut, Castro. "La Reforma Agraria Boliviana. Sus Antecedentes, Fundamentos, Aplicación y Resultados." Revista Interamericana de Ciencias Sociales 2, No. 1. Washington, D.C.: Panamerican Union.

Fifer, J. Valerie. Bolivia: Land, Location, and Politics Since 1825. Cambridge: Cambridge University Press, 1972.

Flores, Edmundo. "Taraco, Mongrafía de un Latifundio de Altiplano Boliviano." El Trimestre Economico 22, No. 2, Mexico, D.F. (1955): 209-19.

_____. "Un Año de Reforma Agraria en Bolivia." El Trimestre Economico 23, No. 2, Mexico, D.F. (1956): 241-61.

_____. Derecho Agrario Boliviano. La Paz: Editorial Don Bosco, 1956.

Goodrich, Carter. "Bolivia: Test of Technical Assistance." Foreign Affairs 32 (April 1954): 473-81.

_____. The Economic Transformation of Bolivia. New York State School of Industrial and Labor Relations, Bulletin 34. Ithaca: Cornell University, 1955.

Gonzales, Heliodor. "The Domestic Political Effects of Foreign Aid: Case: The Failure in Bolivia," Inter-American Economic Affairs 15 (1961): 77-8.

Gorber, Isaac. La Reforma Agraria en Bolivia. Proceso a un Proceso. Santiago, 1969.

Heath, Dwight B. "A Proposal for Agrarian Reform in Bolivia." In La Reforma Agraria en Bolivia: 327-9. Edited by Alfredo Sanjines. La Paz: Editorial Universo, 1945.

_____. "Land Reform in Bolivia." Interamerican Economic Affairs 12 (Spring, 1959): 3-27.

_____. "Commercial Agriculture and Land Reform in the Bolivian Oriente," Inter-American Economic Affairs 13 (Autumn 1959): 35-46.

_____. "Land Tenure and Social Organization." Inter-American Economic Affairs 13 (Spring 1960): 44-66.

_____. "Hacendados with Bad Table Manners: Campesino Syndicates as Surrogate Landlords in Bolivia." Inter-american Economic Affairs 24 (Summer 1970): 3-13.

_____. "New Patrons for Old: Changing Patron, Client Relationships in the Bolivian Yungas." In Structure and Process in Latin American Patronage, Clientage and Power Systems: 101-37. Edited by Arnold Strickon and Sidney Greenfield. Albuquerque: University of New Mexico Press, 1973.

Heath, Dwight B.; Erasmus, Charles J. and Buechler, Hans C. Land Reform and Social Revolution in Bolivia. New York: Praeger, 1969.

Henkel, Ray. The Chimore, Alto Beni and Yapacani Projects; a Study of Directed Colonization in the Bolivian Tropics. Tempe, Arizona, 1968.

_____. Colonización Pioneira en la Región de Chapare en Bolivia. La Paz, 1974.

Herrera, Felipe. A Decade of Achievement. Washington, D.C.: Inter-American Development Bank. 1970. (LCH)

Inter-American Development Bank. Programa de Colonización: Informe Final. La Paz, 1970.

_____. Evaluation of Tropical Colonization Projects in Latin America. No. 7. Washington, D.C., 1970.

_____. Policy in the Field of Health. GN-374. Washington, D.C., June 14, 1972.

_____. Prioridades de Inversión en el Sector Agropecuario de Bolivia. Washington. D.C., August, 1973.

_____. Financiamineto Externo del Desarrollo de Bolivia. Prepared by Guido Valle Antelo and Antonio Cespedes Toro. Washington, D.C., 1973.

International Bank for Reconstruction and Development. Appraisal of the Agricultural Credit Project Bolivia. Report No. 695a-BO. June 6, 1975. (LCH)

_____. Economic Memorandum on Bolivia. Report No. 1546-BO. March 23, 1977. (LCH)

Jacobs, Milton; Askenasy, Alexander R.; and Scott, Morita P. Resettlement in Latin America: An Analysis of 35 Cases. Washington, D.C.: American University, 1966.

James, Preston E. Latin America. New York: Odyssey Press, 1959.

Johnston, Bruce F. "Agriculture and Structural Transformation in Developing Countries: A Survey of Research." Journal of Economic Literature 8 (June 1970): 369-404.

Johnston, Bruce F. and Mellor, John W. "The Role of Agriculture in Economic Development." American Economic Review 51 (September, 1961): 566-93.

Keith, Robert B. "Encomienda, Hacienda, and Corregimiento in Spanish America: A Structural Analysis." Hispanic American Historical Review 51 (1971): 431-7.

Keller, Frank L. Geography of the Lake Titicaca Basin of Bolivia. College Park, Maryland, 1949.

_____. "Finca Ingavi: a Medieval Survival on the Bolivian Altiplano." Economic Geography 26 (1950): 37-50.

_____. "Institutional Barriers to Economic Development: Some Examples from Bolivia." Economic Geography 31 (1955): 351-63.

Keller, Gordon and Aitken, Percey. Socio-Cultural Factors in Colonization in Bolivia: An Integrated Model for New Lands Development. La Paz: Utah State University Press, 1973.

Kelly, Isabel. "Technical Cooperation and the Culture of the Host Country," Community Development Review, 4 (September 1959): 1-16.

Klein, Herbert S. "David Toro and the Establishment of Military Socialism in Bolivia." Hispanic American Historical Review 45 (February 1965): 25-52.

_____. Orígenes de la Revolución Boliviana. La Paz: Editorial Juventud, 1968.

_____. Parties and Political Change in Bolivia, 1880-1952. Cambridge: Cambridge University Press, 1969.

Lamb, Gene. A Study of the Administrative Capacity of the Bolivian Education System. Columbus: Center for Human Resource Research, Ohio State University, 1969. (LCH)

Leonard, Olen E. Bolivia, Land, People, and Institutions. Washington, D.C.: Scarecrow Press, 1952.

_____. "Locality Group Structure in Bolivia." In Readings in Latin American Social Organization and Institutions. Edited by Olen E. Leonard and Charles P. Loomis. East Lansing: Michigan State College Press, 1953.

_____. El Cambio Económico y Social en Cuatro Comunidades del Altiplano de Bolivia. Mexico City: Instituto Indigenista Interamericano, 1966.

Long, Max; Grover, Ben; Whitaker, Morris; and Farnsworth, Williams. A Study of the Net Income Comparative Advantage of Wheat Versus Corn and Potato Production in Bolivia. La Paz: Utah State University, 1974.

McBridge, George C. The Agrarian Indian Communities of Highland Bolivia. New York, 1921.

McEwen, William. Changing Rural Bolivia. New York: Research Institute for the Study of Man for Peace Corps/Bolivia, 1969.

Malloy, James M. Bolivia: The Uncompleted Revolution. Pittsburgh: University of Pittsburgh Press, 1970.

Malloy, James M. and Thorn, Richard S. (eds.) Beyond the Revolution: Bolivia Since 1952. Pittsburgh: University of Pittsburgh Press, 1971.

Michigan State University. Market Processes in La Paz, Bolivia Research Paper No. 3. East Lansing: Latin American Studies Center, Michigan State University, 1969. (LCH)

National City Bank. "An Economic Survey of Bolivia." August 1943. (LCH)

Nixon, Richard. U.S. Foreign Policy for the 1970s, A New Strategy for Peace. Washington, D.C.: U.S. Government Printing Office. February 18, 1970. (LCH)

Organization of American States. Alliance for Progress, Official Documents Emanating from the Special Meeting of the Inter-American Economic and Social Council at the Ministerial Level Held in Punta del Este, Uruguay, from August 5 to 17, 1961. 1967.

_____. "Measures Designed to Speed Economic Development in Bolivia Under the Alliance for Progress." Prepared by the Committee of Nine for the Ministry of Finance, May 1962. (LCH)

_____. Inventory of Information Basic to the Planning of Agricultural Development in Latin America: Bolivia. Washington, D.C.: December 1963. (LCH)

_____. La Educación Agrícola en Bolivia. Prepared by Carlos Casio. Lima, 1971.

Osborn, Harold. Bolivia: A Land Divided. London: Royal Institute of International Affairs, 1964.

Owens, Edgar and Shaw, Robert. Development Reconsidered. Lexington, Massachusetts: D.C. Heath and Co., 1972.

Pan American Health Organization. Annual Report of the Director, 1969. Washington, D.C., 1970.

_____. Annual Report of the Director, 1970. Washington, D.C., 1971.

_____. Health Conditions in the Americas, 1965-1968. Washington, D.C., 1969.

Patch, Richard W. "Bolivian Background." New York: American Universities Field Staff, June 1958.

_____. "Bolivia: Decision or Debacle." New York: American Universities Field Staff, April 18, 1959.

_____. "Bolivia Today: An Assessment Nine Years After the Revolution." New York: American Universities Field Staff, Vol. 8, No. 4. March 17, 1961.

_____. "Bolivia: U.S. Assistance in a Revolutionary Setting." In Social Change in Latin America Today. pp. 108-79. Edited by R. N. Adams. New York: Vintage Books, 1961.

_____. "Bolivia's Developing Interior." Handover, New Hampshire: American Universities Field Staff Reports, West Coast of South America Series, Vol. 9, No. 3. 1962.

_____. "Peasantry and National Revolution: Bolivia." In Expectant Peoples--Nationalism and Development pp. 95-126. Edited by K.H. Silver. New York: Knopf, Vintage Books, 1967.

_____. "The La Paz Census of 1970." Hanover, New Hampshire: American Universities Field Staff Reports, West Coast of South America Series, Vol. 17, No. 12. 1970.

_____. "Population Review 1970: Bolivia." Hanover, New Hampshire: American Universities Field Staff Reports, West Coast of South America Series, Vol. 17, No. 1. 1971.

Peñaloza, Luis. Historia Economica de Bolivia. 2 Vols. La Paz, 1946.

Rippy, J. Fred. "Bolivia: An Exhibit of the Problems of Economic Development in Retarded Countries." Inter-American Economic Affairs 10 (Winter 1956) 61-74.

Rockefeller, Nelson S. Quality of Life in the Americas; Report of a U.S. Presidential Mission for the Western Hemisphere. Reprinted by the Agency for International Development, August 30, 1969. (LCH)

Rostow, W.W. The Stages of Economic Growth. London: Cambridge University Press, 1961.

Sanchez V. Francisco and Wessel, Kelso L. Resúmen de Tres Zonas de Colonización y Comparación de la Agricultura del Oriente con el Altiplano. La Paz, 1966. (LCH)

Sanjines, Alfredo. La Reforma Agraria en Bolivia. La Paz: Editorial Universo, 1945.

Sariola, Sakari. "A Colonization Experiment in Bolivia." Rural Sociology 25 (March 1960) 76-90.

Schweng, Lorand. "An Indian Community Development Project in Bolivia." Community Development Review 8 (March 1963): 13-9.

Schultz, Theodore W. Transforming Traditional Agriculture. New Haven: Yale University Press, 1964.

Summer Institute of Linguistics. Agricultural Development Program. Prepared by Herbert L. Brussow, May 1967. (LCH)

United Kingdom Overseas Economic Survey. Bolivia. London: His Majesty's Stationary Office, 10952. (DSL)

Utah State University. Bolivia and Utah State University, A Decade of Contracts, A Summary Report 1965-1975. Utah State University Bulletin, Vol. 75, No. 12. Logan. December 1975. (LCH)

Weil, Thomas E. et al. Area Handbook for Bolivia. Washington, D.C.: U.S. Government Printing Office, 1974.

Wennergren, E. Boyd. An Evaluation of the Utah State University/USAID Sheep Production and Marketing Program in Bolivia. La Paz, September 1974. (LCH)

Whitaker, Morris D. and Wennergren, E. Boyd. The Status of Bolivian Agriculture. New York: Praeger, 1975.

Wilkie, James Wallace. The Bolivian Revolution and U.S. Aid Since 1952; Financial Background and Context of Political Divisions. Los Angeles: University of California, Latin American Center, 1969.

Wilson, George W. The Impact of Highway Investment on Development. Washington: Brookings Institution, 1966.

Zondag, Cornelius H. "Problems in the Economic Development of Bolivia." Unpublished manuscript.

_____. The Bolivian Economy, 1952-65; The Revolution and Its Aftermath. New York: Praeger, 1966.

Zook, David Hartzler. The Conduct of the Chaco War. New York: Bookman Associates, 1960.

Bolivian Government Sources

Agriculture Bank of Bolivia. Application for Development Loan to Capitalize the Reorganized Banco Agrícola de Bolivia. 2 Vols. May 1963.

Center for the Study of Population and Family. Condiciones Socio-culturales de la Fecundidad en Bolivia. 1969. (LCH)

General Directorate of Statistics and Census. Censo Demográfico, 1950. La Paz: Editorial Argote, 1955.

Interministerial Group. Plan Nacional de Desarrollo Rural. 1963. (LCH)

Ministry of Agriculture. Estadísticas Agropecuarias: Resumen General Año Agrícola 1957-58. 1962. (LCH)

_____. Un Programa de Producción Agrícola para Bolivia. July 1963. (LCH)

_____. Sector Agropecuario y Riegos, Plan Bienal 1965-1966. (LCH)

Ministry of Agriculture, Inter-American Agriculture Service. Informe de Actividades, Julio 1956 - Marzo 1960. 1960. (LCH)

_____, _____. Estudio Sobre Producción, Costos, Commercialización e Industrialización del Trigo en Bolivia. Prepared by Armando Torrico, Lionel Terrazas and Raul Salas Duran. Division of Commerce and Cooperatives, 1962. (LCH)

_____, _____. Costo de Producción de Arroz, Papa, Maíz, Trigo, Mani y Aji en los Departamentos de La Paz, Chuquisaca, Santa Cruz, Potosi, Tarija y Oruro. 1963. (LCH)

_____, _____. La Agricultura Boliviana, Plan Maestro de Investigaciones por el Periodo 1965-1970. (LCH)

_____, _____. Resultados de la Investigación Agropecuaria en el Tropico. 1965. (LCH)

_____, _____. Costos de Producción de Arroz, Papa, Maíz, Trigo, Mani y Aji. 1965. (LCH)

Ministry of Agriculture, National Community Development Service. Primera Graduación: Trabajadores de Desarrollo de la Communidad, Belen. August, 1965. (LCH)

_____, _____. Programa Boliviano de Desarrollo de la Communidad en Acción, Primer, Informe Annual. December 1965. (LCH)

_____, _____. Curriculum for Village Level Workers, National Community Development Training Program of Bolivia. 12 Vols. 1965. (LCH)

_____, _____. Segunda Graduación Trabajadores de Desarrollo de la Communidad, Belen. January 30, 1966. (LCH)

_____, _____. Bolivia: Programa Nacional de Desarrollo de Communidades, Informe para los Años 1965-1966-1967. August 1967. (LCH)

Ministry of Economy. La Industria Azucarera in 1961. February 1962. (LCH)

_____. Estudios de Colonización en Bolivia I. Informe del Director Tablas Estadisticas. August 1962. (LCH)

_____. Estudios de Colonización en Bolivia II. Analysis Las Caracteristicas Socio-Economicas de las Colonias. December 1962. (LCH)

_____. Presupuestos Generales de la Nacion Annual, 1967-73.

Ministry of Foreign Affairs. Memorandum II, Economic Development of the Republic of Bolivia. December 1954. (LCH)

Ministry of Health. Plan Nacional de Salud, 1966-1975. February 1966. (LCH)

_____. Plan Nacional de Salud, 1973-1978. 1973. (LCH)

Ministry of Peasant Affairs. Estatuto. Prepared by the National Agrarian Reform Service. 1967. (LCH)

_____. Titulación. 1967. (LCH)

_____. Manual de Procedimiento. Prepared by the National Agrarian Reform Service. 1967. (LCH)

_____. Reorganización Administrativa del Servicio Nacional de Reforma Agraria Constitución, Organización y Procedimiento de las Brigadas Moviles. Prepared by the National Agrarian Reform Service, 1967. (LCH)

_____. Revolution and land Reform in Chuquisaca and Potosi. Prepared by K. B. Marschall for the National Agrarian Reform Service, 1970. (LCH)

National Directorate of Rural Development. Plan Nacional del Desarrollo Rural. 1963. (LCH)

National Planning Agency. Plan de Desarrollo Economico y Social de Bolivia, 1962-1971. July 1961. (LCH)

_____. Plan Bienal de Educación 1963-1964. 1962. (LCH)

_____. Plan Bienal de Desarrollo Economico y Social, 1963-1964. 1963. (LCH)

_____. Boletín Estadístico 1967 No. 93. 1967.

_____. Plan Nacional de Desarrollo de los Recursos Humanos, 1969-1980. 1969. (LCH)

_____. Estratégia Socio-Económica del Desarrollo Nacional 1971-1991. 1972. (LCH)

Ministry of Public Finance. Censo Agrocuario 1950.

_____. Boletín Estadístico 1962. (LCH)

_____. Boletín Estadístico 1963. (LCH)

_____. Boletín Estadístico 1964. (LCH)

_____. Informe de Labores por la Gestión 1967. (LCH)

_____. Presupuesto General de la Nación 1967. (LCH)

National Commission for the Study of Sugar. La Industria Azucarera Boliviana. La Paz: Editorial de Estado, 1969. (LCH)

Land Tenure Center, Wisconsin University Sources

Barnes, Katherine. "Results of the Agrarian Reform in the Bolivian Yungas." October 26, 1967.

_____. "Land Reform in Yungas: Case Study of Five Ex-Haciendas." 1967.

_____. "Revolution and Land Reform in Chuquisaca and Potosí." May 8, 1968.

Dandler-Hanhart, Jorge. "An Ethnographic Study of a Rural Settlement in the Valley of Cochabamba, Bolivia." 1964.

_____. "Implementation of Agrarian Reform in Ucureña, Bolivia." 1967.

Goreff, Peter. "The Effects of Continued Landlord Presence in the Bolivia Countryside During the Post-Reform Era: Lessons to be Learned." October 1974.

Heath, Dwight B.; Erasmus, Charles J.; and Buechler, Hans C. "Land Reform and Social Revolution in Bolivia." 3 Vols. 1965.

Lord, Peter P. "The Peasantry as an Emerging Political Factor in Mexico, Bolivia and Venezuela." May 1965.

Patch, Richard W.; Junco Meyer, Victoria; and Dandler Hanhart, Jorge. "Glosario de Términos Relacionados con la Tenencia de la Tierra y el Trabajo Bajo Situaciones Especiales de Tenencia en Bolivia." January 1964.

Preston, David A. "A Survey of Land Tenure and Land Use in Peasant Communities in the Central Altiplano of Bolivia." May 1966.

_____. "A Survey of Land Tenure and Land Use in Peasant Communities in the Central Altiplano of Bolivia." May 1966.

Sotomayor, Marcelo Peinado. "Land Reform in Three Communities of Cochabamba, Bolivia." August 1971.

Shazo, Peter De. "The Colonato. System on the Bolivian Altiplano from Colonial Times to 1952." 1970.

Reports of the Land Tenure Center

The Progress of land Reform in Bolivia, Land Tenure Center Discussion Paper. May, 1963. (LCH)

"Preliminary Project Proposal: A Study of the Bolivian Land Reform: Its Antecedents and Resultant Social, Political and Economic Change." Prepared by Ronald J. Clark, Madison, Wisconsin University. July 1965.

The Land Tenure Center Annual Report 1967. January 1968.

Colonization and Settlement: A Bibliography. 1969.

_____. Colonization and Settlement: Supplement to the Bibliography. 1971.

Colonization and Settlement: Supplement to the Bibliography. 1974.

Colonization and Settlement: Supplement to the Bibliography. 1977.

Theses

Bleider, James. "Social change in Reyes, Bolivia." Prepared for U.S. Department of Agriculture Graduate School. March 21, 1962.

Buechler, Hans C. "Agrarian Reform and Migration on the Bolivian Altiplano." Ph.D. Thesis, Columbia University, 1966.

Burke, Melvin. "An Analysis of the Bolivian Land Reform by Means of a Comparison Between Peruvian Haciendas and Bolivian Ex-haciendas." Ph.D. Thesis, University of Pittsburgh, 1967.

Camacho Saa, Carlos. "Minifundio, Productivity, and Land Reform in Cochabamba." Ph.D. Thesis, Wisconsin University, 1966.

Carballo, Manuel. "Agrarian Reform in Bolivia." Senior Thesis, Woodrow Wilson School of Public and International Affairs, Princeton University, 1963.

Clark, Evelyn K. "Agrarian Reform and Developmental Change in Parotani, Bolivia." Ph.D. Thesis, Indiana University, 1970.

Epp, Mark J. "Establishing New Agricultural Communities in the Tropical Lowlands: the San Julian Project." M.A. Thesis, Cornell University, 1975.

Gómez D'Angelo, Walter. "Mining in the Economic Development of Bolivia 1900-1970." Ph.D. Thesis, Vanderbilt University, 1973.

Henkel, Ray. "The Chapare of Bolivia: A Study of Tropical Agriculture in Transition." Ph.D. Thesis, Wisconsin Univérsity, 1971.

Hess, David W. "Pioneering in San Julian: A Study of Adaptive Strategy Formation by Migrant Farmers in Eastern Bolivia." Ph.D. Thesis, University of Pittsburgh, 1979.

Heyduk, Daniel. "Huayrapampa: Bolivian Highland Peasants and the New Social Order." Ph.D. Thesis, Cornell University, 1971.

Hiraoka, Mario. Pioneer Settlement in Eastern Bolivia. Ph.D. Thesis, Wisconsin University, Milwaukee, 1974.

Patch, Richard W. "Social Implications of the Bolivian Agrarian Reform." Ph.D. Thesis, Cornell University, 1956.

Peinado Sotomayor, Marcelo. "Land Reform in Three Communities of Cochabamba, Bolivia." Ph.D. Thesis, Wisconsin University, 1969.

Thompson, Stephen I. "San Juan de Yapacani: A Japanese Pioneer Community in Eastern Bolivia." Ph.D. Thesis, Illinois University, 1970.

Wessel, Kelso. "An Economic Assessment of Pioneer Settlement in the Bolivian Lowlands." Ph.D. Thesis, Cornell University, 1968.

United Nations Sources

Economic Commission for Latin America. Development of Agriculture in Bolivia. Mexico, 1951.

Food and Agriculture Organization. Agriculture in the Altiplano of Bolivia. Prepared by H.B. Dion, Washington, D.C., 1950.

International Labor Organization. The Andean Programme: Human Beings Working Together. Geneva, 1958.

Technical Assistance Administration. Report of the Technical Assistance Mission to Bolivia. Prepared by H.L. Keenleyside, New York; 1951.

United States Government Sources

U.S. Agency for International Development. Point Four, What It Is and How It Operates. July 1951. (DIC)

_____. "Report of Santa Cruz Area Development Mission." September 1954. (LCH)

_____. Field Proposed Program for FY 1963, Bolivia. December 1961. (DIC)

_____. "Highway Program Review for Development." Prepared by Charles M. Upham Associates Inc., December 14, 1962. (LCH)

_____. Country Assistance Program, Bolivia, Part II, FY 1966. October 1964. (DIC)

_____. Bolivia, Framework and Strategy, FY 1966/67. June 1965. (DIC)

_____. Country Assistance Program, FY 1967, Bolivia, Part I & II. September 1965. (DIC)

_____. "Title IX - Utilization of Democratic Institutions in Development." AIDTO Circular LA51, October 4, 1966. (DIC)

_____. Country Assistance Program, FY 1968, Bolivia, Part II. October 1966. (DIC)

_____. "Promotion and Utilization of Democratic Institutions for Development." AIDTO Circular 1063, November 8, 1966. (DIC)

_____. "Title IX." AIDTO Circular LA 150, March 24, 1967. (DIC)

_____. "Promotion and Utilization of Democratic Institutions for Development." AIDTO Circular LA 161, April 14, 1967. (DIC)

_____. "Promotion of Democratic Institutions for Development." AIDTO Circular A-220, May 24, 1967. (DIC)

_____. Bolivia, FY 69 Program Memorandum. June 1967. (DIC)

_____. Project Budget Submission, FY 1969, Bolivia. September 1967. (DIC)

_____. Reference Digest on Title IX. Prepared by Title IX Division of the Office of Program and Policy Coordination, January 9, 1968. (DIC)

_____. Bolivia, Community Development Loan. AID-DLCLP-717. May 31, 1968. (LCH)

_____. Project Budget Submission, FY 1970, Bolivia. August 1968. (DIC)

_____. Primer on Title IX. 1968. (DIC)

_____ "Identification of Opportunities for Social and Civic Development: Agrarian Reform in Bolivia." Prepared by International Development Foundation, Inc., September 18, 1969. (LCH)

_____. Project Budget Submission, FY 1971, Bolivia. August 1969. (DIC)

_____. Participative Aspects of Community Level Programs. 1969. (DIC)

_____. Identification of Opportunities for Social and Civic Development: The Bolivian National Community Development Program. Prepared by International Development Foundation, Inc. 1969. (DIC)

_____. "Land Reform in Bolivia." Prepared by Ronald J. Clark. In AID's Spring Review of Land Reform, Land Reform in Bolivia, Ecuador, Peru. 2nd ed., Vol. 6. June 1970. (DIC)

_____. Increasing Participation in Development. September 27, 1970. (DIC)

_____. A.I.D. Economic Data Book: Latin America. Prepared by the Bureau for Program and Policy Coordination, Office of Statistics and Reports, July 1971. (DIC)

_____. Economic and Social Indicators: 18 Latin American Countries, 1960-1970. Prepared by Office of Development Programs, Latin American Bureau, 1971. (DIC)

_____. Capital Assistance Paper - Bolivia, Rural Community Development. AID-DLC/P-1031. June 6, 1972. (LCH)

_____. "A Review of Small Farmer Credit in Bolivia." Prepared by Tom C. Royden. In AID's Spring Review of Small Farmer Credit, Small Farmer Credit in South America, Vol. 3. August 1972. (DIC)

_____. Communications, Handbook 21, Part III, "Records Filing and Desposition Manual." February 20, 1975. (DIC)

_____. Agriculture - Bolivia, Analytical Working Document #19, Analysis of Food Production Relative to Nutritional Requirements in Bolivia. Prepared by Richard Sutter and James Doster, March 1975. (LCH)

_____. Bolivia, Rural Education I. AID-DLC/P-1220. September 18, 1975.

_____. Development Assistance Program, FY 1975, Bolivia. November 1973. (DIC)

_____. "Appraisal of the U.S. Economic Assistance Program in Bolivia." September 11, 1976. (LCH)

_____. Project Paper, Bolivia, Rural Sanitation. AID-DLC/P-2220. March 17, 1977. (LCH)

_____. Annual Budget Submission, FY 1980, Bolivia. May 1978. (DIC)

_____. "Evolution of the Basic Human Needs Concept." March 1979. (LCH)

_____. "A Final Report Bilingual Education Grant Project Development Bolivia." AID/SOD/PDC-C-0193. Prepared by Development Associates, Inc., December 10, 1979. (DIC)

_____. Audit Report Agricultural Sector USAID/Bolivia. No. 1-511-80-10. Prepared by Area Auditor General, Latin America. May 27, 1980. (LCH)

_____. History of U.S. Economic Assistance to Bolivia 1942-1980. Prepared by Margaret Kranz, May 28, 1980.

USAID Mission to Bolivia. "End of Tour Report." Prepared by Lovard W. Davis. April 1960. (LCH)

_____. Point IV in Bolivia, 1942-1960. December 1960. (LCH)

_____. "Survey of the Food Industry in Bolivia." Prepared by G.B. Fehmerling, 1961. (LCH)

_____. "Economic and Policy Implications of Bolivia's Ten-Year Development Plan." Prepared by Louis J. Walinski, 1962. (LCH)

_____. "Datos Estadísticos del Departamento de Santa Cruz." 1962. (LCH)

_____. "Higher Education in Bolivia." Prepared by William L. Irvine and Hubert W. Burns, June 29, 1963. (LCH)

_____. "Some Observations with Respect to Agricultural Extension in Bolivia." Prepared by Isabel Kelly, 1953. (LCH)

_____. "Alpaca, Llama, and Wool Processing and Marketing in Bolivia." Prepared by Stokes Brothers and Company, 1963. (LCH)

_____. Project Agreement Assistance to Okinawan Colonies Sub-Project B. Road Construction. 511-13-810-416. April 24, 1964. (LCH)

_____. "Agriculture and Rural Development in Bolivia." Prepared by a team consisting of members of USAID Bolivia, Department of Agriculture, and Associations of State Universities and Land Grant Colleges, April 13-June 9, 1964. (LCH)

_____. Project Agreement: Alto Beni Development. 511-15-810-195. June 24, 1964. (LCH)

_____. "U.S. Assistance to Bolivia Under the Alliance for Progress." November 30, 1964. (LCH)

_____. "Alianza Para El Progreso en Bolivia. Cuarto Aniversario." 1964. (LCH)

_____. "Task Force Report on the Bolivian Agriculture Program." April 1965. (LCH)

_____. Audit Report No. 66-1 on Servicio Agricola Interamericano (SAI). Prepared by USAID Controllers Office, July 19, 1965. (LCH)

_____. "Survey of the Fruit Culture Potential in the Cochabamba Valley." Prepared by J. Clark Ballard, Devere R. McAllister, and Jaime Sejas, November 1965. (LCH)

_____. Un Transplante Humano El Projecto de Colonización 'Alto Beni' de Bolivia. 1965. (LCH)

_____. "Bolivian Wool: A Source of National Wool." Prepared by John P. Haines, Lloyd E. Jacobs, Darrell H. Mathews, and N. Keith Roberts, January 1966. (LCH)

_____. "An Agronomic Survey of the Possibilities for Increasing Wheat Production in Bolivia." Prepared by Wade G. Dewey and Devere R. McAllister, February 1966. (LCH)

_____. "Marketing of Bolivian Wool Fibers and Products." Prepared by Edmund Faison, March 1966. (LCH)

_____. "Analyis of the Wheat and Flour Business in Bolivia." Prepared by Wade G. Dewey, B. Delworth Gardner, and Devere R. McAllister, May 1966. (LCH)

_____. Social-Economic Comparison of Eight Agricultural Communities in the Oriente and the Altiplano. Prepared by Kelso Wessel, June 1966. (LCH)

_____. "Rational for Calculating Break-Even Prices for Bolivia's Wool, Hair or Hide Industries." Prepared by Keith Roberts, June 1966. (LCH)

_____. "End of Tour Report." Prepared by C. David Anderson, TOAID, A79. August 4, 1966. (LCH)

_____. "One Year in Bolivia: A Progress Report, Utah State University Contract." October 1966. (LCH)

_____. "Internal Memorandum Dealing with Agricultural Sector Analysis." 1966. (LCH)

_____. "Memoranda on Agricultural Sector Project." 1966. (LCH)

_____. "Distribution of U.S. AID Assistance by Sectors." Prepared by Alvaro García, April 26, 1967. (LCH)

_____. "Report and Recommendations on Agricultural and Cooperative Development in Bolivia." Prepared by John M. Ekland, May 19, 1967. (LCH)

_____. "Rural Development in Bolivia, 1966-1967, An Analysis of Some of Its Major Aspects." Prepared by Seymour Rotter, Evaluation Officer, June 1967.

_____. "End of Tour Report." Prepared by Keith Roberts, September 6, 1967. (LCH)

_____. "End of Tour Report." Prepared by William H. Barbee. December 20, 1967. (LCH)

_____. "Problems Which Obstruct the Process of Title Distribution Under the Bolivian Agrarian Reform." Prepared by Joseph R. Thome, 1967. (LCH)

_____. "The Agricultural Bank." Prepared by Peter E.W. Benedict. February 1968. (LCH)

_____. Audit Report No. 68-11 on Community Development Program. Prepared by USAID Controllers Office, April 19, 1968. (LCH)

_____. "Bolivia Wheat and Flour Production Versus Importation: Once Again." Prepared by Melvin Burke, November 1968. (LCH)

_____. "Prospects for a Successful Wheat Program in Bolivia." Prepared by Deworth B. Gardner. 1968. (LCH)

_____. Community Development Loan, Local Currency. 1968. (LCH)

_____. A Pilot Study of Community Health Development in Bolivia. Prepared by Martin D. Keller, Ohio State University, 1968. (LCH)

_____. "First National Wheat Congress." TOAID A30. January 28, 1969. (LCH)

_____. Noncapital Project Paper-Agrarian Reform Project. 511-11-190-364.4. TOAID-A177. May 26, 1969. (LCH)

_____. "Bolivia, Eight Years Under the Alliance." July 1969. (LCH)

_____. Noncapital Project Paper - Community Development Project. 511-11-190-364.3. TOAID A-315. September 17, 1969. (LCH)

_____. Noncapital Project Paper - Sheep, Llama, Alpaca Production and Marketing Project. 511-11-130-364.2. TOAID A-199. June 13, 1969. (LCH)

_____. "Memorandum for the L.A. Capital Assistance Executive Committee: Bolivia IRR, Agrarian Reform Project." 511-11/21-120-666. 1969.

_____. "End of Tour Report." Prepared by Charles C. Brady. Department of State Airgram, La Paz TOAID A-134. March 13, 1970.

_____. Preliminary Historical Review of the Rural Development Division. December 1970.

_____. A Reevaluation of the Wheat Program After Two Years." Prepared by Delworth B. Gardner, 1970. (LCH)

_____. Education in Bolivia: A Sector Analysis. 1971. (LCH)

_____. "Evaluation of Bolivian National Community Development Service." Prepared by Richard G. Frederick and John B. O'Donnell, February 12, 1972. (LCH)

_____. "A Review of Small Farmer Credit in Bolivia." Prepared by Thomas C. Royden, 1972. (LCH)

_____. Agricultural Development in Bolivia: A Sector Assessment. August 1974. (LCH)

_____. Health Sector Assessment. January 1975. (DIC)

_____. "A Report of the National Community Development Service of Bolivia." Prepared by John Hatch and Aquiles Lanso Flores of Development Alternatives Inc., June 6, 1975. (DIC)

_____. "Evaluation of the Training Component of the Servicio Nacional de Desarrollo de la Comunidad." Prepared by Mel Buschman and Manfred Thullen, June 1975. (LCH)

_____. Education in Bolivia: A Preliminary Sector Analysis. July 1975. (LCH)

_____. "The Credit Financing of NCDS Rural Development Projects: Potential Problem Areas and Proposed Solutions." Prepared by Charles T. Owen, September 10, 1975. (LCH)

_____. Bolivian Nutrition Sector Assessment. 1976. (LCH)

_____. Agricultural Credit Flows and Use in Bolivia. Prepared by Jerry Ladman, Ronald Tinnermeier, and Issac Torrico. March 15, 1977. (LCH)

_____. USAID/Bolivia Development Assistance Plan. March 1978. (LCH)

Comptroller General (GAO). "Report to Congress, Bolivia - An Assessment of U.S. Policies and Programs." January 30, 1975.

U.S. Department of Agriculture. Bolivian Agriculture: Its Problems, Programs, Priorities, and Possibilities. Prepared by Stanley Andrews, D.C. Myrick and Glenn R. Samson, August 1962. (LCH)

_____. "A Survey of Crop and Livestock Marketing in Bolivia." Prepared by Clarence Zuvekas, Jr., September 1977. (LCH)

_____. "Technological Change in Bolivian Agriculture: A Survey." Prepared by Clarence Zuvekas, Jr., September 1977. (LCH)

U.S. Department of Defense. Bolivia, Nutrition Survey, A Report by the Interdepartmental Committee on Nutrition for National Defense. June 1965. (DIC)

U.S. Department of State. Report of the United States Economic Mission to Bolivia. Submitted by Merwin L. Bohan, August 15, 1942. (DSL)

_____. Report to the President - United States Latin American Relations. Prepared by Milton S. Eisenhower, Special Ambassador, November 18, 1953. (DSL)

_____. "Declaration to the Peoples of America." The Department of State,. Bulletin 45 (September 11, 1961): 462-3. (DSL)

_____. Foreign Relations of the United States 1941. Vol. 6. Washington, D.C., 1963. (DSL)

U.S. National Research Council, Food and Nutrition Board. Recommended Dietary Allowances. No. 589. Washington, D.C., 1958.

U.S. Peace Corps. A Volunteer on Bolivia's Altiplano. Prepared by Andrew Cohen, 1967. (LCH)

_____. "Final Report and Evaluation, Bolivia Tuberculosis Control Program." Prepared by Alex Edelstein, David Danielson and James Fritts of the University of Washington, December 1967. (LCH)

U.S. Congress. Foreign Assistance Act of 1961.

_____. Foreign Assistance Act of 1961 as Amended in 1962..

_____. Foreign Assistance Act of 1966.

_____. House Report 1651, Utilization of Democratic Institutions in Development. 1966.

_____. "New Directions" in Development Assistance: Implemenation in Four Latin American Countries. Report of a Staff Survey Mission to Colombia, Bolivia, Guatemala and the Dominican Republic to Committee on International Relations, House Representatives, August 1, 1975.

Oral Interviews

Charles C. Brady, Chief of the USAID Advisory Group to the NCDS, interview held La Paz, 1968.

Peter Kolar, Program Officer, USAID Mission to Bolivia 1968-1971, interview held Washington, D.C., February 1981.

Martin Stoller, Marketing Advisor, Latin American Bureau, AID, 1964-1968, interview held Bethesda, Maryland, September, 1981.

Irvin Tragen, Mission Director to Bolivia 1965-1968, interview held Washington, D.C., January 1982.